



SINCE 1904

COTY INC.

350 Fifth Avenue  
New York, New York, 10118 U.S.A.

## PROSPECTUS

Prospectus published in connection with the admission of the Class A Common Stock of Coty Inc. (the "**Company**") with a nominal value of US\$0.01 per share (the "**Class A Common Stock**") to Listing and Trading on the Professional Segment (*Compartiment Professionnel*) of the regulated market of Euronext Paris, including 33,000,000 shares of Class A Common Stock (the "**Offered Class A Common Stock**") issued by the Company pursuant to a global offering (the "**Global Offering**") in the amount of US\$356,400,000 (or €339,137,882, based on an exchange rate of US\$1.05090 per Euro (the "**Applicable USD-EUR Exchange Rate**") registered under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "**Securities Act**"). The Global Offering is being made by means of a prospectus supplement, dated 25 September 2023 (the "**Prospectus Supplement**") filed with the U.S. Securities and Exchange Commission (the "**SEC**") and not by this Prospectus. The Global Offering is made to the public in the United States and on a private placement basis outside of the United States including in the European Economic Area to qualified investors ("**Qualified Investors**") as defined in Article 2(e) of Regulation (EU) N° 2017/1129 of 14 June 2017 (as amended, the "**Prospectus Regulation**"). This Prospectus is not an offer to sell or a solicitation of an offer to buy any securities offered in the Global Offering.



This prospectus (the "**Prospectus**") has been approved by the AMF in its capacity as competent authority under Regulation (EU) 2017/1129, as amended. The AMF approves this Prospectus after having verified that the information in this Prospectus is complete, consistent and understandable within the meaning of Regulation (EU) 2017/1129, as amended.

This approval should not be considered as a favourable opinion on the issuer and on the quality of the financial securities covered by this Prospectus. Investors are invited to make their own assessment as to the advisability of investing in the financial securities concerned.

This Prospectus was approved on 28 September 2023 and is valid until the settlement and delivery of the Offered Class A Common Stock, i.e. until 2 October 2023. This Prospectus shall bear the following approval number: 23-412.

This Prospectus has been prepared specifically in the English language in accordance with Article 212-12-I of the AMF General Regulations (*Règlement général de l'AMF*). Copies of this Prospectus may be obtained free of charge from Coty Inc. at the address indicated above, from its paying agent, Uptevia (Postal Address: 89-91 Rue Gabriel Péri, 92120 Montrouge, France) and on the websites of Coty Inc. ([www.coty.com](http://www.coty.com)) and the AMF ([www.amf-france.org](http://www.amf-france.org)). The information on these websites is not part of this Prospectus. Coty Inc. does not intend to incorporate the information on or accessible through its website into this Prospectus, and you should not consider any information on, or that can be accessed through, that website as part of this Prospectus.

BANCO  
SANTANDER

BNP PARIBAS

CITIGROUP

CRÉDIT AGRICOLE  
CORPORATE AND  
INVESTMENT BANK

## NOTE TO THE PROSPECTUS

This Prospectus is published solely in connection with the admission of Coty's Class A Common Stock (which includes the Offered Class A Common Stock) to listing and trading on the Professional Segment (*Compartment Professionnel*) of Euronext Paris. This Prospectus is not published in connection with and does not constitute an offer to the public.

As of 21 September 2023, the Company's share capital consists of 924,451,854 shares of Class A Common Stock issued (of which 66,459,162 shares of Class A Common Stock are held in treasury such that 857,992,692 shares of Class A Common Stock are outstanding), 1,000,000 shares of Series A Preferred Stock issued and outstanding and 146,057 shares of Convertible Series B Preferred Stock issued and outstanding. Based on the Company's share capital as of 21 September 2023, immediately following completion of the Global Offering (as described below), the issued share capital of the Company will consist of 957,451,854 shares of Class A Common Stock issued and 890,992,692 shares of Class A Common Stock outstanding, 1,000,000 shares of Series A Preferred Stock issued and outstanding and 146,057 shares of Convertible Series B Preferred Stock issued and outstanding.

In June 2013, certain existing shareholders of Coty offered and sold 57,142,857 shares of Class A Common Stock, at a price of US\$17.50 per share, in the Company's initial public offering registered with the SEC in the United States. Coty's Class A Common Stock is listed on the New York Stock Exchange ("NYSE") and currently trades under the symbol "COTY".

On 1 October 2016, the Company consummated its acquisition of certain assets and liabilities related to The Procter & Gamble Company's ("P&G") global fine fragrances, salon professional, cosmetics and retail hair colour businesses, along with select hair styling brands (the "P&G Transaction"). Pursuant to the terms of the transaction agreement related to the P&G Transaction, the Company issued approximately 409,726,299 shares of Class A Common Stock to the former holders of P&G's common stock, together with cash in lieu of fractional shares.

The Class A Common Stock admitted to listing and trading on the Professional Segment (*Compartment Professionnel*) of Euronext Paris includes the Offered Class A Common Stock issued by the Company pursuant to the Global Offering, which is made via a global offering registered under the Securities Act, made to the public in the United States and on a private placement basis outside of the United States including in the European Economic Area to Qualified Investors.

The dual-listing of the Company's Class A Common Stock on Euronext Paris is intended to promote additional liquidity for investors and provide greater access to the Class A Common Stock among investors in Europe who may be required to invest in Eurozone markets or in certain currencies only.

***No public offering of the Class A Common Stock has been, or is intended to be, conducted in France or in any other jurisdiction outside of the United States.***

The distribution of this prospectus in certain jurisdictions may be restricted by law, and therefore persons into whose possession this Prospectus comes should inform themselves of and observe any such restrictions.

This Prospectus contains forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause Coty's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. A prospective investor should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond Coty's control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed in the section entitled "*Risk Factors*" and elsewhere in this Prospectus, as well as in Item 1A entitled "*Risks Factors*" of Coty's 2023 Form 10-K (as defined below). The forward-looking statements in this Prospectus represent Coty's views as of 26 September 2023. Coty anticipates that subsequent events and developments may cause its views to change. However, while Coty may elect to update these forward-looking statements in the future, Coty does not undertake and has no current intention of doing so except to the extent required by applicable law. Therefore, these forward-looking statements do not represent Coty's views as of any date other than 26 September 2023.

The information contained in this Prospectus is intended to enable and, as the case may be, restore in all material respects and to the extent necessary, the equality of access for all shareholders and investors to the information regarding the issuer.

This Prospectus, which contains material information concerning Coty, was prepared in accordance with Articles 211-1 to 214-1 of the AMF General Regulation. As required by Article 13 of the Prospectus Regulation as supplemented by Delegated Regulations (EU) N° 2019/980 of 14 March 2019 and N° 2019/979 of 14 March 2019, this Prospectus is comprised of the following parts in the following order:

- 1) a table of contents;
- 2) the cross-reference lists stipulated in Article 24.5 of Delegated Regulation (EU) N° 2019/980 of 14 March 2019 presenting the information in the order stipulated in Annexes 1 and 11 of Delegated Regulation (EU) N° 2019/980 of 14 March 2019 which, by application of Articles 2 and 12 thereof, are required for this transaction;
- 3) the summary provided for in Article 7 of the Prospectus Regulation (Part II constitutes the prospectus summary);
- 4) risk factors specific to Coty and its securities referred to in Article 16 of the Prospectus Regulation; and
- 5) supplemental information concerning Coty and its business that is required pursuant to Article 24.1(d) of Delegated Regulation (EU) N° 2019/980 of 14 March 2019.

For a better understanding of the summary of this Prospectus in Part II, the reader should read the entire Prospectus, including Part IV: Supplemental Information concerning Coty, on pages 63 to 97.

This Prospectus consists of Parts I to IV. Further, the prospectus contains the following documents:

- the Form 10-K (file # 001-35964) filed with the SEC on 22 August 2023, with regard to the submission of Coty's annual report pursuant to the Securities Act for the fiscal year ended 30 June 2023 ("**Coty's 2023 Form 10-K**") (see Exhibit I); and
- Coty's Proxy Statement pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended, dated 21 September 2023 (see Exhibit II).

When used in this Prospectus, the terms "company", "we", "us", "our", "our company", "Company", "Coty" mean Coty Inc. and its subsidiaries (if applicable).

## IMPORTANT INFORMATION

**The Company is responsible for the information contained in this Prospectus. The Company has not authorised anyone to provide the investors with information that is different from the information contained in this Prospectus. The information in this Prospectus may only be accurate as of the date of this document.**

If this Prospectus is delivered or any Offered Class A Common Stock is sold at any time following the date of this Prospectus, the information contained in this Prospectus may no longer be correct and the Company's business and/or results of operations may have changed. The delivery of this Prospectus does not at any time or under any circumstances imply that the information contained herein is correct as of any date subsequent to the date of this Prospectus. In particular, neither the delivery of this Prospectus nor the offering, sale and delivery of any Offered Class A Common Stock in the Global Offering shall create under any circumstances any implication that there has been no change in the condition (financial or otherwise) of the Company since the date of this Prospectus or any such other date.

If any information is given or any representations are made in connection with the Global Offering, they must not be relied upon as having been authorised by the Company, any of the Joint Global Coordinators and Joint Bookrunners (as defined below) or any other person.

The information contained in this Prospectus has been furnished by the Company and has been derived from sources it believes to be reliable. No representation or warranty, express or implied, is made by the Joint Global Coordinators and Joint Bookrunners (as defined below) or any of their affiliates or advisors or any of their representatives as to the accuracy or completeness of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation, whether as to the past or the future. The Joint Global Coordinators and Joint Bookrunners (as defined below) assume no responsibility for its accuracy, completeness or verification and accordingly disclaims, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this document or any such statement. BNP Paribas ("**BNP**"), who acted as Joint Global Coordinator and Joint Bookrunner (as defined below), is authorised and regulated by the European Central Bank ("**ECB**"), the *Autorité de Contrôle Prudentiel* ("**ACP**") and the AMF. BNP is a stock corporation (*société anonyme*) incorporated with limited liability in the Republic of France, with its head office at 16 Boulevard des Italiens 75009 Paris, registered under SIREN number 662 042 449. Citigroup Global Markets Europe AG authorised and regulated by the ECB and the Bundesanstalt für Finanzdienstleistungsaufsicht, and Citigroup Global Markets Inc., a FINRA member firm (collectively "**Citigroup**") acted as Joint Global Coordinator and Joint Bookrunner (as defined below). Citigroup Global Markets Europe AG is a stock corporation incorporated with limited liability in the Federal Republic of Germany, with its head office located at Reuterweg 16, 60323 Frankfurt am Main, Germany, where it is registered under number HRB 88301. Citigroup Global Markets Inc. is a corporation regulated by the laws of the state of New York, with its head office at 388 Greenwich Street, New York, New York 10013, USA. Crédit Agricole Corporate and Investment Bank ("**CACIB**"), who acted as Joint Global Coordinator and Joint Bookrunner (as defined below) is a credit institution approved in France and authorised to conduct all banking operations and provide all investment and related services referred to in the French Monetary and Financial Code (*Code Monétaire et Financier*). In this respect, CACIB is subject to oversight of the French Regulatory and Resolution Supervisory Authority (*Autorité de contrôle prudentiel et de résolution*). CACIB is a stock corporation (*société anonyme*) incorporated with limited liability in the Republic of France, with its head office at 12 Place des Etats Unis, CS 70052, 92547 Montrouge Cedex (France), and registered under SIREN number 304 187 701. Banco Santander S.A. ("**Santander**") who acted as Joint Global Coordinator and Joint Bookrunner (as defined below) is regulated by the Bank of Spain and the Spanish Securities Market Commission. Santander is a Spanish public limited company, incorporated under the laws of Spain, having its registered office at Paseo de Pereda 9-12, 39004 Santander, Spain, with registration number A-3900001. BNP, Citigroup, CACIB, and Santander (together the "**Joint Global Coordinators and Joint Bookrunners**" and also the "**Underwriters**") acted exclusively for the Company and no one else in connection with the Global Offering. They will not regard any other person as their client in relation to the Global Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their clients or for providing advice in connection with the Global Offering, this Prospectus or any other matter.

The distribution of this Prospectus and the offering and sale of Offered Class A Common Stock in certain jurisdictions may be restricted by law. This Prospectus may not be used for or in connection with and does not constitute any offer to sell, or solicitation of an offer to purchase, by anyone in any jurisdiction in which it is unlawful to make such an offer or solicitation. Persons into whose possession this Prospectus may come are required by the Company and the Joint Global Coordinators and Joint Bookrunners to inform themselves about and to observe all such restrictions. None of the Company, the Joint Global Coordinators and Joint Bookrunners or any of their affiliates nor any of their respective representatives and advisors accepts any responsibility for any violation by any person, whether or not it was a prospective purchaser of Offered Class A Common Stock in the Global Offering, of any such restrictions. For a description of these and certain further restrictions on offers, sales and transfers of the Offered Class A Common Stock and the distribution of the Prospectus, see sections entitled “*Note to Investors*”.

This Prospectus has been prepared solely for use in connection with the admission to listing and trading on the Professional Segment (*Compartiment Professionnel*) of the regulated market of Euronext Paris of the Class A Common Stock (which includes the Offered Class A Common Stock).

Prospective investors are urged to carefully review and consider the various disclosures made by the Company in this Prospectus, which describe the factors that may affect the Company’s results of operations, financial condition and prospects, in particular the disclosures made under Part III entitled “*Risk Factors*”. In addition, prospective investors are cautioned that this Prospectus includes prospective information and forward-looking statements, which may not materialise and should therefore be evaluated in light of their inherent uncertainty.

## NOTE TO INVESTORS

This Prospectus is published solely in connection with the admission of Coty's Class A Common Stock (which includes the Offered Class A Common Stock) to listing and trading on the Professional Segment (*Compartiment Professionnel*) of Euronext Paris. This Prospectus is not published in connection with and does not constitute an offer to the public.

The Class A Common Stock admitted to listing and trading on the Professional Segment (*Compartiment Professionnel*) of Euronext Paris includes the Offered Class A Common Stock issued by the Company pursuant to the Global Offering. The Global Offering is made via an SEC-registered public offering in the United States and a private placement to Qualified Investors outside the United States pursuant to the Prospectus Supplement, dated 25 September 2023, filed with the SEC and not by means of this Prospectus.

This Prospectus is not an offer to sell or a solicitation of an offer to buy any securities offered in the Global Offering.

References to "investors", "prospective investors" or similar terms in this section should be interpreted accordingly.

As from the 28 September 2023 and pursuant to Article 516-6 of the AMF General Regulations (*Règlement général de l'AMF*), an investor other than a Qualified Investor, may not purchase the Company's securities which are traded on the Professional Segment (*Compartiment Professionnel*) of the regulated market of Euronext Paris referred to in Article 516-5 of the AMF General Regulations (*Règlement général de l'AMF*) unless such investor takes the initiative to do so and has been duly informed by its investment services provider (*prestataire de services d'investissement*) about the characteristics of the Professional Segment (*Compartiment Professionnel*) of the regulated market of Euronext Paris.

## NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Prospectus has been prepared solely for use in connection with the admission to listing and trading on the Professional Segment (*Compartiment Professionnel*) of the regulated market of Euronext Paris of the Class A Common Stock (which includes the Offered Class A Common Stock) and therefore this Prospectus has not been prepared in the context of an offer of financial securities to the public in the European Economic Area within the meaning of Article 2(d) of Prospectus Regulation.

Investors are informed that this Prospectus has been approved by the AMF under no. 23-412 on 28 September 2023.

## NOTICE TO INVESTORS IN THE UNITED KINGDOM

No Offered Class A Common Stock has been offered or will be offered to the public in the United Kingdom prior to the publication of a prospectus in relation to the Offered Class A Common Stock that has been approved by the Financial Conduct Authority, except that offers of Offered Class A Common Stock may be made to the public in the United Kingdom at any time:

- a) to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation ("**UK Qualified Investors**");
- b) to fewer than 150 natural or legal persons (other than UK Qualified Investors), subject to obtaining the prior consent of the Joint Global Coordinators and Joint Bookrunners for any such offer; or
- c) in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**"),

provided that no such offer of the Offered Class A Common Stock shall require the Company or any of the Joint Global Coordinators and Joint Bookrunners to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “**offer to the public**” in relation to any Offered Class A Common Stock in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Offered Class A Common Stock to be offered so as to enable an investor to decide to purchase or subscribe for any Offered Class A Common Stock and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.

In addition, in the United Kingdom, the Offered Class A Common Stock was only offered to UK Qualified Investors who: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”), (ii) are high net worth entities or other persons falling within Article 49(2)(a) to (d) of the Order or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) may otherwise be lawfully communicated or caused to be communicated (all such persons above together being referred to as “Relevant Persons”).

This document must not be acted upon or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this document refers will be available only to Relevant Persons and will be engaged in only with such persons. You are deemed to represent and agree that you are a Relevant Person.

## **NOTICE TO INVESTORS IN SWITZERLAND**

This Prospectus is only being distributed to, and is only directed at, persons in Switzerland that are professional clients within the meaning of Article 4(3) of the Financial Services Act of 15 June 2018 (SR 950.1) (“**FinSA**”). The offering in Switzerland of the Offered Class A Common Stock is exempt from the requirement to prepare and publish a prospectus under the FinSA because such offering is made to professional clients within the meaning of the FinSA only and the Class A Common Stock will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Offered Class A Common Stock constitutes a prospectus pursuant to the FinSA nor has it been approved by a Swiss reviewing body, and no such prospectus has been or will be prepared for or in connection with the offering of Offered Class A Common Stock. Therefore, this Prospectus may not comply with the disclosure standards of the FinSA or the listing rules (including any additional listing rules or prospectus schemes) of the SIX Swiss Exchange or any other exchange in Switzerland. Accordingly, the Offered Class A Common Stock may not be offered to the public in or from Switzerland, but only to professional clients within the meaning of Article 4(3) of the FinSA. Any such professional clients may be individually approached by the Underwriters from time to time.

## **NOTICE TO INVESTORS IN THE UNITED STATES**

The offer and sale of the Offered Class A Common Stock in the Global Offering have been registered under the Securities Act pursuant to a registration statement on Form S-3 and are made via a separate prospectus supplement thereunder. Neither the SEC nor any state securities commission has approved or disapproved the securities described herein or determined if such prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

## **NOTICE TO INVESTORS IN CANADA**

The Offered Class A Common Stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Offered Class A Common Stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws. In addition, such resale may only be effected by a person not required to register as a dealer under Canadian securities laws or through a dealer that is appropriately registered or exempt from registration in the jurisdiction of the sale.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a

misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding conflicts of interest in connection with the Global Offering.

The Company and its respective directors and officers, as well as any experts named in this Prospectus, are or may be located outside of Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or those persons. All or a substantial portion of the assets of the Company or those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Company or those persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or those persons outside of Canada.

By purchasing the Offered Class A Common Stock, investors acknowledge that information such as their name and other specified information, including specific purchase details, will be disclosed to Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable laws. Prospective investors consent to the disclosure of that information.

Canadian purchasers of the Offered Class A Common Stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Offered Class A Common Stock in their particular circumstances and about the eligibility of the Offered Class A Common Stock for investment by the purchaser under relevant Canadian legislation.

Upon receipt of this document, each Québec investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language.

*Par la réception de ce document, chaque investisseur québécois confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais.*



## RESPONSIBILITY STATEMENT

### 1.1 Persons responsible for the Prospectus

Sue Nabi, Chief Executive Officer and Laurent Mercier, Chief Financial Officer

### 1.2 Declaration of the persons responsible for the Prospectus

*"We each hereby certify that the information contained in this Prospectus is, to the best of our knowledge, consistent with the facts and that it makes no omission likely to affect its import."*

/s/ Sue Nabi

**Sue Nabi**

Chief Executive Officer

28 September 2023

/s/ Laurent Mercier

**Laurent Mercier**

Chief Financial Officer

28 September 2023

<b>PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS</b>
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**TABLE OF CONTENT**

NOTE TO THE PROSPECTUS .....	ii
IMPORTANT INFORMATION.....	iv
NOTE TO INVESTORS.....	vi
RESPONSIBILITY STATEMENT .....	ix
<b>PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS .....</b>	<b>1</b>
TABLE OF CONTENT .....	1
CROSS-REFERENCE LIST – ANNEX 1 OF DELEGATED REGULATION (EU) 2019/980 .....	2
CROSS REFERENCE LIST – ANNEX 11 OF DELEGATED REGULATION (EU) 2019/980 .....	19
PART II – PROSPECTUS SUMMARY .....	28
SECTION A - INTRODUCTION, CONTAINING WARNINGS.....	28
SECTION B - KEY INFORMATION ON THE ISSUER .....	28
SECTION C - KEY INFORMATION ON THE SECURITIES .....	31
SECTION D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET AND THE GLOBAL OFFERING .....	32
<b>PART III – RISK FACTORS .....</b>	<b>35</b>
1. RISKS RELATED TO OUR INDUSTRY .....	39
2. RISKS RELATED TO OUR BUSINESS STRATEGY AND ORGANISATION ..	44
3. RISKS RELATED TO OUR BUSINESS OPERATIONS .....	48
4. RISKS RELATED TO OUR INDEBTEDNESS.....	53
5. RISKS RELATED TO MACROECONOMIC CONDITIONS AND MARKET RISKS .....	55
6. LEGAL AND REGULATORY RISKS.....	58
7. RISKS RELATED TO OWNERSHIP OF OUR COMMON STOCK .....	61
<b>PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC. ....</b>	<b>63</b>
1. RIGHTS RELATED TO THE REGISTERED SECURITIES .....	63
2. REASONS FOR THE OFFER AND USE OF PROCEEDS .....	66
3. TERMS AND CONDITIONS OF THE OFFER OF SECURITIES .....	67
4. STATEMENT OF CAPITALISATION AND INDEBTEDNESS .....	74
5. DIRECTORS AND EXECUTIVE OFFICERS.....	76
6. ORGANISATIONAL STRUCTURE .....	79
7. MATERIAL CONTRACTS .....	82
8. TAX CONSIDERATIONS .....	87
9. OTHER ADDITIONAL INFORMATION .....	96
10. DOCUMENTS ON DISPLAY .....	97
<b>PART V – EXHIBITS.....</b>	<b>98</b>
EXHIBIT I – Coty's 2023 Form 10-K .....	98
EXHIBIT II – Coty's 2023 Proxy Statement.....	272

## CROSS-REFERENCE LIST – ANNEX 1 OF DELEGATED REGULATION (EU) 2019/980

## REGISTRATION DOCUMENT FOR EQUITY SECURITIES

(Unless otherwise specified, page numbering refers to the page contained in the relevant document)

ITEM #:	ITEM CONTENTS	CHAPTER/ EXHIBIT	PAGE/SECTION
<b>1.</b>	<b>PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORT AND COMPETENT AUTHORITY APPROVAL</b>		
1.1	Identify all persons responsible for the information or any parts of it, given in the prospectus with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.	Prospectus	Page ix (1.1 Persons responsible for the Prospectus)
1.2	A declaration by those responsible for the prospectus that to the best of their knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import.  Where applicable, a declaration by those responsible for certain parts of the registration document that, to the best of their knowledge, the information contained in those parts of the prospectus for which they are responsible is in accordance with the facts and that those parts of the registration document make no omission likely to affect their import.	Prospectus	Page ix (1.2 Declaration of the persons responsible for the Prospectus)
1.3	Where a statement or report attributed to a person as an expert, is included in the registration document, provide the following details for that person: (a) name; (b) business address; (c) qualifications; (d) material interest if any in the issuer.  If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the prospectus with the consent of the person who has authorised the contents of that part of the prospectus.	N/A	N/A
1.4	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.	Exhibit I	Page 104 of the Prospectus (Industry, Ranking and Market Data)

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

1.5	A statement that: (a) the prospectus has been approved by the AMF, as competent authority under Regulation (EU) 2017/1129; (b) the AMF only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129; (c) such approval should not be considered as an endorsement of the issuer that is the subject of this prospectus.	Prospectus	Page i
<b>2.</b>	<b>STATUTORY AUDITORS</b>		
2.1	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	Exhibit I	Pages 176-177 of the Prospectus (Report of Independent Registered Public Accounting Firm)
2.2	If auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information, indicate details if material	N/A	N/A
<b>3.</b>	<b>RISK FACTORS</b>		
3.1	A description of the material risks that are specific to the issuer, in a limited number of categories, in a section headed 'Risk Factors'. In each category, the most material risks, in the assessment undertaken by the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence shall be set out first. The risks shall be corroborated by the content of the prospectus.	Prospectus Part II  Prospectus Part III  Exhibit I	Pages 30-31 (Section B – Key information on the issuer – What are the key risks that are specific to the issuer?)  Pages 35-60 (Risk Factors)  Pages 7-26 (Item 1A. Risk Factors)
<b>4.</b>	<b>INFORMATION ABOUT THE ISSUER</b>		
4.1	The legal and commercial name of the issuer	Prospectus  Prospectus Part II	Page i  Page 28 (Section A – Introduction, containing warnings – Identity and contact details of the issuer, including its legal entity identifier (LEI))
4.2	The place of registration of the issuer, its registration number and legal entity identifier ('LEI')	Prospectus Part II    Prospectus Part IV	Page 28 (Section B – Key information on the issuer – Domicile and legal form of Coty Inc., its LEI, legislation under which it operates and country of incorporation)  Page 96 (9.1 Incorporation and object of Coty)
4.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite	Prospectus Part IV	Page 96 (9.1 Incorporation and object of Coty)
4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office)	Prospectus  Prospectus Part II	Page i  Page 28 (Section B – Key information on the issuer – Domicile and legal form of Coty Inc., its LEI, legislation under

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.	Prospectus Part IV	which it operates and country of incorporation)  Page 96 (9.1 Incorporation and object of Coty)
		Exhibit I	Front Cover Page 7 (Availability of Reports)
<b>5.</b>	<b>BUSINESS OVERVIEW</b>		
<b>5.1</b>	<b>Principal Activities</b>		
5.1.1	A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information	Exhibit I	Pages 1-7 (Item 1. Business) F-9 (1. Description of Business)
5.1.2	An indication of any significant new products and/or services that have been introduced and to the extent the development of new products or services has been publicly disclosed, give the status of their development	Exhibit I	Page 5 (Item 1. Business – The Beauty of Our Product)
5.2	A description of the principal markets in which the issuer competes, including a breakdown of total revenues by operating segment and geographic market for each financial year for the period covered by the historical financial data	Exhibit I	Pages 2-3 (Item 1. Business – Distribution Channels and Retail Sales)  F-18 through F-19 (Notes to Consolidated Financial Statements – 5. Segment Reporting)
5.3	Important events in the development of the issuer's business	Exhibit I	Page 1 (Item 1. Business – Overview)
5.4	A description of the issuer's business and strategy and objectives, both financial and non-financial (if any). This description shall take into account the issuer's future challenges and prospects	Prospectus Part III  Exhibit I	Pages 44-48 (2. Risks related to our business strategy and organisation)  Page 1-7 (Item 1. Business)  Pages 13-16 (Item 1A. Risk Factors – Risks Related to our Business Strategy and Organization)
5.5	If material to the issuer's business or profitability, summary information regarding the extent to which the issuer is dependent, on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	Prospectus Part III  Exhibit I	Pages 40-44 (1. Risks related to our industry)  Page 3 (Item 1. Business – Innovation)  Page 4 (Item 1. Business – Intellectual Property)  Pages 11-13 (Item 1.A. Risk Factors – Risks related to our Business and Industry)
5.6	The basis for any statements made by the issuer regarding its competitive position	Prospectus Part III  Exhibit I	Pages 39-40 (1. Risks related to our industry)  Page 4 (Item 1. Business –

**PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS**

			Competition) Pages 9-10 (Item 1A. Risk Factors – Risks Related to our Business and Industry)
<b>5.7</b>	<b>Investments</b>		
5.7.1	A description, (including the amount) of the issuer's material investments for each financial year for the period covered by the historical financial information up to the date of the prospectus	Exhibit I	Pages 52-53 (Net cash (used in) provided by investing activities) F-3 (Consolidated Balance Sheets) F-7 through F-8 (Consolidated Statements of Cash Flows) F-17 through F-18 (Notes to Consolidated Financial Statements – 4. Business combinations, asset acquisitions and divestitures) F-26 through F-27 (Notes to Consolidated Financial Statements – 13. Equity investments)
5.7.2	A description of any material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external).	Exhibit I	Pages 52-53 (Net cash (used in) provided by investing activities) F-3 (Consolidated Balance Sheets) F-7 through F-8 (Consolidated Statement of Cash Flows) F-17 through F-18 (Notes to Consolidated Financial Statements – 4. Business combinations, asset acquisitions and divestitures) F-26 (Notes to Consolidated Financial Statements – 13. Equity investments)
5.7.3	Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.	Prospectus Part III  Exhibit I	Pages 46-47 (2. Risks related to our business strategy and organisation)  Pages 14-15 (Item 1A. Risk Factors) Pages 55-56 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Condition – Liquidity and Capital Resources – Equity Investment Risk) F-26 through F-27 (Notes to Consolidated Financial Statements – 13. Equity investments)
5.7.4	A description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets.	N/A	N/A

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

<b>6.</b>	<b>ORGANISATIONAL STRUCTURE</b>		
6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.	Prospectus Part IV	Pages 79-82 (6. Organisational Structure)
6.2	A list of the issuer's significant subsidiaries, including name, country of incorporation or residence, the proportion of ownership interest held and, if different, the proportion of voting power held.	Prospectus Part IV	Pages 79-82 (6. Organisational Structure)
<b>7.</b>	<b>OPERATING AND FINANCIAL REVIEW</b>		
<b>7.1</b>	<b>Financial condition</b>		
7.1.1	<p>To the extent not covered elsewhere in the prospectus and to the extent necessary for an understanding of the issuer's business as a whole, a fair review of the development and performance of the issuer's business and of its position for each year and interim period for which historical financial information is required, including the causes of material changes.</p> <p>The review shall be a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business.</p> <p>To the extent necessary for an understanding of the issuer's development, performance or position, the analysis shall include both financial and, where appropriate, non-financial Key Performance Indicators relevant to the particular business. The analysis shall, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.</p>	Exhibit I	<p>Pages 31-59 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations)</p> <p>F-9 through F-62 (Notes to Consolidated Financial Statements)</p>
7.1.2	<p>To the extent not covered elsewhere in the prospectus and to the extent necessary for an understanding of the issuer's business as a whole, the review shall also give an indication of:</p> <p>(a) the issuer's likely future development;</p> <p>(b) activities in the field of research and development.</p>	Exhibit I	Page 3 (Item 1. Business - Innovation)
<b>7.2</b>	<b>Operating Results</b>		
7.2.1	Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations and indicate the extent to which income was so affected.	<p>Prospectus Part III</p> <p>Exhibit I</p>	<p>Pages 35-62 (Risk Factors)</p> <p>Pages 7-27 (Item 1A. Risk Factors)</p> <p>Pages 31-59 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.)</p> <p>F-1 through S-1 (Consolidated Financial Statements)</p>
7.2.2	Where the historical financial information discloses material changes in net sales or	N/A	N/A

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	revenues, provide a narrative discussion of the reasons for such changes.		
<b>8.</b>	<b>CAPITAL RESOURCES</b>		
8.1	Information concerning the issuer's capital resources (both short term and long term).	Exhibit I	Pages 50-59 (Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Condition - Liquidity and Capital Resources)
8.2	An explanation of the sources and amounts of and a narrative description of the issuer's cash flows.	Exhibit I	Pages 50-59 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Condition – Liquidity and Capital Resources) F-7 through F-8 (Consolidated Statements of Cash Flows)
8.3	Information on the borrowing requirements and funding structure of the issuer.	Exhibit I	F-28 through F –34 (Notes to consolidated financial statements – 15. Debt)
8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	Prospectus Part III Exhibit I	Pages 53-54 (4. Risks related to our indebtedness) Page 20 (Item 1A. Risk Factors - Risks related to our indebtedness)
8.5	Information regarding the anticipated sources of funds needed to fulfil commitments referred to in items 5.7.2.	Exhibit I	Pages 50-59 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Condition – Liquidity and Capital Resources)
<b>9.</b>	<b>REGULATORY ENVIRONMENT</b>		
9.1	A description of the regulatory environment that the issuer operates in and that may materially affect its business, together with information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	Prospectus Part III Exhibit I	Pages 49-51 (3. Risks related to our business operations) Pages 59-60 (6. Legal and regulatory risks) Page 6 (Item 1. Business - Government Regulation) Pages 17-18,19-20, and 24-25 (Item 1A. Risk Factors)
<b>10.</b>	<b>TREND INFORMATION</b>		
10.1	A description of: (a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the prospectus;  (b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date	Prospectus Part III Exhibit I	Pages 35-62 (Risk Factors)  Pages 7-27 (Risk Factors) Pages 31-59 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations) F-62 (Notes to Consolidated Financial Statements – 28. Subsequent Events)



## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	of the prospectus, or provide an appropriate negative statement.		
10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	Prospectus Part III	Pages 35-62 (Risk Factors)
		Exhibit I	Pages 7-27 (Risk Factors)
<b>11.</b>	<b>PROFIT FORECASTS OR ESTIMATES</b>		
11.1	Where an issuer has published a profit forecast or a profit estimate (which is still outstanding and valid) that forecast or estimate shall be included in the prospectus. If a profit forecast or profit estimate has been published and is still outstanding, but no longer valid, then provide a statement to that effect and an explanation of why such forecast or estimate is no longer valid.  Such an invalid forecast or estimate is not subject to the requirements in items 11.2 and 11.3.	Prospectus Part IV	Pages 96-97 (9.2 Profit forecast)
11.2	Where an issuer chooses to include a new profit forecast or a new profit estimate, or a previously published profit forecast or a previously published profit estimate pursuant to item 11.1, the profit forecast or estimate shall be clear and unambiguous and contain a statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate.  The forecast or estimate shall comply with the following principles:  (a) there must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies;  (b) the assumptions must be reasonable, readily understandable by investors, specific and precise and not relate to the general accuracy of the estimates underlying the forecast;  (c) in the case of a forecast, the assumptions shall draw the investor's attention to those uncertain factors which could materially change the outcome of the forecast.	Prospectus Part IV	Pages 96-97 (9.2 Profit forecast)
11.3	The prospectus shall include a statement that the profit forecast or estimate has been compiled and prepared on a basis which is both:  (a) comparable with the historical financial information;  (b) consistent with the issuer's accounting policies.	Prospectus Part IV	Pages 96-97 (9.2 Profit forecast)
<b>12.</b>	<b>ADMINISTRATIVE, MANAGEMENT, SUPERVISORY BODIES AND SENIOR MANAGEMENT</b>		
12.1	Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are	Prospectus	Page i

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	significant with respect to that issuer:		
	(a) members of the administrative, management or supervisory bodies;	Exhibit II	Pages 21-24 (Election of Directors)
	(b) partners with unlimited liability, in the case of a limited partnership with a share capital;	N/A	N/A
	(c) founders, if the issuer has been established for fewer than five years; and	N/A	N/A
	(d) any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business	Exhibit II	Pages 26-27 (Executive Officers)
	The nature of any family relationship between any of those persons	N/A	N/A
	<p>In the case of each member of the administrative, management or supervisory bodies of the issuer and each person mentioned in points (b) and (d) of the first subparagraph, details of that person's relevant management expertise and experience and the following information:</p> <p>(a) the names of all companies and partnerships of which such person has been a member of the administrative, management and supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner. It is not necessary to list all the subsidiaries of an issuer of which the person is also a member of the administrative, management or supervisory bodies;</p> <p>(b) details of any convictions in relation to fraudulent offences for at least the previous five years;</p> <p>(c) details of any bankruptcies, receiverships or liquidations with which a person described in (a) and (d) of the first subparagraph who was acting in the capacity of any of the positions set out in (a) and (d) of the first subparagraph was associated for at least the previous five years;</p> <p>(d) details of any official public incrimination and/or sanctions of such person by statutory or regulatory authorities (including designated professional bodies) and whether such person has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years</p> <p>If there is no such information to be disclosed, a statement to that effect is to be made.</p>	Prospectus Part IV	Pages 76-78 (5.1 Details regarding Coty's directors and executive officers)
12.2	Administrative, management and supervisory bodies and senior management conflicts of interests	Prospectus Part IV	Page 78 (5.1 Details regarding Coty's directors and executive officers)

**PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS**

	<p>Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 12.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.</p> <p>Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to in item 12.1 was selected as a member of the administrative, management or supervisory bodies or member of senior management.</p> <p>Details of any restrictions agreed by the persons referred to in item 12.1 on the disposal within a certain period of time of their holdings in the issuer's securities.</p>	N/A	<p>Page 84 (7. Material contracts – Employment and Compensatory Arrangements with Management)</p> <p align="center">N/A</p>
<b>13.</b>	<b>REMUNERATION AND BENEFITS</b>		
	In relation to the last full financial year for those persons referred to in points (a) and (d) of the first subparagraph of item 12.1:		
13.1	<p>The amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to such persons by the issuer and its subsidiaries for services in all capacities to the issuer and its subsidiaries by any person.</p> <p>That information must be provided on an individual basis unless individual disclosure is not required in the issuer's home country and is not otherwise publicly disclosed by the issuer.</p>	Exhibit II	<p>Pages 25-26 (Director Compensation)</p> <p>Pages 30-49 (Executive Compensation)</p>
13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide pension, retirement or similar benefits to the above persons	N/A	N/A
<b>14.</b>	<b>BOARD PRACTICES</b>		
	In relation to the issuer's last completed financial year, with respect to those persons referred to in point (a) of the first subparagraph of item 12.1.		
14.1	Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office	Prospectus Part IV	Page 79 (5.2 Current term of Coty's directors' office)
14.2	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer of any of its subsidiaries providing for benefits upon termination of employment, or an appropriate statement to the effect that no such benefits exist.	<p align="center">Prospectus Part IV</p> <p align="center">Exhibit II</p>	<p>Page 78 (5.1 Details regarding Coty's directors and executive officers)</p> <p>Pages 43-45 (Potential Payments upon Termination or Change-in-Control and Potential Payments in the Event of Termination of Employment at the End of our Last Fiscal Year)</p>
14.3	Information about the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.	Exhibit II	Pages 12-14 (Committees of our Board)

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

14.4	A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. In the event that the issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the issuer does not comply with such regime.	Exhibit I  Exhibit II	Pages 244-245 of the Prospectus (Controlled Company Status)  Pages 11-17 (Corporate Governance)
14.5	Potential material impacts on the corporate governance, including future changes in the board and committees composition (in so far as this has been already decided by the board and/or shareholders meeting).	N/A	N/A
<b>15.</b>	<b>EMPLOYEES</b>		
15.1	Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main category of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year.	Prospectus Part IV  Exhibit I	Page 97 (9.3 Employees)  Page 4 (Human Capital)
15.2	Shareholdings and stock options  With respect to each person referred to in points (a) and (d) of the first subparagraph of item 12.1 provide information as to their share ownership and any options over such shares in the issuer as of the most recent practicable date	Exhibit II	Pages 25 - 26 (Non-Employee Directors Compensation for Fiscal Year 2023)  Pages 28-29 (Security Ownership of Certain Beneficial Owners and Management)  Pages 38-49 (Remuneration and Nomination Committee Report)
15.3	Description of any arrangements for involving the employees in the capital of the issuer	Exhibit I	F-4 through F-6 (Consolidated Statements of Equity)  F-48 (Notes to Consolidated Financial Statements – 23. Equity and convertible preferred stock)
<b>16.</b>	<b>MAJOR STOCKHOLDERS</b>		
16.1	In so far as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each such person's interest, as at the date of the prospectus or, if there are no such persons, an appropriate statement to that that effect that no such person exists.	Prospectus Part II  Prospectus Part IV	Page 29 (Section B – Key Information on the Issuer - Details of Major Shareholders, including whether directly or indirectly owned or controlled and by whom)  Pages 73-74 (3.3.2 Allocation of the Company's Class A Common Stock)
	Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist.	Exhibit II	Pages 28-29 (Security Ownership of Certain Beneficial Owners and Management)
16.2	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or	Prospectus Part II	Page 29 (Section B – Key Information on the Issuer - Details

**PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS**

	controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.	Prospectus Part III  Exhibit I  Exhibit II	of Major Shareholders, including whether directly or indirectly owned or controlled and by whom)  Pages 61-62 (7. Risks related to ownership of our common stock)  Pages 26-27 (Item 1A. Risk Factors - Risks Related to Ownership of Our Common Stock)  Pages 28-29 (Security Ownership of Certain Beneficial Owners and Management)  Page 11 (Corporate Governance - Controlled Company Status)
16.3	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	N/A	N/A
<b>17.</b>	<b>RELATED PARTY TRANSACTIONS</b>		
17.1	<p>Details of related party transactions (which for these purposes are those set out in the Standards adopted in accordance with the Regulation (EC) No 1606/2002 of the European Parliament and of the Council (2), that the issuer has entered into during the period covered by the historical financial information and up to the date of the prospectus, must be disclosed in accordance with the respective standard adopted under Regulation (EC) No 1606/2002 if applicable.</p> <p>If such standards do not apply to the issuer the following information must be disclosed:</p> <p>(a) the nature and extent of any transactions which are, as a single transaction or in their entirety, material to the issuer. Where such related party transactions are not concluded at arm's length provide an explanation of why these transactions were not concluded at arm's length. In the case of outstanding loans including guarantees of any kind indicate the amount outstanding;</p> <p>(b) the amount or the percentage to which related party transactions form part of the turnover of the issuer.</p>	Exhibit I	F-60 through F-62 (Notes to Consolidated Financial Statements – 27. Related Party Transactions)
<b>18.</b>	<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>		
18.1	<b>Historical Financial Information</b>		

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

18.1.1	Audited historical financial information covering the latest three financial years and the audit report in respect of each year	Exhibit I  Prospectus Part IV	F-1 through F-8 (Consolidated Financial Statements)  F-9 through F-62(Notes to Consolidated Financial Statements)  Pages 175-177 of the Prospectus (Report of Independent Registered Public Accounting Firm)  Page 97 (9.4 Coty's 2021 balance sheet and related audit opinion)
18.1.2	Change of accounting reference date  If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical information shall cover at least 36 months, or the entire period for which the issuer has been in operation, whichever is shorter.	N/A	N/A
18.1.3	Accounting standards  The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002.  If Regulation (EC) No 1606/2002 is not applicable, the financial information must be prepared in accordance with:  (a) a Member State's national accounting standards for issuers from the EEA, as required by Directive 2013/34/EU;  (b) a third country's national accounting standards equivalent to Regulation (EC) No 1606/2002 for third country issuers. If such third country's national accounting standards are not equivalent to Regulation (EC) No 1606/2002 the financial statements shall be restated in compliance with that Regulation.	Exhibit I	F-9 (Notes to the Consolidated Financial Statements – 2. Summary of Significant Accounting Policies)
18.1.4	Change of accounting framework  The last audited historical financial information, containing comparative information for the previous year, must be presented and prepared in a form consistent with the accounting standards framework that will be adopted in the issuer's next published annual financial statements having regard to accounting standards and policies and legislation applicable to such annual financial statements.  Changes within the accounting framework applicable to an issuer do not require the audited financial statements to be restated solely for the purposes of the prospectus. However, if the issuer intends to adopt a new accounting standards framework in its next published financial statements, at least one complete set of financial statements (as defined by IAS 1 Presentation of Financial Statements as set out in Regulation (EC) No 1606/2002), including	N/A	N/A

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	comparatives, must be presented in a form consistent with that which will be adopted in the issuer's next published annual financial statements, having regard to accounting standards and policies and legislation applicable to such annual financial statements.		
18.1.5	Where the audited financial information is prepared according to national accounting standards, it must include at least the following: (a) the balance sheet; (b) the income statement; (c) a statement showing either all changes in equity or changes in equity other than those arising from capital transactions with owners and distributions to owners; (d) the cash flow statement; (e) the accounting policies and explanatory notes	Exhibit I	F-3 (Consolidated Balance Sheet) F-2 (Consolidated Statements of Comprehensive Income (Loss)) F-4 through F-6 (Consolidated Statements of Equity) F-7 through F-8 (Consolidated Statements of Cash Flows) F-9 through F-62 (Notes to the Consolidated Financial Statements)
18.1.6	Consolidated financial statements If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the prospectus.	Exhibit I	F-1 through F-8 (Consolidated Financial Statements) F-9 through F-62 (Notes to Consolidated Financial Statements)
18.1.7	Age of financial information The balance sheet date of the last year of audited financial information may not be older than one of the following: (a) 18 months from the date of the registration document if the issuer includes audited interim financial statements in the prospectus; (b) 16 months from the date of the registration document if the issuer includes unaudited interim financial statements in the prospectus.	N/A	N/A
18.2	<b>Interim and other financial information</b>		
18.2.1	If the issuer has published quarterly or half-yearly financial information since the date of its last audited financial statements, these must be included in the prospectus. If the quarterly or half-yearly financial information has been audited or reviewed, the audit or review report must also be included. If the quarterly or half-yearly financial information is not audited or has not been reviewed, state that fact.  If the prospectus is dated more than nine months after the date of the last audited financial statements, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year.  Interim financial information prepared in accordance with the requirements of Regulation (EC) No 1606/2002.  For issuers not subject to Regulation (EC) No 1606/2002, the interim financial information must	N/A	N/A

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year's end balance sheet in accordance with the applicable financial reporting framework		
<b>18.3</b>	<b>Auditing of historical annual financial information</b>		
18.3.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC of the European Parliament and of the Council (3) and Regulation (EU) No 537/2014 of the European Parliament and of the Council. Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical annual financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard.	Exhibit I	Pages 175-177 of the Prospectus (Report of Independent Registered Public Accounting Firm)
18.3.1a	Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.	N/A	N/A
18.3.2	Indication of other information in the prospectus which has been audited by the auditors.	N/A	N/A
18.3.3	Where financial information in the prospectus is not extracted from the issuer's audited financial statements state the source of the information and state that the information is not audited.	Exhibit I	Page 49 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Quarterly Results of Operations Data)
<b>18.4</b>	<b>Pro forma financial information</b>		
18.4.1	In the case of a significant gross change, a description of how the transaction might have affected the assets, liabilities and earnings of the issuer, had the transaction been undertaken at the commencement of the period being reported on or at the date reported.  This requirement will normally be satisfied by the inclusion of pro forma financial information. This pro forma financial information is to be presented as set out in Annex 20 and must include the information indicated therein.  Pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.	N/A	N/A
<b>18.5</b>	<b>Dividend policy</b>		
18.5.1	A description of the issuer's policy on dividend distributions and any restrictions thereon. If the issuer has no such policy, include an appropriate negative statement.	Exhibit I	Page 28 (Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities – Dividend Policy)



**PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS**

			Page 53 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Dividends)
18.5.2	The amount of the dividend per share for each financial year for the period covered by the historical financial information adjusted, where the number of shares in the issuer has changed, to make it comparable.	Exhibit I	<p>Page 28 (Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities – Dividend Policy)</p> <p>Page 49 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Quarterly Results of Operations Data)</p> <p>Page 53 (Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Dividends)</p>
18.6	<b>Legal and arbitration proceedings</b>		
18.6.1	Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	<p>Prospectus Part III</p> <p>Exhibit I</p>	<p>Pages 58-60 (6. Legal and regulatory risks)</p> <p>Pages 23-26 (Item 1A. Risk Factors - Legal and Regulatory Risks)</p> <p>F-59 through F-60 (Notes to consolidated financial statements – 26. Legal and Other Contingencies)</p>
18.7	<b>Significant change in the issuer's financial position</b>		
18.7.1	A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published, or provide an appropriate negative statement.	Exhibit I	F-62 (Notes to Consolidated Financial Statements - 28. Subsequent Events)
19.	<b>ADDITIONAL INFORMATION</b>		
19.1	<b>Share Capital</b> <b>The information in items 19.1.1 to 19.1.7 in the historical financial information as of the date of the most recent balance sheet:</b>		
19.1.1	The amount of issued capital, and for each class of share capital:		
	(a) the total of the issuer's authorised share capital;	Exhibit I	<p>F-3 (Consolidated Balance Sheets)</p> <p>Page 242 of the Prospectus (Description of Securities – Authorized Capital Stock)</p>
	(b) the number of shares issued and fully paid and issued but not fully paid;	Prospectus Part II	Page 31 (Section C – Key Information on the Securities – Currency, denomination, par value, number issued and term of the securities)
		Prospectus Part IV	Page 63 (1.1 Type and class of the securities being admitted to

**PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS**

		Exhibit I	trading) F-3 (Consolidated Balance Sheets)
	(c) the par value per share, or that the shares have no par value; and	Exhibit I	Page 242 of the Prospectus (Description of Securities – Authorized Capital Stock)
	(d) a reconciliation of number shares outstanding at the beginning and end of year	Exhibit I	F-4 through F-6 (Consolidated Statements of Equity)
	If more than 10 % of capital has been paid for with assets other than cash within the period covered by the historical financial information, state that fact.	N/A	N/A
19.1.2	If there are shares not representing capital, state the number and main characteristics of such shares.	N/A	N/A
19.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer.	Exhibit I	F-3 (Consolidated Balance Sheets – Treasury Stock)
19.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.	Exhibit I	F-49 and F-52 through F-53 (Notes to Consolidated Financial Statements)  Page 244 of the Prospectus (Description of Securities – Conversion)
19.1.5	Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital.	Exhibit I	Page 246 of the Prospectus (Description of Securities – Authorized but Unissued Shares; Undesignated Preferred Stock)
19.1.6	Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate.	Exhibit I	F-52 through F-53 (Notes to Consolidated Financial Statements – non-qualified stock options)
19.1.7	A history of share capital, highlighting information about any changes, for the period covered by the historical financial information.	Exhibit I	F-48 through F-50 (Notes to Consolidated Financial Statements – 23. Equity and Convertible Preferred Stock)
19.2	<b>Memorandum and Articles of Association</b>		
19.2.1	The register and the entry number therein, if applicable, and a brief description of the issuer's objects and purposes and where they can be found in the up-to-date memorandum and articles of association.	Prospectus Part II	Page 28 (Section B – Key information on the issuer – Domicile and legal form of Coty Inc., its LEI, legislation under which it operates and country of incorporation)
		Prospectus Part IV	Page 96 (9.1 Incorporation and object of Coty)
19.2.2	Where there is more than one class of existing shares, a description of the rights, preferences and restrictions attaching to each class.	Exhibit I	F-48 through F-50 (Notes to Consolidated Financial Statements – 23. Equity and Convertible Preferred Stock)  Pages 242-244 of the Prospectus (Description of Securities)

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

19.2.3	A brief description of any provision of the issuer's articles of association, statutes, charter, or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer.	Prospectus Part IV  Exhibit I	Pages 65-66 (1.6 Anti-takeover effects of Delaware law, provisions of Coty's certificate of incorporation and by-laws, and French law takeover regulations)  Page 246 of the Prospectus (Description of securities – Anti-Takeover Effects of Delaware Law, Certificate of Incorporation and By-laws)
<b>20.</b>	<b>MATERIAL CONTRACTS</b>		
20.1	A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the issuer or any member of the group is a party, for the two years immediately preceding publication of the prospectus.  A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the prospectus.	Prospectus Part IV	Pages 82-87 (7. Material Contracts)
<b>21.</b>	<b>DOCUMENTS AVAILABLE</b>		
21.1	A statement that for the term of the prospectus the following documents, where applicable, can be inspected:  (a) the up to date memorandum and articles of association of the issuer;  (b) all reports, letters, and other documents, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the prospectus.  An indication of the website on which the documents may be inspected.	Prospectus Part IV  Exhibit I	Page 97 (10. Documents on display)  Page 7 – Item 1. Business (Availability of Reports)  Page 242 of the Prospectus (Description of Securities)

## CROSS REFERENCE LIST – ANNEX 11 OF DELEGATED REGULATION (EU) 2019/980

**SECURITIES NOTE FOR EQUITY SECURITIES OR UNITS ISSUED BY  
COLLECTIVE INVESTMENT UNDERTAKINGS OF THE CLOSED-ENDTYPE**

(Page numbering refers to the page contained in the relevant documents)

ITEM #:	ITEM CONTENTS	CHAPTER/ EXHIBIT	PAGE/SECTION
<b>1.</b>	<b>PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL</b>		
1.1	Identify all persons responsible for the information or any parts of it, given in the prospectus with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.	Prospectus	Page ix (1.1 Persons responsible for the Prospectus)
1.2	A declaration by those responsible for the prospectus that to the best of their knowledge, the information contained in the prospectus is in accordance with the facts and that the prospectus makes no omission likely to affect its import. Where applicable, a declaration by those responsible for certain parts of the prospectus that, to the best of their knowledge, the information contained in those parts of the prospectus for which they are responsible is in accordance with the facts and that those parts of the prospectus make no omission likely to affect their import.	Prospectus	Page ix (1.2 Declaration of the persons responsible for the Prospectus)
1.3	Where a statement or report attributed to a person as an expert, is included in the prospectus, provide the following in relation to that person: (a) name; (b) business address; (c) qualifications; (d) material interest, if any, in the issuer.  If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the prospectus with the consent of the person who has authorised the contents of that part of the prospectus.	N/A	N/A
1.4	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.	Exhibit I	Page 104 of the Prospectus (Industry, Ranking and Market Data)

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

1.5	<p>A statement that:</p> <p>(a) this prospectus has been approved by the AMF, as competent authority under Regulation (EU) 2017/1129;</p> <p>(b) the AMF only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;</p> <p>(c) such approval should not be considered as an endorsement of the issuer that is the subject of this prospectus;</p> <p>(d) investors should make their own assessment as to the suitability of investing in the securities.</p>	Prospectus	Page i
<b>2.</b>	<b>RISK FACTORS</b>		
2.1	<p>A description of the material risks that are specific to the securities being offered and/or admitted to trading in a limited number of categories, in a section headed 'Risk Factors'.</p> <p>In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the securities and the probability of their occurrence, shall be set out first. The risks shall be corroborated by the content of the prospectus.</p>	<p>Prospectus Part II</p> <p>Prospectus Part III</p> <p>Exhibit I</p>	<p>Page 32 (Section C – Key information on the securities – What are the key risks that are specific to the securities?)</p> <p>Pages 61-62 (7.Risks related to ownership of our common stock)</p> <p>Pages 26-27 (Item 1.A. Risk Factors – Risks Related to Ownership of Our Common Stock)</p>
<b>3.</b>	<b>ESSENTIAL INFORMATION</b>		
3.1	Working capital statement Statement by the issuer that, in its opinion, the working capital is sufficient for the issuer's present requirements or, if not, how it proposes to provide the additional working capital needed.	Prospectus Part IV	Page 76 (4.2 Working capital statement)
3.2	<p>Capitalisation and indebtedness</p> <p>A statement of capitalisation and indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) as of a date no earlier than 90 days prior to the date of the document. The term 'indebtedness' also includes indirect and contingent indebtedness.</p> <p>In the case of material changes in the capitalisation and indebtedness position of the issuer within the 90 day period, additional information shall be given through the presentation of a narrative description of such changes or through the updating of those figures.</p>	Prospectus Part IV	Pages 74-76 (4.1 Capitalisation and indebtedness table)
3.3	<p>Interest of natural and legal persons involved in the issue/offer</p> <p>A description of any interest, including a conflict of interest that is material to the issue/offer, detailing the persons involved and the nature of the interest.</p>	Prospectus Part II	Page 34 (Section D – Key information on the admission to trading on a regulated market and the global offering - Under which conditions and timetable can I invest in this security?)
		Prospectus Part IV	Pages 70-71 (3.2 Terms and conditions of the offer)
3.4	Reasons for the offer and use of proceeds	Prospectus Part II	Pages 33-34 (Section D – Key information on the admission to trading on a regulated market and the Global Offering – Why is this Prospectus being produced?)

# PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

		Prospectus Part IV	Pages 66-67 (2. Reasons for the offer and use of proceeds)
<b>4.</b>	<b>INFORMATION CONCERNING THE SECURITIES TO BE OFFERED/ADMITTED TO TRADING</b>		
4.1	A description of the type and the class of the securities being offered and/or admitted to trading, including the international security identification number ("ISIN").	Prospectus Part II  Prospectus Part IV	Page 31 (Section C – Key information on the securities - Type and class and ISIN of the securities)  Pages 63-64 (1.1 Type and class of the securities being admitted to trading)
4.2	Legislation under which the securities have been created.	Prospectus Part IV	Page 64 (1.2 Legislation under which the securities have been created and form of securities, name and address of the entity in charge of keeping the records)
4.3	An indication whether the securities are in registered form or bearer form and whether the securities are in certificated form or book-entry form. In the latter case, name and address of the entity in charge of keeping the records.	Prospectus Part IV	Page 64 (1.2 Legislation under which the securities have been created and form of securities, name and address of the entity in charge of keeping the records)
4.4	Currency of the securities issued	Prospectus Part IV	Page 64 (1.3 Currency of the securities issued)
4.5	A description of the rights attached to the securities, including any limitations of those rights and procedure for the exercise of those rights: (a) dividend rights: (i) fixed date(s) on which entitlement arises; (ii) time limit after which entitlement to dividend lapses and an indication of the person in whose favour the lapse operates; (iii) dividend restrictions and procedures for non-resident holders; (iv) rate of dividend or method of its calculation, periodicity and cumulative or non-cumulative nature of payments; (b) voting rights; (c) pre-emption rights in offers for subscription of securities of the same class; (d) right to share in the issuer's profits; (e) rights to share in any surplus in the event of liquidation; (f) redemption provisions; (g) conversion provisions.	Prospectus Part IV	Page 64 (1.4 Rights attached to the securities)
4.6	In the case of new issues, a statement of the resolutions, authorisations and approvals by virtue of which the securities have been or will be created and/or issued.	Prospectus Part IV	Page 67 (3.1 Authorisation to issue new shares)
4.7	In the case of new issues, the expected issue date of the securities.	Prospectus Part IV	Page 63 (1.1 Type and class of the securities being admitted to trading)
4.8	A description of any restrictions on the transferability of the securities.	Prospectus Part II  Prospectus Part IV	Page 31 (Section C – Key information on the securities – Any restriction on the free transferability of the securities)  Page 65 (1.5 Transfer restrictions on the securities)
4.9	Statement on the existence of any national legislation on takeovers applicable to the issuer which may frustrate such takeovers if any. A brief description of the shareholders' rights and	Prospectus Part IV	Pages 65-66 (1.6 Anti-takeover effects of Delaware law, provisions of Coty's certificate of incorporation and by-laws, and

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	obligations in case of mandatory takeover bids and/or squeeze-out or sell-out rules in relation to the securities.		French law takeover regulations)
4.10	An indication of public takeover bids by third parties in respect of the issuer's equity, which have occurred during the last financial year and the current financial year. The price or exchange terms attaching to such offers and the outcome thereof must be stated.	Prospectus Part IV	Page 66 (1.7 Public takeover bids)
4.11	A warning that the tax legislation of the investor's Member State and of the issuer's country of incorporation may have an impact on the income received from these securities. Information on the taxation treatment of the securities where the proposed investment attracts a tax regime specific to that type of investment.	Prospectus Part IV	Pages 87-96 (8. Tax considerations)
4.12	Where applicable, the potential impact on the investment in the event of resolution under Directive 2014/59/EU of the European Parliament and of the Council.	N/A	N/A
4.13	If different from the issuer, the identity and contact details of the offeror of these securities and/or the person asking for admission to trading, including the LEL where the offeror has legal personality.	N/A	N/A
<b>5.</b>	<b>TERMS AND CONDITIONS OF THE OFFER OF SECURITIES</b>		
<b>5.1</b>	<b>Conditions, offer statistics, expected timetable and action required to apply for the offer</b>		
5.1.1	Conditions to which the offer is subject.	Prospectus Part II  Prospectus Part IV	Page 32 (Section D – Key information on the admission to trading on a regulated market and the Global Offering - Under which conditions and timetable can I invest in this security?))  Pages 67-71 (3.2 Terms and conditions of the offer)
5.1.2	Total amount of the issue/offer, distinguishing the securities offered for sale and those offered for subscription; if the amount is not fixed, an indication of the maximum amount of securities to be offered (if available) and a description of the arrangements and the time period for announcing to the public the definitive amount of the offer. Where the maximum amount of securities cannot be provided in the prospectus, the prospectus shall specify that acceptances of the purchase or subscription of securities may be withdrawn for not less than two working days after the amount of securities to be offered to the public has been filed.	Prospectus Part II  Prospectus Part IV	Page 32 (Section D – Key information on the admission to trading on a regulated market and the Global Offering – Under which conditions and timetable can I invest in this security?)  Page 67 (3.2 Terms and conditions of the offer)
5.1.3	The time period, including any possible amendments, during which the offer will be open and description of the application process.	Prospectus Part II  Prospectus Part IV	Page 32 (Section D – Key information on the admission to trading on a regulated market and the Global Offering - Under which conditions and timetable can I invest in this security?)  Page 67 (3.2 Terms and conditions of the offer)
5.1.4	An indication of when, and under which circumstances, the offer may be revoked or suspended and whether revocation can occur after dealing has begun.	N/A	N/A
5.1.5	A description of any possibility to reduce	N/A	N/A

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	subscriptions and the manner for refunding amounts paid in excess by applicants.		
5.1.6	Details of the minimum and/or maximum amount of application (whether in number of securities or aggregate amount to invest).	N/A	N/A
5.1.7	An indication of the period during which an application may be withdrawn, provided that investors are allowed to withdraw their subscription.	N/A	N/A
5.1.8	Method and time limits for paying up the securities and for delivery of the securities.	Prospectus Part IV	Pages 67-68 (3.2 Terms and conditions of the offer)
5.1.9	A full description of the manner and date in which results of the offer are to be made public.	Prospectus Part II  Prospectus Part IV	Page 32 (Section D – Key information on the admission to trading on a regulated market and the Global Offering - Under which conditions and timetable can I invest in this security?)  Page 67 (3.2 Terms and conditions of the offer)
5.1.10	The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.	N/A	N/A
<b>5.2</b>	<b>Plan of distribution and allotment</b>		
5.2.1	The various categories of potential investors to which the securities are offered. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.	Prospectus Part II  Prospectus Part IV	Page 32 (Section D – Key information on the admission to trading on a regulated market and the Global Offering - Under which conditions and timetable can I invest in this security?)  Page 67 (3.2 Terms and conditions of the offer)
5.2.2	To the extent known to the issuer, an indication of whether major shareholders or members of the issuer's management, supervisory or administrative bodies intend to subscribe in the offer, or whether any person intends to subscribe for more than five per cent of the offer.	Prospectus Part II  Prospectus Part IV	Page 34 (Section D – Key information on the admission to trading on a regulated market and the Global Offering – Why is this Prospectus being produced?)  Page 71 (3.2 Terms and conditions of the offer)
5.2.3	Pre-allotment Disclosure: (a) the division into tranches of the offer including the institutional, retail and issuer's employee tranches and any other tranches; (b) the conditions under which the claw-back may be used, the maximum size of such claw-back and any applicable minimum percentages for individual tranches; (c) the allotment method or methods to be used for the retail and issuer's employee tranche in the event of an over-subscription of these tranches; (d) a description of any pre-determined preferential treatment to be accorded to certain classes of investors or certain affinity groups (including friends and family programmes) in the allotment, the percentage of the offer reserved for such preferential treatment and the criteria for inclusion in such classes or groups;	N/A	N/A



## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

	<p>(e) whether the treatment of subscriptions or bids to subscribe in the allotment may be determined on the basis of which firm they are made through or by;</p> <p>(f) a target minimum individual allotment if any within the retail tranche;</p> <p>(g) the conditions for the closing of the offer as well as the date on which the offer may be closed at the earliest;</p> <p>(h) whether or not multiple subscriptions are admitted, and where they are not, how any multiple subscriptions will be handled.</p>		
5.2.4	Process for notifying applicants of the amount allotted and an indication whether dealing may begin before notification is made.	Prospectus Part IV	Page 67 (3.2 Terms and conditions of the offer)
5.3	<b>Pricing</b>		
5.3.1	An indication of the price at which the securities will be offered and the amount of any expenses and taxes charged to the subscriber or purchaser. If the price is not known, then pursuant to Article 17 of Regulation (EU) 2017/ 1129 indicate either: (a) the maximum price as far as it is available; (b) the valuation methods and criteria, and/or conditions, in accordance with which the final offer price has been or will be determined and an explanation of any valuation methods used. Where neither point (a) nor (b) can be provided in the securities note, the securities note shall specify that acceptances of the purchase or subscription of securities may be withdrawn up to two working days after the final offer price of securities to be offered to the public has been filed.	<p>Prospectus Part II</p> <p>Prospectus Part IV</p>	<p>Page 32 (Section D – Key information on the admission to trading on a regulated market and the Global Offering)</p> <p>Pages 67-68 (3.2 Terms and conditions of the offer)</p>
5.3.2	Process for the disclosure of the offer price.	N/A	N/A
5.3.3	If the issuer's equity holders have pre-emptive purchase rights and this right is restricted or withdrawn, an indication of the basis for the issue price if the issue is for cash, together with the reasons for and beneficiaries of such restriction or withdrawal.	N/A	N/A
5.3.4	Where there is or could be a material disparity between the public offer price and the effective cash cost to members of the administrative, management or supervisory bodies or senior management, or affiliated persons, of securities acquired by them in transactions during the past year, or which they have the right to acquire, include a comparison of the public contribution in the proposed public offer and the effective cash contributions of such persons.	N/A	N/A
5.4	<b>Placing and underwriting</b>		
5.4.1	Name and address of the coordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place.	Prospectus	Page iv (Important Information)
5.4.2	Name and address of any paying agents and depository agents in each country.	<p>Prospectus</p> <p>Prospectus Part II</p>	<p>Page i</p> <p>Page 33 (Section D – Key information on the admission to trading on a regulated market and the Global Offering - Under which conditions and timetable</p>

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

		Prospectus Part IV	can I invest in this security?) Pages 64 and 71 (1.2 Legislation under which the securities have been created and form of securities, name and address of the entity in charge of keeping the records and 3.2 Terms and conditions of the offer)
5.4.3	Name and address of the entities agreeing to underwrite the issue on a firm commitment basis, and name and address of the entities agreeing to place the issue without a firm commitment or under best 'efforts' arrangements. Indication of the material features of the agreements, including the quotas. Where not all of the issue is underwritten, a statement of the portion not covered. Indication of the overall amount of the underwriting commission and of the placing commission.	Prospectus  Prospectus Part IV	Page iv (Important Information)  Pages 68-71 (3.2 Terms and conditions of the offer)
5.4.4	When the underwriting agreement has been or will be reached.	Prospectus Part II  Prospectus Part IV	Page 34 (Section D – Key information on the admission to trading on a regulated market and the Global Offering – Why is this Prospectus being produced?)  Page 68 (3.2 Terms and conditions of the offer)
<b>6.</b>	<b>ADMISSION TO TRADING AND DEALING ARRANGEMENTS</b>		
6.1	An indication as to whether the securities offered are or will be the object of an application for admission to trading, with a view to their distribution in a regulated market or third country market, SME Growth Market or MTF with an indication of the markets in question. This circumstance must be set out, without creating the impression that the admission to trading will necessarily be approved. If known, the earliest dates on which the securities will be admitted to trading.	Prospectus Part II  Prospectus Part IV	Page 32 (Section C – Key information on the securities – Where will the securities be traded?)  Page 63 (1.1 Type and class of the securities being admitted to trading)
6.2	All the regulated markets, third country markets, SME Growth Market or MTFs on which, to the knowledge of the issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading.	Prospectus Part II  Prospectus Part IV	Page 32 (Section C – Key information on the securities – Where will the securities be traded?)  Page 63 (1.1 Type and class of the securities being admitted to trading)
6.3	If simultaneously or almost simultaneously with the application for the admission of the securities to a regulated market, securities of the same class are subscribed for or placed privately or if securities of other classes are created for public or private placing, give details of the nature of such operations and of the number, characteristics and price of the securities to which they relate.	Prospectus Part II  Prospectus Part IV	Page 32 (Section D – Key information on the admission to trading on a regulated market and the Global Offering - Under which conditions and timetable can I invest in this security?)  Pages 67-71 (3.2 Terms and conditions of the offer)
6.4	In case of an admission to trading on a regulated market, details of the entities which have given a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and a description of the main terms of their commitment.	N/A	N/A

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

6.5	Details of any stabilisation in line with items 6.5.1 to 6.6 in case of an admission to trading on a regulated market, third country market, SME Growth Market or MTF, where an issuer or a selling shareholder has granted an over-allotment option or it is otherwise proposed that price stabilising activities may be entered into in connection with an offer:	N/A	N/A
6.5.1	The fact that stabilisation may be undertaken, that there is no assurance that it will be undertaken and that it may be stopped at any time;	N/A	N/A
6.5.1.1	The fact that stabilisation transactions aim at supporting the market price of the securities during the stabilisation period;	N/A	N/A
6.5.2	The beginning and the end of the period during which stabilisation may occur;	N/A	N/A
6.5.3	The identity of the stabilisation manager for each relevant jurisdiction unless this is not known at the time of publication;	N/A	N/A
6.5.4	The fact that stabilisation transactions may result in a market price that is higher than would otherwise prevail;	N/A	N/A
6.5.5	The place where the stabilisation may be undertaken including, where relevant, the name of the trading venue(s).	N/A	N/A
6.6	Over-allotment and 'green shoe': In case of an admission to trading on a regulated market, SME Growth Market or an MTF: (a) the existence and size of any over-allotment facility and/or 'green shoe'; (b) the existence period of the over-allotment facility and/or 'green shoe'; (c) any conditions for the use of the over-allotment facility or exercise of the 'green shoe'.	N/A	N/A
<b>7.</b>	<b>SELLING SECURITIES HOLDERS</b>		
7.1	Name and business address of the person or entity offering to sell the securities, the nature of any position office or other material relationship that the selling persons has had within the past three years with the issuer or any of its predecessors or affiliates.	N/A	N/A
7.2	The number and class of securities being offered by each of the selling security holders	N/A	N/A
7.3	Where a major shareholder is selling the securities, the size of its shareholding both before and immediately after the issuance.	N/A	N/A
7.4	In relation to lock-up agreements, provide details of the following: (a) the parties involved; (b) the content and exceptions of the agreement; (c) an indication of the period of the lockup.	Prospectus Part IV	Pages 69-70 (3.2 Terms and conditions of the offer)

## PART I – TABLE OF CONTENT AND CROSS REFERENCE LISTS

<b>8.</b>	<b>EXPENSE OF THE ISSUE/OFFER</b>		
8.1	The total net proceeds and an estimate of the issuer/offer.	Prospectus Part II  Prospectus Part IV	Page 34 (Section D – Key information on the admission to trading on a regulated market and the Global Offering – Why is this Prospectus being produced?)  Page 68 (3.2 Terms and conditions of the offer)
<b>9.</b>	<b>DILUTION</b>		
9.1	A comparison of: (a) participation in share capital and voting rights for existing shareholders before and after the capital increase resulting from the public offer, with the assumption that existing shareholders do not subscribe for the new shares; (b) the net asset value per share as of the date of the latest balance sheet before the public offer (selling offer and/or capital increase) and the offering price per share within that public offer.	Prospectus Part II  Prospectus Part IV	Page 33 (Section D – Key information on the admission to trading on a regulated market and the Global Offering - Under which conditions and timetable can I invest in this security?)  Pages 72-74 (3.3 Dilution)
9.2	Where existing shareholders will be diluted regardless of whether they subscribe for their entitlement, because a part of the relevant share issue is reserved only for certain investors (e.g. an institutional placing coupled with an offer to shareholders), an indication of the dilution existing shareholders will experience shall also be presented on the basis that they do take up their entitlement (in addition to the situation in item 9.1 where they do not).	Prospectus Part II  Prospectus Part IV	Page 33 (Section D – Key information on the admission to trading on a regulated market and the global offering - Under which conditions and timetable can I invest in this security?)  Pages 72-74 (3.3 Dilution)
<b>10.</b>	<b>ADDITIONAL INFORMATION</b>		
10.1	If advisors connected with an issue are referred to in the Securities Note, a statement of the capacity in which the advisors have acted.	N/A	N/A
10.2	An indication of other information in the securities note which has been audited or reviewed by statutory auditors and where auditors have produced a report. Reproduction of the report or, with permission of the competent authority, a summary of the report.	N/A	N/A

## PART II – PROSPECTUS SUMMARY

## APPROVAL NUMBER 23-412 OF THE AMF DATED 28 SEPTEMBER 2023

## SECTION A - INTRODUCTION, CONTAINING WARNINGS

<b>Name and international securities identification number (ISIN) of the securities</b>	Class A Common Stock, par value US\$0.01 per share. The ISIN is US2220702037. The CUSIP number is 222 070 203.
<b>Identity and contact details of the issuer, including its legal entity identifier (LEI)</b>	Coty Inc. The Company's legal entity identifier ("LEI") is 549300BO9IWPF3S48F93.
<b>Identity and contact details of the offeror, including its LEI</b>	Not applicable
<b>The identity and contact details of the competent authority approving the prospectus</b>	Autorité des marchés financiers 17 place de la Bourse – 75002, Paris, France, amf-france.org
<b>Date of approval of prospectus</b>	28 September 2023
<b>Warning to investors</b>	This summary should be read as an introduction to the Prospectus. Any decision to invest in the Offered Class A Common Stock should be based on consideration of the Prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the claimant investor might, under the national legislation of the Member States of the European Economic Area or countries which are party to the European Economic Area Agreement, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches to those persons who have tabled this summary, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or if it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.

## SECTION B - KEY INFORMATION ON THE ISSUER

<b>Who is the issuer of the securities?</b>																							
<b>Domicile and legal form of Coty Inc., its LEI, legislation under which it operates and country of incorporation</b>	Coty Inc. is a corporation organised and existing under the General Corporation Law of the State of Delaware, registered under file number 2472166 with the Secretary of State of the State of Delaware. Coty's principal executive office is located at 350 Fifth Avenue, New York, New York, 10118, U.S.A. The Company's legal entity identifier ("LEI") is 549300BO9IWPF3S48F93.																						
<b>Coty's principal activities</b>	<p>Founded in 1904, Coty is one of the world's largest beauty companies which manufactures, markets, sells and distributes branded beauty products, including fragrances, colour cosmetics and skin &amp; body related products throughout the world. Coty is a global beauty company with a rich entrepreneurial history and an iconic portfolio of brands. Since 2022 and the Coty's new organisational structure, the Company realigned its reportable segments to a principally product category-based structure, comprised of a Prestige business segment (net revenues of US\$3,420.5 million in fiscal 2023) and a Consumer Beauty business segment (net revenues of US\$2,133.6 million in fiscal 2023).</p> <p>Prestige business segment: The prestige products are primarily sold through prestige retailers, including perfumeries, department stores, e-retailers, direct-to-consumer websites and duty-free shops.</p> <p>Consumer Beauty business segment: Our mass beauty brands are primarily sold through hypermarkets, supermarkets, drug stores and pharmacies, mid-tier department stores, traditional food and drug retailers, and dedicated e-commerce retailers.</p> <p><i>Coty's brand portfolio:</i></p> <table border="1"> <thead> <tr> <th>Consumer Beauty</th><th>Prestige</th></tr> </thead> <tbody> <tr><td>Adidas</td><td>Burberry</td></tr> <tr><td>Beckham</td><td>Calvin Klein</td></tr> <tr><td>Biocolor*</td><td>Chloe</td></tr> <tr><td>Bozzano*</td><td>Davidoff</td></tr> <tr><td>Bourjois*</td><td>Escada*</td></tr> <tr><td>Bruno Banani</td><td>Gucci</td></tr> <tr><td>CoverGirl*</td><td>Hugo Boss</td></tr> <tr><td>Jovan*</td><td>Jil Sander</td></tr> <tr><td>Max Factor*</td><td>Joop!*</td></tr> <tr><td>Mexx</td><td>Kylie Jenner</td></tr> </tbody> </table>	Consumer Beauty	Prestige	Adidas	Burberry	Beckham	Calvin Klein	Biocolor*	Chloe	Bozzano*	Davidoff	Bourjois*	Escada*	Bruno Banani	Gucci	CoverGirl*	Hugo Boss	Jovan*	Jil Sander	Max Factor*	Joop!*	Mexx	Kylie Jenner
Consumer Beauty	Prestige																						
Adidas	Burberry																						
Beckham	Calvin Klein																						
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CoverGirl*	Hugo Boss																						
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Mexx	Kylie Jenner																						

## PART II – PROSPECTUS SUMMARY

	<div>Monange* Nautica Paixao* Rimmel* Risque* Sally Hansen*</div> <div>Lancaster* Marc Jacobs Miu Miu Orveda philosophy* SKKN BY KIM Tiffany &amp; Co.</div> <div>* Indicates an owned beauty brand.</div>															
<b>Details of Major Shareholders, including whether directly or indirectly owned or controlled and by whom</b>	<div>We are controlled by JAB Cosmetics B.V. and its affiliates. As of 21 September 2023, the persons known to the Company to beneficially own<sup>1</sup> more than 5% of our Class A Common Stock are the following:</div> <table><tr><th>Name of beneficial owner</th><th>Number of shares<sup>2</sup></th><th>% of Class A Common Stock<sup>3</sup></th></tr><tr><td>JAB Beauty B.V.<sup>4</sup></td><td>448,853,684</td><td>52.3%</td></tr><tr><td>BlackRock, Inc. <sup>5</sup></td><td>53,612,314</td><td>6.3%</td></tr><tr><td>Free float</td><td>355,526,694</td><td>41.4%</td></tr><tr><td>Total</td><td>857,992,692</td><td>100%</td></tr></table> <div>Applicable percentage ownership is based on 857,992,692 outstanding shares of Class A Common Stock as of 21 September 2023. Accordingly, percentage ownership amounts do not assume the conversion of any outstanding shares of Series B Preferred Stock held by HFS Holdings S.à r.l., and the computations and share amounts used herein do not give effect to any accretion on the Series B Preferred Stock after 21 September 2023.</div> <div>In computing the number of shares of Class A Common Stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of Class A Common Stock subject to options held by that person that are currently exercisable or exercisable within 60 days of 21 September 2023 and subject to restricted stock units that are vested but not settled or that are going to vest and are expected to settle within 60 days of 21 September 2023. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.</div>	Name of beneficial owner	Number of shares <sup>2</sup>	% of Class A Common Stock <sup>3</sup>	JAB Beauty B.V. <sup>4</sup>	448,853,684	52.3%	BlackRock, Inc. <sup>5</sup>	53,612,314	6.3%	Free float	355,526,694	41.4%	Total	857,992,692	100%
Name of beneficial owner	Number of shares <sup>2</sup>	% of Class A Common Stock <sup>3</sup>														
JAB Beauty B.V. <sup>4</sup>	448,853,684	52.3%														
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Free float	355,526,694	41.4%														
Total	857,992,692	100%														
<b>Identity of Key Managing Directors</b>	Sue Nabi – Chief Executive Officer															
<b>Identity of Statutory Auditors</b>	Deloitte & Touche LLP															
<b>What is the key financial information regarding the issuer?</b>																
<b>Financial information concerning Coty Inc. for the years ended 30 June 2023, 2022 and 2021</b>																
The accompanying financial statements of the Company are presented on a consolidated basis in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). All intercompany accounts and transactions have been eliminated in consolidation. The Company also consolidates majority-owned entities in the United States of America, United Arab																

<sup>1</sup> A person is a “beneficial owner” of a security if that person has or shares voting or investment power over the security or if that person has the right to acquire sole or shared voting or investment power over the security within 60 days. Unless otherwise noted, these persons, to our knowledge, have sole voting and investment power over the shares listed.

<sup>2</sup> Includes restricted stock units “RSUs” that are vested but not settled or that will vest and are expected to settle within 60 days of 21 September 2023 (excluding the impact of any net settlement to cover taxes). The RSUs issued to the non-employee directors as compensation represent the right to receive shares of Class A Common Stock after termination of service as a member of the board of directors and thus may be deemed to be beneficially owned by such non-employee directors. These shares are not included in the “number of shares” column.

<sup>3</sup> HFS Holdings S.à r.l., which is beneficially owned by Peter Harf, beneficially owns all of the outstanding shares of Series B Convertible Preferred Stock as of 21 September 2023. Assuming the full conversion of the outstanding shares of Series B Convertible Preferred Stock held by HFS Holdings S.à r.l., and no other changes in capitalisation, as of 21 September 2023 the beneficial ownership percentage of Class A Common Stock and related voting power would be approximately: JAB Beauty B.V.: 50.9%; Peter Harf/HFS Holdings: 4.1%; Sue Nabi: 3.4%; all current directors, nominees and current executive officers: 5.6%.

<sup>4</sup> Based on a Schedule 13D/A and a Form 4 filed with the SEC on 20 June 2023 and 11 September 2023, respectively. JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), a private limited liability company organised under the laws of the Netherlands, has shared voting power and shared dispositive power over these shares. JAB Beauty B.V., a direct subsidiary of JAB Holdings B.V. and an indirect subsidiary of Lucrezca SE (“**Lucrezca**”), Agnaten SE (“**Agnaten**”), each of which is a company with its registered seat in Austria, and JAB Holdings B.V., a Netherlands corporation, Lucrezca and Agnaten indirectly have shared voting and investment control over the shares held by Cottage Holdco B.V. Lucrezca and Agnaten are each controlled by Renate Reimann-Haas, Wolfgang Reimann, Stefan Reimann-Andersen and Matthias Reimann-Andersen, who with Peter Harf and Olivier Goudet exercise voting and investment authority over the shares held by JAB Cosmetics B.V. Lucrezca, Agnaten, JAB Cosmetics B.V. and JAB Holdings B.V. disclaim the existence of a “group” and disclaim beneficial ownership of these securities except to the extent of a pecuniary interest therein. JAB Holdings, Agnaten and Lucrezca, by virtue of their relationships to JAB Beauty, may each be deemed to indirectly beneficially own the Class A Shares which JAB Beauty directly beneficially owns.

<sup>5</sup> Based solely on a Schedule 13-G filed with the SEC on 3 February 2023. Represents shares of Class A Common Stock beneficially owned by Blackrock, Inc. (“**Blackrock**”). Blackrock has sole voting power over 52,526,632 shares and sole dispositive power over 53,612,314 shares.

## PART II – PROSPECTUS SUMMARY

Emirates, Kingdom of Saudi Arabia, and South Korea where the Company has the ability to exercise control. Ownership interests of noncontrolling parties are presented as noncontrolling interests or redeemable noncontrolling interests, as applicable.

### Selected information from the income statements

(in USD millions, except per share data)	Year Ended 30 June 2023	Year Ended 30 June 2022	Year Ended 30 June 2021
Net revenues	5,554.1	5,304.4	4,629.9
Operating income (loss)	543.7	240.9	(48.6)
Net income (loss)	523.2	267.7	(205.1)
Year on year revenue growth	4.7%	14.6%	(1.9%)
Operating profit (loss) margin	9.8%	4.5%	(1.0%)
Net profit (loss) margin	N/A	N/A	N/A
Earning (losses) per common share <sup>6</sup>	0.58 basic 0.57 diluted	0.08 basic 0.08 diluted	(0.40) basic (0.40) diluted

### Selected information from the balance sheet

(in USD millions)	30 June 2023	30 June 2022	30 June 2021
Total assets	12,661.6	12,116.1	13,691.4
Total Coty stockholders' equity	3,811.1	3,154.5	2,860.7
Total debt, net of discount	4,265.9	4,473.9	5,476.9
Net financial debt (long term debt plus short term debt minus cash)	4,034.7	4,265.2	5,228.0

### Selected information from the cash flow statement

(in USD millions)	Year Ended 30 June 2023	Year Ended 30 June 2022	Year Ended 30 June 2021
Net cash provided by operating activities	625.7	726.6	318.7
Net cash (used in) provided by investing activities	(118.2)	269.7	2,441.9
Net cash (used in) financing activities	(469.3)	(1,034.0)	(2,795.1)

Description of qualifications in the audit report	Not applicable
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### What are the key risks that are specific to the issuer?

The business is subject to many risks and uncertainties relating to the Company and the industry in which it operates, Coty's industry and business operations, including:

- The beauty industry is highly competitive, and if we are unable to compete effectively, our business, prospects, financial condition and results of operations could suffer.
- Further consolidation in the retail industry and shifting preferences in how and where consumers shop, including to e-commerce, may adversely affect our business, prospects, financial condition and results of operations.
- Changes in industry trends and consumer preferences could adversely affect our business, prospects, financial condition and results of operations.
- Our brand licences may be terminated if specified conditions are not met, and we may not be able to renew expiring licences on favourable terms or at all.
- Our new product introductions may not be as successful as we anticipate, which could have a material adverse effect on our business, prospects, financial condition and results of operations.
- Our success depends on our ability to achieve our global business strategies.
- Our manufacturing and distribution operations could be disrupted or become more costly.
- We are increasingly dependent on information technology, and if we are unable to protect against service interruptions, corruption of our data and privacy protections, cyber-based attacks or network security breaches, our operations could be disrupted.
- We have taken on significant debt, and the agreements that govern such debt contain various covenants that impose significant operating and financial restrictions on us, which may adversely affect our business.

<sup>6</sup> Diluted earnings per share "EPS" is adjusted by the effect of dilutive securities, including awards under the Company's equity compensation plans, the Convertible Series B Preferred Stock, and certain forward repurchase contracts entered into by the Company in June and December 2022 to start hedging for two potential US\$200 million and US\$196 million share buyback programmes, in 2024 and 2025, respectively (the "Forward Repurchase Contracts"). When calculating any potential dilutive effect of stock options, Series A Preferred Stock, restricted stock, performance restricted stock units "PRSUs" and restricted stock units "RSUs", the Company uses the treasury method and the if-converted method for the Convertible Series B Preferred Stock and the Forward Repurchase Contracts. The treasury method typically does not adjust the net income attributable to Coty, while the if-converted method requires an adjustment to reverse the impact of the preferred stock dividends of US\$13.2 million, US\$198.3 million, and US\$102.3 million, respectively, and to reverse the impact of fair market value (gains)/losses for contracts with the option to settle in shares or cash of US\$(101.8) million, US\$0, and US\$0, respectively, if dilutive, for the twelve months ended 30 June 2023, 2022 and 2021 on net income applicable to common stockholders during the period.

## PART II – PROSPECTUS SUMMARY

<ul style="list-style-type: none"> <li>• Our ability to service and repay our indebtedness will be dependent on the cash flow generated by our subsidiaries and events beyond our control.</li> <li>• We must successfully manage the impact of a general economic downturn, credit constriction, uncertainty in global economic or political conditions or other global events or a sudden disruption in business conditions which may affect consumer spending, global supply chain conditions and inflationary pressures and adversely affect our financial results.</li> <li>• We are subject to legal proceedings and legal compliance risks, including talc-related litigation alleging bodily injury.</li> <li>• We are subject to changes in laws, regulations and policies that affect our business or products which could adversely affect our business, financial condition, results of operations, cash flows, as well as the trading price of our securities.</li> </ul>	
<b>SECTION C - KEY INFORMATION ON THE SECURITIES</b>	
<b>What are the main features of the securities?</b>	
<b>Type and class and ISIN of the securities</b>	Class A Common Stock, par value US\$0.01 per share. The CUSIP number assigned to the Class A Common Stock is 222 070 203 and the ISIN is US2220702037.
<b>Currency, denomination, par value, number issued and term of thesecurities</b>	Trading of the Class A Common Stock on the New York Stock Exchange ("NYSE") is in US Dollars. Trading of the Class A Common Stock on Euronext Paris will be in Euros. The par value of the securities is US\$0.01. As of 21 September 2023, the Company's share capital consists of 924,451,854 shares of Class A Common Stock issued (of which 66,459,162 shares of Class A Common Stock are held in treasury such that 857,992,692 shares of Class A Common Stock are outstanding), 1,000,000 shares of Series A Preferred Stock issued and outstanding and 146,057 shares of Convertible Series B Preferred Stock issued and outstanding. Based on the Company's share capital as of 21 September 2023, immediately following completion of the Global Offering, the issued share capital of the Company will consist of 957,451,854 shares of Class A Common Stock issued and 890,992,692 shares of Class A Common Stock outstanding, 1,000,000 shares of Series A Preferred Stock issued and outstanding and 146,057 shares of Convertible Series B Preferred Stock issued and outstanding. The term of the securities is unlimited.
<b>Rights attached to the securities</b>	<p>The rights of our stockholders are governed by Delaware General Corporation Law ("DGCL"), our amended and restated certificate of incorporation, as amended (our "<b>Certificate of Incorporation</b>"), and our amended and restated by-laws (our "<b>By-laws</b>").</p> <p>The holders of Class A Common Stock are entitled to:</p> <ul style="list-style-type: none"> <li>• receive dividends, as and when declared by our board of directors, out of our legally available assets, in cash, property, shares of our Class A Common Stock or other securities, after payments of dividends required to be paid on outstanding Preferred Stock, if any; and</li> <li>• one vote per share on all matters submitted to a vote of our stockholders, unless otherwise required by our Certificate of Incorporation or By-laws.</li> </ul> <p>Shares of our Class A Common Stock are not entitled to preemptive rights and are not convertible into any other shares of our capital stock.</p>
<b>Relative seniority of the securities in the issuer's capitalstructure in the event of insolvency</b>	Upon our liquidation, dissolution or winding up, the assets legally available for distribution to our stockholders will be distributable ratably among the holders of Class A Common Stock, subject to prior satisfaction of all outstanding debts and other liabilities and the preferential rights and payment of liquidation preferences, if any, on any outstanding Preferred Stock.
<b>Any restriction on the free transferability of the securities</b>	Class A Common Stock is freely transferable without restriction or registration under the Securities Act, except for any shares of Class A Common Stock purchased or otherwise beneficially owned by one of Coty's "affiliates," as that term is defined in Rule 144 under the Securities Act, which may only be resold upon satisfaction of certain requirements or exemptions under the Securities Act. Such affiliates would need to satisfy similar requirements or utilise similar exemptions under the Securities Act to sell any other shares of Class A Common Stock they now or in the future own. Any other shares of Class A Common Stock that have been acquired by a person who is not an affiliate of Coty on the New York Stock Exchange or otherwise in the public market prior to the Global Offering and that will be outstanding upon completion of the Global Offering are not deemed to be "restricted securities" under the Securities Act and will be eligible for resale immediately upon consummation of this Global Offering without restriction. Additionally, certain of Coty's existing stockholders have rights with respect to the registration of the offer and sale of certain restricted or control shares of Class A Common Stock (the "Restricted/Control Securities") that are held by such stockholders under the Securities Act. If the future offer and sale of these Restricted/Control Securities is registered pursuant to a registration statement filed under the Securities Act, such Restricted/Control Securities will become freely tradable shares of Class A Common Stock without restriction under the Securities Act immediately upon the sale of such shares pursuant to such registration statement, except for any such Restricted/Control Securities purchased by an affiliate of Coty, which may only be resold upon satisfaction of certain requirements or pursuant to certain exemptions under the Securities Act. In addition, Coty may in the future issue additional securities that are restricted under the Securities Act, and in connection with any such issuance, Coty may grant additional registration rights. Finally, shares of Coty's Class A Common Stock that underly its equity compensation awards are registered pursuant to one or more registration statements filed under the Securities Act. Accordingly, such shares will be freely tradeable upon vesting of the applicable award, other than shares received by any director or executive officer deemed an affiliate of Coty, which may only be resold upon satisfaction of certain requirements or pursuant to certain exemptions under the Securities Act.



## PART II – PROSPECTUS SUMMARY

<b>Dividend policy</b>	On 29 April 2020, our board of directors suspended the payment of dividends on our common stock, in accordance with our credit agreement, as amended. As we focus on preserving cash, we expect to suspend the payment of common stock dividends until we reach a Net debt to Adjusted earnings before interest, taxes, depreciation and amortisation ("Adjusted EBITDA") of 2x. Any determination to pay dividends on our common stock in the future will be at the discretion of our board of directors and is subject to the restrictions under the terms of the Convertible Series B Preferred Stock.
<b>Where will the securities be traded?</b>	
<b>Admission to trading on a regulated market</b>	Coty's Class A Common Stock has been approved for listing on the Professional Segment of Euronext Paris under the symbol "COTY" as of 28 September 2023. Trading in the Class A Common Stock on Euronext Paris is expected to commence on 28 September 2023 at 15:30 CET. Coty's Class A Common Stock is listed and trades on the NYSE under the symbol "COTY".
<b>Is there a guarantee attached to the securities?</b>	
<b>Brief description of the nature and scope of the guarantee</b>	Not applicable
<b>Brief description of the guarantor, including its LEI</b>	Not applicable
<b>Relevant key financial information for the purpose of assessing the guarantor's ability to fulfil its commitments under the guarantee</b>	Not applicable
<b>Description of the most material risk factors pertaining to the guarantor</b>	Not applicable
<b>What are the key risks that are specific to the securities?</b>	
<p>There are many risks and uncertainties related to the Company's Class A Common Stock, including:</p> <ul style="list-style-type: none"> <li>JAB Cosmetics B.V. ("JABC") and its affiliates, through their ownership of approximately 53% of the outstanding shares of our Class A Common Stock have the ability to effect and/or significantly influence certain decisions requiring stockholder approval, which may be inconsistent with the interests of our other stockholders.</li> <li>The dual-listing of our Class A Common Stock on the NYSE and on Euronext Paris's Professional Segment may adversely affect the liquidity and value of our Class A Common Stock and no assurance can be given as to the level of liquidity of the Class A Common Stock on Euronext Paris.</li> </ul>	
<b>SECTION D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET AND THE GLOBAL OFFERING</b>	
<b>Under which conditions and timetable can I invest in this security?</b>	
<p><b>Total net amount of the proceeds from the Global Offering / Estimate of the total expenses related to the Global Offering</b>  The gross proceeds from the Global Offering of the Offered Class A Common Stock will amount to US\$356,400,000 or €339,137,882, based on the based on an exchange rate of US\$1.05090 per Euro (the "Applicable USD-EUR Exchange Rate"). The total costs related to the admission of Coty's Class A Common Stock (which includes the Offered Class A Common Stock) to trading on Euronext Paris and the Global Offering amount to a total of approximately US\$15,439,624.21 (or €14,691,811, based on the Applicable USD-EUR Exchange Rate).</p> <p><b>Terms and conditions of the Global Offering</b>  <b>Total amount of the Global Offering:</b> US\$356,400,000 (or €339,137,882, based on the Applicable USD-EUR Exchange Rate).  <b>Number of Offered Class A Common Stock offered:</b> 33,000,000 shares of Offered Class A Common Stock  <b>Offer price:</b> US\$10.80 per share of Offered Class A Common Stock (or €10.28 per share of Offered Class A Common Stock based on the Applicable USD-EUR Exchange Rate).  <b>Offer period:</b> Opening of offer period: 25 September 2023 at 22:30 CET; End of offer period: 28 September 2023 at 10:00 CET  <b>Global Offering:</b> The Global Offering is a SEC-registered public offering in the United States and an offering outside the United States including in the European Economic Area to qualified investors (as defined in Article 2(e) of the Prospectus Regulation) of 33,000,000 shares of Offered Class A Common Stock with a nominal value of US\$0.01 per share. The Global Offering is made by means of the Prospectus Supplement, dated 25 September 2023, filed with the SEC and not by means of this Prospectus.  <b>Targeted Investors of the Global Offering:</b> Qualified Investors (as defined in Article 2(e) of the Prospectus Regulation) outside of the United States and the public in the United States.  <b>Timetable:</b> Below is an indicative timeline of the relevant dates of the Global Offering and of the admission to listing and trading of the Class A Common Stock on Euronext Paris:</p>	
25 September 2023 at 22:30 CET	Opening of the offer period of the Global Offering
26 September 2023	Publication of an Euronext notice announcing the admission to trading of the Class A Common Stock and of the timetable of such admission
28 September 2023 at 10:00 CET	End of the offer period of the Global Offering
28 September 2023	Approval of the Prospectus by the AMF for the admission to listing and trading of the Class A Common Stock on Euronext Paris
28 September 2023	Publication of an Euronext notice announcing the results of the Global Offering, number of shares to be admitted to trading and the reference price
	Publication of the final Prospectus approved by the AMF
	Publication of a press release announcing approval of the Prospectus and of the admission to listing and trading of the Class A Common Stock on Euronext Paris
	Release of allocations of Offered Class A Common Stock
28 September 2023 at 15:30 CET	Trading of the Class A Common Stock on Euronext Paris
2 October 2023	Settlement and delivery of the Offered Class A Common Stock issued in the Global Offering

## PART II – PROSPECTUS SUMMARY

**Dilution:** On the Global Offering settlement date, expected to occur on 2 October 2023, based on the persons known to the Company to beneficially own<sup>7</sup> more than 5% of our Class A Common Stock as of 21 September 2023, our Class A Common Stock will be held as follows, under the assumption that all the Offered Class A Common Stock will be issued:

Name of beneficial owner	Number of shares <sup>8</sup>	% of Class A Common Stock
JAB Beauty B.V. <sup>9</sup>	464,204,193	52.1
BlackRock Inc. <sup>10</sup>	53,612,314	6.0
Free float	373,176,185	41.9
Total	890,992,692	100

Applicable percentage ownership is based on 857,992,692 outstanding shares of Class A Common Stock as of 21 September 2023 and includes at that date approximately 49.5 million shares of Class A Common Stock held by the banks party to our total return swaps entered into in calendar 2022 to hedge our potential exposure at around prevailing stock price trading levels over the applicable hedging periods for our share buyback program (the “**Total Return Swaps**”) and excludes approximately 271,693,855 shares of Class A Common Stock reserved as of 21 September 2023 for issuance under our equity incentive and employee stock purchase plans. Following the completion of this Global Offering, we have the ability to manage dilution through the physical settlement of one or more currently outstanding Total Return Swaps. If we elect physical settlement Coty would acquire the underlying shares which would then be retired. While it is our current intention to physically settle one or more of our outstanding Total Return Swaps with respect to up to 27 million shares of Class A Common Stock over the next six months, we are not obligated to do so and cannot assure you if or when or the amounts of any such transaction. Percentage ownership amounts do not assume the conversion of any outstanding shares of Series B Preferred Stock held by HFS Holdings S.à r.l., and the computations and share amounts used herein do not give effect to any accretion on the Series B Preferred Stock after 21 September 2023. In computing the number of shares of Class A Common Stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of Class A Common Stock subject to options held by that person that are currently exercisable or exercisable within 60 days of 21 September 2023 and subject to restricted stock units that are vested but not settled or that are going to vest and are expected to settle within 60 days of 21 September 2023. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

The impact of the Global Offering on the proportion of equity held by a holder of share of a Class A Common Stock and on the basis of the consolidated equity of the Company as of 30 June 2023 and the consolidated equity per Class A Common Stock, before and after the issuance of the 33,000,000 shares of Offered Class A Common Stock would be as follows (after deduction of all legal and administrative fees and fees to be paid to the financial intermediaries under the Global Offering):

	Consolidated equity per Class A Common Stock as of 30 June 2023	
	Non diluted	Diluted <sup>(1)</sup>
Prior to the issuance of the Offered Class A Common Stock	4.69	4.30
Following the issuance of the 33,000,000 Offered Class A Common Stock	4.90	4.51

(1) based on outstanding awards under equity compensation plans and Series B Preferred Stock on a converted basis  
The impact of the issuance of the 33,000,000 Offered Class A Common Stock on the shareholding in the Company of a shareholder that holds 1% of the Class A Common Stock of the Company and does not subscribe to the Global Offering would be as follows:

	Consolidated equity per Class A Common Stock as of 30 June 2023	
	Non diluted	Diluted <sup>(1)</sup>
Prior to the issuance of the Offered Class A Common Stock	1%	0.92%
Following the issuance of the 33,000,000 Offered Class A Common Stock	0.96%	0.89%

(1) based on outstanding awards under equity compensation plans and Series B Preferred Stock on a converted basis  
**French Paying Agent:** Uptevia

### Why is this Prospectus being produced?

This Prospectus has been prepared solely in connection with the admission to listing and trading of the Company's Class A Common Stock on the Professional Segment of the regulated market of Euronext Paris.

The dual-listing of the Company's Class A Common Stock is intended to promote additional liquidity for investors and provide greater access to Coty's Class A Common Stock among investors in Europe who may be required to invest in Eurozone markets or certain currencies only. Coty's dual-listing on Euronext Paris is intended to strengthen Coty's presence in Europe and to align with Coty's more than 100 year heritage in France and its substantial business footprint in Europe.

<sup>7</sup> See footnote 1

<sup>8</sup> See footnote 2

<sup>9</sup> See footnote 4. The number of shares has been calculated on the (i) basis that JAB Cosmetics B.V. has subscribed for 3,000,000 shares of Offered Class A Common Stock and (ii) assumption that by the Global Offering Settlement Date our majority stockholder, JAB Beauty B.V. (formerly known as Cottage Holdco B.V.) will enter into a proxy agreement (the “**Voting Proxy Agreement**”) with Peter Harf, our Executive Chairman, and HFS Holdings S.à r.l., a private limited liability company incorporated under the laws of Luxembourg (“**HFS**”) that is controlled by Peter Harf, pursuant to which each of Mr. Harf and HFS appointed JAB Beauty B.V. as its true and lawful proxy, with full power of substitution, for and in its name, place and stead to vote the 12,350,509 shares of our Class A Common Stock and 146,057 shares of our Series B Convertible Preferred Stock and any and all other equity interests in the Company held by HFS or Mr. Harf, as applicable, whether directly or indirectly, beneficially or of record, then owned or thereafter acquired, with respect to any and all matters subject to a vote of the Company stockholders.

<sup>10</sup> See footnote 5

**Use and estimated net amount of the proceeds from the Global Offering**

The net proceeds of the Global Offering are estimated to be \$US340,960,376 (or €324,446,071 based on the Applicable USD-EUR Exchange Rate). The Company intends to use the net proceeds of the Global Offering primarily to retire principal amount of outstanding debt. Other uses include general corporate purposes, such as strategic investments in its business, working capital and capital expenditures. The Company will not receive any proceeds from the admission to listing and trading of its Class A Common Stock on the Professional Segment of Euronext Paris distinct from the proceeds from the Global Offering.

**Subscription**

None of the Company's executive officers or members of its board of directors had placed an order in respect of the Global Offering, except Maria Asuncion Aramburuzabala Larregui, member of the board of directors of the Company, who may be deemed to beneficially own, directly or indirectly, through her interest in Tresalia Capital 2,600,000 shares of Offered Class A Common Stock in an amount of €26,728,000. JAB Holdings B.V., an entity affiliated with JAB Cosmetics B.V., the Company's main shareholder, has subscribed for 3,000,000 shares of Offered Class A Common Stock in the amount of €30,840,000.

**Underwriting**

The Offering was subject to an underwriting agreement (the "**Underwriting Agreement**") between the Company, Banco Santander, S.A., BNP PARIBAS, Citigroup Global Markets Europe AG, Citigroup Global Markets Inc. and Crédit Agricole Corporate and Investment Bank (the "**Underwriters**"). In the Underwriting Agreement, the Company agreed to issue and sell to each Underwriter, and each Underwriter agreed, severally and not jointly, to purchase from the Company, the specified number of Offered Class A Common Stock at the agreed purchase price per share.

**Agreement**

**Interests of natural and legal persons participating in the Global Offering**

The Underwriters act for the Company in the Global Offering and coordinate the structuring and execution of the Global Offering and will receive a commission upon its completion. The Underwriters and/or certain of their affiliates have provided or may provide in the future various banking, financial, investment, commercial or advisory services or otherwise to the Company or its officers, under which they have received or may receive compensation.

<b>PART III – RISK FACTORS</b>
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As investment in the common stock of the Company involves a significant degree of risk, investors are encouraged to review all the information contained in this Prospectus, including the risk factors described below. As of the date of this Prospectus, these risks are those that the Company believes, should they occur, are likely to have a significant adverse effect on the Company or its business, financial condition, results of operations or prospects. Investors should note that the list of risks presented below is not exhaustive and that other risks, either not identified at the date of this Prospectus or not identified as likely to have a significant adverse effect on the Company's business, financial condition, results of operations or prospects, may exist or arise. Investors should review this Prospectus carefully in its entirety and consult their professional advisers before making any investment.

Pursuant to the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, as amended, the main risks presented in this section are those identified by the Company in light of its assessment of the probability of significant risks materialising and the severity of the consequences, taking into account mitigation and remediation efforts.

Within each of the risk categories mentioned below, the most material risk factors are presented first, with those considered to be the most significant marked with an asterisk. Irrespective of the order of the risk factors, if any of the risks referred to in this Prospectus were to occur, the Company's business, financial condition, results of operations and prospects could be materially adversely affected. If that were to be the case, the trading price of the securities could decline significantly and investors might even lose all or part of their investment.

The table below summarises the main risk factors identified by the Company, organised into seven categories: (i) risks related to the Company's industry; (ii) risks related to the Company's business strategy and organisation; (iii) risks related to the Company's business operations; (iv) risks related to the Company's indebtedness; (v) risks related to macroeconomic conditions and market risks, (vi) legal and regulatory risks and (vii) risks related to ownership of the Company's securities. The right column indicates specific risk factors that are deemed by the Company to be more significant based on the potential adverse impacts on the Company and the probability of occurrence.

<b>Categories of risk factors</b>	<b>Considered to be the most material</b>
<b>1. Risks related to our industry</b>	
The beauty industry is highly competitive, and if we are unable to compete effectively, our business, prospects, financial condition and results of operations could suffer.	*
Further consolidation in the retail industry and shifting preferences in how and where consumers shop, including to e-commerce, may adversely affect our business, prospects, financial condition and results of operations.	*
Changes in industry trends and consumer preferences could adversely affect our business, prospects, financial condition and results of operations.	*
Our brand licences may be terminated if specified conditions are not met, and we may not be able to renew expiring licences on favourable terms or at all.	*
If we are unable to obtain, maintain and protect our intellectual property rights, in particular trademarks, patents and copyrights, or if our brand partners and licensors are unable to maintain and protect their intellectual property rights that we use in connection with our products, our ability to compete could be negatively impacted.	*
Our success depends, in part, on the quality, effectiveness and safety of our products.	

Categories of risk factors	Considered to be the most material
Our failure to protect our reputation, or the failure of third parties with whom we do business to protect their reputations, could have a material adverse effect on our brand images.	
Our success depends on our ability to operate our business without infringing, misappropriating or otherwise violating the intellectual property of third parties.	
Our business is subject to seasonal variability.	
<b>2. Risks related to our business strategy and organisation</b>	
Our new product introductions may not be as successful as we anticipate, which could have a material adverse effect on our business, prospects, financial condition and results of operations.	*
Our success depends on our ability to achieve our global business strategies.	*
We have incurred significant costs in connection with the integration of acquisitions and simplifying our business and expect to incur costs in connection with future restructuring initiatives which could affect the implementation of our global business strategies and our period-to-period operating results.	
We may not be able to identify suitable acquisition targets and our acquisition activities and other strategic transactions may present managerial, integration, operational and financial risks, which may prevent us from realizing the full intended benefit of the acquisitions we undertake.	
We face risks associated with our joint ventures and strategic partnership investments.	
Our goodwill and other assets have been subject to impairment and may continue to be subject to impairment in the future.	
<b>3. Risks related to our business operations</b>	
Our manufacturing and distribution operations could be disrupted or become more costly.	*
We are increasingly dependent on information technology, and if we are unable to protect against service interruptions, corruption of our data and privacy protections, cyber-based attacks or network security breaches, our operations could be disrupted.	*
We outsource a number of functions to third-party service providers, and any failure to perform or other disruptions or delays at our third-party service providers could adversely impact our business, our results of operations or our financial condition.	
We are subject to risks related to our international operations.	
We may be subject to employment-related claims, allegations or legal proceedings.	
Our success depends, in part, on our employees, including our key personnel.	
If we underestimate or overestimate demand for our products and do not maintain appropriate inventory levels, our net revenues or working capital could be negatively impacted.	

Categories of risk factors	Considered to be the most material
<b>4. Risks related to our indebtedness</b>	
We have taken on significant debt, and the agreements that govern such debt contain various covenants that impose significant operating and financial restrictions on us, which may adversely affect our business.	*
Our ability to service and repay our indebtedness will be dependent on the cash flow generated by our subsidiaries and events beyond our control.	*
Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase.	
<b>5. Risks related to macroeconomic conditions and market risks</b>	
We must successfully manage the impact of a general economic downturn, credit constriction, uncertainty in global economic or political conditions or other global events or a sudden disruption in business conditions which may affect consumer spending, global supply chain conditions and inflationary pressures and adversely affect our financial results.	*
We may not be able to pass through inflationary costs increases due to price inflation for labour, materials and services, further exacerbated by volatility in energy and commodity markets by the war in Ukraine, could adversely affect our business, results of operations and financial condition.	*
The COVID-19 pandemic has had, and could continue to have, a negative impact on our business, financial condition, results of operations and cash flows.	
We are subject to risks related to fluctuations in currency exchange rates may negatively impact our financial condition and results of operations.	
We are subject to risks related to volatility in the financial markets could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.	
<b>6. Legal and regulatory risks</b>	
We are subject to legal proceedings and legal compliance risks, including talc-related litigation alleging bodily injury.	*
We are subject to changes in laws, regulations and policies that affect our business or products which could adversely affect our business, financial condition, results of operations, cash flows, as well as the trading price of our securities.	*
Our operations and acquisitions in certain foreign areas expose us to political, regulatory, economic and reputational risks.	*
If the Distribution (as defined below) or the acquisition of the P&G Beauty Business does not qualify for its intended tax treatment, in certain circumstances we are required to indemnify P&G for resulting tax-related losses under the tax matters agreement entered into in connection with the acquisition of the P&G Beauty Business dated 1 October 2016 (the “ <b>Tax Matters Agreement</b> ”).	
<b>7. Risks related to ownership of our common stock</b>	

Categories of risk factors	Considered to be the most material
JAB Cosmetics B.V. (“ <b>JABC</b> ”) and its affiliates, through their ownership of approximately 53% of the outstanding shares of our Class A Common Stock have the ability to effect and/or significantly influence certain decisions requiring stockholder approval, which may be inconsistent with the interests of our other stockholders.	*
The dual-listing of our Class A Common Stock on the NYSE and on Euronext Paris’s Professional Segment may adversely affect the liquidity and value of our Class A Common Stock and no assurance can be given as to the level of liquidity of the Class A Common Stock on Euronext Paris.	*
We are a “controlled company” within the meaning of the NYSE rules and, as a result, are entitled to rely on exemptions from certain corporate governance requirements that are designed to provide protection to stockholders of companies that are not “controlled companies”.	
Our shares may be subject to significant price volatility, which may have an adverse effect on your ability to liquidate your investment in our Class A Common Stock.	
We are subject to risks related to our common stock, our stock repurchase programme and our stock reinvestment programme.	

## 1. RISKS RELATED TO OUR INDUSTRY

***The beauty industry is highly competitive, and if we are unable to compete effectively, our business, prospects, financial condition and results of operations could suffer.\****

The beauty industry is highly competitive and can change rapidly due to consumer preferences and industry trends, such as the expansion of digital channels, direct-to-consumer channels, new “disruptor” trendy brands and advances in technology such as artificial intelligence. Competition in the beauty industry is based on several factors, including pricing, value and quality, product efficacy, packaging and brands, speed or quality of innovation and new product introductions, in-store presence and visibility, promotional activities (including influencers) and brand recognition, distribution channels, advertising, editorials and adaption to evolving technology and device trends, including via e-commerce initiatives.

Our competitors include large multinational consumer products companies, private label brands and emerging companies, among others, and some have greater resources than we do or may be able to respond more quickly or effectively to changing business and economic conditions than we can. It is difficult for us to predict the timing and scale of our competitors’ actions and their impact on the industry or on our business. For example, the fragrance category is being influenced by new product introductions, niche brands and growing e-commerce distribution. The colour cosmetics category has been influenced by entry by new competitors and smaller competitors that are fast to respond to trends and engage with their customers through digital platforms, including using new or advancing technologies such as artificial intelligence and innovative in-store activations. Furthermore, e-commerce and the online retail industry is characterised by rapid technological evolution, changes in consumer requirements and preferences, frequent introductions of new products and services embodying new technologies and the emergence of new industry standards and practices and evolving regulatory regimes, any of which could render our existing technologies and systems obsolete. Our success will depend, in part, on our ability to identify, develop, acquire or licence leading technologies useful in our business, and respond to technological advances and emerging industry standards and practices in a cost-effective and timely way.

If we are unable to compete effectively on a global basis or in our key product categories or geographies, it could have an adverse impact on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Further consolidation in the retail industry and shifting preferences in how and where consumers shop, including to e-commerce, may adversely affect our business, prospects, financial condition and results of operations.\****

Significant consolidation in the retail industry has occurred during the last several years. The trend toward consolidation, particularly in developed markets such as the U.S. and Western Europe, has resulted in our becoming increasingly dependent on our relationships with, and the overall business health of, fewer key retailers that control an increasing percentage of retail locations, which trend may continue. For example, certain retailers account for over 10% of our net revenues in certain geographies, including the U.S. Our success is dependent on our ability to manage our retailer relationships, including offering trade terms on mutually acceptable terms. Furthermore, increased online competition and declining in-store traffic has resulted, and may continue to result, in brick-and-mortar retailers closing physical stores, which could negatively impact our distribution strategies and/or sales if such retailers decide to significantly reduce their inventory levels for our products or to designate more shelf space to our competitors. Additionally, these retailers periodically assess the allocation of shelf space and have elected (and could further elect) to reduce the shelf space allocated to our products. Some of our brands, including CoverGirl, have experienced shelf space losses in the past, and such declines may continue or resume. We generally do not have long-term sales contracts or other sales assurances with our retail customers.

Consumer shopping preferences have also shifted, and may continue to shift in the future, to distribution channels other than traditional retail in which we have more limited experience, presence and development, such as direct-to-consumer sales and e-commerce. In particular, expansion of our direct-to-consumer business presents challenges for logistics and fulfillment as well as additional regulatory compliance. If we are not successful in our efforts to expand distribution channels, including growing our e-commerce activities, we will not be able to compete effectively. In addition, our entry into



new categories and geographies has exposed, and may continue to expose, us to new distribution channels or risks about which we have less experience. Any change in our distribution channels, such as direct sales, could also expose us to disputes with distributors. If we are not successful in developing and utilizing these channels or other channels that future consumers may prefer, we may experience lower than expected revenues.

Further consolidation in the retail industry and store closures, or reduction in inventory levels of our products or shelf space devoted to our products, or our inability to successfully adapt to shifting consumer shopping preferences could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Changes in industry trends and consumer preferences could adversely affect our business, prospects, financial condition and results of operations.\****

Our success depends on our products' appeal to a broad range of consumers whose preferences cannot be predicted with certainty and may change rapidly, and on our ability to anticipate and respond in a timely and cost-effective manner to industry trends through product innovations, product line extensions and marketing and promotional activities, among other things. Product life cycles and consumer preferences continue to be affected by the rapidly increasing use and proliferation of social and digital media by consumers, and the speed with which information and opinions are shared. As product life cycles shorten, we must continually work to develop, produce and market new products, maintain and enhance the recognition of our brands and shorten our product development and supply chain cycles.

In addition, net revenues and margins on beauty products tend to decline as they advance in their life cycles, so our net revenues and margins could suffer if we do not successfully and continuously develop new products. This product innovation also can place a strain on our employees and our financial resources, including incurring expenses in connection with product innovation and development, marketing and advertising that are not subsequently supported by a sufficient level of sales. Furthermore, we cannot predict how consumers will react to any new products that we launch or to repositioning of our brands. Our successful product launches may not continue. The amount of positive or negative sales contribution of any of our products may change significantly within a period or from period to period.

These risks have been exacerbated by the impact of general economic conditions such as inflationary pressures and the ongoing effects of COVID-19 on our business. Consumer spending habits and consumer confidence have shifted and may continue to change in light of re-imposition of containment measures (such as the lockdowns imposed in China), inflationary pressures, as well as changes in work practices and travel trends impacting the demand for our products.

Specifically for us, if we are unable to anticipate and respond in a in a timely and cost-effective manner to changes in industry trends and consumer preferences, this could have an adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our brand licences may be terminated if specified conditions are not met, and we may not be able to renew expiring licences on favourable terms or at all.\****

Products representing 63% of our fiscal 2023 net revenues from continuing operations are manufactured and marketed under exclusive licence agreements granted to us for use on a worldwide and/or regional basis. As of 30 June 2023, we maintained 22 brand licences. In addition, approximately 54% of our fiscal 2023 net revenues from continuing operations were attributable to prestige fragrance, of which approximately 88% was from our top seven prestige fragrance brands.

Our licence agreements have an average duration of over 25 years. Most brand licences have renewal options for one or more terms, which can range from two to ten years. Certain brand licences provide for automatic extensions, so long as minimum annual royalty payments are made, while renewal of others is contingent upon attaining specified sales levels or upon agreement of the licensor. None of our top seven licences, which account for approximately 88% of our prestige fragrance sales, are up for non-automatic renewal before 2028, with an average remaining duration of 13 years. We are currently in the process of renewing a smaller licence which is up for renewal during fiscal 2024.

We licence trademarks for many of our product lines. Our brand licences typically impose various obligations on us, including the payment of annual royalties, maintenance of the quality of the licenced products, achievement of minimum sales levels, promotion of sales and qualifications and behaviour of our suppliers, distributors and retailers. We have breached, and may in the future breach, certain terms of our brand licences. If we breach our obligations, our rights under the applicable brand licence agreements could be terminated by the licensor and we could, among other things, have to pay damages, lose our ability to sell products related to that brand, lose any upfront investments made in connection with such licence and sustain reputational damage. In addition, most brand licences have renewal options for one or more terms, which can range from three to ten years. Certain brand licences provide for automatic extensions, so long as minimum annual royalty payments are made, while renewal of others is contingent upon attaining specified sales levels or upon agreement of the licensor. While many of our licences are long term, licences relating to certain of our brands are up for renewal in the next few years, including one smaller licence up for renewal in fiscal 2024. We may not be able to renew expiring licences on terms that are favourable to us or at all. We may also face difficulties in finding replacements for terminated or expired licences.

Each of the aforementioned risks could result in losing brand licences for our product lines which could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***If we are unable to obtain, maintain and protect our intellectual property rights, in particular trademarks, patents and copyrights, or if our brand partners and licensors are unable to maintain and protect their intellectual property rights that we use in connection with our products, our ability to compete could be negatively impacted.\****

Our intellectual property is a valuable asset of our business. Although certain of the intellectual property we use is registered in the U.S. and in many of the foreign countries in which we operate, there can be no assurances with respect to the continuation of such intellectual property rights, including our ability to further register, use or defend key current or future trademarks. Further, applicable law may provide only limited and uncertain protection, particularly in emerging markets, such as China.

Furthermore, we may not apply for, or be unable to obtain, intellectual property protection for certain aspects of our business. Third parties have in the past, and could in the future, bring infringement, invalidity, co-inventorship, re-examination, opposition or similar claims with respect to our current or future intellectual property. Any such claims, whether or not successful, could be costly to defend, may not be sufficiently covered by any indemnification provisions to which we are party, divert management's attention and resources and damage our reputation and brands. Patent expirations may also affect our business. As patents expire, competitors may be able to legally produce and market products similar to the ones that were patented.

In addition, third parties may distribute and sell counterfeit or other infringing versions of our products, which may be inferior or pose safety risks and could confuse consumers or customers, which could cause them to refrain from purchasing our brands in the future or otherwise damage our reputation. In recent years, there has been an increase in the availability of counterfeit goods, including fragrances, in various markets by street vendors and small retailers, as well as on the Internet. The presence of counterfeit versions of our products in the market and of prestige products in mass distribution channels, including grey market products, could also dilute the value of our brands, force us and our distributors to compete with heavily discounted products, cause us to be in breach of contract (including licence agreements), impact our compliance with distribution and competition laws in jurisdictions including the E.U. and China, or otherwise have a negative impact on our reputation and business, prospects, financial condition or results of operations. We are engaged in efforts to rationalise our wholesale distribution channel and continue efforts to reduce the amount of product diversion to the value and mass channels; however, stopping or significantly reducing such commerce could result in a potential adverse impact to our sales and net revenues, including to those customers who are selling our products to unauthorised retailers, or an increase in returns over historical levels.

To protect or enforce our intellectual property and other proprietary rights, we may initiate litigation or other proceedings against third parties, such as infringement suits, opposition proceedings or interference proceedings. Any lawsuits or proceedings that we initiate could be expensive, take significant time and divert management's attention from other business concerns, adversely impact customer relations and we may not be successful. Litigation and other proceedings may also put our

intellectual property at risk of being invalidated or interpreted narrowly. In addition, while we maintain a robust anti-counterfeiting and brand enforcement programme, bringing numerous actions against infringers every year, such efforts may not be successful.

In addition, many of our products bear, and the value of our brands is affected by, the trademarks and other intellectual property rights of our brand and joint venture partners and licensors. Our brand and joint venture partners' and licensors' ability to maintain and protect their trademark and other intellectual property rights is subject to risks similar to those described above with respect to our intellectual property. We do not control the protection of the trademarks and other intellectual property rights of our brand and joint venture partners and licensors and cannot ensure that our brand and joint venture partners and licensors will be able to secure or protect their trademarks and other intellectual property rights., which could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows, as well as the trading price of our securities.

The occurrence of any of these events could reduce our ability to compete and could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our success depends, in part, on the quality, efficacy and safety of our products.***

Product safety or quality failures, actual or perceived, or allegations of product contamination, even when false or unfounded, or inclusion of regulated ingredients could tarnish the image of our brands and could cause consumers to choose other products. Allegations of contamination, allergens or other adverse effects on product safety or suitability for use by a particular consumer, even if untrue, may require us from time to time to recall a product from all of the markets in which the affected production was distributed. If our products are perceived to be defective or unsafe, or if they otherwise fail to meet our consumers' expectations, our relationships with customers or consumers could suffer, the appeal of one or more of our brands could be diminished, and we could lose sales or become subject to liability claims, which could negatively affect our profitability and brand image. In addition, safety or other defects in our competitors' products could reduce consumer demand for our own products if consumers view them to be similar or view the defects as symptomatic of the product category.

In addition, government authorities and self-regulatory bodies regulate advertising and product claims regarding the performance and benefits of our products. These regulatory authorities typically require a reasonable basis to support any marketing claims. What constitutes a reasonable basis for substantiation can vary widely based on geography, and the efforts that we undertake to support our claims may not be deemed adequate for any particular product or claim. If we are unable to show adequate substantiation for our product claims, or our promotional materials make claims that exceed the scope of allowed claims for the classification of the specific product, regulatory authorities could take enforcement action or impose penalties, such as monetary consumer redress, requiring us to revise our marketing materials, amend our claims or stop selling or recalling certain products, all of which could harm our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities. Any regulatory action or penalty could lead to private party actions, which could further harm our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

Any of these outcomes could require us to divert financial and management resources that we would otherwise have been able to devote to our business and result in a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our failure to protect our reputation, or the failure of third parties with whom we do business to protect their reputations, could have a material adverse effect on our brand images.***

Our ability to maintain our reputation is critical to our business and our various brand images. Our reputation could be jeopardised if we fail to maintain high standards for product quality and integrity (including should we be perceived as violating the law) or if we, or the third parties with whom we do business (i.e., brand partners or licensors), do not comply with regulations or accepted practices and are subject to a significant product recall, litigation, or allegations of tampering, animal testing, use of certain ingredients (such as certain palm oil) or misconduct by executives, founders or influencers. Any negative publicity about these types of concerns or other concerns, whether actual or perceived or

directed towards us or our competitors, may reduce demand for our products. Failure to comply with ethical, social, product, labour and environmental standards, or related political considerations, could also jeopardise our reputation and potentially lead to various adverse consumer actions, including boycotts. In addition, the behaviour of our employees, including with respect to our employees' use of social media subjects us to potential negative publicity if such use does not align with our high standards and integrity or fails to comply with regulations or accepted practices. Furthermore, widespread use of digital and social media by consumers has greatly increased the accessibility of information and the speed of its dissemination. Negative or inaccurate publicity, posts or comments on social media, whether accurate or inaccurate, about us, our employees or our brand partners (including influencers) and licensors, our respective brands or our respective products, whether true or untrue, could damage our respective brands and our reputation.

Additionally, our success is also partially dependent on the reputations of our brand partners, influencers and licensors and the goodwill associated with their intellectual property. We often rely on our brand partners, influencers or licensors to manage and maintain their brands, but these licensors' reputation or goodwill may be harmed due to factors outside our control, which could be attributed to our other brands. Many of these brand licences are with fashion houses, whose popularity may decline due to mismanagement, changes in fashion or consumer preferences, allegations against their management or designers or other factors beyond our control. Similarly, certain of our products bear the names and likeness of celebrities, whose brand or image may change without notice and who may not maintain the appropriate celebrity status or positive association among the consumer public to support projected sales levels. In addition, in the event that any of these licensors were to enter bankruptcy proceedings, we could lose our rights to use the intellectual property that the applicable licensors licence to us.

We are exposed to the risk of fraud or other misconduct by our personnel or third parties such as independent contractors, agents or influencers. Misconduct by employees, independent contractors, influencers or agents could include inadvertent or intentional failures to comply with the laws and regulations to which we are subject or with our policies, provide accurate information to regulatory authorities, comply with ethical, social, product, labour and environmental standards, comply with fraud and abuse laws and regulations, report financial information or data accurately, or disclose unauthorised activities to us. In particular, our business is subject to laws, regulations and policies intended to prevent fraud, kickbacks, self-dealing, resale price maintenance and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programmes, and other business arrangements. Our current and former employees, influencers or independent contractors may also become subject to allegations of sexual harassment, racial and gender discrimination or other similar misconduct, which, regardless of the ultimate outcome, may result in additional costs from claims made and/or legal proceedings brought against us and result in adverse publicity that could significantly harm our company's brand, reputation and operations. Employee misconduct could also involve improper use of information obtained in the course of the employee's prior or current employment, which could result in legal or regulatory action and serious harm to our reputation.

We also devote time and resources to citizenship efforts that are consistent with our corporate values and are designed to strengthen our business and protect and preserve our reputation, including programmes driving diversity, equity and inclusion, responsible sourcing, packaging and environmental sustainability. If these programmes are not executed as planned, fail or be perceived to fail in our achievement of announced goals or initiatives (or are unable to accurately report on our progress) or suffer negative publicity, our reputation and results of operations or cash flows could be adversely impacted. In addition, we could be criticised for the scope of such initiatives or goals or perceived as not acting responsibly in connection with these matters.

Damage to our reputation or the reputations of our brand partners or licensors or loss of consumer confidence for any of the reasons set out above could have a material adverse effect on our results of operations, financial condition and cash flows, as well as require additional resources to rebuild our reputation.

***Our success depends on our ability to operate our business without infringing, misappropriating or otherwise violating the intellectual property of third parties.***

Our commercial success depends in part on our ability to operate without infringing, misappropriating or otherwise violating the trademarks, patents, copyrights and other proprietary rights of third parties. However, we cannot be certain that the conduct of our business does not and will not infringe, misappropriate or otherwise violate such rights. Moreover, our acquisition targets and other businesses in which we make strategic investments are often smaller or younger companies with less robust intellectual property clearance practices, and we may face challenges on the use of their trademarks and other proprietary rights.

If we are found to be infringing, misappropriating or otherwise violating a third party trademark, patent, copyright or other proprietary rights, we may need to obtain a licence, which may not be available in a timely manner on commercially reasonable terms or at all, or redesign or rebrand our products, which may not be possible or result in a significant delay to market or otherwise have an adverse commercial impact. We may also be required to pay substantial damages or be subject to a court order prohibiting us and our customers from selling certain products or engaging in certain activities, which could therefore have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows, as well as the trading price of our securities.

***Our business is subject to seasonal variability.***

Our sales generally increase during our second fiscal quarter as a result of increased demand by retailers associated with the winter holiday season. Accordingly, our financial performance, sales, working capital requirements, cash flow and borrowings generally experience variability during the three to six months preceding and during the holiday period. As a result of this seasonality, our expenses, including working capital expenditures and advertising spend, are typically higher during the period before a high-demand season.

Consequently, specifically for us, any substantial decrease in, or inaccurate forecasting on our behalf with respect to, net revenues during such periods of high demand including as a result of decreased customer purchases, increased product returns, production or distribution disruptions or other events (many of which are outside of our control), would prevent us from being able to recoup our earlier expenses and could have a material adverse effect on our financial condition, results of operations and cash flows, as well as the trading price of our securities.

## **2. RISKS RELATED TO OUR BUSINESS STRATEGY AND ORGANISATION**

***Our new product introductions may not be as successful as we anticipate, which could have a material adverse effect on our business, prospects, financial condition and results of operations.\****

We must continually work to develop, produce and market new products and maintain a favourable mix of products in order to respond in an effective manner to changing consumer preferences. We continually develop our approach as to how and where we market and sell our products. In addition, we believe that we must maintain and enhance the recognition of our brands, which may require us to quickly and continuously adapt in a highly competitive industry to deliver desirable products and branding to our consumers. For example, as part of our global business strategies, we are instituting new objectives for our innovation efforts to support expansion of category coverage and sustainability. If these or other initiatives are not successful, our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities could be adversely impacted.

We have made changes and may continue to change our process for the continuous development and evaluation of new product concepts. In addition, each new product launch carries risks. For example, we may incur costs exceeding our expectations, our advertising, promotional and marketing strategies may be less effective than planned or customer purchases may not be as high as anticipated. In addition, we may experience a decrease in sales of certain of our existing products as a result of consumer preferences shifting to our newly-launched products or to the products of our competitors as a result of unsuccessful or unpopular product launches harming our brands. Also, initially successful launches may not be sustained. Any of these could have a material adverse effect on our business,

prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

As part of our ongoing business strategy we expect that we will need to continue to introduce new products in our traditional product categories and channels, while also expanding our product launches into adjacent categories and channels in which we may have less operating experience. For example, we entered into strategic partnerships with Kylie Jenner and Kim Kardashian, both digital-native beauty businesses, we are continuing our expansion into prestige cosmetics, and we are building a comprehensive skincare portfolio leveraging existing and new brands. The success of product launches in these or adjacent product categories could be hampered by our relative inexperience operating in such categories and channels or the strength of our competitors.

Our inability to introduce successful products in our traditional categories and channels or in these or other adjacent categories and channels could limit our future growth and have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our success depends on our ability to achieve our global business strategies.\****

Our future performance and growth depends on the success of our global business strategies, including our management team's ability to successfully implement them, including a focus on improving gross margin, deleveraging, and simplifying our business. The multi-year implementation of our transformation agenda and our global business strategies has resulted and is expected to continue to result in changes to business priorities and operations, capital allocation priorities, operational and organisational structure, and increased demands on management. Such changes could result in short-term and one-time costs without any current revenues, lost customers, reduced sales volume, higher than expected restructuring costs, loss of key personnel, additional supply chain disruptions, higher costs of supply and other negative impacts on our business. Events and circumstances such as financial or strategic difficulties, significant employee turnover, business disruption and delays may occur or continue, resulting in new, unexpected or increased costs that could result in us not implementing of our global business strategy on our expected timetable or at all, and, once implemented, we may not realise, in full or in part, the anticipated benefits or such benefits may be realised more slowly than anticipated.

In addition, we are executing many initiatives simultaneously, including changes to our operations and global strategy, which may result in further diversion of our resources, employee attrition and business disruption (including supply chain disruptions), and may adversely impact the execution of such initiatives.

Our inability to implement or delays in the implementation of our global business strategy, could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

Our strategy includes executing on our brand repositioning and continuing to focus our brand-building efforts on priority categories, channels and markets. In addition, we continue to prioritise our deleveraging objectives. In the future, we may dispose of or discontinue select brands and/or streamline operations, and dispose of select businesses or interests therein (including through strategic transactions or public offerings) and incur costs or restructuring and/or other charges in doing so. We may face risks of declines in brand performance and licence terminations, due to expirations and/or allegations of breach or for other reasons, including with regards to any potentially divested or discontinued brands. If and when we decide to divest or discontinue any brands or lines of business, we cannot be sure that we will be able to locate suitable buyers or that we will be able to complete such divestitures (including through strategic transactions or public offerings) or discontinuances successfully, timely, at appropriate valuations and on commercially advantageous terms, or without significant costs, including relating to any post-closing purchase price adjustments or claims for indemnification.

Any future divestitures and discontinuances of our brands or businesses could have, a dilutive impact on our earnings, create dis-synergies, and divert significant financial, operational and managerial resources from our existing operations and make it more difficult to achieve our operating

and strategic objectives. Such divestitures or discontinuances may impact the performance of our remaining business or ability to execute our global business strategies.

***We have incurred significant costs in connection with the integration of acquisitions and simplifying our business, and expect to incur costs in connection with future restructuring initiatives which could affect the implementation of our global business strategies and our period-to-period operating results.***

We have incurred significant restructuring costs in the past, and, as we continue to implement our global business strategies and any future restructuring initiatives, we expect to continue to incur one-time cash costs. In the past, as we integrated acquisitions, including the transformational acquisition of the P&G Beauty Business, we experienced challenges, including supply chain disruptions, higher than expected costs and lost customers and related revenue and profits, diversion of management attention from existing core businesses and substantial investment of resources to support integration and we could experience these or other challenges arising from the implementation of our global business strategies and any future restructuring initiatives. The cash usage associated with such, and similar, expenses has impacted and could continue to impact our ability to execute our business strategies, improve operating results and deleverage our balance sheet. In particular, the diversion of resources to the integration of the P&G Beauty Business, together with changes and turnover in our management teams as we reorganised our business, negatively impacted our fiscal 2018 and 2019 results. The implementation of our global business strategies could result in similar challenges.

If our management is not able to effectively manage these restructuring initiatives, address fixed and other costs, we incur additional operating expenses or capital expenditures to realise synergies, simplifications and cost savings, or if any significant business activities are interrupted as a result of these initiatives, our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities may be materially adversely affected. The amount and timing of the above-referenced charges and management distraction could further adversely affect our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities. In addition, the implementation of our global business strategies, any continuing or future restructuring initiatives and the integration of acquisitions may impact our ability to anticipate future business trends and accurately forecast future results.

***We may not be able to identify suitable acquisition targets and our acquisition activities and other strategic transactions may present managerial, integration, operational and financial risks, which may prevent us from realizing the full intended benefit of the acquisitions we undertake.***

During the past several years, we have explored and undertaken opportunities to acquire other companies and assets as part of our growth strategy. For example, we completed five significant acquisitions in fiscal 2016 through fiscal 2018 (including the acquisition of the P&G Beauty Business in October 2016). We entered into a joint venture with Kylie Jenner in fiscal 2020 and a strategic partnership with Kim Kardashian in fiscal 2021. These assets represent a significant portion of our net assets, particularly the P&G Beauty Business. As we consider growth opportunities, we may continue to seek acquisitions that we believe strengthen our competitive position in our key segments and geographies or accelerate our ability to grow into adjacent product categories and channels and emerging markets or which otherwise fit our strategy. We may not be able to identify suitable acquisition candidates, be the successful bidder or consummate acquisitions on favourable terms, have the funds to acquire desirable acquisitions or otherwise realise the full intended benefit of such transactions. In addition, acquisitions could adversely impact our deleveraging strategy.

The assumptions we use to evaluate acquisition opportunities may prove to be inaccurate, and intended benefits may not be realised. Our due diligence investigations may fail to identify all of the problems, liabilities or other challenges associated with an acquired business which could result in increased risk of unanticipated or unknown issues or liabilities, including with respect to environmental, competition and other regulatory matters, and our mitigation strategies for such risks that are identified may not be effective. As a result, we may not achieve some or any of the benefits, including anticipated synergies or accretion to earnings or other financial measures, that we expect to achieve in connection with our acquisitions and joint ventures, or we may not accurately anticipate the fixed and other costs associated with such acquisitions and joint ventures, or the business may not achieve the performance we anticipated, which may materially adversely affect our business, prospects, financial condition,

results of operations, cash flows, as well as the trading price of our securities. Any financing for an acquisition could increase our indebtedness or result in a potential violation of the debt covenants under our existing facilities requiring consent or waiver from our lenders, which could delay or prevent the acquisition, or dilute the interests of our stockholders. For example, in connection with the acquisition of the P&G Beauty Business, Green Acquisition Sub Inc., a wholly-owned subsidiary of the Company, was merged with and into Galleria, with Galleria continuing as the surviving corporation and a direct wholly-owned subsidiary of the Company (the “**Green Merger**”) and pre-Green Merger holders of our stock were diluted to 46% of the fully diluted shares of common stock immediately following the Green Merger. In addition, acquisitions of foreign businesses, new entrepreneurial businesses and businesses in new distribution channels, such as our acquisition of the Brazilian personal care and beauty business of Hypermarcas S.A. (the “**Hypermarcas Brands**”) and our joint venture with Kylie Jenner and our investment in the Kim Kardashian beauty business, entail certain particular risks, including potential difficulties in geographies and channels in which we lack a significant presence, difficulty in seizing business opportunities compared to local or other global competitors, difficulty in complying with new regulatory frameworks, the acquisition of new or unexpected liabilities, the adverse impact of fluctuating exchange rates and entering lines of business where we have limited or no direct experience. See “—Fluctuations in currency exchange rates may negatively impact our financial condition and results of operations” and “—We are subject to risks related to our international operations.”

If we are unable to successfully implement our acquisition activities, we may not be able to implement our global business strategies which may materially adversely affect our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***We face risks associated with our joint ventures and strategic partnership investments.***

We are party to several joint ventures and strategic partnership investments in both the U.S. and abroad. Going forward, we may acquire interests in more joint venture enterprises or other strategic partnerships to execute our business strategy by utilizing our partners’ skills, experiences and resources. These joint ventures and investments involve risks that our joint venture or strategic investment partners may:

- have economic or business interests or goals that are inconsistent with or adverse to ours;
- take actions contrary to our requests or contrary to our policies or objectives, including actions that may violate applicable law;
- be unable or unwilling to fulfill their obligations under the relevant joint venture agreements;
- have financial or business difficulties;
- take actions that may harm our reputation; or
- have disputes with us as to the scope of their rights, responsibilities and obligations.

In certain cases, joint ventures and strategic partnership investments may present us with a lack of ability to fully control all aspects of their operations, including due to veto rights, and we may not have full visibility with respect to all operations, customer relations and compliance practices, among others.

Our present or future joint venture and strategic partnership investment projects may not be successful. We have had, and in the future may have, disputes or encounter other problems with respect to our present or future joint venture or strategic investment partners or our joint venture or strategic partnership investment agreements may not be effective or enforceable in resolving these disputes or we may not be able to resolve such disputes and solve such problems in a timely manner or on favourable economic terms, or at all.

Specifically, if we are unable to realise the full benefit of our joint ventures and strategic partnership investments this could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our goodwill and other assets have been subject to impairment and may continue to be subject to impairment in the future.***

We are required, at least annually and sometimes on an interim basis, to test goodwill and indefinite-lived intangible assets to determine if any impairment has occurred. Impairment may result from various factors, including adverse changes in assumptions used for valuation purposes, such as actual or



projected revenue growth rates, profitability or discount rates. If the testing indicates that an impairment has occurred, we are required to record a non-cash impairment charge for the difference between the carrying value of the goodwill or indefinite intangible assets and the fair value of the goodwill or of indefinite-lived intangible assets.

We have experienced impairment charges with respect to goodwill, intangible assets or other items in connection with past acquisitions, and we may experience such charges in connection with such acquisitions or future acquisitions, particularly if business performance declines or expected growth is not realised or the applicable discount rate changes adversely. For example, in our continuing operations in fiscal 2022, we incurred impairment charges of US\$31.4 million, primarily related to impairments on indefinite-lived other intangible assets. It is possible that material changes in our business, market conditions, or market assumptions could occur over time. For a further discussion of our impairment testing, please refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations-Financial Condition-Liquidity and Capital Resources-Goodwill, Other Intangible Assets and Long-Lived Assets”.

Any future impairment of Coty’s goodwill or other intangible assets could have an adverse effect on its financial condition and results of operations, as well as the trading price of its securities.

### 3. RISKS RELATED TO OUR BUSINESS OPERATIONS

#### ***Our manufacturing and distribution operations could be disrupted or become more costly.\****

As a company engaged in manufacturing and distribution on a global scale, we are subject to the risks inherent in such activities, including industrial accidents, environmental events, strikes and other labour disputes (including as to works councils), disruptions in supply chain or information systems, loss or impairment of key manufacturing sites or distribution centers, product quality control, safety, licensing requirements and other regulatory issues, as well as natural disasters, pandemics or outbreaks of contagious diseases, border disputes, acts of terrorism, armed conflicts such as the war in Ukraine and other geopolitical tensions, possible dawn raids, and other external factors over which we have no control. For example, in fiscal 2022, limited driver capacity and transportation delays impacted our U.S. distribution centers resulting in increased costs, including penalty payments to retailers for delayed product delivery. As we continue our implementation of our global business strategies (including our cost discipline activities and sustainability initiatives) and other restructuring activities, any additional or ongoing supply chain disruptions or delay in securing applicable approvals or consultations for such activities may impact our quarterly results.

The loss of, or damage or disruption to, any of our manufacturing facilities or distribution centers could have a material adverse effect on our business, prospects, results of operations, financial condition, results of operations, cash flows, as well as the trading price of our securities.

We manufacture and package a majority of our products. Raw materials, consisting chiefly of essential oils, alcohols, chemicals, containers and packaging components, are purchased from various third-party suppliers. The loss of multiple suppliers or a significant disruption or interruption in the supply chain, or our relationships with key suppliers due to our payment terms or otherwise, could have a material adverse effect on the manufacturing and packaging of our products. In the past year, inflationary pressures as well as global supply chain disruptions have caused significant volatility in the cost and availability of the raw materials and services (such as transportation) that we need to manufacture and distribute our products. In particular, increases in energy costs due to global geopolitical conditions, particularly in Europe, have impacted the cost and availability of raw materials, including glass and glass components and certain resins. Increases in the costs of raw materials or other commodities and transportation services may adversely affect our profit margins if we are unable to pass along any higher costs in the form of price increases or otherwise achieve cost efficiencies in manufacturing and distribution. We are also subject to reporting requirements under The Dodd-Frank Wall Street Reform and Consumer Protection Act regarding the use of certain minerals mined from the Democratic Republic of Congo and adjoining countries and procedures pertaining to a manufacturer’s efforts regarding the source of such minerals. SEC rules implementing these requirements may have the effect of reducing the pool of suppliers who can supply “conflict free” products, and we may not be able to obtain conflict free products or supplies in sufficient quantities for our operations. Likewise, we have faced, and may continue to face, constraints in the availability of certain raw materials that align with our sustainability goals, including responsibly sourced palm oil, mica and recycled materials. Since

our supply chain is complex, we may face operational obstacles and reputational challenges with our customers and stockholders if we are unable to continue to sufficiently verify the origins for materials used in our products and packaging or if we are subject to additional supply chain diligence and disclosure regulations or other reporting obligations.

The above risks have been and may continue to be exacerbated by the impact of inflationary pressures, global supply chain disruptions and the ongoing effects of COVID-19 on our business, and may result in our inability to manufacture and distribute our products in a timely and competitive manner, thus resulting in reduced sales.

***We are increasingly dependent on information technology, and if we are unable to protect against service interruptions, corruption of our data and privacy protections, cyber-based attacks or network security breaches, our operations could be disrupted.\****

We rely on information technology networks and systems, including the Internet, to process, transmit and store electronic and financial information, to manage a variety of business processes and activities, and to comply with regulatory, legal and tax requirements. We also increasingly depend on our information technology infrastructure for digital marketing activities, e-commerce and for electronic communications among our locations, personnel, customers and suppliers around the world, including as a result of remote working in connection with flexible working arrangements. These information technology systems, some of which are managed by third parties that we do not control, may be susceptible to damage, disruptions or shutdowns due to failures during the process of upgrading or replacing software, databases or components thereof, cutover activities in our restructuring and simplification initiatives, power outages, hardware failures, telecommunication failures, user errors, catastrophic events or other problems.

In addition, our databases and systems and our third-party providers' databases and systems have been, and will likely continue to be, subject to advanced computer viruses or other malicious codes, ransomware, unauthorised access attempts, denial of service attacks, phishing, social engineering, hacking and other cyber-attacks, the threat of which is increasing in frequency, intensity and duration. Such attacks have become increasingly difficult to detect, defend against or prevent and may originate from outside parties, hackers, criminal organisations or other threat actors, including nation states. As artificial intelligence ("AI") capabilities improve and gain widespread use, we may experience cyberattacks created using artificial intelligence, which may be difficult to detect and mitigate against. These attacks could be designed with an AI tool to directly attack information systems with increased speed and/or efficiency than a human or create more effective phishing techniques. It is also possible for a threat to be introduced as a result of our customers and third-party providers using the output of an AI tool that includes a threat, such as introducing malicious code by incorporating AI generated source code. In addition, insider actors (malicious or otherwise) could cause technical disruptions and/or confidential data leakage. Our security efforts or the security efforts of our third-party providers may not be sufficient to prevent material breaches, operational incidents or other breakdowns to our or our third-party providers' information technology databases or systems.

If our information technology systems suffer severe damage, disruption or shutdown and our business continuity plans do not effectively resolve the issues in a timely manner, our product sales, financial condition and results of operations may be materially and adversely affected, and we could experience delays in reporting our financial results.

If not managed and mitigated effectively, these risks could increase in the future as we expand our digital capabilities and e-commerce activities, including through the use of new digital applications and technologies. There are further risks associated with the information systems of our joint ventures and of the companies we acquire, both in terms of systems compatibility, process controls, level of security and functionality.

It may cost us significant time, money and resources to address these risks and if our systems were to fail or we are unable to successfully expand the capacity of these systems, or we are unable to integrate new technologies into our existing systems, our financial condition, results of operations and cash flows, as well as the trading price of our securities, may be adversely affected.

We are subject to an evolving body of federal, state and non-U.S. laws, regulations, guidelines, and principles regarding data privacy and security. A data breach or inability on our part to comply with such

laws, regulations, guidelines, and principles or to quickly adapt our practices to reflect them as they develop, could potentially subject us to significant liabilities and reputational harm. Several governments, including the E.U., have regulations dealing with the collection and use of personal information obtained from their citizens, and regulators globally are also imposing greater monetary fines for privacy violations. For example, in the E.U. the GDPR became effective in May 2018, establishing requirements regarding the handling of personal data, and non-compliance with the GDPR may result in monetary penalties of up to 4% of worldwide revenue. Regulators, including the U.K.'s Information Commissioner's Office, have actively enforced the law and imposed substantial fines, and are expected to continue to do so. In addition, five states in the United States (California, Virginia, Colorado, Utah and Connecticut) enacted a data privacy laws in 2020 and 2021 applicable to entities serving or employing state residents. Brazil enacted the General Data Protection Law ("**Brazil LGPD**") regulating the processing of personal data, which became effective in August 2020. More recently, China enacted the Data Security Law and Personal Information Protection Law, which became effective in September 2021 and November 2021, respectively. These existing laws and other changes in laws or regulations associated with the enhanced protection of certain types of sensitive data and other personal information, require us to evaluate our current operations, information technology systems and data handling practices and implement enhancements and adaptations where necessary to comply. Compliance with these laws, could greatly increase our operational costs or require us to adapt certain products, operations, processes or activities in otherwise suboptimal ways, to comply with the stricter regulatory requirements, such as efforts to meet consumer demand for personalised products and services, in jurisdictions where we operate. The regulations are complex and likely require adjustments to our operations.

In particular for us, any failure to comply with all such laws by us, our business partners or third-parties engaged by us could result in significant liabilities and reputational harm.

In addition, if we are unable to prevent or detect security breaches, or properly remedy them, we may suffer financial and reputational damage or penalties because of the unauthorised disclosure of confidential information belonging to us or to our partners, customers or suppliers, including personal employee, consumer or presenter information stored in our or third-party systems or as a result of the dissemination of inaccurate information. In addition, the unauthorised disclosure of nonpublic sensitive information could lead to the loss of intellectual property or damage our reputation and brand image or otherwise adversely affect our ability to compete.

Our information technology systems, operations and security control frameworks require an ongoing commitment of significant resources to maintain, protect, and enhance existing systems to keep pace with continuing changes in technology, legal and regulatory standards, cyber threats and the commercial opportunities that accompany the changing digital and data driven economy. From time to time, we undertake significant information technology systems projects, including enterprise resource planning updates, modifications, integrations and roll-outs, as well as separation and carve-out activities relating to dispositions. These projects may be subject to cost overruns and delays and may cause disruptions in our daily business operations.

These cost overruns and delays and distractions as well as our reliance on certain third parties for certain business and financial information could impact our financial statements and could adversely impact our ability to run our business, correctly forecast future performance and make fully informed decisions.

***We outsource a number of functions to third-party service providers, and any failure to perform or other disruptions or delays at our third-party service providers could adversely impact our business, our results of operations or our financial condition.***

We have outsourced and may continue to outsource certain functions, including outsourcing of distribution functions, outsourcing of business processes (including certain financing and accounting functions), and third-party manufacturers, logistics and supply chain suppliers, and other suppliers, including third-party software providers, web-hosting and e-commerce providers, and we are dependent on the entities performing those functions.

The failure of one or more such providers to provide the expected services, provide them on a timely basis or provide them at the prices we expect, the failure of one or more of such providers to meet our performance standards and expectations, including with respect to data security, compliance

with data protection and privacy laws, disruptions arising from the transition of functions to an outsourcing provider, or the costs incurred in returning these outsourced functions to being performed under our management and direct control, may have a material adverse effect on our results of operations or financial condition.

***We are subject to risks related to our international operations.***

We operate on a global basis, and approximately 69% of our net revenues from continuing operations in fiscal 2023, were generated outside North America. We have employees in more than 36 countries, and we market, sell and distribute our products in over 126 countries and territories. Our presence in such geographies has expanded as a result of our acquisitions, as well as organic growth, and we are exposed to risks inherent in operating in geographies in which we have not operated in or have been less present in the past.

Non-U.S. operations are subject to many risks and uncertainties, including ongoing instability or changes in a country's or region's economic, regulatory or political conditions, including inflation, recession, interest rate fluctuations, sovereign default risk and actual or anticipated military or political conflicts (including any other change resulting from Brexit), labour market disruptions, sanctions, boycotts, new or increased tariffs, quotas, exchange or price controls, trade barriers or other restrictions on foreign businesses, our failure to effectively and timely implement processes and policies across our diverse operations and employee base and difficulties and costs associated with complying with a wide variety of complex and potentially conflicting regulations across multiple jurisdictions. Non-U.S. operations also increase the risk of non-compliance with U.S. laws and regulations applicable to such non-U.S. operations, such as those relating to sanctions, boycotts and improper payments.

The U.S. and the other countries in which our products are manufactured or sold have imposed and may impose additional quotas, duties, tariffs, retaliatory or trade protection measures, or other restrictions or regulations, or may adversely adjust prevailing quota, duty or tariff levels, which can affect both the materials that we use to manufacture or package our products and the sale of finished products. For example, in 2018, the E.U. imposed tariffs on certain prestige category products imported from the U.S., which impact the sale in the E.U. of certain of our products that are manufactured in the U.S. Similarly, the tariffs imposed by the U.S. on goods and materials from China are impacting materials we import for use in manufacturing or packaging in the U.S. Measures to reduce the impact of tariff increases or trade restrictions, including shifts of production among countries and manufacturers, geographical diversification of our sources of supply, adjustments in product or packaging design and fabrication, or increased prices, could increase our costs and delay our time to market or decrease sales. Other governmental action related to tariffs or international trade agreements has the potential to adversely impact demand for our products, our costs, customers, suppliers and global economic conditions and cause higher volatility in financial markets. The beauty industry has been impacted by ongoing uncertainty surrounding tariffs and import duties, and international trade relations generally.

In particular for us, changes in tariff rates, import duties and other new or augmented trade restrictions could have a number of negative impacts on our business, including higher consumer prices and reduced demand for our products and higher input costs.

On 22 December 2017, the President of the U.S. signed the Tax Act which made broad and complex changes to the U.S. tax laws that affect businesses operating internationally, and, as a result of elections in the United States, there could be additional significant changes in tax laws and regulations in the future.

Specifically for us, some foreign governments may enact tax laws in response to the Tax Act or other U.S. tax law changes that could result in further changes to global taxation and that could materially adversely affect our financial results, which could have a material adverse effect on our results of operations, financial condition and cash flows, as well as the trading price of our securities.

***We may be subject to employment-related claims, allegations or legal proceedings.***

As we continue to restructure our workforce from time to time (including with respect to our global business strategies and other business restructuring initiatives, as well as acquisitions and our overall growth strategy) and work with more brand partners and licensors, the risk of potential employment-related claims and disputes will also increase. As such, we or our partners may be subject to claims,

allegations or legal proceedings related to employment matters including discrimination, harassment (sexual or otherwise), wrongful termination or retaliation, local, state, federal and non-U.S. labour law violations, injury, and wage violations. In addition, our employees in certain countries in Europe are subject to works council arrangements, exposing us to associated delays, works council claims and associated litigation. In the event we or our partners are subject to one or more employment-related claims, allegations or legal proceedings, we or our partners may incur substantial costs, losses or other liabilities in the defence, investigation, settlement, delays associated with, or other disposition of such claims. In addition to the economic impact, we or our partners may also suffer reputational harm as a result of such claims, allegations and legal proceedings and the investigation, defence and prosecution of such claims, allegations and legal proceedings could cause substantial disruption in our or our partners' business and operations, including delaying and reducing the expected benefits of any associated restructuring activities. The policies and procedures in place to reduce our exposure to these risks may not be effective.

Employment-related claims, allegations or legal proceedings can result in divergence of management time, harm our reputation and expose us to significant liability.

***Our success depends, in part, on our employees, including our key personnel.***

Our success depends, in part, on our ability to identify, hire, train and retain our employees, including our key personnel, such as our executive officers and senior management team and our research and development and marketing personnel. Over the past few years we have experienced several changes to senior management and the composition of our board of directors, as well as the separation of the Wella Business, and we are still in the process of implementing our global business strategies, including cost reduction activities. Transition periods accompanying changes in leadership and changes due to business reorganisation may result in uncertainty, impact business performance and strategies and retention of personnel. The unexpected loss of one or more of our key employees could adversely affect our business. Competition for highly qualified individuals can be intense, and although many of our key personnel have signed non-compete agreements, it is possible that these agreements would be unenforceable, in whole or in part, in some jurisdictions, permitting employees in those jurisdictions to transfer their skills and knowledge to the benefit of our competitors with little or no restriction. We may not be able to attract, assimilate or retain qualified personnel in the future, and our failure to do so could adversely affect our business. Further, other companies may attempt to recruit our key personnel and we may attempt to recruit their key personnel, even if bound by non-competes, which could result in diversion of management attention and our resources to litigation related to such recruitment. These risks may be exacerbated by the stresses associated with changes in our global business strategy, the implementation of our restructuring activities, any continued changes in our senior management team and other key personnel, and other initiatives. During fiscal 2023, we continued to experience an increasingly competitive labour market, increased employee turnover, and labour shortages in our extended supply chain.

These challenges have resulted in, and could continue to result in, increased costs and could impact our ability to meet consumer demand, each of which may adversely affect our business and financial results.

***If we underestimate or overestimate demand for our products and do not maintain appropriate inventory levels, our net revenues or working capital could be negatively impacted.***

We currently engage in a programme seeking to improve control over our product demand and inventories. We have identified, and may continue to identify, inventories that are not saleable in the ordinary course, but our existing programme or any future inventory management programme may not be successful in improving our inventory control. Our ability to manage our inventory levels to meet demand for our products is important for our business. If we overestimate or underestimate demand for any of our products, we may not maintain appropriate inventory levels, we could have excess inventory that we may need to hold for a long period of time, write down, sell at prices lower than expected or discard, which could negatively impact our reputation, net sales, working capital or cash flows from working capital, or cause us to incur excess and obsolete inventory charges. We also could have inadequate inventories which could hinder our ability to meet demand. We have sought and continue to seek to improve our payable terms, which could adversely affect our relations with our suppliers.

In addition, we have significant working capital needs, as the nature of our business requires us to maintain inventories that enable us to fulfill customer demand. We generally finance our working capital needs through cash flows from operations and borrowings under our credit facilities. If we are unable to finance our working capital needs on the same or more favourable terms going forward, or if our working capital requirements increase and we are unable to finance the increase, we may not be able to produce the inventories required by demand, which could result in a loss of sales. In addition, we are reliant on our cash flows from operations to repay our indebtedness, which may impact the cash flows that are available for working capital needs. Our ability to generate and maintain sufficient cash levels also could impact our ability to reduce our indebtedness.

The above risks have been and may continue to be exacerbated by the impact of inflationary pressures and global supply chain disruptions and the ongoing effects of COVID-19 on our business and may result in reduced sales and increased indebtedness and adversely affect our financial results, and our efforts to manage and remedy these impacts to the Company may not achieve results in accordance with our expectations or on the timelines we anticipate.

#### 4. RISKS RELATED TO OUR INDEBTEDNESS

***We have taken on significant debt, and the agreements that govern such debt contain various covenants that impose significant operating and financial restrictions on us, which may adversely affect our business.\****

We have a substantial amount of indebtedness. We may not be able to refinance our indebtedness in the future (1) on commercially reasonable terms, (2) on terms, including with respect to interest rates, as favourable as our current debt or (3) at all.

Agreements that govern our indebtedness, including our credit agreement (as amended, the “**2018 Coty Credit Agreement**”), and the indentures governing our senior secured notes and our senior unsecured notes, impose significant operating and financial restrictions on our activities. These restrictions may limit or prohibit our ability and the ability of our restricted subsidiaries to, among other things:

- incur indebtedness or grant liens on our property;
- dispose of assets or equity;
- make acquisitions or investments;
- make dividends, distributions or other restricted payments;
- effect affiliate transactions;
- enter into sale and leaseback transactions; and
- enter into mergers, consolidations or sales of substantially all of our assets and the assets of our subsidiaries.

In addition, we are required to maintain certain financial ratios calculated pursuant to a financial maintenance covenant under the 2018 Coty Credit Agreement on a quarterly basis. For a further description of the 2018 Coty Credit Agreement and the covenants thereunder please refer to Note 15, “**Debt**” in the notes to our Consolidated Financial Statements.

Our debt burden and the restrictions in the agreements that govern our debt could have important consequences, including increasing our vulnerability to general adverse economic and industry conditions; limiting our flexibility in planning for, or reacting to, changes in our business and our industry; requiring the dedication of a substantial portion of any cash flow from operations and capital investments to the payment of principal of, and interest on, our indebtedness, thereby reducing the availability of such cash flow to fund our operations, turnaround strategy, working capital, capital expenditures, future business opportunities and other general corporate purposes; exposing us to the risk of increased interest rates with respect to any borrowings that are at variable rates of interest; restricting us from making strategic acquisitions or causing us to make non-strategic divestitures; limiting our ability to obtain additional financing for working capital, capital expenditures, research and development, debt service requirements, acquisitions and general corporate or other purposes; limiting our ability to adjust to changing market conditions; limiting our ability to take advantage of financing and other corporate opportunities; and placing us at a competitive disadvantage relative to our competitors who are less

highly leveraged. Moreover, a material breach of the 2018 Coty Credit Agreement could result in the acceleration of all obligations outstanding under that agreement.

On 11 July 2023, we entered into an amendment to the 2018 Coty Credit Agreement that, effective 14 July 2023, refinanced all of the existing US\$2,000 million of revolving credit commitments and the outstanding loans made pursuant thereto with two new tranches of senior secured revolving credit commitments, one in an aggregate principal amount of US\$1,670 million available in dollars and certain other currencies and the other in an aggregate principal amount of €300 million available in Euros (the **“New Revolving Credit Facility”**). The revolving commitments have substantially the same terms as the previously existing revolving commitments, except that (i) the New Revolving Credit Facility will mature in July 2028, (ii) revolving loans made pursuant to the New Revolving Credit Facility that bear interest at the adjusted term SOFR rate will have a credit spread adjustment of 0.10% for all interest periods, (iii) in addition to S&P and Moody’s, Fitch will be a relevant rating agency for purposes of the collateral release provisions (which provisions will apply for so long as, subject to the satisfaction of certain other conditions, the Company’s applicable credit rating is an investment grade rating from no less than two of such rating agencies) and the interest rates and fees applicable to the New Revolving Credit Facility and (iv) certain covenants will cease to apply during a collateral release period.

On 26 September 2023, Coty’s ratings were as follows:

Rating Agency	Issuer Rating	Secured Debt Rating	Outlook
S&P	BB-	BB	Stable
Moody’s	Ba3	Ba2	Positive
Fitch	BB	BB+	Positive

***Our ability to service and repay our indebtedness will be dependent on the cash flow generated by our subsidiaries and events beyond our control.\****

Prevailing economic conditions and financial, business and other factors, many of which are beyond our control, may affect our ability to make payments on our debt and comply with other requirements under the 2018 Coty Credit Agreement and to meet our deleveraging objectives. In particular, due to the seasonal nature of the beauty industry, with the highest levels of consumer demand generally occurring during the holiday buying season in our second fiscal quarter, our subsidiaries’ cash flow in the second half of the fiscal year may be less than in the first half of the fiscal year, which may affect our ability to satisfy our debt service obligations, including to service our senior secured notes, senior unsecured notes and the 2018 Coty Credit Agreement, and to meet our deleveraging objectives. If we do not generate sufficient cash flow to satisfy our covenants and debt service obligations, including payments on our senior secured notes, senior unsecured notes and under the 2018 Coty Credit Agreement, we may have to undertake additional cost reduction measures or alternative financing plans, such as refinancing or restructuring our debt; selling assets; reducing or delaying capital investments; modifying terms of agreements, including timing of payments, with vendors, customers, and other third parties; or seeking to raise additional capital. The terms of the indentures governing our senior secured notes and senior unsecured notes, the 2018 Coty Credit Agreement or any existing debt instruments or future debt instruments that we may enter into may restrict us from adopting some of these alternatives. Our ability to restructure or refinance our debt will depend on the capital markets and other macroeconomic conditions and our financial condition at such time. Recent refinancings of our debt have resulted, and future refinancings or modifications of our debt could result, in higher interest rates and may require us to comply with more onerous covenants or reduce our borrowing capacity, which could further restrict our business operations. For example, the refinancing of certain portions of our debt in 2021 resulted in higher interest rates applicable to the newly issued senior secured notes, in part due to prevailing macroeconomic conditions and a decline in our credit ratings since our previous refinancing transactions in 2018.

The inability of our subsidiaries to generate sufficient cash flow to satisfy our covenants and debt service obligations, including the inability to service our senior secured notes, senior unsecured notes and the 2018 Coty Credit Agreement, or to refinance our obligations on commercially reasonable terms, could have a material adverse effect on our business, financial condition, results of operations, profitability, cash flows or liquidity, as well as the trading price of our securities, and may impact our ability to satisfy our obligations in respect of our senior secured notes, senior unsecured notes and the 2018 Coty Credit Agreement.

***Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase.***

Borrowings under the 2018 Coty Credit Agreement are at variable rates of interest and expose us to interest rate risk. In the past year, global inflation and other factors have resulted in an increase in interest rates generally, which has impacted our borrowing costs. If interest rates were to continue to increase, our debt service obligations on the variable rate indebtedness referred to above would increase even if the principal amount borrowed remained the same, and our net income and cash flows will correspondingly decrease. We are currently party to, and in the future, we may enter into additional, interest rate swaps that involve the exchange of floating for fixed rate interest payments, in order to reduce interest rate volatility. However, we may not maintain interest rate swaps with respect to all of our variable rate indebtedness, and any swaps we enter into may not fully mitigate our interest rate risk.

In addition, we have amended our 2018 Coty Credit Agreement to allow us to reference the Secured Overnight Financing Rate (“**SOFR**”) as the primary benchmark rate for our variable rate indebtedness, in lieu of the London Interbank Offered Rate (“**LIBOR**”). SOFR is a relatively new reference rate and with a limited history, and changes in SOFR have, on occasion, been more volatile than changes in other benchmark or market rates. As a result, the amount of interest we may pay on our variable rate indebtedness is difficult to predict.

If we are subject to increased borrowing costs, this could negatively impact our financial results.

## **5. RISKS RELATED TO MACROECONOMIC CONDITIONS AND MARKET RISKS**

***We must successfully manage the impact of a general economic downturn, credit constriction, uncertainty in global economic or political conditions or other global events or a sudden disruption in business conditions which may affect consumer spending, global supply chain conditions and inflationary pressures and adversely affect our financial results.\****

Global events may impact our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities, and, as demonstrated by the impacts of COVID-19 and the war in Ukraine, such events can evolve rapidly and cause significant and pervasive disruptions to global economic and business conditions. We operate in an environment of slow overall growth in the segments and geographies in which we compete with increasing competitive pressure and changing consumer preferences, and global economic activity has been in decline as a result of higher levels of unemployment, unprecedented levels of inflation, recessionary conditions and geopolitical conditions including the war in Ukraine and the ongoing effects of COVID-19. While prestige fragrances and skin care categories have experienced strong growth, declines in the retail mass colour cosmetics, mass nail and mass fragrance categories in the U.S. and certain key markets in Western Europe continue to impact our business and financial results. Deterioration of social or economic conditions in Europe or elsewhere could reduce sales and could also impair collections on accounts receivable. For example, political and economic developments in the U.S., the U.K., Europe, Brazil and China have introduced uncertainty in the regulatory and business environment in which we operate (including potential increases in tariffs). These political and economic developments have resulted and could continue to result in changes to legislation or reformation of government policies, rules and regulations pertaining to trade.

Such changes could have a significant impact on our business by increasing the cost of doing business, affecting our ability to sell our products and negatively impacting our profitability.

Abrupt political change, terrorist activity, and armed conflict, such as the ongoing war in Ukraine and any escalation or expansion thereof, pose a risk of further general economic disruption in affected regions. Geopolitical change may result in changing regulatory systems and requirements and market



interventions that could impact our operating strategies, access to national, regional and global markets (due to sanctions or otherwise), hiring, and profitability. For example, changes in the regulatory environment in China or geopolitical tensions impacting trade or operations in China could impact our growth strategy. Any of these changes may negatively impact our revenues.

In addition, our sales are affected by the overall level of consumer spending. The general level of consumer spending is affected by a number of factors, including general economic conditions (including potential recessions in one or more significant economies), inflation, interest rates, government policies that affect consumers (such as those relating to medical insurance or income tax), energy costs and consumer confidence, each of which is beyond our control. Sudden disruptions in business conditions as a consequence of events such as terrorist attacks, war or other military action or the threat of further attacks, pandemics or other crises or vulnerabilities or as a result of adverse weather conditions or climate changes, may negatively impact on consumer spending. Consumer purchases of discretionary and other items and services, including beauty products, tend to decline during recessionary periods, periods of high inflation and otherwise weak economic environments, when disposable income is lower. A decline in consumer spending would likely have a negative impact on our direct sales and could cause financial difficulties at our retailer and other customers. If consumer purchases decrease, we may not be able to generate enough cash flow to meet our debt obligations and other commitments and may need to refinance our debt, dispose of assets or issue equity to raise necessary funds. We may not be able to undertake any of these actions to raise funds on a timely basis or on satisfactory terms or at all. The financial difficulties of a customer or retailer could also cause us to curtail or eliminate business with that customer or retailer. We may also decide to assume more credit risk relating to the receivables from our customers or retailers, which increases the possibility of late or non-payment of receivables. If a retailer or customer were to go into liquidation, we could incur additional costs if we choose to purchase the retailer's or customer's inventory of our products to protect brand equity. These risks have been, and may continue to be, amplified by COVID-19, the war in Ukraine and related geopolitical conditions.

In particular for us, our inability to collect receivables from a significant retailer or customer, or from a group of these customers, could have a material adverse effect on our business, prospects, results of operations, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***We may not be able to pass through inflationary cost increases due to price inflation for labour, materials and services, further exacerbated by volatility in energy and commodity markets by the war in Ukraine, could adversely affect our business, results of operations and financial condition.\****

We experienced considerable price inflation in costs for labour, materials and services during fiscal 2022. We may not be able to continue to pass through inflationary cost increases and, if inflationary pressures are sustained, we may only be able to recoup a portion of our increased costs in future periods. Our ability to raise prices to reflect increased costs may also be limited by competitive conditions in the market for our products. The war in Ukraine and prolonged geopolitical conflict globally may continue to result in increased price inflation, escalating energy and commodity prices and increasing costs of materials and services (together with shortages or inconsistent availability of materials and services), which may also have the effect of heightening many of our other risks, such as those relating to cyber security, supply chain disruption, volatility in prices and market conditions, our ability to forecast demand, and our ability to successfully implement our global business strategies, any of which could negatively affect our business, results of operations and financial condition.

***The COVID-19 pandemic has had, and could continue to have, a negative impact on our business, financial condition, results of operations, and cash flows.***

The COVID-19 pandemic and the actions taken by governments and third-parties in response have had, and continue to have, evolving and unpredictable impacts on global economies, financial markets and business practices. A resurgence of COVID-19, including any variants of the virus, or the outbreak of another pandemic, epidemic or infectious disease in one or more of the countries where we operate or our customers are located could result in varied government and third-party actions relating to, among other things, quarantines, facility closures, store closures or social distancing, resulting in further volatility and disparity in our results and operations across geographies and creating challenges for our ability to forecast demand.

Our business has been, and may continue to be, negatively impacted by the COVID-19 pandemic in such countries. These impacts include, but are not limited to:

- Reductions in demand or volatility in demand for one or more of our products, which, if prolonged, can further increase the difficulty of operating our business, including accurately planning and forecasting, and may adversely impact our results;
- Inability to meet our customers' needs and achieve costs targets due to disruptions in our manufacturing and supply arrangements caused by the loss or disruption of essential manufacturing and supply elements such as raw materials or other finished product components, transportation, workforce, or other manufacturing and distribution capability;
- Failure of third parties on which we rely, including our suppliers, our customers, contract manufacturers, distributors, contractors, commercial banks, joint venture partners and external business partners, to meet their obligations to us or to timely meet those obligations, or significant disruptions in their ability to do so, which may be caused by their own financial or operational difficulties and may adversely impact our operations; or
- Significant changes in the political conditions in markets in which we manufacture, sell or distribute our products, including government or third-party actions that limit or close our operating and manufacturing facilities or otherwise prevent consumers from having access to our products, restrict our employees' ability to travel or perform necessary business functions, or otherwise prevent our third-party partners, suppliers, or customers from sufficiently staffing operations, including operations necessary for the production, distribution, sale, and support of our products, which could adversely impact our results.

The ultimate impact of these impacts on the Company depends on factors beyond our knowledge or control, including the duration and severity of any such disease outbreak, as well as the actions taken by governments or third-parties to contain its spread and mitigate its public health effects. For example, an increase of COVID-19 related cases in certain parts of China resulted in the re-imposition of widespread lockdowns and restrictions in mid-March 2022, which negatively impacted our results in China in the fourth quarter of fiscal 2022 due to reduced customer traffic and supply chain constraints. Ongoing impacts of COVID-19 have continued in China during fiscal 2023, and economic recovery in the region has been slower than predicted and may continue to be below pre-pandemic levels, which could adversely affect our strategy to expand our presence in China.

For us, these impacts have had, and could continue to have, a negative impact on our business, financial condition, results of operations and cash flows, as well as the trading price of our securities, and the duration and extent to which our future results of operations and overall financial performance may be impacted cannot be determined.

***We are subject to risks related to fluctuations in currency exchange rates may negatively impact our financial condition and results of operations.***

Exchange rate fluctuations have affected and may in the future affect our results of operations, financial condition, reported earnings, the value of our foreign assets, the relative prices at which we and foreign competitors sell products in the same markets and the cost of certain inventory and non-inventory items required by our operations. The currencies to which we are exposed include the euro, the British pound, the Chinese yuan, the Polish zloty, the Brazilian real, the Australian dollar and the Canadian dollar. The exchange rates between these currencies and the U.S. dollar in recent years have fluctuated significantly and may continue to do so in the future. A depreciation of these currencies against the U.S. dollar would decrease the U.S. dollar equivalent of the amounts derived from foreign operations reported in our consolidated financial statements and an appreciation of these currencies would result in a corresponding increase in such amounts. The cost of certain items, such as raw materials, transportation and freight, required by our operations may be affected by changes in the value of the various relevant currencies. To the extent that we are required to pay for goods or services in foreign currencies, the appreciation of such currencies against the U.S. dollar would tend to negatively impact our financial condition and results of operations. Our efforts to hedge certain exposures to foreign currency exchange rates arising in the ordinary course of business may not successfully hedge the effect of such fluctuations.

In addition, a portion of our borrowings under the 2018 Coty Credit Agreement and senior notes indentures are denominated in Euros and expose us to currency exchange rate risk. We have entered into derivative transactions in order to reduce currency exchange rate volatility. However, we may not

enter into or maintain such derivatives with respect to all of our euro-denominated indebtedness, and any derivative transactions we enter into may not fully mitigate our currency exchange rate risk.

***We are subject to risks related to volatility in the financial markets could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.***

While we currently generate significant cash flows from our ongoing operations and have access to global credit markets through our various financing activities, credit markets may experience significant disruptions. Deterioration in global financial markets, including as a result of global and regional economic conditions, COVID-19, the war in Ukraine and related geopolitical conditions, could make future financing difficult or more expensive. If any financial institutions that are parties to our credit facilities or other financing arrangements, such as interest rate or foreign currency exchange hedging instruments, were to declare bankruptcy or become insolvent, or experience other financial difficulty, they may be unable to perform under their agreements with us. In addition, the deterioration of the financial condition of any of the financial institutions that hold our short-term investments and cash deposits could negatively impact the value and liquidity of such investments and deposits. This could leave us with reduced borrowing capacity, could leave us unhedged against certain interest rate or foreign currency exposures or could reduce our access to our cash deposits, which could have an adverse impact on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

## 6. LEGAL AND REGULATORY RISKS

***We are subject to legal proceedings and legal compliance risks, including talc-related litigation alleging bodily injury.\****

We are subject to a variety of legal proceedings and legal compliance risks in the countries in which we do business, including the matters described under the heading “Legal Proceedings” in Part I, Item 3 of Exhibit I of this Prospectus. We are under the jurisdiction of regulators and other governmental authorities which may, in certain circumstances, lead to enforcement actions, changes in business practices, fines and penalties, the assertion of private litigation claims and damages. Some of these actions may also adversely impact our customer relationships, particularly to the extent customers were implicated by such proceedings. We are also subject to legal proceedings and legal compliance risks in connection with legacy matters involving the P&G Beauty Business, the Burberry fragrance business, Hypermarcas Brands, the Kylie Jenner business and the Kim Kardashian business that were previously outside our control and that we are now independently addressing, as well as retained liabilities relating to divested businesses, which may result in unanticipated or new liabilities. Such matters may result in our incurring unanticipated costs that may negatively impact the financial contributions of such acquisitions at least in the periods in which such liability is incurred or require operational adjustments that affect our results of operations with respect to such investments. We may not have adequate or any insurance coverage for some of these legacy matters. We also are involved in numerous lawsuits involving product liability issues, most involving allegations of injuries or death related to alleged asbestos in our talc-based cosmetic products, allegedly leading to mesothelioma, primarily related to our Cover Girl / Max Factor / Air Spun products. With respect to the Air Spun products, where those brands were previously owned by Pfizer, we generally tender those cases to Pfizer who owes a duty of defence and indemnity to us under the terms of the related acquisition agreement. While we believe that we have valid defences to these lawsuits, these risks will continue to exist with respect to our business, and additional legal proceedings and other contingencies, the outcome and impact of which (including legal fees) cannot be predicted with certainty, will arise from time to time. It is not possible to opine on the likely liability associated with these matters at this time. In particular, the potential impact of talc-related litigation is highly uncertain, as US nationwide trial results in similar cases filed against us and other manufacturers or retailers of cosmetic talc products have ranged from outright dismissals to very large settlements and jury awards of both compensatory and punitive damages. We defend these cases vigorously and seek dismissal when appropriate, but we do enter into settlement agreements from time to time to avoid cost of defence and uncertainty of litigation outcome. Additionally, our continued production and sale of talc-based cosmetic products could in the future subject us to additional legal claims related to the sale of one or more of our talc-based cosmetic products, including potential governmental inquiries, investigations, claims and consumer protection cases from state

attorneys general. Any negative resolution of litigation to which we are subject to could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

As described under “Legal Proceedings” in Exhibit I of this Prospectus, the consolidated class action lawsuit in connection with the Cottage Tender Offer and related Schedule 14D-9 has been resolved.

In addition, we are subject to pending tax assessment matters in Brazil relating to local sales tax credits for the 2016-2017 tax periods. Although we are seeking a favourable administrative decision on the related tax enforcement action, we may not be successful. See Note 26— Legal and Other Contingencies for more information regarding our potential tax obligations in Brazil.

***We are subject to changes in laws, regulations and policies that affect our business or products could adversely affect our business, financial condition, results of operations, cash flows, as well as the trading price of our securities.\****

Our business is subject to numerous laws, regulations and policies. Changes in the laws (both foreign and domestic), regulations and policies, including the interpretation or enforcement thereof, that affect, or will affect, our business or products, including those related to intellectual property, marketing, antitrust and competition, product liability, restrictions or requirements related to product content or formulation, labelling and packaging (including end-of-product-life responsibility), corruption, the environment or climate change (including increasing focus on the climate, water and waste impacts of operations and products), immigration, privacy, data protection, taxes, tariffs, trade and customs (including, among others, import and export licence requirements, sanctions, boycotts, quotas, trade barriers, and other measures imposed by U.S. and foreign countries), restrictions on foreign investment, the outcome and expense of legal or regulatory proceedings, and any action we may take as a result, and changes in accounting standards, could adversely affect our financial results as well as the trading price of our securities. For example, the Tax Act, enacted in 2017, introduced broad and complex changes to the U.S. tax laws that affect businesses operating internationally, and future tax law changes and regulatory, administrative or legislative guidance could adversely affect our financial results. See “—We are subject to risks related to our international operations”. In addition, increasing governmental and societal attention to environmental, social and governance matters, including expanding mandatory and voluntary reporting, diligence and disclosure on topics such as climate change, waste production, water usage, biodiversity, emerging technologies, human capital, labour, supply chain, and risk oversight, could expand the nature, scope and complexity of matters that we are required to control, assess and report.

Furthermore, following the dual-listing of the Company’s Class A Common Stock on Euronext Paris, we will be subject to various European Union and French stock market law and regulations in addition to US stock market regulations. We incur significant costs by complying with the legal and regulatory obligations in force. In the future, we anticipate that we will also have to continue to incur significant costs to continue to comply with our increasing obligations.

These and other rapidly changing laws, regulations, policies and related interpretations, as well as increased enforcement actions by various governmental and regulatory agencies, create challenges for us, including our compliance and ethics programmes, may alter the environment in which we do business and may increase the ongoing costs of compliance, which could adversely impact our results of operations and cash flows. If we are unable to continue to meet these challenges and comply with all laws, regulations, policies and related interpretations, our reputation and our business results could be adversely impacted.

***Our operations and acquisitions in certain foreign areas expose us to political, regulatory, economic and reputational risks.\****

We operate on a global basis. Our employees, contractors and agents, business partners, joint ventures and joint venture partners and companies to which we outsource certain of our business operations, may take actions in violation of our compliance policies or applicable law. In addition, some of our acquisitions have required us to integrate non-U.S. companies that had not, until our acquisition, been subject to U.S. law or other laws to which we are subject.

In many countries, particularly in those with developing economies, it may be common for persons to engage in business practices prohibited by the laws and regulations applicable to us. In addition,

certain countries have laws that differ with those in the US, including relating to competition and product distribution, with which US and other personnel may be unfamiliar, thereby increasing the risk of non-compliance. We continue to enhance our compliance programme, including as a result of acquisitions and changes in the regulatory environment, but our compliance programme may encounter problems or may not be effective in ensuring compliance.

Failure by us or our subsidiaries to comply with applicable laws or policies could subject us to civil and criminal penalties, cause us to be in breach of contract or damage to our or our licensors' reputation, each of which could materially and adversely affect our business, prospects, financial condition, cash flows, results of operations, as well as the trading price of our securities.

In addition, the U.S. has imposed and may impose additional sanctions at any time on countries where we sell our products. If so, our existing activities may be adversely affected, we may incur costs in order to come into compliance with future sanctions, depending on the nature of any further sanctions that may be imposed, or we may experience reputational harm and increased regulatory scrutiny. For example, in April 2022, following the imposition of additional sanctions against Russia and Russian interests in connection with the war in Ukraine, we announced our board of directors' decision to wind down the operations of our Russian subsidiary as a result of the war and the related sanctions. For a further discussion of the impact of the wind down, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview —Russia-Ukraine War."

We are subject to the interpretation and enforcement by governmental agencies of other foreign laws, rules, regulations or policies, including any changes thereto, such as restrictions on trade, import and export licence requirements, and tariffs and taxes (including assessments and disputes related thereto), which may require us to adjust our operations in certain areas where we do business. We face legal and regulatory risks in the U.S. and abroad and, in particular, cannot predict with certainty the outcome of various contingencies or the impact that pending or future legislative and regulatory changes may have on our business.

For us, changes in international laws may require us to wind down or adjust our operations worldwide which could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***If the Distribution (as defined below) or the acquisition of the P&G Beauty Business does not qualify for its intended tax treatment, in certain circumstances we are required to indemnify P&G for resulting tax-related losses under the tax matters agreement entered into in connection with the acquisition of the P&G Beauty Business dated 1 October 2016 (the "Tax Matters Agreement").***

In connection with the closing of the acquisition of the P&G Beauty Business on 1 October 2016, we and P&G received written opinions from special tax counsel regarding the intended tax treatment of the merger, and P&G received an additional written opinion from special tax counsel regarding the intended tax treatment of the distribution by P&G of its shares of Galleria Co. ("**Galleria**") common stock to P&G shareholders by way of an exchange offer (the "**Distribution**"). The opinions were based on, among other things, certain assumptions and representations as to factual matters and certain covenants made by us, P&G, Galleria and Green Acquisition Sub Inc. The opinions are not binding on the Internal Revenue Service ("**IRS**") or a court, and the IRS or a court may not agree with the opinions.

Under the Tax Matters Agreement, in certain circumstances and subject to certain limitations, we are required to indemnify P&G against tax-related losses (e.g., increased taxes, penalties and interest required to be paid by P&G) if the Distribution or the merger fails to qualify for its intended tax treatment, including if the Distribution becomes taxable to P&G as a result of the acquisition of a 50% or greater interest (by vote or value) in us as part of a plan or series of related transactions that included the Distribution or if such failure is attributable to a breach of certain representations and warranties by us or certain actions or omissions by us.

If we are required to indemnify P&G in the event of a taxable Distribution, this indemnification obligation would be substantial and could have a material adverse effect on us, including with respect to our financial condition and results of operations.

## 7. RISKS RELATED TO OWNERSHIP OF OUR COMMON STOCK

***JAB Cosmetics B.V. (“JABC”) and its affiliates, through their ownership of approximately 53% of the outstanding shares of our Class A Common Stock have the ability to effect and/or significantly influence certain decisions requiring stockholder approval, which may be inconsistent with the interests of our other stockholders.\****

Immediately following the completion of the Global Offering (on the basis that JAB Cosmetics B.V. has subscribed for 3,000,000 shares of Offered Class A Common Stock and on the assumption that the Voting Proxy Agreement will have been entered into), JABC, through an affiliate, JAB Beauty B.V., would beneficially own approximately 52.10% of the outstanding shares of our Class A Common Stock. As a result, JABC has the ability to exercise control over certain decisions requiring stockholder approval, including the election of directors, amendments to our certificate of incorporation and approval of significant corporate transactions, such as a merger or other sale of the Company or our assets. In addition, several of the members of our board of directors are affiliated with JABC. Accordingly, JABC has significant influence over us and our decisions, including the appointment of management and any other action requiring a vote of our board of directors. In addition, this concentration of ownership may have the effect of delaying, preventing or deterring a change in control of us and may negatively affect the market price of our stock.

JABC's interests may be different from or conflict with our interests or the interests of our other stockholders. JABC and its affiliates are in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete indirectly with us. JABC or its affiliates may also pursue acquisition opportunities that are complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, JABC's obligations under its credit facility may cause JABC to take actions which may be inconsistent with your interests. Accordingly, the interests of JABC may not always coincide with our interests or the interests of other stockholders, and JABC may seek to cause us to take courses of action that, in its judgment, could enhance its investment in Coty but which might involve risks to our other stockholders or adversely affect us or our other stockholders.

If JABC were to dispose of a significant number of our shares, it could have a significant adverse impact on the market price of our shares depending on the circumstances of the disposal and/or temporary selling pressure. At the same time, the additional liquidity in the stock from such an action may be positively perceived by certain investors.

***The dual-listing of our Class A Common Stock on the NYSE and on Euronext Paris's Professional Segment may adversely affect the liquidity and value of our Class A Common Stock and no assurance can be given as to the level of liquidity of the Class A Common Stock on Euronext Paris.\****

While the dual listing of our Class A Common Stock is intended to promote additional liquidity for investors and provide greater access to our Class A Common Stock among investors in Europe who may be required to invest in Eurozone markets or certain currencies only, we cannot predict the effect of this dual listing on the value of our Class A Common Stock on the NYSE and Euronext Paris's Professional Segment. To the contrary, the dual listing of our Class A Common Stock may dilute the liquidity of these securities in one or both markets and may adversely affect the development of an active trading market for Class A Common Stock on Euronext Paris's Professional Segment. The price of our Class A Common Stock listed on Euronext Paris's Professional Segment could also be adversely affected by trading in our Class A Common Stock on the NYSE. In addition, currency fluctuations as between Euro and U.S. dollar may have an adverse impact on the value of our Class A Common Stock traded on Euronext Paris's Professional Segment.

The level of liquidity of the Class A Common Stock on Euronext Paris, initially and in the future, is uncertain and may be very low. First, we have not appointed a market maker on the Euronext Paris market (although we may consider appointing one in the future, subject to applicable laws and regulations). Second, the amount of Offered Class A Common Stock purchased in Euros in the Global Offering is uncertain and may be small. Moreover, transfers of Class A Common Stock between the two markets will require back-office procedures, potentially affecting the timing and execution of trades. Investors on Euronext Paris may need to assess the size of their position given the then trading liquidity prior to investing in our securities.

***We are a “controlled company” within the meaning of the NYSE rules and, as a result, are entitled to rely on exemptions from certain corporate governance requirements that are designed to provide protection to stockholders of companies that are not “controlled companies”.***

For so long as JABC and its affiliates own more than 50% of the total voting power of our Class A Common Stock, we are a “controlled company” within the meaning of the NYSE corporate governance standards. As a controlled company, we are exempt under the NYSE standards from the obligation to comply with certain NYSE corporate governance requirements, including the requirements:

- that a majority of our board of directors consists of independent directors;
- that we have a nominating committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and
- that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities.

Although we do not intend to rely on the controlled company exemptions, we could elect to rely on these exemptions in the future. If we elect to rely on the controlled company exemptions, the procedures for approving significant corporate decisions could be determined by directors who have a direct or indirect interest in such decisions, and our stockholders would not have the same protections afforded to stockholders of other companies that are required to comply with all of the independence rules of the NYSE.

***Our shares may be subject to significant price volatility, which may have an adverse effect on your ability to liquidate your investment in our Class A Common Stock.***

The market for our shares may be characterised by significant price volatility when compared to seasoned issuers, and we expect that our share price will be more volatile than a seasoned issuer for the foreseeable future. The potential volatility in our share price is attributable to a number of factors. First, our Class A Common Stock may be sporadically and/or thinly traded on Euronext Paris. As a consequence of this lack of liquidity, the trading of relatively small quantities of shares by our stockholders may disproportionately influence the price of those shares in either direction. The price for our shares could, for example, decline precipitously in the event that a large number of our Class A Common Stock is sold on the market without commensurate demand, as compared to a seasoned issuer that could better absorb those sales without adverse impact on its share price. Secondly, an investment in us is a speculative or “risky” investment due to our lack of meaningful profits to date and uncertainty of future profits. As a consequence of this enhanced risk, more risk-averse investors may, under the fear of losing all or most of their investment in the event of negative news or lack of progress, be more inclined to sell their shares on the market more quickly and at greater discounts than would be the case with the stock of a seasoned issuer. Note that our Class A Common Stock listed on the NYSE has been subject to high volatility.

***We are subject to risks related to our common stock, our stock repurchase programme and our stock dividend reinvestment programme.***

Any repurchases pursuant to our stock repurchase programme, or a decision to discontinue our stock repurchase programme, which may be discontinued at any time, could affect our stock price and increase volatility. In addition, the timing and actual number of any shares repurchased will depend on a variety of factors including the timing of open trading windows, price, corporate and regulatory requirements, an assessment by management and our board of directors of cash availability, capital allocation priorities, including deleveraging, and other market conditions. In addition, we have entered into forward repurchase transactions to begin hedging for a potential US\$200 million repurchase under our stock repurchase programme currently planned for 2024. These forward repurchase transactions expose us to additional risks related to the price of our common stock, including a potential true-up in cash upon specified changes in the price of our common stock.

In the event that our board of directors declares a dividend on our common stock, our stock dividend reinvestment programme allows stockholders to elect to receive 50% of their dividend in cash and reinvest 50% of their dividend in newly issued shares of our common stock. As a result, stockholders who do not elect to participate in the stock dividend reinvestment programme may experience dilution in their ownership percentage over time.

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

**1. RIGHTS RELATED TO THE REGISTERED SECURITIES****1.1 Type and class of the securities being admitted to trading**

Coty is listing its shares of Class A Common Stock (which includes the Offered Class A Common Stock) on the Professional Segment of Euronext Paris. As of 21 September 2023, the Company's share capital consists of 924,451,854 shares of Class A Common Stock issued (of which 66,459,162 shares of Class A Common Stock are held in treasury such that 857,992,692 shares of Class A Common Stock are outstanding), 1,000,000 shares of Series A Preferred Stock issued and outstanding and 146,057 shares of Convertible Series B Preferred Stock issued and outstanding. Based on the Company's share capital as of 21 September 2023, immediately following completion of the Global Offering (as described below), the issued share capital of the Company will consist of 957,451,854 shares of Class A Common Stock issued and 890,992,692 shares of Class A Common Stock outstanding, 1,000,000 shares of Series A Preferred Stock issued and outstanding and 146,057 shares of Convertible Series B Preferred Stock issued and outstanding.

The Class A Common Stock of Coty is listed on the NYSE. Trading in the Class A Common Stock on NYSE commenced on June 2013.

Trading in the Class A Common Stock on Euronext Paris is expected to commence on 28 September 2023 at 15:30 CET.

Timetable: Below is an indicative timeline of the relevant dates of the Global Offering and of the admission to listing and trading of the Class A Common Stock on Euronext Paris:

25 September 2023 at 22:30 CET	Opening of the offer period of the Global Offering
26 September 2023	Publication of an Euronext notice announcing the admission to trading of the Class A Common Stock and of the timetable of such admission
28 September 2023 at 10:00 CET	End of the offer period of the Global Offering
28 September 2023	Approval of the Prospectus by the AMF for the admission to listing and trading of the Class A Common Stock on Euronext Paris
28 September 2023	Publication of an Euronext notice announcing the results of the Global Offering, number of shares to be admitted to trading and the reference price
	Publication of the final Prospectus approved by the AMF
	Publication of a press release announcing approval of the Prospectus and the admission to listing and trading of the Class A Common Stock on Euronext Paris
	Release of allocations of Offered Class A Common Stock
28 September 2023 at 15:30 CET	Trading of the Class A Common Stock on Euronext Paris
2 October 2023	Settlement and delivery of the Offered Class A Common Stock issued in the Global Offering

Settlement of any transactions on Euronext Paris is expected to occur through the book-entry facilities of Euroclear France, Euroclear Bank and Clearstream Banking.

At this time, Coty has not entered into any agreement with a liquidity provider in connection with the listing of its Class A Common Stock on Euronext Paris. However, Coty reserves the right to enter into such agreement in the future, subject to compliance with applicable legislation in France and the United States. Until such time that an agreement is entered into with a liquidity provider (if ever), liquidity in the Class A Common Stock will result initially from execution on Euronext Paris of sell orders in respect of Class A Common Stock that will be traded on Euronext Paris and future trading in the Class A Common Stock on Euronext Paris with settlement through Euroclear France, Euroclear Bank and Clearstream Banking.



## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

The CUSIP number assigned to the Class A Common Stock is 222 070 203. The ISIN is US2220702037.

### 1.2 Legislation under which the securities have been created and form of securities, name and address of the entity in charge of keeping the records

The Class A Common Stock and the Offered Class A Common Stock are issued pursuant to the Delaware General Corporation Law (the “**DGCL**”).

The Class A Common Stock is issued in registered, book-entry form on the books and records of its transfer agent and registrar, Computershare Trust Company, N.A. The Offered Class A Common Stock is expected to be settled through the book-entry facilities of Euroclear France, Euroclear Bank and Clearstream Banking.

The French paying agent is Uptevia (postal address: 89-91 rue Gabriel Péri, 92120 Montrouge, France).

### 1.3 Currency of the securities issued

Trading of our Class A Common Stock on the Professional Segment of Euronext Paris will be in Euros.

### 1.4 Rights attached to the securities

#### *Class A Common Stock*

The rights of our stockholders are governed by the DGCL, our amended and restated certificate of incorporation, as amended (our “**Certificate of Incorporation**”), and our amended and restated by-laws (our “**By-laws**”).

#### *Dividend Rights*

Holders of our Class A Common Stock are entitled to receive dividends, as and when declared by our board of directors, out of our legally available assets, in cash, property, shares of our Class A Common Stock or other securities, after payments of dividends required to be paid on outstanding Preferred Stock, if any.

#### *Voting Rights*

Holders of our Class A Common Stock are entitled to one vote per share on all matters submitted to a vote of our stockholders, unless otherwise required by our Certificate of Incorporation or By-laws. At all meetings of the stockholders at which a quorum is present, except as otherwise required by law, the Certificate of Incorporation or the By-laws, any question brought before any meeting of stockholders other than the election of directors, shall be decided by the affirmative vote of the holders of a majority of the votes cast. Elections of directors shall be decided by a plurality of the votes cast.

#### *No Preemptive or Similar Rights*

Shares of our Class A Common Stock are not entitled to preemptive rights and are not convertible into any other shares of our capital stock.

#### *Right to Receive Liquidation Distributions*

Upon our liquidation, dissolution or winding up, the assets legally available for distribution to our stockholders will be distributable ratably among the holders of Class A Common Stock, subject to prior satisfaction of all outstanding debts and other liabilities and the preferential rights and payment of liquidation preferences, if any, on any outstanding Preferred Stock.

## 1.5 Transfer restrictions on the securities

Class A Common Stock is freely transferable without restriction or registration under the Securities Act, except for any shares of Class A Common Stock purchased or otherwise beneficially owned by one of Coty's "affiliates," as that term is defined in Rule 144 under the Securities Act, which may only be resold upon satisfaction of certain requirements or exemptions under the Securities Act. Such affiliates would need to satisfy similar requirements or utilise similar exemptions under the Securities Act to sell any other shares of Class A Common Stock they now or in the future own. Any other shares of Class A Common Stock that have been acquired by a person who is not an affiliate of Coty on the NYSE or otherwise in the public market prior to the Global Offering and that will be outstanding upon completion of the Global Offering are not deemed to be "restricted securities" under the Securities Act and will be eligible for resale immediately upon consummation of this Global Offering without restriction.

Additionally, certain of Coty's existing stockholders have rights with respect to the registration of the offer and sale of certain restricted or control shares of Class A Common Stock (the "**Restricted/Control Securities**") that are held by such stockholders under the Securities Act. If the future offer and sale of these Restricted/Control Securities is registered pursuant to a registration statement filed under the Securities Act, such Restricted/Control Securities will become freely tradable shares of Class A Common Stock without restriction under the Securities Act immediately upon the sale of such shares pursuant to such registration statement, except for any such Restricted/Control Securities purchased by an affiliate of Coty, which may only be resold upon satisfaction of certain requirements or pursuant to certain exemptions under the Securities Act. In addition, Coty may in the future issue additional securities that are restricted under the Securities Act, and in connection with any such issuance, Coty may grant additional registration rights.

Finally, shares of Coty's Class A Common Stock that underly its equity compensation awards are registered pursuant to one or more registration statements filed under the Securities Act. Accordingly, such shares will be freely tradeable upon vesting of the applicable award, other than shares received by any director or executive officer deemed an affiliate of Coty, which may only be resold upon satisfaction of certain requirements or pursuant to certain exemptions under the Securities Act.

## **EACH HOLDER OF SHARES OF CLASS A COMMON STOCK ASSUMES THE RISK OF ANY MARKET FLUCTUATIONS IN THE PRICE OF THE SHARES OF CLASS A COMMON STOCK.**

## 1.6 Anti-takeover effects of Delaware law, provisions of Coty's certificate of incorporation and by-laws, and French law takeover regulations

The following provisions may make a change in control of our business more difficult and could delay, defer or prevent a tender offer or other takeover attempt that a stockholder might consider to be in its best interest, including takeover attempts that might result in the payment of a premium to our stockholders over the market price for their shares. These provisions also may promote the continuity of our management by making it more difficult for a person to remove or change the incumbent members of our board of directors.

- 1.6.1 *Controlling Stockholder.* As of 21 September 2023, JAB Holdings B.V., JAB Cosmetics B.V. and JAB Beauty B.V. (the "**JAB Investors**") beneficially own approximately 52% of the outstanding shares of Class A Common Stock, which also represents approximately 52% of the voting power of our capital stock. This concentrated control could have the effect of discouraging others from initiating a potential merger, takeover or other future change of control transaction that other stockholders may view as beneficial.
- 1.6.2 *Delaware Law.* We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. In *general*, the statute prohibits a publicly-held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date that the person became an interested stockholder, subject to exceptions, unless the business combination is approved by our board of directors in a prescribed manner or the transaction in which the person became an interested stockholder is approved by our board of directors and disinterested stockholders in a prescribed manner. Generally, a "business

combination” includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the stockholder. Generally, an “interested stockholder” is a person who, together with affiliates and associates, owns, or within three years prior, did own, 15% or more of the corporation’s voting stock. These provisions may have the effect of delaying, deferring or preventing a change in control of our business without further action by the stockholders.

- 1.6.3 *Authorized but Unissued Shares; Undesignated Preferred Stock.* The authorized but unissued shares of Class A Common Stock will be available for future issuance without stockholder approval. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, acquisitions and employee benefit plans. In addition, our board of directors may authorize, without stockholder approval, the issuance of undesignated Preferred Stock with voting rights or other rights or preferences designated from time to time by our board of directors. The existence of authorized but unissued shares of Class A Common Stock or Preferred Stock may enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise.
- 1.6.4 *Advance Notice Requirements for Stockholder Proposals and Nominations of Directors.* Our By-laws require stockholders seeking to bring business before an annual meeting of stockholders, or to nominate individuals for election as directors at an annual or special meeting of stockholders, to provide timely notice in writing, as specified therein. These provisions regulate our stockholders in bringing matters before the annual meeting of stockholders or making nominations for directors at any meetings of stockholders. These provisions may also discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the potential acquiror’s own slate of directors or otherwise attempting to obtain control of our business.
- 1.6.5 *Special Meetings of Stockholders.* Our Certificate of Incorporation and By-laws provide that special meetings of stockholders may be called only by our Chairman, Chief Executive Officer or our board of directors or by our Secretary at the request of holders of not less than a majority of the combined voting power of Class A Common Stock.
- 1.6.6 *Cumulative Voting.* Our Certificate of Incorporation provides that our stockholders are not permitted to cumulate votes in the election of directors.

### ***French Law Takeover Regulations***

As a result of our listing on Euronext Paris, we expect to be subject to certain takeover regulations of the *Autorité des Marchés Financiers* (or the AMF) which is the securities regulatory authority in France. Pursuant to Article 231-1 of the AMF General Regulation, the AMF may apply its takeover rules, except for those governing standing market offers, buyout offers with squeeze-outs, and squeeze-outs, to takeovers for securities issued by companies such as ours whose registered offices are not in the European Economic Area.

### **1.7 Public takeover bids**

There have been no public takeover bids by third parties in respect of Coty’s equity, which have occurred during the last financial year and the current financial year.

## **2. REASONS FOR THE OFFER AND USE OF PROCEEDS**

The dual-listing of the Company’s Class A Common Stock is intended to promote additional liquidity for investors and provide greater access to Coty’s Class A Common Stock among investors in Europe who may be required to invest in Eurozone markets or certain currencies only. Coty’s dual-listing on the Professional Segment of Euronext Paris is intended to strengthen Coty’s presence in Europe and to align with Coty’s more than 100 year heritage in France and its substantial business footprint in Europe.

The Company intends to use the net proceeds of the Global Offering primarily to retire principal amount of outstanding debt. Other uses include general corporate purposes, such as strategic investments in

its business, working capital and capital expenditures. The Company will not receive any proceeds from the admission to listing and trading of its Class A Common Stock on the Professional Segment of Euronext Paris distinct from the proceeds of the Global Offering.

### 3. TERMS AND CONDITIONS OF THE OFFER OF SECURITIES

#### 3.1 Authorisation to issue new shares

The issue and sale of the Offered Class A Common Stock in the Global Offering has been approved by the Company's board of directors prior to the launch of the Global Offering and a pricing committee established by the Company's board of directors prior to the pricing of the Global Offering.

#### 3.2 Terms and conditions of the offer

<b>Total amount of the Global Offering:</b>	US\$356,400,000 (or €339,137,881.82, based on the Applicable USD-EUR Exchange Rate).
<b>Number of Offered Class A Common Stock offered:</b>	33,000,000 shares of Offered Class A Common Stock
<b>Offer Price:</b>	US\$10.80 per share of Offered Class A Common Stock (or €10.28 per share of Offered Class A Common Stock based on the Applicable USD-EUR Exchange Rate (the " <b>Offer Price</b> ").
<b>Offer period:</b>	Opening of offer period: 25 September 2023 at 22:30 CET End of offer period: 28 September 2023 at 10:00 CET
<b>Targeted investors of the Global Offering</b>	(a) the public in the United States and (b) Qualified Investors (as defined in Article 2(e) of the Prospectus Regulation) outside of the United States including in the European Economic Area.
<b>Subscription and allocation</b>	The Joint Global Coordinators and Joint Bookrunners have solicited indications of interest from investors for the Offered Class A Common Stock from 25 September 2023 at 22:30 CET until 28 September 2023 at 10:00 CET. Allocations of the Offered Class A Common Stock are expected to be released on 28 September 2023 at 14:00 CET.
<b>Delivery, clearing and settlement</b>	<p>In the United States, each share of Class A Common Stock will be issued in book-entry form and registered with the Depository Trust Company, which is known as "DTC". DTC will serve as the book-entry facility in the United States for the shares of Class A Common Stock through which investors may hold beneficial interests as DTC participants. DTC is located at 570 Washington Blvd, Jersey City, NJ 07310.</p> <p>In France, application has been made for the Offered Class A Common Stock to be accepted for delivery through the book-entry facilities of Euroclear France. Euroclear France is located at 66 rue de la Victoire 75009 Paris, France.</p> <p>Delivery of the Offered Class A Common Stock (the "<b>Settlement</b>") through one of the above book-entry facilities is expected to take place on 2 October 2023 (the "<b>Settlement Date</b>"), in accordance with each facility's typical settlement procedures applicable to equity securities and against payment (in US Dollars or Euros, as applicable) for the Offered Class A Common Stock in immediately available funds.</p>
<b>Payment</b>	Payment for the Offered Class A Common Stock is expected to occur on or about the Settlement Date. The Offer Price must be paid in full in US Dollars or Euros and is exclusive of any taxes and expenses, if any,

which must be borne by the investor. Investors will have the option to place orders as part of the Global Offering either with payment in US Dollars with a view to trading on the NYSE, or with payment in Euros with a view to trading on Euronext Paris. No expenses will be charged to investors by the Company. The Offer Price must be paid by the investors in cash upon remittance of their subscription or, alternatively, by authorising their financial intermediary to debit their bank account with such amount on or about the Settlement Date (or earlier in the case of an early closing of the offer period and consequent acceleration of pricing, allocation, first day of trading on the NYSE or Euronext Paris and payment and delivery).

**Net proceeds, costs of the Global Offering and the admission to trading**

The net proceeds of the Global Offering are estimated to be US\$340,960,376 (or €324,446,071 based on the Applicable USD-EUR Exchange Rate). The total costs of the Company related to the Global Offering and the admission of the Class A Common Stock (which includes the Offered Class A Common Stock) to trading on Euronext Paris, consisting of the fees and commissions to be paid to the Underwriters, the fees due to Euronext Paris, as well as legal and administrative expenses, financial advisor fees, publication costs and applicable taxes, are expected to amount to a total of approximately US\$15,439,624.21 (or €14,691,811, based on the Applicable USD-EUR Exchange Rate). Investors will not be charged expenses by the Company or the Underwriters. Investors will have to bear customary transaction and handling fees charged by their brokers or other financial institutions through which they hold their securities.

**Plan of Distribution**

On 28 September 2023, the Company and the Underwriters entered into an underwriting agreement relating to the offer and sale of the Offered Class A Common Stock in connection with the Global Offering (the “**Underwriting Agreement**”). Under the terms of and subject to the conditions set forth in the Underwriting Agreement, the Company agreed to issue and sell to the Underwriters such number of Offered Class A Common Stock as set forth below opposite the Underwriter’s name:

<b>Underwriters</b>	<b>Maximum number of Offered Class A Common Stock to be underwritten<sup>(1)</sup></b>	<b>Percentage of maximum number of Offered Class A Common Stock to be underwritten (in %)</b>
Banco Santander, S.A.....	8,250,000	25
BNP PARIBAS.....	8,250,000	25
Citigroup Global Markets Europe AG.....	7,500,000	22.7
Citigroup Global Markets Inc.....	750,000	2.3
Crédit Agricole Corporate and Investment Bank.....	8,250,000	25
<b>Total.....</b>	<b>33,000,000</b>	<b>100.0</b>

(1) Assuming placement of all Offered Class A Common Stock.

**Underwriting Agreement**

In the Underwriting Agreement, the Company agreed to issue and sell to each Underwriter, and each Underwriter agreed, severally and not jointly, to purchase from the Company, the specified number of Offered Class A Common Stock at the agreed purchase price per share with a

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

view to offering them to investors in the Global Offering pursuant to the terms of the Underwriting Agreement and the description of the Global Offering in the Prospectus Supplement.

The obligations of the Underwriters under the Underwriting Agreement are subject to various conditions, including in particular:

- Filing of the Prospectus Supplement
- AMF approval of this Prospectus
- Delivery of legal opinions by counsels for the Company and counsel for the Underwriters
- Delivery of a comfort letter by the Company's statutory auditors
- Delivery of a Company officer certificate confirming, among other things, that all representations and warranties of the Company in the Underwriting Agreement are true and correct on and as of the Settlement Date
- Approval for listing and trading of the Offered Class A Common Stock on the NYSE and Euronext Paris

Some of the Underwriters or their affiliates have, and may from time to time in the future continue to have, business relations with Coty or may perform services for Coty in the ordinary course of business for which they have received or may receive customary fees and commissions. For a more detailed description of the interests of the Underwriters in the Global Offering see "Interests of the Underwriters in the Global Offering".

### **Lock-Up Agreements of the Company**

In the Underwriting Agreement, the Company agreed with the Underwriters that, for the period commencing on 28 September 2023 and ending 180 calendar days after the first trading day, the Company will not without the prior written consent of the Underwriters, which consent shall not be unreasonably withheld or delayed:

- (i) announce or effect any increase of the share capital of the Company from authorised or contingent capital, if any; or
- (ii) submit a proposal to its stockholders' meeting for an increase of the share capital; or
- (iii) announce, effect or propose the issue of securities with conversion or option rights on Class A Common Stock; or
- (iv) enter into a transaction or perform any action economically similar to those described in (i) through (iii) above.

The foregoing restrictions do not apply, however, to (i) the issuance of shares of Class A Common Stock or securities convertible into or exercisable for shares of Class A Common Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including any "net" or "cashless" exercise) or the settlement of RSUs (including any "net" or "cashless" settlement), in each case outstanding on the date of the Underwriting Agreement and described in the final Prospectus Supplement, (ii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of Class A Common Stock or securities convertible into or exercisable or exchangeable for shares of Class A Common Stock (whether upon the exercise of stock options or otherwise) to the Company's employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the Settlement Date and described

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

in the final Prospectus Supplement, (iii) facilitating the establishment of a trading plan on behalf of a shareholder, officer or director of the Company pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Class A Common Stock, provided that (1) such plan does not provide for the transfer of Class A Common Stock during such 180-day period and (2) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by the Company regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of Common Stock may be made under such plan during such 180-day period and (iv) the issuance by the Company of shares of Class A Common Stock or securities convertible into, exchangeable for or that represent the right to receive shares of Class A Common Stock in connection with (1) the acquisition by the Company or any of its subsidiaries of the securities, business, technology, property or other assets of another person or entity or pursuant to an employee benefit plan assumed by the Company in connection with such acquisition, and the issuance of any such securities pursuant to any such agreement, or (2) the Company's joint ventures, commercial relationships and other strategic transactions, provided the aggregate number of shares of Class A Common Stock that the Company may sell or issue or agree to sell or issue pursuant to this clause (v) shall not exceed 5% of the total number of shares of Class A Common Stock outstanding immediately following the Global Offering. The restrictions set forth above do not in any way restrict the ability of the Company to settle any of its Total Return Swaps as defined and in the manner described in the final Prospectus Supplement.

Investors subscribing Offered Class A Common Stock will not be subject to any lock-up undertakings.

### **Underwriting discounts and commissions**

2.8% (or US\$0.30/€0.29 per share of Offered Class A Common Stock based on the USD-EUR Exchange Rate).

### **Termination / indemnification under the Underwriting Agreement**

The Underwriters are offering the Offered Class A Common Stock, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Offered Class A Common Stock, and other conditions contained in the Underwriting Agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The Underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the Underwriters may be required to make in respect of those liabilities.

### **Interests of the Underwriters in the Global Offering**

The Underwriters are acting on behalf of the Company and no one else in connection with any offering of the Offered Class A Common Stock and will not be responsible to any other person for providing the protections afforded to any of their respective clients or for providing advice in relation to any offering of the Offered Class A Common Stock. None of the Underwriters will regard any other person as its client in relation to the Global Offering. Upon successful implementation of the Global Offering, the Underwriters will receive a commission as described in the Prospectus Supplement. In addition, some of the Underwriters or their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Company. The Underwriters have received, or may in the future receive, customary fees and commissions for these transactions. In particular, certain affiliates of

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

the Underwriters are lenders or counterparties under the New Revolving Credit Facility, the 2018 Coty Term B Facility and the Total Return Swaps.

Furthermore, in connection with the Global Offering, each of the Underwriters and any of their respective affiliates, acting as an investor for their own account, may acquire Offered Class A Common Stock in the Global Offering and in that capacity may retain, purchase or sell for its own account such Offered Class A Common Stock or related investments and may offer or sell such Offered Class A Common Stock or other investments otherwise than in connection with the Global Offering.

Accordingly, references in this Prospectus to Offered Class A Common Stock being offered or placed in the Global Offering should be read as including any offering or placement of Offered Class A Common Stock to any of the Underwriters or any of their respective affiliates acting in such capacity. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which such entities may from time to time acquire, hold or dispose of shares in the Company.

In addition, in the ordinary course of their business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Company, including the Class A Common Stock. The Underwriters do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Other than the interests described above, there are no material interests. None of the aforementioned interests with respect to the admission of the Class A Common Stock (which includes the Offered Class A Common Stock) to trading on Euronext Paris or the Global Offering constitute a conflict of interests.

**Subscription by main  
shareholders and  
members of the  
Company's management,  
supervisory or  
administrative bodies**

None of the Company's executive officers or members of its board of directors had placed an order in respect of the Global Offering, except Maria Asuncion Aramburuzabala Larregui, member of the board of directors of the Company, who may be deemed to beneficially own, directly or indirectly, through her interest in Tresalia Capital 2,600,000 shares of Offered Class A Common Stock in an amount of €26,728,000. JAB Holdings B.V., an entity affiliated with JAB Cosmetics B.V., the Company's main shareholder, has subscribed for 3,000,000 shares of Offered Class A Common Stock in the amount of €30,840,000.

**French Paying Agent**

Uptevia (Postal Address: 89-91 Rue Gabriel Péri, 92120 Montrouge, France)



### 3.3 Dilution

#### 3.3.1 Impact of the Global Offering on the proportion of equity held by a shareholder

The diluted pro forma net asset value calculation is set out below to illustrate the potential dilutive effect of the Global Offering. The difference between (i) the Offer Price per Offered Class A Common Stock and (ii) the diluted pro forma net asset value per Offered Class A Common Stock after the Global Offering, constitutes the potential dilution to investors in the Global Offering. The net asset value per Class A Common Stock is determined by dividing the Company's pro forma net asset value, which is the Company's total assets less total liabilities (including the value of any shares that may be redeemed with cash), by the number of Class A Common Stock outstanding.

At 30 June 2023, the net asset value of the Company was US\$4,233,300,000, or approximately US\$4.96 per share of Class A Common Stock. After giving effect to the sale of 33,000,000 shares of Offered Class A Common Stock in the Global Offering, deduction of the total underwriting commissions and the total estimated expenses of the Global Offering, the Company's pro forma diluted net asset value at 30 June 2023 would have been US\$4,574,260,376 or US\$5.16 per share of Class A Common Stock, representing as of the date of this Prospectus an immediate increase in net asset value of US\$0.20 per Class A Common Stock.

The impact of the Global Offering on the proportion of equity held by a holder of share of a Class A Common Stock and on the basis of the consolidated equity of the Company as of 30 June 2023 and the consolidated equity per Class A Common Stock, before and after the issuance of the 33,000,000 shares of Offered Class A Common Stock would be as follows (after deduction of all legal and administrative fees and fees to be paid to the financial intermediaries under the Global Offering):

	Consolidated equity per Class A Common Stock as of 30 June 2023	
	Non diluted	Diluted <sup>(1)</sup>
Prior to the issuance of the 33,000,000 shares of Offered Class A Common Stock	4.69	4.30
Following the issuance of the 33,000,000 shares of Offered Class A Common Stock	4.90	4.51

(1) based on outstanding awards under equity compensation plans and Series B Preferred Stock on a converted basis

The impact of the issuance of the 33,000,000 shares of Offered Class A Common Stock on the shareholding in the Company of a shareholder that holds 1% of the Class A Common Stock of the Company and does not subscribe to the Global Offering would be as follows:

	Consolidated equity per Class A Common Stock as of 30 June 2023	
	Non diluted	Diluted <sup>(1)</sup>

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

Prior to the issuance of the 33,000,000 shares of Offered Class A Common Stock	1%	0.92%
Following the issuance of the 33,000,000 shares of Offered Class A Common Stock	0.96%	0.89%

(1) based on outstanding awards under equity compensation plans and Series B Preferred Stock on a converted basis

### 3.3.2 Allocation of the Company's Class A Common Stock

The tables below set forth the beneficial ownership of the Company's Class Common Stock (i) prior to the Global Offering, and (ii) following the Global Offering.

As of 21 September 2023, the persons known to the Company to beneficially own<sup>11</sup> more than 5% of our Class A Common Stock is as follows:

Name of beneficial owner	Number of shares <sup>12</sup>	% of Class A Common Stock <sup>13</sup>
JAB Beauty B.V. <sup>14</sup>	448,853,684	52.3
BlackRock, Inc. <sup>15</sup>	53,612,314	6.3
Free float	355,526,694	41.4
Total	857,992,692	100

Applicable percentage ownership is based on 857,992,692 outstanding shares of Class A Common Stock as of 21 September 2023. Accordingly, percentage ownership amounts do not assume the conversion of any outstanding shares of Series B Preferred Stock held by HFS Holdings S.à r.l., and the computations and share amounts used herein do not give effect to any accretion on the Series B Preferred Stock after 21 September 2023.

In computing the number of shares of Class A Common Stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of Class A Common Stock subject

<sup>11</sup> A person is a "beneficial owner" of a security if that person has or shares voting or investment power over the security or if that person has the right to acquire sole or shared voting or investment power over the security within 60 days. Unless otherwise noted, these persons, to our knowledge, have sole voting and investment power over the shares listed.

<sup>12</sup> Includes restricted stock units "RSUs" that are vested but not settled or that will vest and are expected to settle within 60 days of 21 September 2023 (excluding the impact of any net settlement to cover taxes). The RSUs issued to the non-employee directors as compensation represent the right to receive shares of Class A Common Stock after termination of service as a member of the board of directors and thus may be deemed to be beneficially owned by such non-employee directors. These shares are not included in the "number of shares" column.

<sup>13</sup> HFS Holdings S.à r.l., which is beneficially owned by Peter Harf, beneficially owns all of the outstanding shares of Series B Convertible Preferred Stock as of 21 September 2023. Assuming the full conversion of the outstanding shares of Series B Convertible Preferred Stock held by HFS Holdings S.à r.l., and no other changes in capitalisation, as of 21 September 2023 the beneficial ownership percentage of Class A Common Stock and related voting power would be approximately: JAB Beauty B.V.: 50.9%; Peter Harf/HFS Holdings: 4.1%; Sue Nabi: 3.4%; all current directors, nominees and current executive officers: 5.6%.

<sup>14</sup> Based on a Schedule 13D/A and a Form 4 filed with the SEC on 20 June 2023 and 11 September 2023, respectively. JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), a private limited liability company organised under the laws of the Netherlands, has shared voting power and shared dispositive power over these shares. JAB Beauty B.V., a direct subsidiary of JAB Holdings B.V. and an indirect subsidiary of Lucrezca SE ("Lucrezca"), Agnaten SE ("Agnaten"), each of which is a company with its registered seat in Austria, and JAB Holdings B.V., a Netherlands corporation, Lucrezca and Agnaten indirectly have shared voting and investment control over the shares held by Cottage Holdco B.V. Lucrezca and Agnaten are each controlled by Renate Reimann-Haas, Wolfgang Reimann, Stefan Reimann-Andersen and Matthias Reimann-Andersen, who with Peter Harf and Olivier Goudet exercise voting and investment authority over the shares held by JAB Cosmetics B.V. Lucrezca, Agnaten, JAB Cosmetics B.V. and JAB Holdings B.V. disclaim the existence of a "group" and disclaim beneficial ownership of these securities except to the extent of a pecuniary interest therein. JAB Holdings, Agnaten and Lucrezca, by virtue of their relationships to JAB Beauty, may each be deemed to indirectly beneficially own the Class A Shares which JAB Beauty directly beneficially owns.

<sup>15</sup> Based solely on a Schedule 13-G filed with the SEC on 3 February 2023. Represents shares of Class A Common Stock beneficially owned by Blackrock, Inc. ("Blackrock"). Blackrock has sole voting power over 52,526,632 shares and sole dispositive power over 53,612,314 shares.

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

to options held by that person that are currently exercisable or exercisable within 60 days of 21 September 2023 and subject to restricted stock units that are vested but not settled or that are going to vest and are expected to settle within 60 days of 21 September 2023. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

On the Global Offering settlement date, expected to occur on 2 October 2023, based on the persons known to the Company to beneficially own<sup>16</sup> more than 5% of our Class A Common Stock as of 21 September 2023, our Class A Common Stock will be held as follows, under the assumption that all the Offered Class A Common Stock will be issued:

Name of beneficial owner	Number of shares <sup>17</sup>	% of Class A Common Stock
JAB Beauty B.V. <sup>18</sup>	464,204,193	52.1
BlackRock Inc. <sup>19</sup>	53,612,314	6.0
Free float	373,176,185	41.9
Total	890,992,692	100

Applicable percentage ownership is based on 857,992,692 outstanding shares of Class A Common Stock as of 21 September 2023 and includes at that date approximately 49.5 million shares of Class A Common Stock held by the banks party to our total return swaps entered into in calendar 2022 to hedge our potential exposure at around prevailing stock price trading levels over the applicable hedging periods for our share buyback program (the “**Total Return Swaps**”) and excludes approximately 271,693,855 shares of Class A Common Stock reserved as of 21 September 2023 for issuance under our equity incentive and employee stock purchase plans. Following the completion of this Global Offering, we have the ability to manage dilution through the physical settlement of one or more currently outstanding Total Return Swaps. As of 21 September 2023, there are approximately 49.5 million shares of Class A Common Stock subject to such transactions. If we elect physical settlement Coty would acquire the underlying shares which would then be retired. While it is our current intention to physically settle one or more of our outstanding Total Return Swaps with respect to up to 27 million shares of Class A Common Stock over the next six months, we are not obligated to do so and cannot assure you if or when we will do so or the amounts of any such transaction.

Percentage ownership amounts do not assume the conversion of any outstanding shares of Series B Preferred Stock held by HFS Holdings S.à r.l., and the computations and share amounts used herein do not give effect to any accretion on the Series B Preferred Stock after 21 September 2023.

In computing the number of shares of Class A Common Stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of Class A Common Stock subject to options held by that person that are currently exercisable or exercisable within 60 days of 21 September 2023 and subject to restricted stock units that are vested but not settled or that are going to vest and are expected to settle within 60 days of 21 September 2023. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

## 4. STATEMENT OF CAPITALISATION AND INDEBTEDNESS

### 4.1 Capitalisation and indebtedness table

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<sup>16</sup> See footnote 11

<sup>17</sup> See footnote 12

<sup>18</sup> See footnote 14. The number of shares has been calculated on the (i) basis that JAB Cosmetics B.V. has subscribed for 3,000,000 shares of Offered Class A Common Stock and (ii) assumption that by the Global Offering Settlement Date our majority stockholder, JAB Beauty B.V. (formerly known as Cottage Holdco B.V.) will enter into a proxy agreement (the “**Voting Proxy Agreement**”) with Peter Harf, our Executive Chairman, and HFS Holdings S.à r.l., a private limited liability company incorporated under the laws of Luxembourg (“**HFS**”) that is controlled by Peter Harf, pursuant to which each of Mr. Harf and HFS appointed JAB Beauty B.V. as its true and lawful proxy, with full power of substitution, for and in its name, place and stead to vote the 12,350,509 shares of our Class A Common Stock and 146,057 shares of our Series B Convertible Preferred Stock and any and all other equity interests in the Company held by HFS or Mr. Harf, as applicable, whether directly or indirectly, beneficially or of record, then owned or thereafter acquired, with respect to any and all matters subject to a vote of the Company stockholders.

<sup>19</sup> See footnote 15

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

In accordance with the guidelines of ESMA (European Securities Market Authority) dated 4 March 2021 (ESMA32-382-1138), the following table sets forth our capitalisation and indebtedness as of 30 June 2023. This table should be read in conjunction with Section 2 “Reasons for the Offer and Use of Proceeds” and our consolidated financial statements and related notes for the fiscal year ended 30 June 2023 included in Exhibit I of this Prospectus.

	<b>As of 30 June 2023</b> <b>(in US\$ million)</b>
<b>1. Equity and Indebtedness</b>	
<b>Total current debt</b> (including current portion of non-current debt)	<b>57.9</b>
Guaranteed	-
Secured	23.2
Unguaranteed/Unsecured	34.7
<b>Total non-current debt</b> (excluding current portion of non-current debt)	<b>4,223.7</b>
Guaranteed	-
Secured	3,550.4
Unguaranteed/Unsecured	673.3
<b>Shareholder equity</b>	<b>4,233.3</b>
Share capital	151.5 <sup>20</sup>
Legal reserves	-
Other reserves	4,081.8 <sup>21</sup>
<b>Total</b>	<b>8,514.9</b>
<b>2. Net indebtedness</b>	
A. Cash	283.8 <sup>22</sup>
B. Cash equivalents	-
C. Other current financial assets	-
<b>D. Liquidity (A + B + C)</b>	<b>283.8</b>
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	34.7
F. Current portion of non-current financial debt	23.2
<b>G. Current financial indebtedness (E + F)</b>	<b>57.9</b>
<b>H. Net current financial indebtedness (G - D)</b>	<b>(225.9)</b>

<sup>20</sup> includes Class A Common Stock US\$9.1 million, Series A Preferred stock US\$- and Convertible Series B Preferred Stock US\$142.4 million

<sup>21</sup> includes additional paid-in capital US\$10,898.6 million, accumulated deficit US\$(4,987.9) million, accumulated other comprehensive loss US\$(662.4) million, treasury stock US\$(1,446.3) million, noncontrolling interest US\$186.3 million and redeemable noncontrolling interest US\$93.5 million

<sup>22</sup> includes restricted cash (funds that are not readily available for general purpose cash needs due to contractual limitations) of US\$36.9 million

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

I. Non-current financial debt (excluding current portion and debt instruments)	4,223.7
J. Debt instruments	-
K. Non-current trade and other payables	-
<b>L. Non-current financial indebtedness (I + J + K)</b>	<b>4,223.7</b>
<b>M. Total financial indebtedness (H + L)</b>	<b>3,997.8</b>

### Notes to table:

#### (1) Refinancing Amendment

On 11 July 2023, the Company entered into an amendment to the 2018 Coty Credit Agreement that (i) refinanced all of the existing US\$2,000 million of revolving credit commitments and the outstanding loans made pursuant thereto with two new tranches of senior secured revolving credit commitments, one in an aggregate principal amount of US\$1,670 million available in dollars and certain other currencies and the other in an aggregate principal amount of €300 million available in Euros, maturing in July 2028.

#### (2) Offering of 6.625% Senior Secured Notes

On 26 July 2023, the Company issued, at par, an aggregate principal amount of US\$750 million of 6.625% senior secured notes due 2030 in a private offering ("**2030 Dollar Senior Secured Notes**"). Coty received net proceeds of US\$740.6 million in connection with the offering of the 2030 Dollar Senior Secured Notes.

#### (3) 2018 Coty Term B Facility repayment

In accordance with the 2018 Coty Credit Agreement, as amended, the net proceeds received from the 2030 Dollar Senior Secured Notes were utilised on 26 July 2023 to fully repay its US Dollar variable interest rate loans outstanding and to pay down a pro rata portion of its Euro variable interest rate loans outstanding under its existing senior secured term B facility due April 2025 under the 2018 Coty Credit Agreement ("**2018 Coty Term B Facility**"). Additionally, on 3 August 2023, the Company repaid €408 million of debt outstanding under the 2018 Coty Term B Facility by utilising the revolving credit facility.

#### (4) Offering of 5.750% Senior Secured Notes

On 19 September 2023, Coty issued, at par, an aggregate principal amount of €500 million of 5.750% senior secured notes due 2028 in a private offering. The Company used the net proceeds from the 5.750% senior secured notes to repay a portion of the borrowings outstanding under the revolving credit facility, without a reduction in commitment.

## 4.2 Working capital statement

As of the date of this Prospectus, Coty has in its opinion, sufficient working capital for its present requirements for the next 12 months following the date of the prospectus.

## 5. DIRECTORS AND EXECUTIVE OFFICERS

### 5.1 Details regarding Coty's directors and executive officers

The following table sets forth certain information about our executive officers and directors as of 26 September 2023.

Name	Position	Companies and partnerships where the relevant person has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years and whether the relevant person is still a member of the
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**PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.**

		<b>administrative, supervisory bodies or partner</b>	<b>management or partner</b>
Sue Nabi	Chief Executive Officer and Director	Coty Inc.	
Laurent Mercier	Chief Financial Officer	N/A	
Kristin Blazewicz	Chief Legal Officer and General Counsel	N/A	
Anna von Bayern	Chief Corporate Affairs Officer	N/A	
Gordon von Bretten	Chief Transformation Officer	N/A	
Maria Asuncion Aramburuzabala Larregui	Director	Coty Inc. Tresalia Capital Anheuser-Busch InBev (ABI) Grupo Modelo	
Beatrice Ballini	Director	Coty Inc. VAM Investments SPAC B.V.	
Joachim Creus	Director	Coty Inc. JAB Holding Company S.a.r.l. JDE Peets N.V.	
Olivier Goudet	Director	Coty Inc. JAB Holding Company S.a.r.l. JDE Peets N.V. Panera Bread Company Pret A Manger Krispy Kreme Doughnuts, Inc. Keurig Dr Pepper Inc. Caribou Coffee Company, Inc. Espresso House Holding AB Compassion First From 2016 to 2019: Anheuser-Busch InBev SA/NV	
Peter Harf	Chairman of the Board of Directors	Coty Inc. JAB Holding Company S.a.r.l. Keurig Dr Pepper Inc. JDE Peet's N.V. Compassion First Delete Blood Cancer DKMS	
Johannes Huth	Director (Lead Independent Director)	Coty Inc. KKR Hensoldt AG SoftwareOne Holdings AG Axel Springer SE Musee des Arts Decoratifs Staedel Museum London School of Economics University of Chicago Booth School of Business	

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

Anna Adeola Makanju	Director	Coty Inc. Panera Brands Inc.
Isabelle Parize	Director	Coty Inc. DELSEY, SA Carbios Air France-KLM S.A.
Robert Singer	Director	Coty Inc. Swarovski International Holding SA Keurig Dr. Pepper Inc. Panera Bread Company From 2012 to 2021: Tiffany & Co. From 2019 to 2022: Acne Studios From 2014 to 2017: Jimmy Choo plc
Lubomira Rochet	Director	JAB Holding Company S.a.r.l. Keurig Dr. Pepper Societe General

None of the directors or executive officers of Coty has:

- been convicted in relation to fraudulent offenses;
- been associated with any bankruptcies, receiverships or liquidations when acting in their capacity of directors or executive officers of Coty;
- been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer; or
- (other than set out below with respect to Coty's Chief Executive Officer, Ms. Sue Nabi) any potential conflict of interest between its duties to Coty and their private interests or other duties.

The disinterested members of Coty's board of directors have reviewed and approved the entry into a licence agreement with Orveda, an ultra-premium skincare brand co-founded by Coty's Chief Executive Officer, Sue Nabi. Ms. Nabi has no continuing formal role at Orveda or economic interest in Orveda as a result of divesting her interests which was settled in cash in December 2021; however her business partner and co-founder, Nicolas Vu, is the sole owner and Chief Executive Officer of Orveda, and Mr. Vu also provides consulting services, related to the skincare category and Orveda positioning, to Coty under the terms of a separate agreement. The initial term of the Orveda licence agreement is five years, with two five-year automatic renewals subject to the achievement of certain net revenue milestones. The principal terms of the licence agreement are consistent with other Coty prestige licences and Coty's board of directors has determined that the terms were no more favourable than to an unaffiliated third party.

None of the directors of Coty have entered into service contracts with Coty or any of its subsidiaries providing for benefits upon termination of employment as directors. Sue Nabi, the Company's Chief Executive Officer, has a service contract in connection with her role as Chief Executive Officer. Ms. Nabi is entitled to six months' notice of a termination of her employment agreement by the Company, or payment in lieu of such notice in an amount equal to the base salary to which she would have been entitled during the notice period, and monthly payments equal to her base salary for a period of six months in consideration of her non-competition and non-solicitation obligations in the event of the termination of her employment agreement.

**5.2 Current term of Coty's directors' office**

The following table sets forth the name, position and term of office of each of our directors:

<b>Director</b>	<b>When appointed</b>	<b>Expiry of term</b>	<b>First appointment</b>
Sue Nabi (Chief executive officer)	3 November 2022	2 November 2023	September 2020
Maria Asuncion Aramburuzabala Larregui	3 November 2022	2 November 2023	December 2020
Beatrice Ballini	3 November 2022	2 November 2023	September 2019
Joachim Creus	3 November 2022	2 November 2023	November 2019
Olivier Goudet	3 November 2022	2 November 2023	May 2013
Peter Harf (Chairman of the Board of Directors)	3 November 2022	2 November 2023	January 1996
Johannes Huth	3 November 2022	2 November 2023	May 2020
Anna Adeola Makanju	3 November 2022	2 November 2023	December 2020
Isabelle Parize	3 November 2022	2 November 2023	February 2020
Robert Singer	3 November 2022	2 November 2023	January 2010
Lubomira Rochet	2 January 2023	2 November 2023	January 2023

**6. ORGANISATIONAL STRUCTURE**

Coty is the holding company of the group composed by Coty and its subsidiaries. The table below lists Coty's significant subsidiaries as reported in Coty's 2023 Form 10-K, including their name, country of incorporation or the proportion of ownership interest and voting power held:

Coty Inc.

Subsidiary List

<b>Entity Name</b>	<b>Country of Incorporation</b>	<b>Ownership and Voting Rights</b>
Coty Argentina S.A.	Argentina	100%
Coty Australia Holdings PTY Ltd.	Australia	100%
Coty Australia Legacy Pty. Limited	Australia	100%
Coty Australia PTY. Limited	Australia	100%
Gresham Cosmetics Pty Ltd	Australia	100%
HFC Prestige International Australia PTY Ltd	Australia	100%
Coty Beauty Austria GmbH	Austria	100%
HFC Prestige Products N.V.	Belgium	100%
Coty Brasil Comércio SAR	Brazil	100%
Savoy Indústria de Cosméticos S.A.	Brazil	100%
HFC Prestige International Canada, Inc.	Canada	100%
TJoy Holdings Co. Ltd.	Cayman Islands	100%



**PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.**

Coty Cosméticos Chile Limitada	Chile	100%
Coty China Holding Limited	China	100%
Coty Hong Kong Distribution Ltd.	China	100%
Coty International Trade (Shanghai) Co., Ltd.	China	100%
Coty Prestige Shanghai Ltd.	China	100%
HFC (Shanghai) Cosmetics Co., Ltd	China	100%
Nanjing Yanting Trade Co. Ltd.	China	100%
Suzhou Ganon Trading Co., Ltd.	China	94.88%
Suzhou Jiahua Biochemistry Co. Ltd	China	75%
HFC Prestige Service Costa Rica S.R.L.	Costa Rica	100%
Coty Ceska republika, s.r.o.	Czechia	100%
Coty Holdings UK Limited	England and Wales	100%
Quest Beauty Limited	England and Wales	100%
Coty S.A.S.	France	100%
Coty France S.A.S.	France	100%
Else France S.A.S.	France	100%
Fragrance Production S.A.S.	France	100%
HFC Prestige Holding France S.A.S.	France	100%
Coty Beauty Germany GmbH	Germany	100%
Coty Brands Management GmbH	Germany	100%
Coty Germany Holding GmbH	Germany	100%
HFC Prestige Manufacturing Cologne Germany	Germany	100%
Zadafo Verwaltungsgesellschaft mbH	Germany	100%
Chi Chun Industrial Co. Ltd.	Hong Kong	100%
Coty Hong Kong Limited	Hong Kong	100%
Coty INT Hong Kong Limited	Hong Kong	100%
Coty Prestige Shanghai (HK) Ltd.	Hong Kong	100%
Coty Prestige Southeast Asia (HK) Limited	Hong Kong	100%
Ming-De Investment Co. Ltd.	Hong Kong	100%
Super Globe Holdings Ltd.	Hong Kong	100%
Coty Hungary Kft.	Hungary	100%
PT StarAsia Distributions Indonesia	Indonesia	100%
PT. Coty Prestige Southeast Asia Indonesia	Indonesia	99%
Coty Ireland Ltd.	Ireland	100%
Coty UK&I Limited	Ireland	100%
HFC Prestige Manufacturing Ireland Ltd.	Ireland	100%
Coty Italia S.R.L.	Italy	100%
Coty Japan Godo Kaisha	Japan	100%
Coty Korea Ltd.	Korea, Republic Of	50.5047%
Coty INT Malaysia Sdn. Bhd.	Malaysia	100%
Coty Brands México, S. de R.L. de C.V.	Mexico	100%
Coty México, S.A. de C.V.	Mexico	100%
Coty Lancaster S.A.M.	Monaco	99.9996875%
Coty B.V.	Netherlands	100%
Coty Global 1 B.V.	Netherlands	100%
Coty Global 2 B.V.	Netherlands	100%

**PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.**

Coty Global 3 B.V.	Netherlands	100%
Coty Global 4 B.V.	Netherlands	100%
Coty Global 5 B.V.	Netherlands	100%
Coty Global 6 B.V.	Netherlands	100%
Coty Global 7 B.V.	Netherlands	100%
Coty Global Holdings B.V.	Netherlands	100%
Coty Holding Topco B.V.	Netherlands	100%
Coty Investments B.V.	Netherlands	100%
Coty International B.V.	Netherlands	100%
Coty International Holding B.V.	Netherlands	100%
Coty Management B.V.	Netherlands	100%
Coty Netherlands B.V.	Netherlands	100%
Coty Operations B.V.	Netherlands	100%
HFC Prestige International Netherlands Holding Lancaster B.V.	Netherlands	100%
Coty Prestige Southeast Asia Philippines, Inc.	Philippines	99.61%
Coty Eastern Europe sp. z.o.o.	Poland	100%
Coty Beauty Portugal S.A.	Portugal	100%
HFC Prestige International Puerto Rico LLC	Puerto Rico	100%
Coty Cosmetics Romania SRL	Romania	100%
Ruswell Ltd	Russian Federation	100%
Coty Arabia Trading Company LLC	Saudi Arabia	100%
Coty Asia Pte. Ltd.	Singapore	100%
Coty Operations Asia Pacific Pte. Ltd.	Singapore	100%
Coty Prestige Southeast Asia Pte. Ltd.	Singapore	100%
Coty Singapore Pte. Ltd.	Singapore	100%
Coty Southeast Asia Pte. Limited	Singapore	100%
HFC Prestige International Operations Switzerland	Singapore	100%
HFC Prestige International Singapore Pte. Ltd.	Singapore	100%
Coty Slovenská Republika s.r.o.	Slovakia	100%
Coty Beauty South Africa (PTY) Ltd.	South Africa	100%
Coty Beauty Spain, S.L.U.	Spain	100%
Coty Spain S.L., Sociedad Unipersonal	Spain	100%
Coty International B.V. Swiss Branch	Switzerland	100%
Coty JV Holdings Sarl	Switzerland	100%
HFC Prestige International Operations Switzerland	Switzerland	100%
Coty Beauty Swiss Sarl	Switzerland	100%
StarAsia Taiwan Co., Ltd.	Taiwan, Province Of China	100%
Coty Prestige Southeast Asia (Thailand) Company	Thailand	99.9998%
Coty Operations (Thailand) Co., Ltd.	Thailand	100%
Coty Distribution Emirates L.L.C.	United Arab Emirates	75%
Coty Middle East Fzco	United Arab Emirates	75%
Coty Regional Trading FZE	United Arab Emirates	75%
Bourjois Limited	United Kingdom	100%
Coty Brands Group Limited	United Kingdom	100%
Coty Export U.K. Ltd.	United Kingdom	100%

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

Coty Manufacturing UK Ltd.	United Kingdom	100%
Coty Services U.K. Ltd.	United Kingdom	100%
Coty U.K. Limited	United Kingdom	100%
Coty UK&I Ltd	United Kingdom	100%
Del Laboratories (U.K.) Limited	United Kingdom	100%
HFC Prestige Manufacturing UK Ltd	United Kingdom	100%
HFC Prestige Products Ltd.	United Kingdom	100%
HFC Prestige Service UK Ltd	United Kingdom	100%
Lancaster Group, Ltd.	United Kingdom	100%
Rimmel International Ltd.	United Kingdom	100%
HFC Prestige Products, Inc.	United States - CT	100%
Calvin Klein Cosmetic Corporation	United States - DE	100%
Coty Brands Management Inc.	United States - DE	100%
Coty DTC Holdings, LLC	United States - DE	100%
Coty Holdings, Inc.	United States - DE	100%
Coty Inc.	United States - DE	100%
Coty International LLC	United States - DE	100%
Coty Operations Americas LLC	United States - DE	100%
Coty US Holdings Inc.	United States - DE	100%
Coty US LLC	United States - DE	100%
DLI International Holding I LLC	United States - DE	100%
DLI International Holding II Corp	United States - DE	100%
Galleria Co.	United States - DE	100%
Graham Webb International, Inc.	United States - DE	100%
HFC Prestige International U.S. LLC	United States - DE	100%
King Kylie, LLC	United States - DE	51%
Launch Beauty LLC	United States - DE	100%
O P I Products, Inc.	United States - DE	100%
Rimmel Inc.	United States - DE	100%
The Wella Corporation	United States - DE	100%
Noxell Corporation	United States - MD	100%
Coty Beauty Vietnam Company Limited	Vietnam	100%

### 7. MATERIAL CONTRACTS

The following contracts are the material contracts (not being contracts entered into the ordinary course of business) currently in force that Coty has entered into within two years immediately preceding the date of this Prospectus and which contain provisions under which Coty has an obligation or entitlement that is material:

#### Agreements related to credit facilities and outstanding debt.

- On 30 November 2021, Coty issued an aggregate principal amount of US\$500 million of 4.75% senior secured notes due 2029, pursuant to an indenture, dated as of 30 November 2021, among Coty Inc., HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the guarantors named therein, and Deutsche Bank Trust Company Americas, as trustee, paying agent and collateral agent. In connection with such issuance, a pledge and security agreement, dated as of 30 November 2021, was entered into by and among Coty, HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the other grantors from time to time party thereto and Deutsche Bank Trust Company Americas, as collateral agent. In addition, joinder agreement no. 2, dated as of 30 November 2021 was entered into among JPMorgan Chase

#### PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

Bank, N.A., as credit facility agent, Deutsche Bank Trust Company Americas as initial other authorised representative, and the Company to the first lien/first lien intercreditor agreement, dated as of 21 April 2021, as modified by the joinder agreement no. 1, dated as of 16 June 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas, as initial other authorised representative.

- On 26 July 2023, Coty issued an aggregate principal amount of US\$750 million of 6.625% senior secured notes due 2030, pursuant to an indenture, dated as of 26 July 2023, among Coty, HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the guarantors named therein, and Deutsche Bank Trust Company Americas, as trustee, paying agent and collateral agent. In connection with such issuance, a pledge and security agreement, dated as of 26 July 2023, was entered into by and among Coty, HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the other grantors from time to time party thereto and Deutsche Bank Trust Company Americas, as collateral agent. In addition, joinder agreement no. 3, dated as of 26 July 2023, was entered into among JPMorgan Chase Bank, N.A., as credit facility agent, Deutsche Bank Trust Company Americas as initial other authorised representative, and the Company to the first lien/first lien intercreditor agreement, dated as of 21 April 2021, as modified by the joinder agreement no. 1, dated as of 16 June 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas, as initial other authorised representative and joinder agreement no. 2, dated as of 30 November 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas as initial other authorised representative.
- On 30 November 2021, Coty entered into a refinancing amendment to its 2018 Coty credit agreement, by and among Coty, Coty B.V., the other loan parties party thereto, the refinancing revolving lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, that established a new class of senior secured revolving credit facility of US\$2,000 million maturing on 5 April 2025 and which refinanced and replaced the 2018 Coty revolving credit facility due 5 April 2023 and the September 2021 Coty revolving credit facility due 5 April 2025.
- On 7 March 2023, Coty entered into amendment no. 5 to amended and restated credit agreement, by and among Coty, Coty B.V., the lenders from time to time party thereto and JPMorgan Chase Bank, N.A. as administrative agent, to effectuate the transition of the underlying variable interest rate from LIBOR to the Secured Overnight Financing Rate ("SOFR").
- On 11 July 2023, Coty entered into amendment no. 6 to the 2018 Coty credit agreement, by and among Coty, Coty B.V., the other loan parties party thereto, the refinancing revolving lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, that (i) refinanced all of the existing US\$2,000 million of revolving credit commitments and the outstanding loans made pursuant thereto with two new tranches of senior secured revolving credit commitments, one in an aggregate principal amount of US\$1,670 million available in dollars and certain other currencies and the other in an aggregate principal amount of €300 million available in Euros, maturing in July 2028, (ii) provided for a credit spread adjustment of 0.10% for all interest periods, with respect to SOFR loans, (iii) added Fitch as a relevant rating agency for purposes of the collateral release provisions and determining applicable interest rates and fees and (iv) provided that certain covenants will cease to apply during a collateral release period.
- On 19 September 2023, Coty issued, at par, an aggregate principal amount of €500 million of 5.750% senior secured notes due 2028 in a private offering. The Company used the net proceeds from the 5.750% senior secured notes to repay a portion of the borrowings outstanding under the revolving credit facility, without a reduction in commitment.

##### *Employment and Compensatory Arrangements with Management.*

- On 26 November 2021, Coty's remuneration and nomination committee approved a new compensatory arrangement for the Company's Chief Financial Officer, reflected in the offer letter dated as of 26 November 2021 between Coty Management B.V. and Laurent Mercier.

#### PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

- On 1 June 2022, Coty's remuneration and nomination committee approved a new compensatory arrangement for the Company's Chief Financial Officer, reflected in the offer letter dated as of 14 June 2022 between Coty Management B.V. and Laurent Mercier.
- On 1 June 2022, Coty's remuneration and nomination committee approved a new compensatory arrangement for the Company's Chief Financial Officer, reflected in the offer letter dated as of 8 June 2023, between Coty Management B.V. and Laurent Mercier.
- On 4 May 2023, Coty and Sue Nabi, the Company's Chief Executive Officer, entered into an amendment to that certain employment agreement dated as of 13 October 2020, to set forth the terms of a new compensatory program comprised of a one-time award of 10,416,667 restricted stock units and an annual award of 2,083,333 performance restricted stock units with three-year Company performance objectives, each award subject to specified vesting conditions. Under the new compensatory arrangements, in addition to her annual base salary in the amount of €3,000,000 (the "**Base Salary**"), which remains unchanged, effective 1 July 2023 Ms. Nabi will be eligible to participate in the Company's performance-based annual cash bonus plan with a target of 100% of her Base Salary, a maximum of 200%, and a minimum of 0% if certain threshold conditions are not achieved.

#### *Other material contracts.*

- On 16 June 2023, Coty, JAB Holdings B.V. and JAB Beauty B.V. (formerly Cottage Holdco B.V., and together with JAB Holdings B.V., the "**JAB Stockholder Parties**") entered into an amendment and restatement of the stockholders agreement dated as of 17 March 2019 (the "**Amended and Restated Stockholders Agreement**"). The Amended and Restated Stockholders Agreement reflects certain changes as required under the stipulation and agreement of compromise and settlement (the "**Stipulation of Settlement**") related to the consolidated purported stockholder class action and derivative complaint filed in the Court of Chancery of the State of Delaware on 6 May 2019 against certain current and former directors of Coty, JAB Holding Company, S.à.r.l., JAB Holdings B.V., JAB Cosmetics B.V. and Cottage Holdco B.V. concerning the tender offer by Cottage Holdco B.V. to acquire up to 150 million share of Coty's outstanding common stock (the "**Tender Offer**") and the solicitation statement filed with the SEC on 18 March 2019 (SC 14D9/A). Coty was named as a nominal defendant in this stockholder class action and derivative complaint which alleged that the relevant directors and JAB Holding Company, S.à.r.l., JAB Holdings B.V., JAB Cosmetics B.V. and Cottage Holdco B.V. had breached their fiduciary duties to the Company's stockholders and sought, among other things, monetary relief. The Amended and Restated Stockholders Agreement was entered into at the recommendation of a special committee of disinterested, independent directors of the board of directors, and with approval of the board of directors, subject to court approval of the settlement. On 13 June 2023, the Delaware Court of Chancery approved the Stipulation of Settlement, which, as previously disclosed, calls for the Company to adopt certain corporate governance changes, including the Amended and Restated Stockholders Agreement.

Such changes include:

- i. during the three-year period from the effective date of the Amended and Restated Stockholders Agreement, the JAB Stockholder Parties shall not, subject to certain exceptions, effect or enter into any agreement to effect any acquisition of additional shares of Class A Common Stock, provided that, the JAB Stockholder Parties may acquire shares of capital stock of the Company (including Class A Common Stock, "**Company Securities**") on an established securities exchange or through privately negotiated transactions that, after giving effect to such acquisition, does not result in an increase in the JAB Stockholder Parties' and their affiliates' collective beneficial ownership percentage of the voting power of the then issued and outstanding Company Securities to an amount greater than the percentage of the voting power of the issued and outstanding Company Securities beneficially owned by the JAB Stockholder Parties, collectively, as of the consummation of the Tender Offer, plus 9%;
- ii. the appointment of a new lead independent director consistent with the terms of the Stipulation of Settlement;

#### PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

- iii. during the one-year period following the effective date of the Amended and Restated Stockholders Agreement, the JAB Stockholder Parties shall not, subject to certain exceptions, transfer any Class A Common Stock to any other person or group (other than an affiliate of any of the JAB Stockholder Parties) if, after giving effect to such transfer, such person or group would become the largest beneficial owner of Class A Common Stock;
- iv. the Company shall include certain questions specified in the Amended and Restated Stockholders Agreement its annual directors and officers' questionnaire used in the preparation of the Company's Form 10-K, annual report to stockholders and proxy statement; and
- v. the Amended and Restated Stockholders Agreement shall terminate upon the earlier of the mutual consent of the parties to the Amended and Restated Stockholders Agreement or such time as the JAB Stockholder Parties and their affiliates cease to beneficially own 25% of the voting power of the Company on a fully diluted basis.

The Amended and Restated Stockholders Agreement also provides, among other things, that: (i) for so long as the Amended and Restated Stockholders Agreement is in effect, JAB Group shall not effect or seek to effect, or announce any intention to effect, any "Rule 13e-3 transaction" as defined in Rule 13e-3 under the Exchange Act unless such transaction is conditioned on both (A) the affirmative approval of a special committee of the board of directors comprised solely of individuals who are each (1) independent under the requirements of Rule 10A-3 under the Exchange Act, and under the rules of the applicable securities exchange and (2) disinterested as it relates to JAB Group and its affiliates and (B) the affirmative vote of the stockholders of the Company representing at least a majority of the voting power of the Company beneficially owned by stockholders other than JAB Group or its affiliates, (ii) for so long as the Amended and Restated Stockholders Agreement is in effect, material related transactions involving any member of JAB Group and the Company will require the approval of a special committee of the board of directors comprised solely of independent directors who are disinterested as to the matter under consideration, (iii) JAB Group and the Company have agreed, for so long as the Amended and Restated Stockholders Agreement is in effect, to take all necessary actions within their control to maintain on the board of directors no fewer than four independent directors who are disinterested as it relates to JAB Group and to cause, no later than 30 September 2019, to be elected to the board of directors two new independent directors who are disinterested as it relates to JAB Group, and (iv) JAB Group has customary registration rights with respect to their shares of Class A Common Stock. The Amended and Restated Stockholders Agreement will terminate upon the earlier of the mutual consent of the parties to the Amended and Restated Stockholders Agreement (including, with respect to the Company, the approval by a special committee comprised solely of independent directors who are disinterested as it relates to JAB Group) or such time as JAB Group and its affiliates cease to beneficially own 40% of the voting power of the Company on a fully diluted basis. In connection with the Amended and Restated Stockholders Agreement, the special committee recommended, and the board of directors approved, the appointment of Johannes Huth as Lead Independent Director, effective 13 June 2023.

- On 30 September 2021, Coty entered into a redemption agreement with KKR Rainbow Aggregator L.P. and Rainbow Capital Group Limited, affiliates of Kohlberg Kravis Roberts & Co. L.P. ("**KKR**"), pursuant to which the Company agreed to sell an approximately 9% stake in Rainbow JVCo Limited ("**JVCo**"), valued at approximately US\$426.5 million, in exchange for the redemption of 290,465 shares of Convertible Series B Preferred Stock, par value US\$0.01 per share, of the Company, including the applicable portion of approximately US\$42 million of unpaid dividends related to such shares. JVCo is a joint venture between the Company and affiliates of KKR that holds the Professional Beauty (including Professional Hair, OPI and ghd) and Retail Hair businesses that the Company divested in 2020.
- On 6 November 2021, Coty entered into a redemption agreement with KKR Rainbow Aggregator L.P. and Rainbow Capital Group Limited, affiliates of KKR, pursuant to which the Company agreed to sell an approximately 5% stake in JVCo, valued at approximately US\$215.7 million, in exchange for the redemption of 154,683 shares of Convertible Series B Preferred Stock, par value US\$0.01 per share, of the Company, including approximately US\$1.4 million of unpaid dividends related to such shares that were redeemed for cash. JVCo

#### PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

is a joint venture between the Company and affiliates of KKR that holds the Professional Beauty (including Professional Hair, OPI and ghd) and Retail Hair businesses that the Company divested in 2020.

The aforementioned material contracts (other than the offering of 5.750% senior secured notes) are set forth in the Exhibit Index starting on page 61 of Coty's 2023 Form 10-K. We have thus reproduced the relevant part of the Exhibit Index hereunder. Each material contract can be accessed via the corresponding hyperlink provided thereunder:<sup>23</sup>

Amended and Restated Stockholders Agreement, dated as of 16 June 2023, by and among Coty, JAB Holdings B.V. and JAB Beauty B.V.

Indenture, dated as of 30 November 2021, among Coty, HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the guarantors named therein, and Deutsche Bank Trust Company Americas, as Trustee, Paying Agent and Collateral Agent.

Form of 4.750% Senior Secured Notes due 2029.

Joinder Agreement No. 2, dated as of 30 November 2021 among JPMorgan Chase Bank, N.A., as credit facility agent, Deutsche Bank Trust Company Americas as initial other authorized representative, and the Company to the First Lien/First Lien Intercreditor Agreement, dated as of 21 April 2021, as modified by the Joinder Agreement No. 1, dated as of 16 June 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas, as initial other authorized representative.

Pledge and Security Agreement, dated as of 30 November 2021, by and among Coty, HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the other grantors from time to time party thereto and Deutsche Bank Trust Company Americas, as collateral agent.

Indenture, dated as of 26 July 2023, among Coty, HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the guarantors named therein, and Deutsche Bank Trust Company Americas, as Trustee, Paying Agent and Collateral Agent.

Form of 6.625% Senior Secured Notes due 2030.

Joinder Agreement No. 3, dated as of 26 July 2023 among JPMorgan Chase Bank, N.A., as credit facility agent, Deutsche Bank Trust Company Americas as initial other authorized representative, and the Company to the First Lien/First Lien Intercreditor Agreement, dated as of 21 April 2021, as modified by the Joinder Agreement No. 1, dated as of 16 June 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas, as initial other authorized representative and Joinder Agreement No. 2, dated as of 30 November 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas as initial other authorised representative.

Pledge and Security Agreement, dated as of 26 July 2023, by and among Coty, HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the other grantors from time to time party thereto and Deutsche Bank Trust Company Americas, as collateral agent.

Refinancing Amendment, dated as of 30 November 2021, by and among Coty, Coty B.V., the other loan parties party thereto, the refinancing revolving lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent.

Amendment No. 5 to Amended and Restated Credit Agreement, dated 7 March 2023, by and among Coty, Coty B.V., the lenders from time to time party thereto and JPMorgan Chase Bank, N.A. as administrative agent.

Amendment No. 6 (Refinancing Amendment), dated as of 11 July 2023, by and among Coty, Coty B.V., the other loan parties party thereto, the refinancing revolving lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent.

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<sup>23</sup> [https://www.sec.gov/ix?doc=/Archives/edgar/data/1024305/000102430523000060/coty-20230630.htm#i94c4e81c68344335ba51350d29cad515\\_118](https://www.sec.gov/ix?doc=/Archives/edgar/data/1024305/000102430523000060/coty-20230630.htm#i94c4e81c68344335ba51350d29cad515_118)

## PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

Redemption Agreement dated as of 30 September 2021, by and among Coty, KKR Rainbow Aggregator L.P., Rainbow Capital Group Limited and Coty JV Holdings S.a.r.l.

Redemption Agreement dated as of 6 November 2021, by and among Coty, KKR Rainbow Aggregator L.P., Rainbow Capital Group Limited and Coty JV Holdings S.a.r.l.

Offer Letter dated as of 26 November 2021 between Coty Management B.V. and Laurent Mercier.

Offer Letter dated as of 14 June 2022 between Coty Management B.V. and Laurent Mercier.

Offer Letter dated as of 8 June 2023, between Coty Management B.V. and Laurent Mercier.

Amended Employment Agreement, dated 4 May 2023, between Coty and Sue Nabi.

Form of Performance Restricted Stock Unit Award Terms and Conditions for Sue Nabi.

Form of Restricted Stock Unit Award Terms and Conditions for Sue Nabi.

### 8. TAX CONSIDERATIONS

**Warning to investors:** the tax legislation of the investor's Member State and of Coty's country of incorporation may have an impact on the income received from the Class A Common Stock.

Set out below are certain French tax consequences and certain U.S. federal income tax consequences likely to apply to investors that are tax residents in France who will hold shares of Class A Common Stock. Non-French tax resident investors are urged to consult their tax advisors to determine the tax consequences resulting from the acquisition, ownership or disposition of Class A Common Stock.

Unless otherwise indicated, the discussion of the French and U.S. tax consequences herein assumes that (i) each French investor is eligible for the benefits of the U.S.- France income tax treaty signed 31 August 1994, as modified by the protocols signed 8 December 2004 and 13 January 2009 (the "**U.S. - France Tax Treaty**") and is also not a U.S. tax resident (a "**French Tax Resident**") and (ii) each French tax resident is a **Non-U.S. Holder** (as this term is defined hereafter). For the purposes of the present tax section, a Non-U.S. Holder means a beneficial owner of Class A Common Stock (other than an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not, for U.S. federal income tax purposes, any of the following (a "**Non-U.S. Holder**"):

- An individual who is a citizen or resident of the United States;
- A corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organised in or under the laws of the United States, any state thereof or the District of Columbia;
- An estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- A trust if it (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury Regulations to be a U.S. person.

This discussion is limited to French tax residents that hold Class A Common Stock as a "capital asset" within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a French Tax Resident's particular circumstances, including estate or gift taxes, the impact of the Medicare contribution tax on net investment income and any alternative minimum tax. In addition, it does not address U.S. federal income tax consequences relevant to French Tax Residents subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons holding Class A Common Stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid United States federal income tax;



#### PART IV – SUPPLEMENTAL INFORMATION CONCERNING COTY INC.

- partnerships or other entities or arrangements treated as partnerships for United States federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell Class A Common Stock under the constructive sale provisions of the Code;
- persons who hold or receive Class A Common Stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons subject to special tax accounting rules as a result of any item of gross income with respect to Class A Common Stock being taken into account in an applicable financial statement;
- tax-qualified retirement plans; and
- “qualified foreign pension funds” as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Class A Common Stock, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. Partnerships or partners of a partnership considering an investment in Class A Common Stock are urged to consult their tax advisors in order to determine the French and U.S. tax regimes applicable to their specific situation.

The French tax and the U.S. tax consequences described below may be modified by subsequent laws or regulations, which should be followed by the investors with the help of their tax advisors.

With respect to French tax consequences, the information set forth below is based on the tax laws and regulations of France, the practice of the French tax authorities and the applicable double taxation treaties with France, all as currently in force, as of the date hereof. French law has enacted rules relating to trusts, in particular specific tax and filing requirements as well as modifications to wealth, estate and gift taxes as they apply to trusts. Given the complex nature of these rules and the fact that their application varies depending on the status of the trust, the grantor, the beneficiary and the assets held in the trust, the following summary does not address the tax treatment of the Class A Common Stock held in trust. If the Class A Common Stock are held in trust, the grantor, trustee and beneficiary are urged to consult their own tax advisors regarding the specific French tax consequences of acquiring, owning and disposing of the Class A Common Stock.

With respect to U.S. federal income tax, the information set forth below is based upon the provisions of the Code, United States Treasury regulations promulgated thereunder, judicial decisions, published positions of the IRS, and other applicable authorities, all as of the date hereof. These authorities may be changed, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those set forth below. No ruling from the IRS has been sought with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS will agree with such statements and conclusions or that such statements and conclusions, if challenged by the IRS, will be sustained by a court. The discussion of U.S. federal tax issues (1) is for general information only and is not tax advice, (2) is not intended or written to be used, and it cannot be used, by any stockholder for the purpose of avoiding penalties that may be imposed under the U.S. Internal Revenue Code of 1986, as amended, and (3) is written to support the listing of Coty’s Class A Common Stock on Euronext Paris. Each prospective stockholder should seek U.S. federal tax advice, as well as advice on tax consequences arising under the U.S. federal estate or gift tax rules or under the laws of any state, local, non-U.S. or other taxing jurisdiction or under any other applicable tax treaty, based on the stockholder’s specific situation from an independent tax advisor.

Please note that the information set out below is only a summary of the applicable tax regime. Each particular situation should be carefully analysed by a tax advisor, especially regarding tax residence, the possible impact of citizenship and the application of the U.S.- France Tax Treaty, to their particular situation.

**8.1 Capital gains realised upon the sale of Class A Common Stock by Individual Investors who are French Tax Residents Holding Class A Common Stock as a Private Investment**

US Tax considerations

Subject to the discussion of backup withholding and FATCA below, any gain realised by an individual French Tax Resident investor on the sale or other disposition of the Class A Common Stock generally will not be subject to United States federal income tax unless:

- the gain is effectively connected with a trade or business of the French Tax Resident investor in the United States (and, as required by the U.S. - France Tax Treaty Article 13, is attributable to a United States permanent establishment of the French Tax Resident individual investor);
- The French Tax Resident investor is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or
- Coty is or has been a **“United States real property holding corporation”** for U.S. federal income tax purposes and as long as the Class A Common Stock is regularly traded on an established securities market, such French Tax Resident investor holds or has held, directly or indirectly, at any time within the shorter of the five-year period ending on the date of disposition or such French Tax Resident investor’s holding period of the Class A Common Stock, more than 5% of Coty’s common stock.

A French Tax Resident investor described in the first bullet point immediately above will be subject to tax on the gain derived from the sale or other disposition in the same manner as if the French Tax Resident investor were a U.S. person as defined under the Code. A French Tax Resident investor described in the second bullet point immediately above will be subject to a 30% tax on the gain derived from the sale or other disposition, which gain may be offset by U.S. source capital losses. Each particular situation should be carefully analysed by a tax advisor, especially regarding tax residence, the possible impact of citizenship and the application of the U.S. -France Tax Treaty to their particular circumstances.

Generally, a corporation is a **“United States real property holding corporation”** if the fair market value of its U.S. real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (all as determined for United States federal income tax purposes). Coty believes that it is not currently a “United States real property holding corporation” for U.S. federal income tax purposes. However, no assurances can be given as to Coty’s status as a “United States real property holding corporation” in the future.

French tax considerations

The following information does not apply to individuals carrying out stock market transactions under conditions similar to those characterizing the activity of a person engaged in this type of transaction on a professional basis, nor to individuals holding their shares as part of a company or group savings plan (including through a company mutual fund) or as part of an employee share ownership scheme (e.g., free shares, stock options). If you find yourself in one of these situations, you are advised to check with your tax advisor as to the tax treatment applicable to your particular situation.

The Class A Common Stock are not eligible to be included in the share savings plan regime (*Plan d’épargne en actions*).

Personal income tax

In accordance with Articles 150-0 A et seq. and 200 A of the French General Tax Code (the **“GTC”**), capital gains realized upon the disposal of Class A Common Stock will be subject as from the first Euro to tax on income at a flat rate of 12.8%.

However, taxpayers may elect, before the deadline for filing their income tax return for the year in question, that such net capital gains be taken into account for the purposes of determining the net global income subject to the progressive income tax rate scale (with a top marginal tax rate of 45%). The election is global, irrevocable and applies on a yearly basis to all investment income (*revenus de*

*capitaux mobiliers*) (with the exception of certain tax-exempt income) and capital gains falling within the scope of the 12.8% flat tax and earned during that year. Specific rules apply to shares acquired before January 1, 2018.

Investors with reportable net capital losses or recognizing capital losses on the sale of Class A Common Stock are urged to consult with their tax advisor in order to review the conditions for the use of such capital losses.

Exceptional contribution on high-income taxpayers

Such capital gains may also be subject to the 3% or 4% contribution on high-income taxpayers which is applicable as follows:

- single, widowed, separated or divorced taxpayers are subject to the 3% contribution rate for the portion of reference income exceeding €250,000 and representing less than or equal to €500,000 and to the 4% contribution rate for the portion of reference income exceeding €500,000; and
- taxpayers subject to joint taxation are subject to the 3% contribution rate for the portion of reference income exceeding €500,000 and representing less than or equal to €1,000,000 and to the 4% contribution rate for the portion of reference income exceeding €1,000,000.

For the purposes of such rules, the reference income of a tax household is defined in accordance with Article 1417, IV, 1° of the GTC, without application of the “quotient” rules defined under Article 163-0 A of the GTC, and, where applicable, by applying the specific quotient rules provided for in Article 223 sexies, II of the GTC.

Social Levies

In addition, such capital gains will also be subject to the following social levies:

- the *contribution sociale généralisée* at a 9.2% rate (Articles 1600-0C and 1600-0E of the GTC);
- the *contribution au remboursement de la dette sociale* at a 0.5% rate (Article 1600-0J of the GTC);
- the *prélèvement de solidarité* at a 7.5% rate (Article 136-7 of the French Social Security Code).

If the capital gains are subject to the abovementioned 12.8% flat tax, none of these social levies are deductible from the taxable income. If the taxpayer opts for the taxation based on the progressive income tax rate scale, the *contribution sociale généralisée* will be partially deductible, in the amount of 6.8%, from the taxable income of the year during which it is paid, it being understood that other social levies will not be deductible from the taxable income. In the case of capital gains, these social levies are collected by assessment.

Concerned stockholders are urged to consult their tax advisors to determine the tax regime applicable to their particular situation (including the regime applicable to capital gains for income tax purposes, whether or not the taxpayer should opt for the progressive income tax rate scale and the applicable tax regime in the event that the taxpayer decides to opt out of the application of the 12.8% flat-rate tax for income tax and the conditions for applying the exceptional contribution on high income).

**8.2 Capital gains realised upon the sale of Class A Common Stock by French Tax Resident Investors that are Legal Entities and Subject to Corporate Income Tax (“CIT”)**

US Tax considerations

Any gain realised by a French Tax Resident investor on the sale or other disposition of the Class A Common Stock will be subject to U.S. federal income tax as described in 8.1 above.

Further, if the gain is effectively connected with a trade or business of the French Tax Resident investor in the United States (and, as required by the U.S. - France Tax Treaty Article 13, is attributable to a United States permanent establishment of the French Tax Resident investor), then (i) such French tax

resident investor will be subject to tax on the gain derived from the sale or disposition in the same manner as if the French Tax Resident investor were a U.S. person as defined under the Code and (ii) if such French Tax Resident investor is a non-U.S. corporation, the gain realised by such investor may be subject to an additional “branch profits tax” at a 30% rate (lowered to 5% under the U.S. - France Tax Treaty).

#### French Tax considerations

Except where a specific regime applies (e.g., the equity investment regime), the net capital gain realised upon the sale of Class A Common Stock is included in the taxable income of stockholders subject to CIT at the standard rate of 25%, increased, if applicable, by a social contribution of 3.3% (Article 235 *ter* ZC of the GTC), which is assessed on the amount of CIT after application of a rebate which may not exceed €763,000 per twelve-month period.

Certain entities may be subject to a lower corporate income tax rate for a portion of their income. In addition, a specific tax treatment would apply in the case where the Class A Common Stock would qualify as equity investment or assimilated securities (*titres de participation et titres assimilés*) for the purposes of Article 219 I-a *quinquies* of the GTC, held for at least two years from the date of the acquisition of the shares. Investors are urged to consult with their tax advisors in order to determine the tax regime applicable to their particular situation.

### **8.3 Dividends arising from Class A Common Stock received by Individual Investors who are French Tax Residents Holding Class A Common Stock as a Private Investment**

#### US Tax considerations

In the event that Coty makes a distribution of cash or other property (other than certain pro rata distributions of Coty’s stock) in respect of Class A Common Stock, the distribution generally will be treated as a dividend for U.S. federal income tax purposes to the extent it is paid from Coty’s current or accumulated earnings and profits, as determined under U.S. income tax principles. Any portion of a distribution that exceeds the current and accumulated earnings and profits generally will be treated first as a tax-free return of capital, causing a reduction in the adjusted tax basis of the French Tax Resident investor’s Class A Common Stock, and to the extent the amount of the distribution exceeds a French Tax Resident investor’s adjusted tax basis in the Class A Common Stock, the excess will be treated as capital gain from the disposition of Class A Common Stock as described in Section 8.1.

Subject to the discussion of backup withholding and FATCA below, dividends paid to an individual French Tax resident investor generally will be subject to withholding of U.S. federal income tax at a 30% rate (subject to a reduced 15% rate under the U.S. - France Tax Treaty). However, dividends that are effectively connected with the conduct of a trade or business by the French Tax Resident investor within the United States (and, as required by U.S.-France Tax Treaty Article 13, are attributable to a United States permanent establishment of the French Tax Resident investor) are not subject to withholding tax, provided certain certification and disclosure requirements are satisfied. Instead, such dividends are subject to U.S. federal income tax on a net income basis generally in the same manner as if the French Tax Resident were a U.S. person as defined under the Code.

A French Tax Resident individual investor who wishes to claim the benefit of the U.S. -France Tax Treaty rate and avoid backup withholding, as discussed below, for dividends will be required (a) to provide the applicable withholding agent with a properly executed IRS Form W-8BEN or Form W-8ECI (or other applicable form) certifying under penalty of perjury that such holder is not a U.S. person as defined under the Code and is eligible for U.S. - France Tax Treaty benefits or (b) if the Class A Common Stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable U.S. Treasury Regulations.

A French Tax Resident individual investor eligible for a reduced rate of U.S. federal withholding tax pursuant to U.S. - France Tax Treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

### French Tax considerations

The gross amount of dividend payments received by French Tax Resident individuals will generally be subject to a 30% flat tax applicable on financial income (unless the option for the standard progressive rate is exercised under the conditions described below). Such flat tax is composed of personal income tax at a 12.8% rate and social levies at a 17.2% rate. Regarding the personal income tax component of this flat tax, there is a two-step collection procedure for French tax resident individuals:

- the non-discharging levy of 12.8% set forth in Article 117 *quater* of the GTC; and
- final taxation the following year, settled as part of the tax return filed for personal income tax purposes.

### Personal income tax

The gross amount of the dividends is subject to (i) flat tax at the rate of 12.8% for income tax purposes, without the possibility of benefiting from the 40% rebate provided for in Article 158, 3-2° of the GTC or, if expressly, globally, irrevocably and annually elected for all investment income and capital gains falling within the scope of the flat tax, subject to (ii) the progressive income tax rate scale (with a top marginal tax rate of 45%). In the latter case, the gross amount of the dividends is taken into account for the determination of the global income of the taxable stockholder in the category of investment income, subject to income tax at the progressive rate, after application of a rebate equal to 40% of the amount of the dividends.

Under Article 24. 1. a) of the U.S. - France Tax Treaty, the withholding tax levied in the U.S. on such dividends, if any, will not be deductible from the French taxable income of holders of Class A Common Stock. However, such stockholders may claim a tax credit in respect of such withholding tax, if any, in accordance with Article 24. 1. a) iii) of the U.S. - France Tax Treaty. The amount of such tax credit corresponds to the amount of U.S. withholding tax levied on the dividends, capped at the amount of French tax assessed on the dividends. Such tax credit could be offset against the final amount of income tax due for the year in which the U.S. withholding tax is levied.

### Non-discharging levy of 12.8%

Pursuant to Article 117 *quater* of the GTC and subject to the exceptions set forth below, individuals domiciled in France are subject to a non-discharging levy at a rate of 12.8% on the gross amount of distributed income. This levy is withheld by the paying agent if it is established in France. If the paying agent is established outside France, the income is declared and the corresponding levy paid within the first 15 days of the month following the month in which the income is paid, either by the taxpayer or by the person responsible for paying the income if it is established in a member State of the European Union or in another State party to the agreement on the European Economic Area that has concluded an administrative assistance agreement with France to combat tax fraud and tax evasion, and has been mandated for this purpose by the taxpayer.

However, in cases where the paying agent is established in France, individuals belonging to a tax household whose reference tax income for the penultimate year, as defined in Article 1417, IV, 1° of the GTC, is less than €50,000 for single, divorced or widowed taxpayers and less than €75,000 for taxpayers subject to joint taxation, may request an exemption from this levy, under the conditions provided for in Article 242 *quater* of the GTC, i.e. by producing, no later than November 30 of the year preceding the year in which the distributed income is paid, to the persons responsible for paying it, a sworn statement indicating that their reference tax income appearing on the tax notice issued in respect of the income for the penultimate year preceding the payment of said income is below the aforementioned thresholds. However, taxpayers who acquire Class A Common Stock after the deadline for filing the aforementioned exemption request may, under certain conditions, file this exemption request with their paying agent when acquiring these Class A Common Stock, pursuant to paragraph 320 of the administrative guidelines BOI-RPPM-RCM-30-20-10 dated July 6, 2021.

Where the paying agent is established outside of France, only individuals belonging to a tax household whose reference tax income for the penultimate year, as defined in Article 1417, IV, 1° of the GTC, is equal to or greater than the amounts mentioned in the above paragraph are subject to the 12.8% non-discharging levy.

This levy does not release the taxpayer from income tax or, where applicable, the exceptional contribution on high income taxpayers. However, it can be offset against the income tax due for the year in which it is levied, and any excess payment is refundable. Unless the taxpayer exercises an option to take into account investment income (with the exception of certain tax-exempt income) and capital gains in determining the overall net income subject to the progressive income tax rate scale, the non-discharging tax levy of 12.8% will correspond to the flat tax rate applicable for personal income tax purposes. Election for the progressive income tax rate scale applies on an annual basis to all investment income (with the exception of certain tax-exempt income) and capital gains falling within the scope of the above-mentioned flat-rate tax of 12.8% and realized in respect of the same year.

*Exceptional contribution on high-income taxpayers*

Dividends are also included in the taxpayer's reference tax income, which may be subject to the exceptional contribution on high income at a rate of 3% or 4% as described above in section 8.1 - "Exceptional contribution on high-income taxpayers".

The reference tax income includes gross dividends, before the application of the income tax rebate, if such a rebate is applicable in accordance with the conditions described above, in the event that the taxpayer opts for taxation according to the progressive income tax rate scale.

*Social Levies*

In addition, dividends will also be subject to social levies as described above for dividends in section 8.1- "*Social levies*", without any rebate (even if the taxpayer opts for taxation according to the progressive income tax rate scale), provided however that in the case of dividends, these social levies are withheld (as applicable) and collected in the same way as the 12.8% non-discharging levy described above when applicable. In particular, when the paying agent is established outside of France, it is the taxpayer who is, in principle, liable for the social levies (unless a mandate is given under the conditions set forth above for the non-discharging levy).

Stockholders are urged to consult with their tax advisors in order to determine (i) the conditions of payment of social levies when the 12.8% levy is not applicable and (ii) the conditions under which the tax credit provided for in the U.S. - France Tax Treaty in respect of the U.S. withholding tax could be offset against the social levies.

**8.4 Dividends arising from the Class A Common Stock received by French Tax Resident Stockholders that are Legal Entities and Subject to CIT**

US Tax considerations

In the event that Coty makes a distribution of cash or other property (other than certain pro rata distributions of Coty's stock) in respect of the Class A Common Stock, the distribution generally will be treated as a dividend for U.S. federal income tax purposes to the extent it is paid from Coty's current or accumulated earnings and profits, as determined under U.S. income tax principles. Any portion of a distribution that exceeds the current and accumulated earnings and profits generally will be treated first as a tax-free return of capital, causing a reduction in the adjusted tax basis of the French Tax Resident investor's Class A Common Stock, and to the extent the amount of the distribution exceeds a French Tax Resident investor's adjusted tax basis in the Class A Common Stock, the excess will be treated as capital gain from the disposition of Class A Common Stock as described in Section 8.1.

Subject to the discussion of backup withholding and FATCA below, dividends paid to a non-individual French Tax Resident investor generally will be subject to withholding of U.S. federal income tax at a 30% rate (subject to either a reduced 15% rate or 5% rate under the U.S. -France Tax Treaty). However, dividends that are effectively connected with the conduct of a trade or business by the French Tax Resident investor within the United States (and, as required by U.S. - France Tax Treaty Article 13, are attributable to a United States permanent establishment of the French Tax Resident investor) are not subject to the withholding tax, provided certain certification and disclosure requirements are satisfied. Instead, such dividends are subject to U.S. federal income tax on a net income basis generally in the same manner as if the French Tax Resident were a U.S. person as defined under the Code. Any

such effectively connected dividends received by a non-U.S. corporation may be subject to an additional “branch profits tax” at a 30% rate (lowered to 5% under the U.S. - France Tax Treaty).

A French Tax Resident non-individual investor who wishes to claim the benefit of the U.S. - France Tax Treaty rate and avoid backup withholding, as discussed below, for dividends will be required (a) to provide the applicable withholding agent with a properly executed IRS, Form W-8BEN-E or Form W-8ECI (or other applicable form) certifying under penalty of perjury that such holder is not a U.S. person as defined under the Code and is eligible for U.S. - France Tax Treaty benefits or (b) if the Class A Common Stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable U.S. Treasury Regulations.

A French Tax Resident non-individual investor eligible for a reduced rate of U.S. federal withholding tax pursuant to U.S. - France Tax Treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

#### French Tax considerations

Dividends paid by the Company to holders of Class A Common Stock who are legal entities subject to CIT in France and own less than 5% of the share capital of the Company are subject to CIT in France under the conditions described below.

The gross amount of the dividends received is included in the taxable income of such holders subject to CIT at the standard rate of 25%, increased, if applicable, by a social contribution of 3.3% (Article 235 *ter* ZC of the GTC), which is assessed on the amount of CIT reduced by a rebate which may not exceed €763,000 per twelve-month period. Certain entities may be subject to a lower corporate income tax rate for a portion of their income.

Under Article 24. 1. a) of the U.S. - France Tax Treaty, the withholding tax levied in the U.S. on such dividends will not be deductible from the French taxable income of holders of Class A Common Stock. However, such stockholders may claim a tax credit in respect of such withholding tax, if any, in accordance with Article 24. 1. a) iii) of the U.S. - France Tax Treaty. The amount of such tax credit corresponds to the amount of U.S. withholding tax levied on the dividends, capped at the amount of French tax assessed on the dividends.

Legal entities owning an interest representing 5% or more of the share capital of the Company are urged to consult their tax advisors to determine the tax regime applicable to their own situation.

### **8.5 Other Taxes and Duties**

#### French Financial Transaction Tax (the “FTT”)

The French FTT is not applicable to the acquisition of Class A Common Stock on Euronext Paris, since pursuant to Section 235 *ter* ZD of the GTC, this tax is only applicable to transfers of shares issued by a company headquartered in France and to transfers of instruments that represent shares in French-headquartered companies.

#### Transfer taxes

Pursuant to Articles 718 and 726 of the GTC, no French transfer, stamp or registration taxes, are payable by or on behalf of a stockholder by reason only of the purchase, ownership or disposal of such Class A Common Stock, provided that no written agreement formalizing the transfer of Class A Common Stock is executed in France. Where applicable (*i.e.*, if a deed is executed in France), 0.1% transfer tax assessed on the higher of the sale price of the shares or their fair market value will apply.

#### Inheritance and gift tax

Subject to the provisions contained in the inheritance double tax treaty between France and the U.S. or other inheritance double tax treaties that may apply (*e.g.*, in a situation where the beneficiary is tax resident in a jurisdiction other than France or the U.S.), the Class A Common Stock received by individuals by way of inheritance or gift will generally be subject to inheritance or gift taxes in France if: (i) the donor or the deceased has its domicile in France or (ii) the donee or the heir fulfils the conditions

set forth in article 750 *ter*-3° of the GTC, i.e., if he/she has his/her domicile in France and has had his/her domicile in France during at least six years over the ten year period preceding the transfer of the Class A Common Stock by inheritance or gift.

Stockholders are urged to consult with their tax advisors in order to determine the rules applicable to them (and notably to determine the applicable provisions contained in the inheritance double tax treaty between France and the U.S. regarding their particular situation).

## 8.6 U.S. Information Reporting and Backup Withholding

Distributions paid to a Non-U.S. Holder and the amount of any tax withheld with respect to such distributions generally will be reported to the IRS. Copies of the information returns reporting such distributions and any withholding may also be made available to the tax authorities in the country in which the Non-U.S. Holder resides under the provisions of Article 27 of the U.S. - France Tax Treaty.

A Non-U.S. Holder will not be subject to backup withholding on distributions received if such holder certifies under penalty of perjury that it is a Non-U.S. Holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code), such as by furnishing a valid IRS Form W-8BEN, Form W-8BEN-E or Form W-8ECI, or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale or other disposition of the Class A Common Stock within the United States or conducted through certain U.S.-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a Non-U.S. Holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person as defined under the Code), such as by furnishing a valid IRS Form W-8BEN, Form W-8BEN-E or Form W-8ECI, or such owner otherwise establishes an exemption.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

## 8.7 FATCA

Sections 1471 through 1474 of the Code and the Treasury Regulations and administrative guidance promulgated thereunder ("**FATCA**") generally impose withholding at a rate of 30% in certain circumstances on dividends paid on Class A Common Stock held by or through certain financial institutions (including investment funds), unless such institution (x) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons or by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, (y) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will then exchange such information with the U.S. authorities, or (z) otherwise qualifies for an exemption from withholding under FATCA. Accordingly, the entity through which the Class A Common Stock is held will affect the determination of whether such withholding is required. Similarly, dividends paid on Class A Common Stock held by or through an entity that is a non-financial non-U.S. entity that does not qualify under certain exemptions generally will be subject to withholding at a rate of 30%, unless such entity either (x) certifies that such entity does not have any "**substantial United States owners**," (y) provides certain information regarding the entity's "substantial United States owners," which we will in turn provide to the United States Department of the Treasury, or (z) otherwise qualifies for an exemption from withholding under FATCA.

Current provisions of the Code and Treasury Regulations would also treat gross proceeds from the disposition of Class A Common Stock as subject to FATCA withholding. However, proposed Treasury Regulations, if finalised in their current form, would eliminate FATCA withholding on gross proceeds entirely. Taxpayers generally may rely on those proposed regulations until final Treasury Regulations are issued.



If withholding under FATCA is required on any payment related to the Class A Common Stock, investors not otherwise subject to withholding (or that otherwise would be entitled to a reduced rate of withholding) on such payment may be required to seek a refund or credit from the IRS to obtain the benefit of such exemption (or reduction). Prospective investors should consult their tax advisors regarding the possible implications of FATCA on an investment in the Class A Common Stock.

## **9. OTHER ADDITIONAL INFORMATION**

### **9.1 Incorporation and object of Coty**

Coty was originally incorporated on 20 January 1995 under the name of Benckiser Cosmetics Holdings, Inc. The Company has perpetual existence.

Coty is a corporation organised and existing under and by virtue of the General Corporation Law of the State of Delaware registered under file number 2472166 with the Secretary of State of the State of Delaware.

The Company's legal entity identifier ("LEI") is 549300BO9IWPF3S48F93.

The nature of the business or purposes to be conducted or promoted by Coty, which can be found in Article 3 of Coty's amended and restated certificate of incorporation, is to engage in any lawful act or activity for which corporations may be organised under the General Corporation Law of the State of Delaware.

### **9.2 Profit forecast**

The Company's expectations set out below are based on the following assumptions:

- *External to the Company--*
  - strong momentum in beauty demand across its key markets and categories, particularly in prestige fragrances
- *Internal to the Company--*
  - Coty's recent launch of its Burberry Goddess fragrance;
  - two of Coty's fragrance innovations are among the top five of the Fall. Coty now has three fragrance lines in the U.S. top ten.

The combination of these factors is driving acceleration in Coty's volume growth to a low-to-mid single digit percentage, with the Company now expecting core LFL sales growth in first half FY24 of +10-12%, an increase from its earlier outlook of +8-10%. This strength is supporting Coty's increased FY24 core LFL sales growth outlook of +8-10%, up from its earlier guidance to be at the top end of its medium-term target range of +6-8%.

Coty continues to target modest gross margin expansion in FY24 and 10-30 bps of adjusted EBITDA margin expansion, implying adjusted EBITDA of approximately US\$1,075-1,085M at current FX rates, an increase from the implied adjusted EBITDA of US\$1,065-1,075M in its prior guidance. The Company remains on track to drive leverage towards 3x exiting CY23, fueled by seasonally strong free cash flow generation, and towards 2.5x exiting CY24.

The Company remains committed to delivering a best-in-class medium term growth algorithm, including a mid-20s % EPS CAGR based on profit expansion, lower interest expense and in the medium term managing share count towards 800 million; active deleveraging; and targeted capital returns.

This outlook information has been compiled and prepared on a basis which is comparable with the Company's historical financial information and consistent with the Company's accounting policies. Reference is made to Page 34 of the Company's Annual Report on 10-K for a discussion of non-GAAP

financial measures. Neither the Company's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

### 9.3 Employees

As of 30 June 2023, 30 June 2022, and 30 June 2021, Coty had approximately 11,350, 11,012 and 11,430 full-time employees, respectively, in over 36 countries which were employed as follows:

#### Geographic Location

As of 30 June	2023	2022	2021
In the United States of America	1,820	1,725	1,774
Outside the United States of America	9,530	9,287	9,656
<b>Total</b>	<b>11,350</b>	<b>11,012</b>	<b>11,430</b>

#### Categories of activity

As of 30 June	2023	2022	2021
Operations (Supply Chain)	4,354	4,441	4,727
Sales and Marketing (and Digital)	5,123	4,764	4,773
Research and Development	577	530	498
General and Administrative	1,296	1,277	1,432
<b>Total</b>	<b>11,350</b>	<b>11,012</b>	<b>11,430</b>

In addition, we typically employ a large number of seasonal contractors during our peak manufacturing and promotional season.

### 9.4 Coty's 2021 balance sheet and related audit opinion

Coty's 2021 balance sheet and related audit opinion are accessible in Coty's 2022 and 2021 Form 10-Ks, which are publicly available on Coty's website [www.coty.com](http://www.coty.com) and on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

## 10. DOCUMENTS ON DISPLAY

Our principal executive office is located at 350 Fifth Avenue, New York, New York, 10118, U.S.A.. Our telephone number is +1 (212) 389-7300.

**PART V – EXHIBITS**

**EXHIBIT I – Coty’s 2023 Form 10-K**

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**Form 10-K**

(Mark One)

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**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**OR**

☐

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
FOR THE TRANSITION PERIOD FROM                      TO  
COMMISSION FILE NUMBER 001-35964**

**COTY INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

**13-3823358**

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification Number)

**350 Fifth Avenue,  
New York, NY**

**10118**

(Address of principal executive offices)

(Zip Code)

**(212) 389-7300**

Registrant's telephone number, including area code

**SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:**

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock, \$0.01 par value	COTY	The New York Stock Exchange

**SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:**

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>		

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of December 31, 2022, the aggregate market value of the registrant's Class A Common Stock held by non-affiliates was \$3.1 billion based on the number of shares held by non-affiliates as of December 31, 2022 and the last reported sale price of the registrant's Class A Common Stock on December 31, 2022.

At August 14, 2023, 852,805,323 shares of the registrant's Class A Common Stock, \$0.01 par value were outstanding.

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**COTY INC.**  
**INDEX TO ANNUAL REPORT ON FORM 10-K**

	<u>Page</u>
<b>Part I:</b>	
<a href="#">Item 1. Business</a>	<a href="#">1</a>
<a href="#">Item 1A. Risk Factors</a>	<a href="#">7</a>
<a href="#">Item 1B. Unresolved Staff Comments</a>	<a href="#">27</a>
<a href="#">Item 2. Properties</a>	<a href="#">27</a>
<a href="#">Item 3. Legal Proceedings</a>	<a href="#">28</a>
<b>Part II:</b>	
<a href="#">Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</a>	<a href="#">28</a>
<a href="#">Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations</a>	<a href="#">31</a>
<a href="#">Item 7A. Quantitative and Qualitative Disclosures About Market Risk</a>	<a href="#">60</a>
<a href="#">Item 8. Financial Statements and Supplementary Data</a>	<a href="#">60</a>
<a href="#">Item 9A. Controls and Procedures</a>	<a href="#">60</a>
<b>Part III:</b>	
<a href="#">Item 10. Directors, Executive Officers and Corporate Governance</a>	<a href="#">61</a>
<a href="#">Item 11. Executive Compensation</a>	<a href="#">61</a>
<a href="#">Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</a>	<a href="#">61</a>
<a href="#">Item 13. Certain Relationships and Related Transactions, and Director Independence</a>	<a href="#">61</a>
<a href="#">Item 14. Principal Accounting Fees and Services</a>	<a href="#">61</a>
<b>Part IV:</b>	
<a href="#">Item 15. Exhibits, Financial Statement Schedules</a>	<a href="#">61</a>
<b>Signatures</b>	<a href="#">68</a>

### ***Forward-looking Statements***

Certain statements in this Form 10-K are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, strategic planning, targets and outlook for future reporting periods (including the extent and timing of revenue, expense and profit trends and changes in operating cash flows and cash flows from operating activities and investing activities), the wind down of the Company’s operations in Russia (including timing and expected impact), the Company’s future operations and strategy (including the expected implementation and related impact of its strategic priorities), ongoing and future cost efficiency, optimization and restructuring initiatives and programs, expectations of the impact of inflationary pressures and the timing, magnitude and impact of pricing actions to offset inflationary costs, strategic transactions (including their expected timing and impact), expectations and/or plans with respect to joint ventures (including Wella and the timing and size of any related divestiture, distribution or return of capital), the Company’s capital allocation strategy and payment of dividends (including suspension of dividend payments and the duration thereof and any plans to resume cash dividends on common stock or to continue to pay dividends in cash on preferred stock) and expectations for stock repurchases, investments, licenses and portfolio changes, product launches, relaunched or rebranding (including the expected timing or impact thereof), synergies, savings, performance, cost, timing and integration of acquisitions, future cash flows, liquidity and borrowing capacity (including any refinancing or deleveraging activities), timing and size of cash outflows and debt deleveraging, the timing and extent of any future impairments, and synergies, savings, impact, cost, timing and implementation of the Company’s ongoing transformation agenda (including operational execution and simplification initiatives, fixed cost reductions and supply chain changes), the impact, cost, timing and implementation of e-commerce and digital initiatives, expected impact, cost, timing and implementation of sustainability initiatives (including progress, plans and goals), the impact of COVID-19, the expected impact of geopolitical risks including the ongoing war in Ukraine on our business operations, sales outlook and strategy, the expected impact of global supply chain challenges and/or inflationary pressures (including as a result of COVID-19 and/or the war in Ukraine) and expectations regarding future service levels, the timing and impact of the application for dual-listing of our Class A Common Stock on Euronext Paris, and the priorities of senior management. These forward-looking statements are generally identified by words or phrases, such as “anticipate”, “are going to”, “estimate”, “plan”, “project”, “expect”, “believe”, “intend”, “foresee”, “forecast”, “will”, “may”, “should”, “outlook”, “continue”, “temporary”, “target”, “aim”, “potential”, “goal” and similar words or phrases. These statements are based on certain assumptions and estimates that we consider reasonable, but are subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual events or results (including our financial condition, results of operations, cash flows and prospects) to differ materially from such statements, including risks and uncertainties relating to:

- our ability to successfully implement our multi-year transformation agenda, including our operational and organizational changes, and the initiatives to further reduce our cost base, and to develop and achieve our global business strategies (including mix management, select price increases, more disciplined promotions, and foregoing low value sales), compete effectively in the beauty industry, achieve the benefits contemplated by our strategic initiatives (including revenue growth, cost control, gross margin growth and debt deleveraging) and successfully implement our strategic priorities (including stabilizing our consumer beauty brands through leading innovation and improved execution, accelerating our prestige fragrance brands and ongoing expansion into prestige cosmetics, building a comprehensive skincare portfolio, enhancing our e-commerce and direct-to-consumer (“DTC”) capabilities, expanding our presence in China through prestige products and select consumer beauty brands, and establishing Coty as an industry leader in sustainability) in each case within the expected time frame or at all;
- our ability to anticipate, gauge and respond to market trends and consumer preferences, which may change rapidly, and the market acceptance of new products, including new products in our skincare and prestige make-up portfolios, any relaunched or rebranded products and the anticipated costs and discounting associated with such relaunched and rebrands, and consumer receptiveness to our current and future marketing philosophy and consumer engagement activities (including digital marketing and media);
- use of estimates and assumptions in preparing our financial statements, including with regard to revenue recognition, income taxes (including the expected timing and amount of the release of any tax valuation allowance), the assessment of goodwill, other intangible and long-lived assets for impairments, the market value of inventory, and the fair value of equity investments;
- the impact of any future impairments;
- managerial, transformational, operational, regulatory, legal and financial risks, including diversion of management attention to and management of cash flows, expenses and costs associated with our transformation agenda, our global business strategies, the integration and management of the strategic partnerships with Kylie Jenner and Kim Kardashian, and future strategic initiatives, and, in particular, our ability to manage and execute many initiatives simultaneously including any resulting complexity, employee attrition or diversion of resources;
- the timing, costs and impacts of divestitures and the amount and use of proceeds from any such transactions;
- future divestitures and the impact thereof on, and future acquisitions, new licenses and joint ventures and the integration thereof with, our business, operations, systems, financial data and culture and the ability to realize

synergies, manage supply chain challenges and other business disruptions, reduce costs (including through our cash efficiency initiatives), avoid liabilities and realize potential efficiencies and benefits (including through our restructuring initiatives) at the levels and at the costs and within the time frames contemplated or at all;

- increased competition, consolidation among retailers, shifts in consumers' preferred distribution and marketing channels (including to digital and prestige channels), distribution and shelf-space resets or reductions, compression of go-to-market cycles, changes in product and marketing requirements by retailers, reductions in retailer inventory levels and order lead-times or changes in purchasing patterns, impact from COVID-19 on retail revenues, and other changes in the retail, e-commerce and wholesale environment in which we do business and sell our products and our ability to respond to such changes (including our ability to expand our digital, direct-to-consumer and e-commerce capabilities within contemplated timeframes or at all);
- our and our joint ventures', business partners' and licensors' abilities to obtain, maintain and protect the intellectual property used in our and their respective businesses, protect our and their respective reputations (including those of our and their executives or influencers) and public goodwill, and defend claims by third parties for infringement of intellectual property rights;
- any change to our capital allocation and/or cash management priorities, including any change in our dividend policy, and any change in our stock repurchase plans;
- any unanticipated problems, liabilities or integration or other challenges associated with a past or future acquired business, joint ventures or strategic partnerships which could result in increased risk or new, unanticipated or unknown liabilities, including with respect to environmental, competition and other regulatory, compliance or legal matters, and specifically in connection with the strategic partnerships with Kylie Jenner and Kim Kardashian, risks related to the entry into a new distribution channel, the potential for channel conflict, risks of retaining customers and key employees, difficulties of integration (or the risks associated with limiting integration) and management of the partnerships, our relationships with Kylie Jenner and Kim Kardashian, our ability to protect trademarks and brand names, litigation, investigations by governmental authorities, and changes in law, regulations and policies that affect King Kylie LLC ("King Kylie") and/or KKW Holdings, LLC's ("KKW Holdings") business or products, including risk that direct selling laws and regulations may be modified, interpreted or enforced in a manner that results in a negative impact to King Kylie and/or KKW Holdings' business model, revenue, sales force or business;
- our international operations and joint ventures, including enforceability and effectiveness of our joint venture agreements and reputational, compliance, regulatory, economic and foreign political risks, including difficulties and costs associated with maintaining compliance with a broad variety of complex local and international regulations;
- our dependence on certain licenses (especially in the fragrance category) and our ability to renew expiring licenses on favorable terms or at all;
- our dependence on entities performing outsourced functions, including outsourcing of distribution functions, and third-party manufacturers, logistics and supply chain suppliers, and other suppliers, including third-party software providers, web-hosting and e-commerce providers;
- administrative, product development and other difficulties in meeting the expected timing of market expansions, product launches, re-launches and marketing efforts, including in connection with new products in our skincare and makeup portfolios;
- changes in the demand for our products due to declining or depressed global or regional economic conditions, and declines in consumer confidence or spending, whether related to the economy (such as austerity measures, tax increases, high fuel costs, or higher unemployment), wars, natural or other disasters, weather, pandemics, security concerns, terrorist attacks or other factors;
- global political and/or economic uncertainties, disruptions or major regulatory or policy changes, and/or the enforcement thereof that affect our business, financial performance, operations or products, including the impact of the war in Ukraine and any escalation or expansion thereof, Brexit (and related business or market disruption), recent elections in Brazil, the current U.S. administration and future elections, changes in the U.S. tax code, and recent changes and future changes in tariffs, retaliatory or trade protection measures, trade policies and other international trade regulations in the U.S., the European Union and Asia and in other regions where we operate, potential regulatory limits on payment terms in the European Union, recent and future changes in sanctions regulations including in connection with the war in Ukraine and any escalation or expansion thereof, regulatory uncertainty impacting the wind-down of our business in Russia, and recent and future changes in regulations impacting the beauty industry, including regulatory measures addressing products, formulations, raw materials and packaging;
- currency exchange rate volatility and currency devaluation and/or inflation;

- our ability to implement and maintain pricing actions to effectively mitigate increased costs and inflationary pressures, and the reaction of customers or consumers to such pricing actions;
- the number, type, outcomes (by judgment, order or settlement) and costs of current or future legal, compliance, tax, regulatory or administrative proceedings, investigations and/or litigation, including product liability cases (including asbestos and talc related litigation for which indemnities and/or insurance may not be available), distributor or licensor litigation and compliance, litigation or investigations relating to our joint ventures and strategic partnerships;
- our ability to manage seasonal factors and other variability and to anticipate future business trends and needs;
- the impact of COVID-19 (or future similar events), including demand for the Company's products, illness, quarantines, government actions, facility closures, store closures or other restrictions in connection with the COVID-19 pandemic, and the extent and duration thereof, related impact on our ability to meet customer needs and on the ability of third parties on which we rely, including our suppliers, customers, contract manufacturers, distributors, contractors, commercial banks and joint-venture partners, to meet their obligations to us, in particular collections from customers, and the ability to successfully implement measures to respond to such impacts;
- disruptions in operations, sales and in other areas, including due to disruptions in our supply chain, restructurings and other business alignment activities, manufacturing or information technology systems, labor disputes, extreme weather and natural disasters, impact from COVID-19 or similar global public health events, the outbreak of war or hostilities (including the war in Ukraine and any escalation or expansion thereof), impact of global supply chain challenges, and the impact of such disruptions on our ability to generate profits, stabilize or grow revenues or cash flows, comply with our contractual obligations and accurately forecast demand and supply needs and/or future results;
- disruptions in the availability and distribution of raw materials and components needed to manufacture our products, and our ability to effectively manage our production and inventory levels in response to supply challenges;
- our ability to adapt our business to address climate change concerns and to respond to increasing governmental and regulatory measures relating to environmental, social and governance matters, including expanding mandatory and voluntary reporting, diligence and disclosure, as well as new taxes (including on energy and plastic), and the impact of such measures on our costs, business operations and strategy;
- restrictions imposed on us through our license agreements, credit facilities and senior unsecured bonds or other material contracts, our ability to generate cash flow to repay, refinance or recapitalize debt and otherwise comply with our debt instruments, and changes in the manner in which we finance our debt and future capital needs;
- increasing dependency on information technology, including as a result of remote working practices, and our ability, or the ability of any of the third-party service providers we use to support our business, to protect against service interruptions, data corruption, cyber-based attacks or network security breaches, including ransomware attacks, costs and timing of implementation and effectiveness of any upgrades or other changes to information technology systems, and the cost of compliance or our failure to comply with any privacy or data security laws (including the European Union General Data Protection Regulation (the "GDPR"), the California Consumer Privacy Act and similar state laws, the Brazil General Data Protection Law, and the China Data Security Law and Personal Information Protection Law) or to protect against theft of customer, employee and corporate sensitive information;
- our ability to attract and retain key personnel and the impact of senior management transitions;
- the distribution and sale by third parties of counterfeit and/or gray market versions of our products;
- the impact of our transformation agenda on our relationships with key customers and suppliers and certain material contracts;
- our relationship with JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), as our majority stockholder, and its affiliates, and any related conflicts of interest or litigation;
- our relationship with KKR, whose affiliate KKR Bidco is an investor in the Wella Business, and any related conflicts of interest or litigation;
- future sales of a significant number of shares by our majority stockholder or the perception that such sales could occur; and
- other factors described elsewhere in this document and in documents that we file with the Securities and Exchange Commission (the "SEC") from time to time.

When used in this Annual Report on Form 10-K, the term "includes" and "including" means, unless the context otherwise indicates, including without limitation. More information about potential risks and uncertainties that could affect our business and financial results is included under the heading "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Annual Report on Form 10-K and other periodic reports we have filed and may file with the SEC from time to time.



All forward-looking statements made in this document are qualified by these cautionary statements. These forward-looking statements 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.

Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance unless expressed as such, and should only be viewed as historical data.

#### ***Cautionary Note Regarding Sustainability Information***

This Form 10-K 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).

Our disclosure concerning these matters, including our 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 this 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.

#### ***Industry, Ranking and Market Data***

Unless otherwise indicated, information contained in this Annual Report on Form 10-K concerning our industry and the markets in which we operate, including our general expectations about our industry, market position, market opportunity and market size, is based on data from various sources including internal data and estimates as well as third party sources widely available to the public such as independent industry publications, government publications, reports by market research firms or other published independent sources and on our assumptions based on that data and other similar sources. We did not fund and are not otherwise affiliated with the third party sources that we cite. Industry publications and other published sources generally state that the information contained therein has been obtained from third-party sources believed to be reliable. Internal data and estimates are based upon information obtained from trade and business organizations and other contacts in the markets in which we operate and management’s understanding of industry conditions, and such information has not been verified by any independent sources. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While we believe the market, industry and other information included in this Annual Report on Form 10-K to be the most recently available and to be generally reliable, such information is inherently imprecise and we have not independently verified any third-party information or verified that more recent information is not available.

Our fiscal year ends on June 30. Unless otherwise noted, any reference to a year preceded by the word “fiscal” refers to the fiscal year ended June 30 of that year. For example, references to “fiscal 2023” refer to the fiscal year ended June 30, 2023. Any reference to a year not preceded by “fiscal” refers to a calendar year.

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## PART I

### Item 1. *Business.*

#### Overview

Founded in 1904, Coty Inc. is one of the world's largest beauty companies with an iconic portfolio of brands across fragrance, color cosmetics, and skin and body care.

Over the past few years we have been implementing a comprehensive transformation agenda (the "Transformation Plan"), focusing on our core go-to-market competencies, simplifying our capital structure and deleveraging our balance sheet.

As we transform the Company, we continue to make progress on our strategic priorities, including stabilizing and growing our consumer beauty brands through leading innovation and improved execution, accelerating our prestige fragrance brands and ongoing expansion into prestige cosmetics, building a comprehensive skincare portfolio leveraging existing brands, enhancing our e-commerce and direct-to-consumer ("DTC") capabilities, expanding our presence in China and travel retail through prestige products and select consumer beauty brands, and establishing Coty as an industry leader in sustainability.

In fiscal 2021, we completed the sale of a majority stake in Coty's Professional and Retail Hair business, including the Wella, Clairol, OPI and ghd brands, (together, the "Wella Business"). As of June 30, 2023, Coty owned a 25.9% stake in Rainbow JVCO LTD and subsidiaries (together, "Wella" or the "Wella Company"). On July 18, 2023 we announced that we entered into a binding letter of intent to sell a 3.6% stake in Wella to investment firm IGF Wealth Management for \$150.0. The closing of the transaction is subject to, among other things, completion of due diligence and the satisfaction of certain closing conditions, including the approval of the transaction by KKR. Assuming the transaction closes, we would retain 22.3% of the Wella Company.

All dollar amounts in the following discussion are in millions of United States ("U.S.") dollars, unless otherwise indicated.

#### Segments

Operating and reportable segments (referred to as "segments") reflect the way the Company is managed and for which separate financial information is available and evaluated regularly by the Company's chief operating decision maker ("CODM") in deciding how to allocate resources and assess performance. The Company has designated its Chief Executive Officer as the CODM.

For segment financial information and information about our long-lived assets, see Note 5—Segment Reporting in the notes to our Consolidated Financial Statements, and for information about recent acquisitions or dispositions, see Note 4—Business Combinations, Asset Acquisitions and Divestitures in the notes to our Consolidated Financial Statements.

## Brands

The following chart reflects our iconic brand portfolio:

Consumer Beauty	Prestige
Adidas	Burberry
Beckham	Calvin Klein
Biocolor*	Chloe
Bozzano*	Davidoff
Bourjois*	Escada*
Bruno Banani	Gucci
CoverGirl*	Hugo Boss
Jovan*	Jil Sander
Max Factor*	Joop!*
Mexx	Kylie Jenner
Monange*	Lancaster*
Nautica	Marc Jacobs
Paixao*	Miu Miu
Rimmel*	Orveda
Risque*	philosophy*
Sally Hansen*	SKKN BY KIM
	Tiffany & Co.

\* Indicates an owned beauty brand.

## Marketing

We have a diverse portfolio of brands, some owned and some licensed, and we employ different models to create a distinct image and personality suited to each brand's equity, distribution, product focus and consumer. For our licensed brands, we work with licensors to promote brand image. Each of our brands is promoted with logos, packaging and advertising designed to enhance its image and the uniqueness of each brand. We manage our creative marketing work through a combination of our in-house teams and external agencies that design and produce the sales materials, social media strategies, advertisements and packaging for products in each brand.

We promote our brands through various channels to reach and engage beauty consumers, through traditional media, through in-store displays, on digital and social media, and through collaborations, product placements and events. In addition, we seek editorial coverage for products and brands in both traditional media and digital and social media to drive influencer amplification and to build brand equity. We also leverage our relationships with celebrities and on-line influencers to endorse certain of our products. Our marketing efforts benefit from cooperative advertising programs with retailers, often in connection with in-store marketing activities designed to engage consumers so that they try, or purchase, our products, including sampling and "gift-with-purchase" programs designed to stimulate product trials.

We have dedicated marketing and sales forces in most of our significant markets. These teams leverage local insights to strategically promote our brands and product offerings and tailor our creative marketing to fit local tastes and resonate with consumers most effectively.

We utilize in-depth brand and market data analytics to develop branding, merchandising and marketing execution strategies to maximize the consumer experience and build a better business. We continue to concentrate working media resources on select products, channels and markets, which we believe represents a significant opportunity for revenue and gross margin improvement, and to implement a tactical, in-store strategy for the others.

## Distribution Channels and Retail Sales

We market, sell and distribute our products in approximately 126 countries and territories, with dedicated local sales forces in most of our significant markets. We have a balanced multi-channel distribution strategy which complements our product categories. Our mass beauty brands are primarily sold through hypermarkets, supermarkets, drug stores and pharmacies, mid-tier department stores, traditional food and drug retailers, and dedicated e-commerce retailers. The prestige products are primarily sold through prestige retailers, including perfumeries, department stores, e-retailers, direct-to-consumer websites and duty-free shops. We continue to focus on expanding our e-commerce and direct-to-consumer channels. We also sell our products through third-party distributors. In fiscal 2023, no retailer accounted for more than 10% of our global net revenues; however, certain retailers accounted for more than 10% of net revenues within certain geographic markets and segments. In fiscal 2023, Walmart, our top retailer, accounted for approximately 5% of total Coty Inc. net revenues from continuing operations.

## **Innovation**

Innovation is a pillar of our business. We innovate through brand-building and new product lines, as well as through new technology. Our research and development teams work with our marketing and operations teams to identify recent trends and consumer needs and to bring products quickly to market.

We are continuously innovating to increase our sales by elevating our digital presence, including e-commerce and digital, social media and influencer marketing designed to build brand equity and consumer engagement. We have also focused our efforts on meeting evolving consumer shopping preferences and behaviors, both on-line and in-store. We have introduced new ways to customize the consumer experience, including using artificial intelligence-powered tools to provide personalized advice on selecting and using products, and augmented reality tools that invite customers to virtually try products with curated looks, tutorials and product recommendations.

In addition, we continuously seek to improve our products through research and development. Our basic and applied research groups, which conduct longer-term and “blue sky” research, seek to develop proprietary new technologies for first-to-market products and for improving existing products. This research and development is done both internally and through affiliations with various universities, technical centers, supply partners, industry associations and technical associations. A number of our products incorporate patented, patent-pending or proprietary technology. In addition, several of our products and/or packaging for our products are covered by design rights protections.

Our principal research and development centers are located in the U.S. and Europe. See “Item 2. Properties.”

We do not perform, nor do we commission any third parties on our behalf to perform, testing of our products or ingredients on animals except where required by law. In the few jurisdictions requiring animal testing, we actively apply for exemptions and work with local authorities and organizations to authorize alternative methods of product testing.

## **Supply Chain**

During fiscal year 2023, we continued to manufacture and package approximately 79% of our products, primarily in facilities located in the United States, Brazil, China and various countries in Europe. We recognize the importance of our employees at our manufacturing facilities and have in place programs designed to ensure operating safety. In addition, we implement programs designed to ensure that our manufacturing and distribution facilities comply with applicable environmental rules and regulations, as well as initiatives to support our sustainability goals. To capitalize on innovation and other supply chain benefits, we continue to utilize a network of third-party manufacturers on a global basis who produce approximately 21% of our finished products.

The principal raw materials used in the manufacture of our products are primarily essential oils, alcohols and specialty chemicals. The essential oils in our fragrance products are generally sourced from fragrance houses. As a result, we realize material cost savings and benefits from the technology, innovation and resources provided by these fragrance houses.

We purchase the raw materials for all our products from various third parties. We also purchase packaging components that are manufactured to our design specifications. We collaborate with our suppliers to meet our stringent design and creative criteria. We believe that we currently have adequate sources of supply for all our products. We review our supplier base periodically with the specific objectives of improving quality, increasing innovation and speed-to-market, ensuring supply sufficiency and reducing costs.

We have experienced disruptions in our supply chain from time to time, including in connection with our past restructuring efforts and, more recently due to global supply disruptions, and we work to anticipate and respond to actual and potential disruptions. In light of these challenges, we are continually benchmarking the performance of our supply chain, and we augment our supply base, adjust our distribution networks and manufacturing footprint, enhance our forecasting and planning capabilities and adjust our inventory strategy based upon the changing needs of the business. We continue to explore options to further optimize our supply chain operations.

## Competition

There is significant competition within each market where our products are sold. We compete against manufacturers and marketers of beauty products, salon professional nail products and personal care products. In addition to the established multinational brands against which we compete, small targeted niche brands continue to enter the beauty market. We also have competition from private label products sold by retailers.

We believe that we compete primarily on the basis of perceived value, including pricing and innovation, product efficacy, service to the consumer, promotional activities, advertising, special events, new product introductions, e-commerce initiatives, direct sales and other activities (including influencers). It is difficult for us to predict the timing, scale and effectiveness of our competitors' actions in these areas or the timing and impact of new entrants into the marketplace. For additional risks associated with our competitive position, see "Risk Factors—*The beauty industry is highly competitive, and if we are unable to compete effectively, our business, prospects, financial condition and results of operation could suffer*".

## Intellectual Property

We generally own or license the trademark rights in key sales countries in Trademark International Class 3 (covering cosmetics and perfumery) for use in connection with our brands. When we license trademark rights we generally enter into long-term licenses, and we are generally the exclusive trademark licensee for all Class 3 trademarks as used in connection with our products. We or our licensors, as the case may be, actively protect the trademarks used in our principal products in the U.S. and significant markets worldwide. We consider the protection of our trademarks to be essential to our business.

A number of our products also incorporate patented, patent-pending or proprietary technology in their respective formulations and/or packaging, and in some cases our product packaging is subject to copyright, trade dress or design protection. While we consider our patents and copyrights, and the protection thereof, to be important, no single patent or copyright, or group of related patents or copyrights, is material to the conduct of our business.

Products representing 63% of our fiscal 2023 net revenues from continuing operations are manufactured and marketed under exclusive license agreements granted to us for use on a worldwide and/or regional basis. As of June 30, 2023, we maintained 22 brand licenses. In addition, approximately 54% of our fiscal 2023 net revenues from continuing operations were attributable to prestige fragrance, of which approximately 88% was from our top seven prestige fragrance brands.

Our licenses impose obligations and restrictions on us that we believe are common to many licensing relationships in the beauty industry, such as paying annual royalties on net sales of the licensed products, maintaining the quality of the licensed products and the image of the applicable trademarks, achievement of minimum sales levels, promotion of sales and qualifications and behavior of our suppliers, distributors and retailers. We believe that we are currently in material compliance with the terms of our material brand license agreements.

Our license agreements have an average duration of over 25 years. Most brand licenses have renewal options for one or more terms, which can range from two to ten years. Certain brand licenses provide for automatic extensions, so long as minimum annual royalty payments are made, while renewal of others is contingent upon attaining specified sales levels or upon agreement of the licensor. None of our top seven licenses, which account for approximately 88% of our prestige fragrance sales, are up for non-automatic renewal before 2028, with an average remaining duration of 13 years. We are currently in the process of renewing a smaller license which is up for renewal during fiscal 2024. For additional risks associated with our licensing arrangements, see "Risk Factors—*Our brand licenses may be terminated if specified conditions are not met, and we may not be able to renew expiring licenses on favorable terms or at all*" and "Risk Factors—*Our failure to protect our reputation, or the failure of our brand partners or licensors to protect their reputations, could have a material adverse effect on our brand images*".

## Human Capital

**Workforce.** As of June 30, 2023, we had approximately 11,350 full-time employees in over 36 countries. In addition, we typically employ a large number of seasonal contractors during our peak manufacturing and promotional season.

Our employees in the U.S. are not covered by collective bargaining agreements. Our employees in certain countries in Europe are subject to works council arrangements and collective bargaining agreements. We have not experienced a material strike or work stoppage in the U.S. or any other country where we have a significant number of employees.

Our employees are a key source of competitive advantage and their actions, guided by our Code of Conduct and our global compliance program, *Behave Beautifully*, are critical to the long-term success of our business. We recognize the importance of our employees to our business and believe our relationship with our employees is satisfactory.

## Environmental, Social and Governance

Coty's sustainability commitment, Beauty That Lasts, is a multi-pillared strategy which aims to contribute to a more sustainable and inclusive future. With a focus on products, planet and people we see sustainability as the ultimate driver of innovation.

We report annually on our progress towards our sustainability targets through a separate sustainability report. Our sustainability reports and other information on our sustainability initiatives and achievements are available on our website. Changing circumstances, including evolving expectations for sustainability, or changes in standards and the way progress is measured, may lead to adjustments in, or the discontinuation of, our pursuit of certain goals, commitments, or initiatives (see additional discussion in “Forward-looking Statements—**Cautionary Note Regarding Sustainability Information**”). The content of our sustainability reports and information on our website are not incorporated by reference into this Annual Report on Form 10-K or in any other report or document we file with the SEC.

On March 31, 2022, the SEC issued a proposed rule on climate-related disclosures by U.S. public companies. The proposed rule is not yet final. We are unable to predict if or when the rule will be finalized and the extent to which a final rule will apply or deviate from the proposal.

#### *The Beauty of Our Product*

Our products have an important role to play in building a sustainable future for the beauty sector. To respond to evolving social and environmental challenges, sustainability is at the heart of our product creation, from design and development through to sourcing of materials.

We are changing the way we design, formulate and manufacture in order to minimize our environmental impact and create innovative products. Since 2020, we have an operational Beauty That Lasts Index in place, which is a qualitative tool for evaluating the social and environmental profile of new product developments.

We have ambition to reduce the amount of packaging we use across our portfolio, while sourcing from more sustainable sources. In fiscal 2023, we introduced refillable packaging solutions into our global portfolio, including Chloé Rose Naturelle Intense Eau de Parfum and Adidas Active Skin and Mind range of shower gels which delivered a packaging weight reduction compared to the original baseline body care range. In addition, we work to reduce the environmental impact of our product formulas and our new products, for example integrating carbon captured alcohol into our fragrances. In fiscal 2023, we launched Gucci, The Alchemist’s Garden, Where My Heart Beats Eau de Parfum, which was the first globally distributed fragrance manufactured using 100% carbon captured alcohol.

We recognize that sustainability efforts require collaboration which goes beyond our own organization. To that end we are members of several industry initiatives, including the Responsible Beauty Initiative and Responsible Mica Initiative, focused on responsible sourcing, and the Sustainable Packaging Initiative for Cosmetics, focused on creating common guidelines and tools for eco-design of packaging. We are also part of the EcoBeautyScore Consortium – a breakthrough initiative which aims to develop an industry-wide environmental scoring system for cosmetics products, with the aim of empowering consumers to make sustainable beauty choices.

We continue to evaluate and modify our processes and activities to further limit our impact on the environment as we implement our sustainability strategy.

#### *The Beauty of Our Planet*

Conserving and protecting the natural environment is a vital part of our responsibility as a business. We are committed to minimizing the environmental impact of our operations and preserving resources for generations to come.

During fiscal year 2023, our greenhouse gas emissions targets were approved by the Science Based Target initiative. The targets cover our Greenhouse gas emissions for scopes 1 and 2, renewable electricity commitment and our greenhouse gas reduction for scope 3. We continue to focus on the implementation of these targets with the development of operational plans. We are currently implementing our climate strategy focusing on three focus areas: our product impact, our transportation and the impact of our own operations.

In fiscal 2023, we have extended existing efforts made on our supply chain sites (factories and distribution centers) to our R&D centers and Corporate Offices. Accordingly, our offices and R&D centers are developing energy reduction and transition plans. For example, our Paris Headquarter has now transitioned to renewable electricity and we have completed an extensive energy audit in our Amsterdam Headquarter with very positive results. In our efforts to reduce our impacts on the environment, none of the waste from our factories and distribution centers was sent to landfill, while most was reused, recycled, or composted. We have implemented several measures to reduce water consumption across our plants and distribution centers.

While certain projects are already in execution phase, other projects are in the early stages as we validate their feasibility and explore new ones to achieve our proposed targets. We continue to evaluate and modify our processes and activities to further limit our impact on the environment and to enable the deployment of our climate-related initiatives to meet our proposed targets.

### *The Beauty of Our People*

We are committed to playing our part in creating a more inclusive business and society. We celebrate diversity in all its forms and continue to work towards building a more inclusive business. We recognize the importance of diversity at a leadership level and throughout our whole organization, including diversity of gender, ethnicity, ability, background, religion, gender identity, and sexual orientation. Our Executive Committee and our Board of Directors are majority female. For associates, we rolled out a new training to broaden knowledge of our sustainability framework, Beauty That Lasts. This training introduced the three-pillared framework and included short modules on climate change and DE&I topics such as bias and microaggressions. In July 2022, we implemented a sustainability objective for all employees eligible to the bonus plans, as part of their annual goals. This applies for employees' fiscal 2023 bonuses. The accomplishment of these objectives is considered when assessing eligibility for annual bonuses.

As of October 2022, we were proud to achieve our commitment to pay equity for similar roles and performance, regardless of gender by reducing the gap in every level of our global management categories. To further gender equality within our business, we also launched a gender-neutral Parental Leave Policy. From November 2022, all employees, regardless of gender, have access to the same number of fully paid weeks of parental leave offered in their local region when starting or extending a family.

We also strive to reflect the communities we serve through our brands, which champion the diversity of beauty and beauty of diversity. In fiscal 2023, Sally Hansen & CoverGirl continued their multi-year partnership with LGBTQ advocacy organization GLAAD. Marc Jacobs Fragrance celebrates the third year of its partnerships with US-based NGO The Lesbian, Gay, Bisexual & Transgender Community Center (The Center) and second year with UK-based charity, akt.

We are committed to creating opportunities for our associates to develop skills, advance their careers and nurture their long-term employability. Our associates undergo an annual performance review process, and work with their manager to build customized development plans. We offer our employees a range of development activities, from learning formally through e-learning courses and trainings, and on the job.

Our global Health and Safety Policy governs the management of work-related health and safety risks across all our manufacturing and distribution sites, including corporate offices. The policy, which is complemented by our Code of Conduct, sets out the principles that guide our approach to Health and Safety, as well as outlining responsibilities within the business.

### **Government Regulation**

We and our products are subject to regulation by various U.S. federal regulatory agencies as well as by various state and local regulatory authorities and by the applicable regulatory authorities in the countries in which our products are produced or sold. Such regulations principally relate to the ingredients, labeling, manufacturing, packaging, advertising and marketing and sales and distribution of our products. Because we have commercial operations overseas, we are also subject to the U.S. Foreign Corrupt Practices Act (the "FCPA") as well as other countries' anti-corruption and anti-bribery regimes, such as the U.K. Bribery Act.

We are subject to numerous foreign, federal, provincial, state, municipal and local environmental, health and safety laws and regulations relating to, among other matters, safe working conditions, product stewardship and environmental protection, including those relating to emissions to the air, discharges to land and surface waters, generation, handling, storage, transportation, treatment and disposal of hazardous substances and waste materials, and the registration and evaluation of chemicals. We maintain policies and procedures to monitor and control environmental, health and safety risks, and to monitor compliance with applicable environmental, health and safety requirements. Compliance with such laws and regulations pertaining to the discharge of materials into the environment, or otherwise relating to the protection of the environment, has not had a material effect upon our capital expenditures, earnings or competitive position. However, environmental and social responsibility laws and regulations have tended to become increasingly stringent and, to the extent regulatory changes occur in the future, they could result in, among other things, increased costs and risks of non-compliance for us. For example, certain states in the U.S., such as California, and the U.S. Congress have proposed legislation relating to chemical disclosure and other requirements related to the content of our products. For more information, see "Risk Factors—***Changes in laws, regulations and policies that affect our business or products could adversely affect our business, financial condition and results of operations.***"

### **Seasonality**

The Company's sales generally increase during the second fiscal quarter as a result of increased demand associated with the winter holiday season. Financial performance, working capital requirements, sales, cash flows and borrowings generally experience variability during the three to six months preceding the holiday season. Product innovations, new product launches and the size and timing of orders from the Company's customers may also result in variability. However, the mix of product sales can vary considerably as a result of changes in seasonal and geographic demand for particular types of products, as well as other macroeconomic, operating and logistics-related factors, as evidenced by the impact of the COVID-19 pandemic.



## Availability of Reports

We make available financial information, news releases and other information on our website at [www.coty.com](http://www.coty.com). There is a direct link from our website to our SEC filings via the EDGAR database at [www.sec.gov](http://www.sec.gov), where our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to these reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are available free of charge as soon as reasonably practicable after we file such reports and amendments with, or furnish them to, the SEC. Stockholders may also contact Investor Relations at 350 Fifth Avenue, New York, New York 10118 or call 212-389-7300 to obtain hard copies of these filings without charge.

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*, and our diversity, equity and inclusion strategy. The information on our website is not, and will not be deemed to be, a part of this annual report on Form 10-K or incorporated into any of our other filings with the SEC.

## Item 1A. Risk Factors.

*You should consider the following risks and uncertainties and all of the other information in this Annual Report on Form 10-K and our other filings in connection with evaluating our business and the forward-looking information contained in this Annual Report on Form 10-K. Our business and financial results may also be adversely affected by risks and uncertainties not presently known to us or that we currently believe to be immaterial. If any of the events contemplated by the following discussion of risks should occur or other risks arise or develop, our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities, may be materially and adversely affected. When used in this discussion, the term “includes” and “including” means, unless the context otherwise indicates, including without limitation and the terms “Coty,” the “Company,” “we,” “our,” or “us” mean, unless the context otherwise indicates, Coty Inc. and its majority and wholly-owned subsidiaries.*

### Risk Factor Summary

We are providing the following summary of the risk factors to enhance the readability and accessibility of our risk factor disclosures. We encourage you to carefully review the full risk factors discussed below in their entirety for additional information.

Some of the factors that could materially and adversely affect our business, financial condition, results of operations or prospects include:

- The beauty industry is highly competitive, and if we are unable to compete effectively, our business, prospects, financial condition and results of operations could suffer.
- Further consolidation in the retail industry and shifting preferences in how and where consumers shop, including to e-commerce, may adversely affect our business, prospects, financial condition and results of operations.
- Changes in industry trends and consumer preferences could adversely affect our business, prospects, financial condition and results of operations.
- Our success depends, in part, on the quality, efficacy and safety of our products.
- Our failure to protect our reputation, or the failure of our brand partners or licensors to protect their reputations, could have a material adverse effect on our brand images.
- Our brand licenses may be terminated if specified conditions are not met, and we may not be able to renew expiring licenses on favorable terms or at all.
- If we are unable to obtain, maintain and protect our intellectual property rights, in particular trademarks, patents and copyrights, or if our brand partners and licensors are unable to maintain and protect their intellectual property rights that we use in connection with our products, our ability to compete could be negatively impacted.
- Our success depends on our ability to operate our business without infringing, misappropriating or otherwise violating the intellectual property of third parties.
- Our business is subject to seasonal variability.
- Our success depends on our ability to achieve our global business strategies.

- We have incurred significant costs in connection with the integration of acquisitions and simplifying our business, and expect to incur costs in connection with the implementation of our global business strategies, that could affect our period-to-period operating results.
- Our new product introductions may not be as successful as we anticipate, which could have a material adverse effect on our business, prospects, financial condition and results of operations.
- We may not be able to identify suitable acquisition targets and our acquisition activities and other strategic transactions may present managerial, integration, operational and financial risks, which may prevent us from realizing the full intended benefit of the acquisitions we undertake.
- We face risks associated with our joint ventures and strategic partnership investments.
- Our goodwill and other assets have been subject to impairment and may continue to be subject to impairment in the future.
- A disruption in operations could adversely affect our business.
- We outsource a number of functions to third-party service providers, and any failure to perform or other disruptions or delays at our third-party service providers could adversely impact our business, our results of operations or our financial condition.
- We are increasingly dependent on information technology, and if we are unable to protect against service interruptions, corruption of our data and privacy protections, cyber-based attacks or network security breaches, our operations could be disrupted.
- Our success depends, in part, on our employees, including our key personnel.
- If we underestimate or overestimate demand for our products and do not maintain appropriate inventory levels, our net revenues or working capital could be negatively impacted.
- We are subject to risks related to our international operations.
- We have taken on significant debt, and the agreements that govern such debt contain various covenants that impose restrictions on us, which may adversely affect our business.
- Our ability to service and repay our indebtedness will be dependent on the cash flow generated by our subsidiaries and events beyond our control.
- Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase.
- We must successfully manage the impact of a general economic downturn, credit constriction, uncertainty in global economic or political conditions or other global events or a sudden disruption in business conditions which may affect consumer spending, global supply chain conditions and inflationary pressures and adversely affect our financial results.
- The COVID-19 pandemic has had, and could continue to have, a negative impact on our business, financial condition, results of operations and cash flows.
- Price inflation for labor, materials and services, further exacerbated by volatility in energy and commodity markets by the war in Ukraine, could adversely affect our business, results of operations and financial condition.
- Volatility in the financial markets could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.
- Fluctuations in currency exchange rates may negatively impact our financial condition and results of operations.
- We are subject to legal proceedings and legal compliance risks, including talc-related litigation alleging bodily injury.
- Changes in laws, regulations and policies that affect our business or products could adversely affect our business, financial condition, results of operations, cash flows, as well as the trading price of our securities.
- Our operations and acquisitions in certain foreign areas expose us to political, regulatory, economic and reputational risks.
- Our employees or others may engage in misconduct or other improper activities including noncompliance with regulatory standards and regulatory requirements.
- Violations of our prohibition on harassment, sexual or otherwise, could result in liabilities and/or litigation.
- If the Distribution (as defined below) or the acquisition of the P&G Beauty Business does not qualify for its intended tax treatment, in certain circumstances we are required to indemnify P&G for resulting tax-related losses under the tax matters agreement entered into in connection with the acquisition of the P&G Beauty Business dated October 1, 2016.
- We are subject to risks related to our common stock and our stock repurchase program.

- JABC Cosmetics B.V. (“JABC”) and its affiliates, through their ownership of approximately 53% of the outstanding shares of our Class A Common Stock, have the ability to effect and/or significantly influence certain decisions requiring stockholder approval, which may be inconsistent with the interests of our other stockholders.
- We are a “controlled company” within the meaning of the New York Stock Exchange rules and, as a result, are entitled to rely on exemptions from certain corporate governance requirements that are designed to provide protection to stockholders of companies that are not “controlled companies”.
- The dual-listing of our Class A Common Stock on the NYSE and on Euronext Paris’s Professional Segment may adversely affect the liquidity and value of our Class A Common Stock.

## **Risk Factors**

### **Risks related to our Business and Industry.**

***The beauty industry is highly competitive, and if we are unable to compete effectively, our business, prospects, financial condition and results of operations could suffer.***

The beauty industry is highly competitive and can change rapidly due to consumer preferences and industry trends, such as the expansion of digital channels, direct-to-consumer channels, new “disruptor” trendy brands and advances in technology such as artificial intelligence. Competition in the beauty industry is based on several factors, including pricing, value and quality, product efficacy, packaging and brands, speed or quality of innovation and new product introductions, in-store presence and visibility, promotional activities (including influencers) and brand recognition, distribution channels, advertising, editorials and adaption to evolving technology and device trends, including via e-commerce initiatives.

Our competitors include large multinational consumer products companies, private label brands and emerging companies, among others, and some have greater resources than we do or may be able to respond more quickly or effectively to changing business and economic conditions than we can. It is difficult for us to predict the timing and scale of our competitors’ actions and their impact on the industry or on our business. For example, the fragrance category is being influenced by new product introductions, niche brands and growing e-commerce distribution. The color cosmetics category has been influenced by entry by new competitors and smaller competitors that are fast to respond to trends and engage with their customers through digital platforms, including using new or advancing technologies such as artificial intelligence and innovative in-store activations. Furthermore, e-commerce and the online retail industry is characterized by rapid technological evolution, changes in consumer requirements and preferences, frequent introductions of new products and services embodying new technologies and the emergence of new industry standards and practices and evolving regulatory regimes, any of which could render our existing technologies and systems obsolete. Our success will depend, in part, on our ability to identify, develop, acquire or license leading technologies useful in our business, and respond to technological advances and emerging industry standards and practices in a cost-effective and timely way. If we are unable to compete effectively on a global basis or in our key product categories or geographies, it could have an adverse impact on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Further consolidation in the retail industry and shifting preferences in how and where consumers shop, including to e-commerce, may adversely affect our business, prospects, financial condition and results of operations.***

Significant consolidation in the retail industry has occurred during the last several years. The trend toward consolidation, particularly in developed markets such as the U.S. and Western Europe, has resulted in our becoming increasingly dependent on our relationships with, and the overall business health of, fewer key retailers that control an increasing percentage of retail locations, which trend may continue. For example, certain retailers account for over 10% of our net revenues in certain geographies, including the U.S. Our success is dependent on our ability to manage our retailer relationships, including offering trade terms on mutually acceptable terms. Furthermore, increased online competition and declining in-store traffic has resulted, and may continue to result, in brick-and-mortar retailers closing physical stores, which could negatively impact our distribution strategies and/or sales if such retailers decide to significantly reduce their inventory levels for our products or to designate more shelf space to our competitors. Additionally, these retailers periodically assess the allocation of shelf space and have elected (and could further elect) to reduce the shelf space allocated to our products. Some of our brands, including CoverGirl, have experienced shelf space losses in the past, and such declines may continue or resume. Further consolidation and store closures, or reduction in inventory levels of our products or shelf space devoted to our products, could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities. We generally do not have long-term sales contracts or other sales assurances with our retail customers.

Consumer shopping preferences have also shifted, and may continue to shift in the future, to distribution channels other than traditional retail in which we have more limited experience, presence and development, such as direct-to-consumer sales and e-commerce. In particular, expansion of our direct-to-consumer business presents challenges for logistics and fulfillment as well as additional regulatory compliance. If we are not successful in our efforts to expand distribution channels, including

growing our e-commerce activities, we will not be able to compete effectively. In addition, our entry into new categories and geographies has exposed, and may continue to expose, us to new distribution channels or risks about which we have less experience. Any change in our distribution channels, such as direct sales, could also expose us to disputes with distributors. If we are not successful in developing and utilizing these channels or other channels that future consumers may prefer, we may experience lower than expected revenues.

***Changes in industry trends and consumer preferences could adversely affect our business, prospects, financial condition and results of operations.***

Our success depends on our products' appeal to a broad range of consumers whose preferences cannot be predicted with certainty and may change rapidly, and on our ability to anticipate and respond in a timely and cost-effective manner to industry trends through product innovations, product line extensions and marketing and promotional activities, among other things. Product life cycles and consumer preferences continue to be affected by the rapidly increasing use and proliferation of social and digital media by consumers, and the speed with which information and opinions are shared. As product life cycles shorten, we must continually work to develop, produce and market new products, maintain and enhance the recognition of our brands and shorten our product development and supply chain cycles.

In addition, net revenues and margins on beauty products tend to decline as they advance in their life cycles, so our net revenues and margins could suffer if we do not successfully and continuously develop new products. This product innovation also can place a strain on our employees and our financial resources, including incurring expenses in connection with product innovation and development, marketing and advertising that are not subsequently supported by a sufficient level of sales. Furthermore, we cannot predict how consumers will react to any new products that we launch or to repositioning of our brands. Our successful product launches may not continue. The amount of positive or negative sales contribution of any of our products may change significantly within a period or from period to period. The above-referenced factors, as well as new product risks, could have an adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

These risks have been exacerbated by the impact of general economic conditions such as inflationary pressures and the ongoing effects of COVID-19 on our business. Consumer spending habits and consumer confidence have shifted and may continue to change in light of re-imposition of containment measures (such as the lockdowns imposed in China), inflationary pressures, as well as changes in work practices and travel trends impacting the demand for our products.

***Our success depends, in part, on the quality, efficacy and safety of our products.***

Product safety or quality failures, actual or perceived, or allegations of product contamination, even when false or unfounded, or inclusion of regulated ingredients could tarnish the image of our brands and could cause consumers to choose other products. Allegations of contamination, allergens or other adverse effects on product safety or suitability for use by a particular consumer, even if untrue, may require us from time to time to recall a product from all of the markets in which the affected production was distributed. Such issues or recalls and any related litigation could negatively affect our profitability and brand image.

In addition, government authorities and self-regulatory bodies regulate advertising and product claims regarding the performance and benefits of our products. These regulatory authorities typically require a reasonable basis to support any marketing claims. What constitutes a reasonable basis for substantiation can vary widely based on geography, and the efforts that we undertake to support our claims may not be deemed adequate for any particular product or claim. If we are unable to show adequate substantiation for our product claims, or our promotional materials make claims that exceed the scope of allowed claims for the classification of the specific product, regulatory authorities could take enforcement action or impose penalties, such as monetary consumer redress, requiring us to revise our marketing materials, amend our claims or stop selling or recalling certain products, all of which could harm our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities. Any regulatory action or penalty could lead to private party actions, which could further harm our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

If our products are perceived to be defective or unsafe, or if they otherwise fail to meet our consumers' expectations, our relationships with customers or consumers could suffer, the appeal of one or more of our brands could be diminished, and we could lose sales or become subject to liability claims. In addition, safety or other defects in our competitors' products could reduce consumer demand for our own products if consumers view them to be similar or view the defects as symptomatic of the product category. Any of these outcomes could result in a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our failure to protect our reputation, or the failure of our brand partners or licensors to protect their reputations, could have a material adverse effect on our brand images.***

Our ability to maintain our reputation is critical to our business and our various brand images. Our reputation could be jeopardized if we fail to maintain high standards for product quality and integrity (including should we be perceived as violating the law) or if we, or the third parties with whom we do business, do not comply with regulations or accepted practices and are subject to a significant product recall, litigation, or allegations of tampering, animal testing, use of certain ingredients (such as certain palm oil) or misconduct by executives, founders or influencers. Any negative publicity about these types of concerns or other concerns, whether actual or perceived or directed towards us or our competitors, may reduce demand for our products. Failure to comply with ethical, social, product, labor and environmental standards, or related political considerations, could also jeopardize our reputation and potentially lead to various adverse consumer actions, including boycotts. In addition, the behavior of our employees, including with respect to our employees' use of social media subjects us to potential negative publicity if such use does not align with our high standards and integrity or fails to comply with regulations or accepted practices. Furthermore, widespread use of digital and social media by consumers has greatly increased the accessibility of information and the speed of its dissemination. Negative or inaccurate publicity, posts or comments on social media, whether accurate or inaccurate, about us, our employees or our brand partners (including influencers) and licensors, our respective brands or our respective products, whether true or untrue, could damage our respective brands and our reputation.

We also devote time and resources to citizenship efforts that are consistent with our corporate values and are designed to strengthen our business and protect and preserve our reputation, including programs driving diversity, equity and inclusion, responsible sourcing, packaging and environmental sustainability. If these programs are not executed as planned, fail or be perceived to fail in our achievement of announced goals or initiatives (or are unable to accurately report on our progress) or suffer negative publicity, our reputation and results of operations or cash flows could be adversely impacted. In addition, we could be criticized for the scope of such initiatives or goals or perceived as not acting responsibly in connection with these matters.

Additionally, our success is also partially dependent on the reputations of our brand partners, influencers and licensors and the goodwill associated with their intellectual property. We often rely on our brand partners, influencers or licensors to manage and maintain their brands, but these licensors' reputation or goodwill may be harmed due to factors outside our control, which could be attributed to our other brands and have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities. Many of these brand licenses are with fashion houses, whose popularity may decline due to mismanagement, changes in fashion or consumer preferences, allegations against their management or designers or other factors beyond our control. Similarly, certain of our products bear the names and likeness of celebrities, whose brand or image may change without notice and who may not maintain the appropriate celebrity status or positive association among the consumer public to support projected sales levels. In addition, in the event that any of these licensors were to enter bankruptcy proceedings, we could lose our rights to use the intellectual property that the applicable licensors license to us.

Damage to our reputation or the reputations of our brand partners or licensors or loss of consumer confidence for any of these or other reasons could have a material adverse effect on our results of operations, financial condition and cash flows, as well as require additional resources to rebuild our reputation.

***Our brand licenses may be terminated if specified conditions are not met, and we may not be able to renew expiring licenses on favorable terms or at all.***

We license trademarks for many of our product lines. Our brand licenses typically impose various obligations on us, including the payment of annual royalties, maintenance of the quality of the licensed products, achievement of minimum sales levels, promotion of sales and qualifications and behavior of our suppliers, distributors and retailers. We have breached, and may in the future breach, certain terms of our brand licenses. If we breach our obligations, our rights under the applicable brand license agreements could be terminated by the licensor and we could, among other things, have to pay damages, lose our ability to sell products related to that brand, lose any upfront investments made in connection with such license and sustain reputational damage. In addition, most brand licenses have renewal options for one or more terms, which can range from three to ten years. Certain brand licenses provide for automatic extensions, so long as minimum annual royalty payments are made, while renewal of others is contingent upon attaining specified sales levels or upon agreement of the licensor. While many of our licenses are long term, licenses relating to certain of our brands are up for renewal in the next few years, including one license up for renewal in fiscal 2024. We may not be able to renew expiring licenses on terms that are favorable to us or at all. We may also face difficulties in finding replacements for terminated or expired licenses. Each of the aforementioned risks could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***If we are unable to obtain, maintain and protect our intellectual property rights, in particular trademarks, patents and copyrights, or if our brand partners and licensors are unable to maintain and protect their intellectual property rights that we use in connection with our products, our ability to compete could be negatively impacted.***

Our intellectual property is a valuable asset of our business. Although certain of the intellectual property we use is registered in the U.S. and in many of the foreign countries in which we operate, there can be no assurances with respect to the continuation of such intellectual property rights, including our ability to further register, use or defend key current or future trademarks. Further, applicable law may provide only limited and uncertain protection, particularly in emerging markets, such as China.

Furthermore, we may not apply for, or be unable to obtain, intellectual property protection for certain aspects of our business. Third parties have in the past, and could in the future, bring infringement, invalidity, co-inventorship, re-examination, opposition or similar claims with respect to our current or future intellectual property. Any such claims, whether or not successful, could be costly to defend, may not be sufficiently covered by any indemnification provisions to which we are party, divert management's attention and resources, damage our reputation and brands, and substantially harm our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities. Patent expirations may also affect our business. As patents expire, competitors may be able to legally produce and market products similar to the ones that were patented, which could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

In addition, third parties may distribute and sell counterfeit or other infringing versions of our products, which may be inferior or pose safety risks and could confuse consumers or customers, which could cause them to refrain from purchasing our brands in the future or otherwise damage our reputation. In recent years, there has been an increase in the availability of counterfeit goods, including fragrances, in various markets by street vendors and small retailers, as well as on the Internet. The presence of counterfeit versions of our products in the market and of prestige products in mass distribution channels, including grey market products, could also dilute the value of our brands, force us and our distributors to compete with heavily discounted products, cause us to be in breach of contract (including license agreements), impact our compliance with distribution and competition laws in jurisdictions including the E.U. and China, or otherwise have a negative impact on our reputation and business, prospects, financial condition or results of operations. We are engaged in efforts to rationalize our wholesale distribution channel and continue efforts to reduce the amount of product diversion to the value and mass channels; however, stopping or significantly reducing such commerce could result in a potential adverse impact to our sales and net revenues, including to those customers who are selling our products to unauthorized retailers, or an increase in returns over historical levels.

To protect or enforce our intellectual property and other proprietary rights, we may initiate litigation or other proceedings against third parties, such as infringement suits, opposition proceedings or interference proceedings. Any lawsuits or proceedings that we initiate could be expensive, take significant time and divert management's attention from other business concerns, adversely impact customer relations and we may not be successful. Litigation and other proceedings may also put our intellectual property at risk of being invalidated or interpreted narrowly. In addition, while we maintain a robust anti-counterfeiting and brand enforcement program, bringing numerous actions against infringers every year, such efforts may not be successful. The occurrence of any of these events may have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

In addition, many of our products bear, and the value of our brands is affected by, the trademarks and other intellectual property rights of our brand and joint venture partners and licensors. Our brand and joint venture partners' and licensors' ability to maintain and protect their trademark and other intellectual property rights is subject to risks similar to those described above with respect to our intellectual property. We do not control the protection of the trademarks and other intellectual property rights of our brand and joint venture partners and licensors and cannot ensure that our brand and joint venture partners and licensors will be able to secure or protect their trademarks and other intellectual property rights, which could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows, as well as the trading price of our securities.

***Our success depends on our ability to operate our business without infringing, misappropriating or otherwise violating the intellectual property of third parties.***

Our commercial success depends in part on our ability to operate without infringing, misappropriating or otherwise violating the trademarks, patents, copyrights and other proprietary rights of third parties. However, we cannot be certain that the conduct of our business does not and will not infringe, misappropriate or otherwise violate such rights. Moreover, our acquisition targets and other businesses in which we make strategic investments are often smaller or younger companies with less robust intellectual property clearance practices, and we may face challenges on the use of their trademarks and other proprietary rights. If we are found to be infringing, misappropriating or otherwise violating a third party trademark, patent, copyright or other proprietary rights, we may need to obtain a license, which may not be available in a timely manner on commercially reasonable terms or at all, or redesign or rebrand our products, which may not be possible or result in a significant delay to market or otherwise have an adverse commercial impact. We may also be required to pay substantial damages or be subject to a court order prohibiting us and our customers from selling certain products or engaging in certain

activities, which could therefore have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows, as well as the trading price of our securities.

***Our business is subject to seasonal variability.***

Our sales generally increase during our second fiscal quarter as a result of increased demand by retailers associated with the winter holiday season. Accordingly, our financial performance, sales, working capital requirements, cash flow and borrowings generally experience variability during the three to six months preceding and during the holiday period. As a result of this seasonality, our expenses, including working capital expenditures and advertising spend, are typically higher during the period before a high-demand season. Consequently, any substantial decrease in, or inaccurate forecasting with respect to, net revenues during such periods of high demand including as a result of decreased customer purchases, increased product returns, production or distribution disruptions or other events (many of which are outside of our control), would prevent us from being able to recoup our earlier expenses and could have a material adverse effect on our financial condition, results of operations and cash flows, as well as the trading price of our securities.

**Risks Related to our Business Strategy and Organization**

***Our success depends on our ability to achieve our global business strategies.***

Our future performance and growth depends on the success of our global business strategies, including our management team's ability to successfully implement them, including a focus on improving gross margin, deleveraging, and simplifying our business. The multi-year implementation of our transformation agenda and our global business strategies has resulted and is expected to continue to result in changes to business priorities and operations, capital allocation priorities, operational and organizational structure, and increased demands on management. Such changes could result in short-term and one-time costs without any current revenues, lost customers, reduced sales volume, higher than expected restructuring costs, loss of key personnel, additional supply chain disruptions, higher costs of supply and other negative impacts on our business. Implementation of our global business strategy may take longer than anticipated, and, once implemented, we may not realize, in full or in part, the anticipated benefits or such benefits may be realized more slowly than anticipated. The failure to realize benefits, which may be due to our inability to execute plans, delays in the implementation of our global business strategy, global or local economic conditions, competition, changes in the beauty industry and the other risks described herein, could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

Our strategy includes executing on our brand repositioning and continuing to focus our brand-building efforts on priority categories, channels and markets. In addition, we continue to prioritize our deleveraging objectives. In the future, we may dispose of or discontinue select brands and/or streamline operations, and dispose of select businesses or interests therein (including through strategic transactions or public offerings) and incur costs or restructuring and/or other charges in doing so. We may face risks of declines in brand performance and license terminations, due to expirations and/or allegations of breach or for other reasons, including with regard to any potentially divested or discontinued brands. If and when we decide to divest or discontinue any brands or lines of business, we cannot be sure that we will be able to locate suitable buyers or that we will be able to complete such divestitures (including through strategic transactions or public offerings) or discontinuances successfully, timely, at appropriate valuations and on commercially advantageous terms, or without significant costs, including relating to any post-closing purchase price adjustments or claims for indemnification. Any future divestitures and discontinuances could have, a dilutive impact on our earnings, create dis-synergies, and divert significant financial, operational and managerial resources from our existing operations and make it more difficult to achieve our operating and strategic objectives. We also cannot be sure of the effect such divestitures or discontinuances would have on the performance of our remaining business or ability to execute our global business strategies.

***We have incurred significant costs in connection with the integration of acquisitions and simplifying our business, and expect to incur costs in connection with the implementation of our global business strategies, that could affect our period-to-period operating results.***

We have incurred significant restructuring costs in the past, and, as we continue to implement our global business strategies and any future restructuring initiatives, we expect to continue to incur one-time cash costs. In the past, as we integrated acquisitions, including the transformational acquisition of the P&G Beauty Business, we experienced challenges, including supply chain disruptions, higher than expected costs and lost customers and related revenue and profits, and we could experience these or other challenges arising from the implementation of our global business strategies and any future restructuring initiatives. The cash usage associated with such, and similar, expenses has impacted and could continue to impact our ability to execute our business strategies, improve operating results and leverage our balance sheet.

If our management is not able to effectively manage these initiatives, address fixed and other costs, we incur additional operating expenses or capital expenditures to realize synergies, simplifications and cost savings, or if any significant business activities are interrupted as a result of these initiatives, our business, prospects, financial condition, results of operations, cash

flows, as well as the trading price of our securities may be materially adversely affected. The amount and timing of the above-referenced charges and management distraction could further adversely affect our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities. In addition, the implementation of our global business strategies, any continuing or future restructuring initiatives and the integration of acquisitions may impact our ability to anticipate future business trends and accurately forecast future results.

The diversion of resources to the integration of the P&G Beauty Business, together with changes and turnover in our management teams as we reorganized our business, negatively impacted our fiscal 2018 and 2019 results. The implementation of our global business strategies could result in similar challenges. Although our global business strategies are intended to deliver meaningful, sustainable expense and cost management improvement, events and circumstances such as financial or strategic difficulties, significant employee turnover, business disruption and delays may occur or continue, resulting in new, unexpected or increased costs that could result in us not realizing all of the anticipated benefits of our global business strategies on our expected timetable or at all. In addition, we are executing many initiatives simultaneously, including changes to our operations and global strategy, which may result in further diversion of our resources, employee attrition and business disruption (including supply chain disruptions), and may adversely impact the execution of such initiatives. Any failure to implement our global business strategies and other initiatives in accordance with our expectations could adversely affect our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our new product introductions may not be as successful as we anticipate, which could have a material adverse effect on our business, prospects, financial condition and results of operations.***

We must continually work to develop, produce and market new products and maintain a favorable mix of products in order to respond in an effective manner to changing consumer preferences. We continually develop our approach as to how and where we market and sell our products. In addition, we believe that we must maintain and enhance the recognition of our brands, which may require us to quickly and continuously adapt in a highly competitive industry to deliver desirable products and branding to our consumers. For example, as part of our global business strategies, we are instituting new objectives for our innovation efforts to support expansion of category coverage and sustainability. If these or other initiatives are not successful, our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities could be adversely impacted.

We have made changes and may continue to change our process for the continuous development and evaluation of new product concepts. In addition, each new product launch carries risks. For example, we may incur costs exceeding our expectations, our advertising, promotional and marketing strategies may be less effective than planned or customer purchases may not be as high as anticipated. In addition, we may experience a decrease in sales of certain of our existing products as a result of consumer preferences shifting to our newly-launched products or to the products of our competitors as a result of unsuccessful or unpopular product launches harming our brands. Also, initially successful launches may not be sustained. Any of these could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

As part of our ongoing business strategy we expect that we will need to continue to introduce new products in our traditional product categories and channels, while also expanding our product launches into adjacent categories and channels in which we may have less operating experience. For example, we entered into strategic partnerships with Kylie Jenner and Kim Kardashian, both digital-native beauty businesses, we are continuing our expansion into prestige cosmetics, and we are building a comprehensive skincare portfolio leveraging existing and new brands. The success of product launches in these or adjacent product categories could be hampered by our relative inexperience operating in such categories and channels, the strength of our competitors or any of the other risks referred to herein. Our inability to introduce successful products in our traditional categories and channels or in these or other adjacent categories and channels could limit our future growth and have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***We may not be able to identify suitable acquisition targets and our acquisition activities and other strategic transactions may present managerial, integration, operational and financial risks, which may prevent us from realizing the full intended benefit of the acquisitions we undertake.***

Our acquisition activities and other strategic transactions expose us to certain risks related to integration, including diversion of management attention from existing core businesses and substantial investment of resources to support integration. During the past several years, we have explored and undertaken opportunities to acquire other companies and assets as part of our growth strategy. For example, we completed five significant acquisitions in fiscal 2016 through fiscal 2018 (including the acquisition of the P&G Beauty Business in October 2016). We entered into a joint venture with Kylie Jenner in fiscal 2020 and a strategic partnership with Kim Kardashian in fiscal 2021. These assets represent a significant portion of our net assets, particularly the P&G Beauty Business. As we consider growth opportunities, we may continue to seek acquisitions that we believe strengthen our competitive position in our key segments and geographies or accelerate our ability to grow into adjacent



product categories and channels and emerging markets or which otherwise fit our strategy. There can be no assurance that we will be able to identify suitable acquisition candidates, be the successful bidder or consummate acquisitions on favorable terms, have the funds to acquire desirable acquisitions or otherwise realize the full intended benefit of such transactions. In addition, acquisitions could adversely impact our deleveraging strategy.

The assumptions we use to evaluate acquisition opportunities may prove to be inaccurate, and intended benefits may not be realized. Our due diligence investigations may fail to identify all of the problems, liabilities or other challenges associated with an acquired business which could result in increased risk of unanticipated or unknown issues or liabilities, including with respect to environmental, competition and other regulatory matters, and our mitigation strategies for such risks that are identified may not be effective. As a result, we may not achieve some or any of the benefits, including anticipated synergies or accretion to earnings or other financial measures, that we expect to achieve in connection with our acquisitions and joint ventures, or we may not accurately anticipate the fixed and other costs associated with such acquisitions and joint ventures, or the business may not achieve the performance we anticipated, which may materially adversely affect our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities. Any financing for an acquisition could increase our indebtedness or result in a potential violation of the debt covenants under our existing facilities requiring consent or waiver from our lenders, which could delay or prevent the acquisition, or dilute the interests of our stockholders. For example, in connection with the acquisition of the P&G Beauty Business, Green Acquisition Sub Inc., a wholly-owned subsidiary of the Company, was merged with and into Galleria, with Galleria continuing as the surviving corporation and a direct wholly-owned subsidiary of the Company (the “Green Merger”) and pre-Green Merger holders of our stock were diluted to 46% of the fully diluted shares of common stock immediately following the Green Merger. In addition, acquisitions of foreign businesses, new entrepreneurial businesses and businesses in new distribution channels, such as our acquisition of the Brazilian personal care and beauty business of Hypermarcas S.A. (the “Hypermarcas Brands”) and our joint venture with Kylie Jenner and our investment in the Kim Kardashian beauty business, entail certain particular risks, including potential difficulties in geographies and channels in which we lack a significant presence, difficulty in seizing business opportunities compared to local or other global competitors, difficulty in complying with new regulatory frameworks, the acquisition of new or unexpected liabilities, the adverse impact of fluctuating exchange rates and entering lines of business where we have limited or no direct experience. See “—Fluctuations in currency exchange rates may negatively impact our financial condition and results of operations” and “—We are subject to risks related to our international operations.”

***We face risks associated with our joint ventures and strategic partnership investments.***

We are party to several joint ventures and strategic partnership investments in both the U.S. and abroad. Going forward, we may acquire interests in more joint venture enterprises or other strategic partnerships to execute our business strategy by utilizing our partners’ skills, experiences and resources. These joint ventures and investments involve risks that our joint venture or strategic investment partners may:

- have economic or business interests or goals that are inconsistent with or adverse to ours;
- take actions contrary to our requests or contrary to our policies or objectives, including actions that may violate applicable law;
- be unable or unwilling to fulfill their obligations under the relevant joint venture agreements;
- have financial or business difficulties;
- take actions that may harm our reputation; or
- have disputes with us as to the scope of their rights, responsibilities and obligations.

In certain cases, joint ventures and strategic partnership investments may present us with a lack of ability to fully control all aspects of their operations, including due to veto rights, and we may not have full visibility with respect to all operations, customer relations and compliance practices, among others.

Our present or future joint venture and strategic partnership investment projects may not be successful. We have had, and in the future may have, disputes or encounter other problems with respect to our present or future joint venture or strategic investment partners or our joint venture or strategic partnership investment agreements may not be effective or enforceable in resolving these disputes or we may not be able to resolve such disputes and solve such problems in a timely manner or on favorable economic terms, or at all. Any failure by us to address these potential disputes or conflicts of interest effectively could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our goodwill and other assets have been subject to impairment and may continue to be subject to impairment in the future.***

We are required, at least annually and sometimes on an interim basis, to test goodwill and indefinite-lived intangible assets to determine if any impairment has occurred. Impairment may result from various factors, including adverse changes in

assumptions used for valuation purposes, such as actual or projected revenue growth rates, profitability or discount rates. If the testing indicates that an impairment has occurred, we are required to record a non-cash impairment charge for the difference between the carrying value of the goodwill or indefinite intangible assets and the fair value of the goodwill or of indefinite-lived intangible assets.

We cannot predict the amount and timing of any future impairments, if any. We have experienced impairment charges with respect to goodwill, intangible assets or other items in connection with past acquisitions, and we may experience such charges in connection with such acquisitions or future acquisitions, particularly if business performance declines or expected growth is not realized or the applicable discount rate changes adversely. For example, in our continuing operations in fiscal 2022, we incurred impairment charges of \$31.4, primarily related to impairments on indefinite-lived other intangible assets. It is possible that material changes in our business, market conditions, or market assumptions could occur over time. Any future impairment of our goodwill or other intangible assets could have an adverse effect on our financial condition and results of operations, as well as the trading price of our securities. For a further discussion of our impairment testing, please refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations-Financial Condition-Liquidity and Capital Resources-Goodwill, Other Intangible Assets and Long-Lived Assets”.

### **Risks related to our Business Operations**

#### ***A disruption in operations could adversely affect our business.***

As a company engaged in manufacturing and distribution on a global scale, we are subject to the risks inherent in such activities, including industrial accidents, environmental events, strikes and other labor disputes (including as to works councils), disruptions in supply chain or information systems, loss or impairment of key manufacturing sites or distribution centers, product quality control, safety, licensing requirements and other regulatory issues, as well as natural disasters, pandemics or outbreaks of contagious diseases, border disputes, acts of terrorism, armed conflicts such as the war in Ukraine and other geopolitical tensions, possible dawn raids, and other external factors over which we have no control. For example, in fiscal 2022, limited driver capacity and transportation delays impacted our U.S. distribution centers resulting in increased costs, including penalty payments to retailers for delayed product delivery. As we continue our implementation of our global business strategies (including our cost discipline activities and sustainability initiatives) and other restructuring activities, any additional or ongoing supply chain disruptions or delay in securing applicable approvals or consultations for such activities may impact our quarterly results. The loss of, or damage or disruption to, any of our manufacturing facilities or distribution centers could have a material adverse effect on our business, prospects, results of operations, financial condition, results of operations, cash flows, as well as the trading price of our securities.

We manufacture and package a majority of our products. Raw materials, consisting chiefly of essential oils, alcohols, chemicals, containers and packaging components, are purchased from various third-party suppliers. The loss of multiple suppliers or a significant disruption or interruption in the supply chain, or our relationships with key suppliers due to our payment terms or otherwise, could have a material adverse effect on the manufacturing and packaging of our products. In the past year, inflationary pressures as well as global supply chain disruptions have caused significant volatility in the cost and availability of the raw materials and services (such as transportation) that we need to manufacture and distribute our products. In particular, increases in energy costs due to global geopolitical conditions, particularly in Europe, have impacted the cost and availability of raw materials, including glass and glass components and certain resins. Increases in the costs of raw materials or other commodities and transportation services may adversely affect our profit margins if we are unable to pass along any higher costs in the form of price increases or otherwise achieve cost efficiencies in manufacturing and distribution. In addition, failure by our third-party suppliers to comply with ethical, social, product, labor and environmental laws, regulations or standards, or their engagement in politically or socially controversial conduct, such as animal testing, could negatively impact our reputations and lead to various adverse consequences, including decreased sales and consumer boycotts. We are also subject to reporting requirements under The Dodd-Frank Wall Street Reform and Consumer Protection Act regarding the use of certain minerals mined from the Democratic Republic of Congo and adjoining countries and procedures pertaining to a manufacturer’s efforts regarding the source of such minerals. SEC rules implementing these requirements may have the effect of reducing the pool of suppliers who can supply “conflict free” products, and we may not be able to obtain conflict free products or supplies in sufficient quantities for our operations. Likewise, we have faced, and may continue to face, constraints in the availability of certain raw materials that align with our sustainability goals, including responsibly sourced palm oil, mica and recycled materials. Since our supply chain is complex, we may face operational obstacles and reputational challenges with our customers and stockholders if we are unable to continue to sufficiently verify the origins for materials used in our products and packaging or if we are subject to additional supply chain diligence and disclosure regulations or other reporting obligations.

The above risks have been and may continue to be exacerbated by the impact of inflationary pressures, global supply chain disruptions and the ongoing effects of COVID-19 on our business, and our efforts to manage and remedy these impacts to the Company may not achieve results in accordance with our expectations or on the timelines we anticipate.

***We outsource a number of functions to third-party service providers, and any failure to perform or other disruptions or delays at our third-party service providers could adversely impact our business, our results of operations or our financial condition.***

We have outsourced and may continue to outsource certain functions, including outsourcing of distribution functions, outsourcing of business processes (including certain financing and accounting functions), and third-party manufacturers, logistics and supply chain suppliers, and other suppliers, including third-party software providers, web-hosting and e-commerce providers, and we are dependent on the entities performing those functions. The failure of one or more such providers to provide the expected services, provide them on a timely basis or provide them at the prices we expect, the failure of one or more of such providers to meet our performance standards and expectations, including with respect to data security, compliance with data protection and privacy laws, disruptions arising from the transition of functions to an outsourcing provider, or the costs incurred in returning these outsourced functions to being performed under our management and direct control, may have a material adverse effect on our results of operations or financial condition.

***We are increasingly dependent on information technology, and if we are unable to protect against service interruptions, corruption of our data and privacy protections, cyber-based attacks or network security breaches, our operations could be disrupted.***

We rely on information technology networks and systems, including the Internet, to process, transmit and store electronic and financial information, to manage a variety of business processes and activities, and to comply with regulatory, legal and tax requirements. We also increasingly depend on our information technology infrastructure for digital marketing activities, e-commerce and for electronic communications among our locations, personnel, customers and suppliers around the world, including as a result of remote working in connection with flexible working arrangements. These information technology systems, some of which are managed by third parties that we do not control, may be susceptible to damage, disruptions or shutdowns due to failures during the process of upgrading or replacing software, databases or components thereof, cutover activities in our restructuring and simplification initiatives, power outages, hardware failures, telecommunication failures, user errors, catastrophic events or other problems.

In addition, our databases and systems and our third-party providers' databases and systems have been, and will likely continue to be, subject to advanced computer viruses or other malicious codes, ransomware, unauthorized access attempts, denial of service attacks, phishing, social engineering, hacking and other cyber-attacks, the threat of which is increasing in frequency, intensity and duration. Such attacks have become increasingly difficult to detect, defend against or prevent and may originate from outside parties, hackers, criminal organizations or other threat actors, including nation states. As artificial intelligence ("AI") capabilities improve and gain widespread use, we may experience cyberattacks created using artificial intelligence, which may be difficult to detect and mitigate against. These attacks could be designed with an AI tool to directly attack information systems with increased speed and/or efficiency than a human or create more effective phishing techniques. It is also possible for a threat to be introduced as a result of our customers and third-party providers using the output of an AI tool that includes a threat, such as introducing malicious code by incorporating AI generated source code. In addition, insider actors (malicious or otherwise) could cause technical disruptions and/or confidential data leakage. Our security efforts or the security efforts of our third-party providers may not be sufficient to prevent material breaches, operational incidents or other breakdowns to our or our third-party providers' information technology databases or systems.

If our information technology systems otherwise suffer severe damage, disruption or shutdown and our business continuity plans do not effectively resolve the issues in a timely manner, our product sales, financial condition and results of operations may be materially and adversely affected, and we could experience delays in reporting our financial results. If not managed and mitigated effectively, these risks could increase in the future as we expand our digital capabilities and e-commerce activities, including through the use of new digital applications and technologies. There are further risks associated with the information systems of our joint ventures and of the companies we acquire, both in terms of systems compatibility, process controls, level of security and functionality. It may cost us significant time, money and resources to address these risks and if our systems were to fail or we are unable to successfully expand the capacity of these systems, or we are unable to integrate new technologies into our existing systems, our financial condition, results of operations and cash flows, as well as the trading price of our securities, may be adversely affected.

We are subject to an evolving body of federal, state and non-U.S. laws, regulations, guidelines, and principles regarding data privacy and security. A data breach or inability on our part to comply with such laws, regulations, guidelines, and principles or to quickly adapt our practices to reflect them as they develop, could potentially subject us to significant liabilities and reputational harm. Several governments, including the E.U., have regulations dealing with the collection and use of personal information obtained from their citizens, and regulators globally are also imposing greater monetary fines for privacy violations. For example, in the E.U. the GDPR became effective in May 2018, establishing requirements regarding the handling of personal data, and non-compliance with the GDPR may result in monetary penalties of up to 4% of worldwide revenue. Regulators, including the U.K.'s Information Commissioner's Office, have actively enforced the law and imposed substantial fines, and are expected to continue to do so. In addition, five states in the United States (California, Virginia, Colorado, Utah and Connecticut) enacted a data privacy laws in 2020 and 2021 applicable to entities serving or employing state residents. Brazil enacted the General Data Protection Law ("Brazil LGPD") regulating the processing of personal data, which became effective in August 2020. More recently, China enacted the Data Security Law and Personal Information Protection Law, which became effective in September 2021 and November 2021, respectively. These existing laws and other changes in laws or regulations associated with the enhanced protection of certain types of sensitive data and other personal information, require us to evaluate our current operations, information technology systems and data handling practices and implement enhancements

and adaptations where necessary to comply. Compliance with these laws, could greatly increase our operational costs or require us to adapt certain products, operations, processes or activities in otherwise suboptimal ways, to comply with the stricter regulatory requirements, such as efforts to meet consumer demand for personalized products and services, in jurisdictions where we operate. The regulations are complex and likely require adjustments to our operations. Any failure to comply with all such laws by us, our business partners or third-parties engaged by us could result in significant liabilities and reputational harm.

In addition, if we are unable to prevent or detect security breaches, or properly remedy them, we may suffer financial and reputational damage or penalties because of the unauthorized disclosure of confidential information belonging to us or to our partners, customers or suppliers, including personal employee, consumer or presenter information stored in our or third-party systems or as a result of the dissemination of inaccurate information. In addition, the unauthorized disclosure of nonpublic sensitive information could lead to the loss of intellectual property or damage our reputation and brand image or otherwise adversely affect our ability to compete.

Our information technology systems, operations and security control frameworks require an ongoing commitment of significant resources to maintain, protect, and enhance existing systems to keep pace with continuing changes in technology, legal and regulatory standards, cyber threats and the commercial opportunities that accompany the changing digital and data driven economy. From time to time, we undertake significant information technology systems projects, including enterprise resource planning updates, modifications, integrations and roll-outs, as well as separation and carve-out activities relating to dispositions. These projects may be subject to cost overruns and delays and may cause disruptions in our daily business operations. These cost overruns and delays and distractions as well as our reliance on certain third parties for certain business and financial information could impact our financial statements and could adversely impact our ability to run our business, correctly forecast future performance and make fully informed decisions.

***Our success depends, in part, on our employees, including our key personnel.***

Our success depends, in part, on our ability to identify, hire, train and retain our employees, including our key personnel, such as our executive officers and senior management team and our research and development and marketing personnel. Over the past few years we have experienced several changes to senior management and the composition of our board of directors, as well as the separation of the Wella Business, and we are still in the process of implementing our global business strategies, including cost reduction activities. Transition periods accompanying changes in leadership and changes due to business reorganization may result in uncertainty, impact business performance and strategies and retention of personnel. The unexpected loss of one or more of our key employees could adversely affect our business. Competition for highly qualified individuals can be intense, and although many of our key personnel have signed non-compete agreements, it is possible that these agreements would be unenforceable, in whole or in part, in some jurisdictions, permitting employees in those jurisdictions to transfer their skills and knowledge to the benefit of our competitors with little or no restriction. We may not be able to attract, assimilate or retain qualified personnel in the future, and our failure to do so could adversely affect our business. Further, other companies may attempt to recruit our key personnel and we may attempt to recruit their key personnel, even if bound by non-competes, which could result in diversion of management attention and our resources to litigation related to such recruitment. These risks may be exacerbated by the stresses associated with changes in our global business strategy, the implementation of our restructuring activities, any continued changes in our senior management team and other key personnel, and other initiatives. During fiscal 2023, we continued to experience an increasingly competitive labor market, increased employee turnover, and labor shortages in our extended supply chain. These challenges have resulted in, and could continue to result in, increased costs and could impact our ability to meet consumer demand, each of which may adversely affect our business and financial results.

As we continue to restructure our workforce from time to time (including with respect to our global business strategies and other business restructuring initiatives, as well as acquisitions and our overall growth strategy) and work with more brand partners and licensors, the risk of potential employment-related claims and disputes will also increase. As such, we or our partners may be subject to claims, allegations or legal proceedings related to employment matters including discrimination, harassment (sexual or otherwise), wrongful termination or retaliation, local, state, federal and non-U.S. labor law violations, injury, and wage violations. In addition, our employees in certain countries in Europe are subject to works council arrangements, exposing us to associated delays, works council claims and associated litigation. In the event we or our partners are subject to one or more employment-related claims, allegations or legal proceedings, we or our partners may incur substantial costs, losses or other liabilities in the defense, investigation, settlement, delays associated with, or other disposition of such claims. In addition to the economic impact, we or our partners may also suffer reputational harm as a result of such claims, allegations and legal proceedings and the investigation, defense and prosecution of such claims, allegations and legal proceedings could cause substantial disruption in our or our partners' business and operations, including delaying and reducing the expected benefits of any associated restructuring activities. We have policies and procedures in place to reduce our exposure to these risks, but such policies and procedures may not be effective and we may be exposed to such claims, allegations or legal proceedings.

***If we underestimate or overestimate demand for our products and do not maintain appropriate inventory levels, our net revenues or working capital could be negatively impacted.***

We currently engage in a program seeking to improve control over our product demand and inventories. We have identified, and may continue to identify, inventories that are not saleable in the ordinary course, but our existing program or any future inventory management program may not be successful in improving our inventory control. Our ability to manage our inventory levels to meet demand for our products is important for our business. If we overestimate or underestimate demand for any of our products, we may not maintain appropriate inventory levels, we could have excess inventory that we may need to hold for a long period of time, write down, sell at prices lower than expected or discard, which could negatively impact our reputation, net sales, working capital or cash flows from working capital, or cause us to incur excess and obsolete inventory charges. We also could have inadequate inventories which could hinder our ability to meet demand. We have sought and continue to seek to improve our payable terms, which could adversely affect our relations with our suppliers.

In addition, we have significant working capital needs, as the nature of our business requires us to maintain inventories that enable us to fulfill customer demand. We generally finance our working capital needs through cash flows from operations and borrowings under our credit facilities. If we are unable to finance our working capital needs on the same or more favorable terms going forward, or if our working capital requirements increase and we are unable to finance the increase, we may not be able to produce the inventories required by demand, which could result in a loss of sales. In addition, we are reliant on our cash flows from operations to repay our indebtedness, which may impact the cash flows that are available for working capital needs. Our ability to generate and maintain sufficient cash levels also could impact our ability to reduce our indebtedness.

The above risks have been and may continue to be exacerbated by the impact of inflationary pressures and global supply chain disruptions and the ongoing effects of COVID-19 on our business, and our efforts to manage and remedy these impacts to the Company may not achieve results in accordance with our expectations or on the timelines we anticipate.

***We are subject to risks related to our international operations.***

We operate on a global basis, and approximately 69% of our net revenues from continuing operations in fiscal 2023, were generated outside North America. We have employees in more than 36 countries, and we market, sell and distribute our products in over 126 countries and territories. Our presence in such geographies has expanded as a result of our acquisitions, as well as organic growth, and we are exposed to risks inherent in operating in geographies in which we have not operated in or have been less present in the past.

Non-U.S. operations are subject to many risks and uncertainties, including ongoing instability or changes in a country's or region's economic, regulatory or political conditions, including inflation, recession, interest rate fluctuations, sovereign default risk and actual or anticipated military or political conflicts (including any other change resulting from Brexit), labor market disruptions, sanctions, boycotts, new or increased tariffs, quotas, exchange or price controls, trade barriers or other restrictions on foreign businesses, our failure to effectively and timely implement processes and policies across our diverse operations and employee base and difficulties and costs associated with complying with a wide variety of complex and potentially conflicting regulations across multiple jurisdictions. Non-U.S. operations also increase the risk of non-compliance with U.S. laws and regulations applicable to such non-U.S. operations, such as those relating to sanctions, boycotts and improper payments.

In addition, sudden disruptions in business conditions as a consequence of events such as terrorist attacks, war or other military action or the threat of further attacks, pandemics or other crises or vulnerabilities or as a result of adverse weather conditions or climate changes, may have an impact on consumer spending, which could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

The U.S. and the other countries in which our products are manufactured or sold have imposed and may impose additional quotas, duties, tariffs, retaliatory or trade protection measures, or other restrictions or regulations, or may adversely adjust prevailing quota, duty or tariff levels, which can affect both the materials that we use to manufacture or package our products and the sale of finished products. For example, in 2018, the E.U. imposed tariffs on certain prestige category products imported from the U.S., which impact the sale in the E.U. of certain of our products that are manufactured in the U.S. Similarly, the tariffs imposed by the U.S. on goods and materials from China are impacting materials we import for use in manufacturing or packaging in the U.S. Measures to reduce the impact of tariff increases or trade restrictions, including shifts of production among countries and manufacturers, geographical diversification of our sources of supply, adjustments in product or packaging design and fabrication, or increased prices, could increase our costs and delay our time to market or decrease sales. Other governmental action related to tariffs or international trade agreements has the potential to adversely impact demand for our products, our costs, customers, suppliers and global economic conditions and cause higher volatility in financial markets. The beauty industry has been impacted by ongoing uncertainty surrounding tariffs and import duties, and international trade relations generally. While we actively review existing and proposed measures to seek to assess the impact of them on our business, changes in tariff rates, import duties and other new or augmented trade restrictions could have a number of negative impacts on our business, including higher consumer prices and reduced demand for our products and higher input costs.

On December 22, 2017, the President of the U.S. signed the Tax Act which made broad and complex changes to the U.S. tax laws that affect businesses operating internationally, and, as a result of elections in the United States, there could be additional significant changes in tax laws and regulations in the future. In addition, some foreign governments may enact tax laws in response to the Tax Act or other U.S. tax law changes that could result in further changes to global taxation and that could materially adversely affect our financial results, which could have a material adverse effect on our results of operations, financial condition and cash flows, as well as the trading price of our securities.

#### **Risks related to our Indebtedness**

***We have taken on significant debt, and the agreements that govern such debt contain various covenants that impose significant operating and financial restrictions on us, which may adversely affect our business.***

We have a substantial amount of indebtedness. We may not be able to refinance our indebtedness in the future (1) on commercially reasonable terms, (2) on terms, including with respect to interest rates, as favorable as our current debt or (3) at all.

Agreements that govern our indebtedness, including our credit agreement (as amended, the “2018 Coty Credit Agreement”), and the indentures governing our senior secured notes and our senior unsecured notes, impose significant operating and financial restrictions on our activities. These restrictions may limit or prohibit our ability and the ability of our restricted subsidiaries to, among other things:

- incur indebtedness or grant liens on our property;
- dispose of assets or equity;
- make acquisitions or investments;
- make dividends, distributions or other restricted payments;
- effect affiliate transactions;
- enter into sale and leaseback transactions; and
- enter into mergers, consolidations or sales of substantially all of our assets and the assets of our subsidiaries.

In addition, we are required to maintain certain financial ratios calculated pursuant to a financial maintenance covenant under the 2018 Coty Credit Agreement on a quarterly basis. For a further description of the 2018 Coty Credit Agreement and the covenants thereunder please refer to Note 15, “Debt” in the notes to our Consolidated Financial Statements.

Our debt burden and the restrictions in the agreements that govern our debt could have important consequences, including increasing our vulnerability to general adverse economic and industry conditions; limiting our flexibility in planning for, or reacting to, changes in our business and our industry; requiring the dedication of a substantial portion of any cash flow from operations and capital investments to the payment of principal of, and interest on, our indebtedness, thereby reducing the availability of such cash flow to fund our operations, turnaround strategy, working capital, capital expenditures, future business opportunities and other general corporate purposes; exposing us to the risk of increased interest rates with respect to any borrowings that are at variable rates of interest; restricting us from making strategic acquisitions or causing us to make non-strategic divestitures; limiting our ability to obtain additional financing for working capital, capital expenditures, research and development, debt service requirements, acquisitions and general corporate or other purposes; limiting our ability to adjust to changing market conditions; limiting our ability to take advantage of financing and other corporate opportunities; and placing us at a competitive disadvantage relative to our competitors who are less highly leveraged. Moreover, a material breach of the 2018 Coty Credit Agreement could result in the acceleration of all obligations outstanding under that agreement.

***Our ability to service and repay our indebtedness will be dependent on the cash flow generated by our subsidiaries and events beyond our control.***

Prevailing economic conditions and financial, business and other factors, many of which are beyond our control, may affect our ability to make payments on our debt and comply with other requirements under the 2018 Coty Credit Agreement and to meet our deleveraging objectives. In particular, due to the seasonal nature of the beauty industry, with the highest levels of consumer demand generally occurring during the holiday buying season in our second fiscal quarter, our subsidiaries’ cash flow in the second half of the fiscal year may be less than in the first half of the fiscal year, which may affect our ability to satisfy our debt service obligations, including to service our senior secured notes, senior unsecured notes and the 2018 Coty Credit Agreement, and to meet our deleveraging objectives. If we do not generate sufficient cash flow to satisfy our covenants and debt service obligations, including payments on our senior secured notes, senior unsecured notes and under the 2018 Coty Credit Agreement, we may have to undertake additional cost reduction measures or alternative financing plans, such as refinancing or restructuring our debt; selling assets; reducing or delaying capital investments; modifying terms of agreements,

including timing of payments, with vendors, customers, and other third parties; or seeking to raise additional capital. The terms of the indentures governing our senior secured notes and senior unsecured notes, the 2018 Coty Credit Agreement or any existing debt instruments or future debt instruments that we may enter into may restrict us from adopting some of these alternatives. Our ability to restructure or refinance our debt will depend on the capital markets and other macroeconomic conditions and our financial condition at such time. Recent refinancings of our debt have resulted, and future refinancings or modifications of our debt could result, in higher interest rates and may require us to comply with more onerous covenants or reduce our borrowing capacity, which could further restrict our business operations. For example, the refinancing of certain portions of our debt in 2021 resulted in higher interest rates applicable to the newly issued senior secured notes, in part due to prevailing macroeconomic conditions and a decline in our credit ratings since our previous refinancing transactions in 2018. The inability of our subsidiaries to generate sufficient cash flow to satisfy our covenants and debt service obligations, including the inability to service our senior secured notes, senior unsecured notes and the 2018 Coty Credit Agreement, or to refinance our obligations on commercially reasonable terms, could have a material adverse effect on our business, financial condition, results of operations, profitability, cash flows or liquidity, as well as the trading price of our securities, and may impact our ability to satisfy our obligations in respect of our senior secured notes, senior unsecured notes and the 2018 Coty Credit Agreement.

***Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase.***

Borrowings under the 2018 Coty Credit Agreement are at variable rates of interest and expose us to interest rate risk. In the past year, inflation and other factors have resulted in an increase in interest rates generally, which has impacted our borrowing costs. If interest rates were to continue to increase, our debt service obligations on the variable rate indebtedness referred to above would increase even if the principal amount borrowed remained the same, and our net income and cash flows will correspondingly decrease. We are currently party to, and in the future, we may enter into additional, interest rate swaps that involve the exchange of floating for fixed rate interest payments, in order to reduce interest rate volatility. However, we may not maintain interest rate swaps with respect to all of our variable rate indebtedness, and any swaps we enter into may not fully mitigate our interest rate risk.

In addition, we have amended our 2018 Credit Agreement to allow us to reference the Secured Overnight Financing Rate (“SOFR”) as the primary benchmark rate for our variable rate indebtedness, in lieu of the London Interbank Offered Rate (“LIBOR”). SOFR is a relatively new reference rate and with a limited history, and changes in SOFR have, on occasion, been more volatile than changes in other benchmark or market rates. As a result, the amount of interest we may pay on our variable rate indebtedness is difficult to predict.

**Risks related to Macroeconomic Conditions and Market Risks**

***We must successfully manage the impact of a general economic downturn, credit constriction, uncertainty in global economic or political conditions or other global events or a sudden disruption in business conditions which may affect consumer spending, global supply chain conditions and inflationary pressures and adversely affect our financial results.***

Global events may impact our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities, and, as demonstrated by the impacts of COVID-19 and the war in Ukraine, such events can evolve rapidly and cause significant and pervasive disruptions to global economic and business conditions. We operate in an environment of slow overall growth in the segments and geographies in which we compete with increasing competitive pressure and changing consumer preferences, and global economic activity has been in decline as a result of higher levels of unemployment, unprecedented levels of inflation, recessionary conditions and geopolitical conditions including the war in Ukraine and the ongoing effects of COVID-19. While prestige fragrances and skin care categories have experienced strong growth, declines in the retail mass color cosmetics, mass nail and mass fragrance categories in the U.S. and certain key markets in Western Europe continue to impact our business and financial results. Deterioration of social or economic conditions in Europe or elsewhere could reduce sales and could also impair collections on accounts receivable. For example, political and economic developments in the U.S., the U.K., Europe, Brazil and China have introduced uncertainty in the regulatory and business environment in which we operate (including potential increases in tariffs). These political and economic developments have resulted and could continue to result in changes to legislation or reformation of government policies, rules and regulations pertaining to trade. Such changes could have a significant impact on our business by increasing the cost of doing business, affecting our ability to sell our products and negatively impacting our profitability.

Abrupt political change, terrorist activity, and armed conflict, such as the ongoing war in Ukraine and any escalation or expansion thereof, pose a risk of further general economic disruption in affected regions. Geopolitical change may result in changing regulatory systems and requirements and market interventions that could impact our operating strategies, access to national, regional and global markets (due to sanctions or otherwise), hiring, and profitability. For example, changes in the regulatory environment in China or geopolitical tensions impacting trade or operations in China could impact our growth strategy. Any of these changes may negatively impact our revenues.

In addition, our sales are affected by the overall level of consumer spending. The general level of consumer spending is affected by a number of factors, including general economic conditions (including potential recessions in one or more

significant economies), inflation, interest rates, government policies that affect consumers (such as those relating to medical insurance or income tax), energy costs and consumer confidence, each of which is beyond our control. Consumer purchases of discretionary and other items and services, including beauty products, tend to decline during recessionary periods, periods of high inflation and otherwise weak economic environments, when disposable income is lower. A decline in consumer spending would likely have a negative impact on our direct sales and could cause financial difficulties at our retailer and other customers. If consumer purchases decrease, we may not be able to generate enough cash flow to meet our debt obligations and other commitments and may need to refinance our debt, dispose of assets or issue equity to raise necessary funds. We cannot predict whether we would be able to undertake any of these actions to raise funds on a timely basis or on satisfactory terms or at all. The financial difficulties of a customer or retailer could also cause us to curtail or eliminate business with that customer or retailer. We may also decide to assume more credit risk relating to the receivables from our customers or retailers, which increases the possibility of late or non-payment of receivables. Our inability to collect receivables from a significant retailer or customer, or from a group of these customers, could have a material adverse effect on our business, prospects, results of operations, financial condition, results of operations, cash flows, as well as the trading price of our securities. If a retailer or customer were to go into liquidation, we could incur additional costs if we choose to purchase the retailer's or customer's inventory of our products to protect brand equity. These risks have been, and may continue to be, amplified by COVID-19, the war in Ukraine and related geopolitical conditions.

***The COVID-19 pandemic has had, and could continue to have, a negative impact on our business, financial condition, results of operations and cash flows.***

The COVID-19 pandemic and the actions taken by governments and third-parties in response have had, and continue to have, evolving and unpredictable impacts on global economies, financial markets and business practices. A resurgence of COVID-19, including any variants of the virus, or the outbreak of another pandemic, epidemic or infectious disease in one or more of the countries where we operate or our customers are located could result in varied government and third-party actions relating to, among other things, quarantines, facility closures, store closures or social distancing, resulting in further volatility and disparity in our results and operations across geographies and creating challenges for our ability to forecast demand. Our business has been, and may continue to be, negatively impacted by the COVID-19 pandemic in such countries. These impacts include, but are not limited to:

- Reductions in demand or volatility in demand for one or more of our products, which, if prolonged, can further increase the difficulty of operating our business, including accurately planning and forecasting, and may adversely impact our results;
- Inability to meet our customers' needs and achieve costs targets due to disruptions in our manufacturing and supply arrangements caused by the loss or disruption of essential manufacturing and supply elements such as raw materials or other finished product components, transportation, workforce, or other manufacturing and distribution capability;
- Failure of third parties on which we rely, including our suppliers, our customers, contract manufacturers, distributors, contractors, commercial banks, joint venture partners and external business partners, to meet their obligations to us or to timely meet those obligations, or significant disruptions in their ability to do so, which may be caused by their own financial or operational difficulties and may adversely impact our operations; or
- Significant changes in the political conditions in markets in which we manufacture, sell or distribute our products, including government or third-party actions that limit or close our operating and manufacturing facilities or otherwise prevent consumers from having access to our products, restrict our employees' ability to travel or perform necessary business functions or otherwise prevent our third-party partners, suppliers, or customers from sufficiently staffing operations, including operations necessary for the production, distribution, sale, and support of our products, which could adversely impact our results.

These impacts have had, and could continue to have, a negative impact on our business, financial condition, results of operations and cash flows, as well as the trading price of our securities, and the duration and extent to which our future results of operations and overall financial performance may be impacted cannot be determined. Despite our ability to manage and remedy these impacts to the Company, their ultimate impact also depends on factors beyond our knowledge or control, including the duration and severity of any such disease outbreak, as well as the actions taken by governments or third-parties to contain its spread and mitigate its public health effects. For example, an increase of COVID-19 related cases in certain parts of China resulted in the re-imposition of widespread lockdowns and restrictions in mid-March 2022, which negatively impacted our results in China in the fourth quarter of fiscal 2022 due to reduced customer traffic and supply chain constraints. Ongoing impacts of COVID-19 have continued in China during fiscal 2023, and economic recovery in the region has been slower than predicted and may continue to be below pre-pandemic levels, which could adversely affect our strategy to expand our presence in China.



***Price inflation for labor, materials and services, further exacerbated by volatility in energy and commodity markets by the war in Ukraine, could adversely affect our business, results of operations and financial condition.***

We experienced considerable price inflation in costs for labor, materials and services during fiscal 2022. We may not be able to continue to pass through inflationary cost increases and, if inflationary pressures are sustained, we may only be able to recoup a portion of our increased costs in future periods. Our ability to raise prices to reflect increased costs may also be limited by competitive conditions in the market for our products. The war in Ukraine and prolonged geopolitical conflict globally may continue to result in increased price inflation, escalating energy and commodity prices and increasing costs of materials and services (together with shortages or inconsistent availability of materials and services), which may also have the effect of heightening many of our other risks, such as those relating to cyber security, supply chain disruption, volatility in prices and market conditions, our ability to forecast demand, and our ability to successfully implement our global business strategies, any of which could negatively affect our business, results of operations and financial condition.

***Volatility in the financial markets could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.***

While we currently generate significant cash flows from our ongoing operations and have access to global credit markets through our various financing activities, credit markets may experience significant disruptions. Deterioration in global financial markets, including as a result of global and regional economic conditions, COVID-19, the war in Ukraine and related geopolitical conditions, could make future financing difficult or more expensive. If any financial institutions that are parties to our credit facilities or other financing arrangements, such as interest rate or foreign currency exchange hedging instruments, were to declare bankruptcy or become insolvent, or experience other financial difficulty, they may be unable to perform under their agreements with us. In addition, the deterioration of the financial condition of any of the financial institutions that hold our short-term investments and cash deposits could negatively impact the value and liquidity of such investments and deposits. This could leave us with reduced borrowing capacity, could leave us unhedged against certain interest rate or foreign currency exposures or could reduce our access to our cash deposits, which could have an adverse impact on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Fluctuations in currency exchange rates may negatively impact our financial condition and results of operations.***

Exchange rate fluctuations have affected and may in the future affect our results of operations, financial condition, reported earnings, the value of our foreign assets, the relative prices at which we and foreign competitors sell products in the same markets and the cost of certain inventory and non-inventory items required by our operations. The currencies to which we are exposed include the euro, the British pound, the Chinese yuan, the Polish zloty, the Brazilian real, the Australian dollar and the Canadian dollar. The exchange rates between these currencies and the U.S. dollar in recent years have fluctuated significantly and may continue to do so in the future. A depreciation of these currencies against the U.S. dollar would decrease the U.S. dollar equivalent of the amounts derived from foreign operations reported in our consolidated financial statements and an appreciation of these currencies would result in a corresponding increase in such amounts. The cost of certain items, such as raw materials, transportation and freight, required by our operations may be affected by changes in the value of the various relevant currencies. To the extent that we are required to pay for goods or services in foreign currencies, the appreciation of such currencies against the U.S. dollar would tend to negatively impact our financial condition and results of operations. Our efforts to hedge certain exposures to foreign currency exchange rates arising in the ordinary course of business may not successfully hedge the effect of such fluctuations.

In addition, a portion of our borrowings under the 2018 Coty Credit Agreement and senior notes indentures are denominated in euros and expose us to currency exchange rate risk. We have entered into derivative transactions in order to reduce currency exchange rate volatility. However, we may not enter into or maintain such derivatives with respect to all of our euro-denominated indebtedness, and any derivative transactions we enter into may not fully mitigate our currency exchange rate risk.

#### **Legal and Regulatory Risks**

***We are subject to legal proceedings and legal compliance risks, including talc-related litigation alleging bodily injury.***

We are subject to a variety of legal proceedings and legal compliance risks in the countries in which we do business, including the matters described under the heading “Legal Proceedings” in Part I, Item 3 of this report. We are under the jurisdiction of regulators and other governmental authorities which may, in certain circumstances, lead to enforcement actions, changes in business practices, fines and penalties, the assertion of private litigation claims and damages. Some of these actions may also adversely impact our customer relationships, particularly to the extent customers were implicated by such proceedings. We are also subject to legal proceedings and legal compliance risks in connection with legacy matters involving the P&G Beauty Business, the Burberry fragrance business, Hypermarcas Brands, the Kylie Jenner business and the Kim Kardashian business that were previously outside our control and that we are now independently addressing, as well as retained liabilities relating to divested businesses, which may result in unanticipated or new liabilities. We also are involved in numerous lawsuits involving product liability issues, most involving allegations related to alleged asbestos in our talc-based cosmetic products, allegedly leading to mesothelioma. While we believe that we have valid defenses to these lawsuits, these risks will

continue to exist with respect to our business, and additional legal proceedings and other contingencies, the outcome and impact of which (including legal fees) cannot be predicted with certainty, will arise from time to time. In particular, the potential impact of talc-related litigation is highly uncertain, as nationwide trial results in similar cases filed against Coty and other manufacturers or retailers of cosmetic talc products have ranged from outright dismissals to very large settlements and jury awards of both compensatory and punitive damages. Additionally, our continued production and sale of talc-based cosmetic products could in the future subject us to additional legal claims related to the sale of one or more of our talc-based cosmetics products, including potential governmental inquiries, investigations, claims and consumer protection cases from state attorneys general. Any negative resolution of litigation to which we are subject to could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

As described under “Legal Proceedings” in this report, the consolidated class action lawsuit in connection with the Cottage Tender Offer and related Schedule 14D-9 has been resolved.

In addition, we are subject to pending tax assessment matters in Brazil relating to local sales tax credits for the 2016-2017 tax periods. Although we are seeking a favorable administrative decision on the related tax enforcement action, we may not be successful. See Note 26—Legal and Other Contingencies for more information regarding our potential tax obligations in Brazil.

***Changes in laws, regulations and policies that affect our business or products could adversely affect our business, financial condition, results of operations, cash flows, as well as the trading price of our securities.***

Our business is subject to numerous laws, regulations and policies. Changes in the laws (both foreign and domestic), regulations and policies, including the interpretation or enforcement thereof, that affect, or will affect, our business or products, including those related to intellectual property, marketing, antitrust and competition, product liability, restrictions or requirements related to product content or formulation, labeling and packaging (including end-of-product-life responsibility), corruption, the environment or climate change (including increasing focus on the climate, water and waste impacts of operations and products), immigration, privacy, data protection, taxes, tariffs, trade and customs (including, among others, import and export license requirements, sanctions, boycotts, quotas, trade barriers, and other measures imposed by U.S. and foreign countries), restrictions on foreign investment, the outcome and expense of legal or regulatory proceedings, and any action we may take as a result, and changes in accounting standards, could adversely affect our financial results as well as the trading price of our securities. For example, the Tax Act, enacted in 2017, introduced broad and complex changes to the U.S. tax laws that affect businesses operating internationally, and future tax law changes and regulatory, administrative or legislative guidance could adversely affect our financial results. See “—We are subject to risks related to our international operations”. In addition, increasing governmental and societal attention to environmental, social and governance matters, including expanding mandatory and voluntary reporting, diligence and disclosure on topics such as climate change, waste production, water usage, biodiversity, emerging technologies, human capital, labor, supply chain, and risk oversight, could expand the nature, scope and complexity of matters that we are required to control, assess and report. These and other rapidly changing laws, regulations, policies and related interpretations, as well as increased enforcement actions by various governmental and regulatory agencies, create challenges for us, including our compliance and ethics programs, may alter the environment in which we do business and may increase the ongoing costs of compliance, which could adversely impact our results of operations and cash flows. If we are unable to continue to meet these challenges and comply with all laws, regulations, policies and related interpretations, our reputation and our business results could be adversely impacted.

We are also subject to legal proceedings and legal compliance risks in connection with legacy matters related to acquired companies that were previously outside our control. Such matters may result in our incurring unanticipated costs that may negatively impact the financial contributions of such acquisitions at least in the periods in which such liability is incurred or require operational adjustments that affect our results of operations with respect to such investments. We may not have adequate or any insurance coverage for some of these legacy matters, including matters assumed in the acquisition of the P&G Beauty Business, the Hypermarchés Brands and the Burberry fragrance business, the joint venture with Kylie Jenner and the strategic partnership with Kim Kardashian. While we believe that we have adopted, and will adopt, appropriate risk management and compliance programs, the global nature of our operations and many laws and regulations to which we are subject mean that legal and compliance risks will continue to exist with respect to our business, and additional legal proceedings and other contingencies, the outcome of which cannot be predicted with certainty, will arise from time to time, which could adversely affect our business, prospects, financial condition, results of operations and cash flows, as well as the trading price of our securities.

***Our operations and acquisitions in certain foreign areas expose us to political, regulatory, economic and reputational risks.***

We operate on a global basis. Our employees, contractors and agents, business partners, joint ventures and joint venture partners and companies to which we outsource certain of our business operations, may take actions in violation of our compliance policies or applicable law. In addition, some of our acquisitions have required us to integrate non-U.S. companies that had not, until our acquisition, been subject to U.S. law or other laws to which we are subject.

In many countries, particularly in those with developing economies, it may be common for persons to engage in business practices prohibited by the laws and regulations applicable to us. In addition, certain countries have laws that differ with those in the US, including relating to competition and product distribution, with which US and other personnel may be unfamiliar, thereby increasing the risk of non-compliance. We continue to enhance our compliance program, including as a result of acquisitions and changes in the regulatory environment, but our compliance program may encounter problems or may not be effective in ensuring compliance.

Failure by us or our subsidiaries to comply with applicable laws or policies could subject us to civil and criminal penalties, cause us to be in breach of contract or damage to our or our licensors' reputation, each of which could materially and adversely affect our business, prospects, financial condition, cash flows, results of operations, as well as the trading price of our securities.

In addition, the U.S. has imposed and may impose additional sanctions at any time on countries where we sell our products. If so, our existing activities may be adversely affected, we may incur costs in order to come into compliance with future sanctions, depending on the nature of any further sanctions that may be imposed, or we may experience reputational harm and increased regulatory scrutiny. For example, in April 2022, following the imposition of additional sanctions against Russia and Russian interests in connection with the war in Ukraine, we announced our Board's decision to wind down the operations of our Russian subsidiary as a result of the war and the related sanctions. For a further discussion of the impact of the wind down, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview —Russia-Ukraine War."

We are subject to the interpretation and enforcement by governmental agencies of other foreign laws, rules, regulations or policies, including any changes thereto, such as restrictions on trade, import and export license requirements, and tariffs and taxes (including assessments and disputes related thereto), which may require us to adjust our operations in certain areas where we do business. We face legal and regulatory risks in the U.S. and abroad and, in particular, cannot predict with certainty the outcome of various contingencies or the impact that pending or future legislative and regulatory changes may have on our business. It is not possible to gauge what any final regulation may provide, its effective date or its impact at this time. These risks could have a material adverse effect on our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

***Our employees or others may engage in misconduct or other improper activities including noncompliance with regulatory standards and regulatory requirements.***

We are exposed to the risk of fraud or other misconduct by our personnel or third parties such as independent contractors, agents or influencers. Misconduct by employees, independent contractors, influencers or agents could include inadvertent or intentional failures to comply with the laws and regulations to which we are subject or with our policies, provide accurate information to regulatory authorities, comply with ethical, social, product, labor and environmental standards, comply with fraud and abuse laws and regulations, report financial information or data accurately, or disclose unauthorized activities to us. In particular, our business is subject to laws, regulations and policies intended to prevent fraud, kickbacks, self-dealing, resale price maintenance and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs, and other business arrangements. Our current and former employees, influencers or independent contractors may also become subject to allegations of sexual harassment, racial and gender discrimination or other similar misconduct, which, regardless of the ultimate outcome, may result in adverse publicity that could significantly harm our company's brand, reputation and operations. Employee misconduct could also involve improper use of information obtained in the course of the employee's prior or current employment, which could result in legal or regulatory action and serious harm to our reputation.

***Violations of our prohibition on harassment, sexual or otherwise, could result in liabilities and/or litigation.***

We prohibit harassment or discrimination in the workplace, in sexual or in any other form. This policy applies to all aspects of employment. Notwithstanding our conducting training and taking disciplinary action against alleged violations, we may encounter additional costs from claims made and/or legal proceedings brought against us, and, regardless of the ultimate outcome, we could suffer reputational harm.

***If the Distribution (as defined below) or the acquisition of the P&G Beauty Business does not qualify for its intended tax treatment, in certain circumstances we are required to indemnify P&G for resulting tax-related losses under the tax matters agreement entered into in connection with the acquisition of the P&G Beauty Business dated October 1, 2016 (the "Tax Matters Agreement").***

In connection with the closing of the acquisition of the P&G Beauty Business on October 1, 2016, we and P&G received written opinions from special tax counsel regarding the intended tax treatment of the merger, and The Procter & Gamble Company ("P&G") received an additional written opinion from special tax counsel regarding the intended tax treatment of the distribution by P&G of its shares of Galleria Co. ("Galleria") common stock to P&G shareholders by way of an exchange offer (the "Distribution"). The opinions were based on, among other things, certain assumptions and representations as to factual

matters and certain covenants made by us, P&G, Galleria and Green Acquisition Sub Inc. The opinions are not binding on the Internal Revenue Service (“IRS”) or a court, and the IRS or a court may not agree with the opinions.

Under the Tax Matters Agreement, in certain circumstances and subject to certain limitations, we are required to indemnify P&G against tax-related losses (e.g., increased taxes, penalties and interest required to be paid by P&G) if the Distribution or the merger fails to qualify for its intended tax treatment, including if the Distribution becomes taxable to P&G as a result of the acquisition of a 50% or greater interest (by vote or value) in us as part of a plan or series of related transactions that included the Distribution or if such failure is attributable to a breach of certain representations and warranties by us or certain actions or omissions by us. If we are required to indemnify P&G in the event of a taxable Distribution, this indemnification obligation would be substantial and could have a material adverse effect on us, including with respect to our financial condition and results of operations.

### **Risks Related to Ownership of Our Common Stock**

#### ***We are subject to risks related to our common stock and our stock repurchase program.***

Any repurchases pursuant to our stock repurchase program, or a decision to discontinue our stock repurchase program, which may be discontinued at any time, could affect our stock price and increase volatility. In addition, the timing and actual number of any shares repurchased will depend on a variety of factors including the timing of open trading windows, price, corporate and regulatory requirements, an assessment by management and our board of directors of cash availability, capital allocation priorities, including deleveraging, and other market conditions. In addition, we have entered into forward repurchase transactions to begin hedging for a potential \$200 million repurchase under our stock repurchase program currently planned for 2024 and an additional potential \$196 million repurchase planned for 2025. These forward repurchase transactions expose us to additional risks related to the price of our common stock, including a potential true-up in cash upon specified changes in the price of our common stock.

***JAB Cosmetics B.V. (“JABC”) and its affiliates beneficially own approximately 53% of the fully diluted shares of our Class A Common Stock and, as such, have the ability to effect certain decisions requiring stockholder approval, which may be inconsistent with the interests of our other stockholders.***

As a result of the completion of the Cottage Tender Offer in May 2019, JABC, through an affiliate, JAB Beauty B.V., owns approximately 53% of the outstanding shares of our Class A Common Stock. As a result, JABC has the ability to exercise control over certain decisions requiring stockholder approval, including the election of directors, amendments to our certificate of incorporation and approval of significant corporate transactions, such as a merger or other sale of the Company or our assets. In addition, several of the members of our Board of Directors are affiliated with JABC. Accordingly, JAB has significant influence over us and our decisions, including the appointment of management and any other action requiring a vote of our Board of Directors. In addition, this concentration of ownership may have the effect of delaying, preventing or deterring a change in control of us and may negatively affect the market price of our stock.

JABC’s interests may be different from or conflict with our interests or the interests of our other stockholders. JABC and its affiliates are in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete indirectly with us. JABC or its affiliates may also pursue acquisition opportunities that are complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, JABC’s obligations under its credit facility may cause JABC to take actions which may be inconsistent with your interests. Accordingly, the interests of JABC may not always coincide with our interests or the interests of other stockholders, and JABC may seek to cause us to take courses of action that, in its judgment, could enhance its investment in the Company but which might involve risks to our other stockholders or adversely affect us or our other stockholders.

***We are a “controlled company” within the meaning of the New York Stock Exchange rules and, as a result, are entitled to rely on exemptions from certain corporate governance requirements that are designed to provide protection to stockholders of companies that are not “controlled companies”.***

For so long as JABC and its affiliates own more than 50% of the total voting power of our common shares, we are a “controlled company” within the meaning of the New York Stock Exchange (“NYSE”) corporate governance standards. As a controlled company, we are exempt under the NYSE standards from the obligation to comply with certain NYSE corporate governance requirements, including the requirements:

- that a majority of our board of directors consists of independent directors;
- that we have a nominating committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and

- that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

If we elect to rely on the controlled company exemptions, the procedures for approving significant corporate decisions could be determined by directors who have a direct or indirect interest in such decisions, and our stockholders would not have the same protections afforded to stockholders of other companies that are required to comply with all of the independence rules of the NYSE.

***The dual-listing of our Class A Common Stock on the NYSE and on Euronext Paris's Professional Segment may adversely affect the liquidity and value of our Class A Common Stock.***

We have announced our intention to apply to list our Class A Common Stock on Euronext Paris's Professional Segment. While the dual-listing of our Class A Common Stock is intended to promote additional liquidity for investors and provide greater access to our Class A Common Stock among investors in Europe who may be required to invest in Eurozone markets or certain currencies only, we cannot predict the effect of this dual-listing on the value of our Class A Common Stock on the NYSE and Euronext Paris's Professional Segment. To the contrary, the dual-listing of our Class A Common Stock may dilute the liquidity of these securities in one or both markets and may adversely affect the development of an active trading market for Class A Common Stock on Euronext Paris's Professional Segment. The price of our Class A Common Stock listed on Euronext Paris's Professional Segment could also be adversely affected by trading in our Class A Common Stock on the NYSE. In addition, currency fluctuations between the Euro and U.S. dollar may have an adverse impact on the value of our Class A Common Stock traded on Euronext Paris's Professional Segment.

Upon the completion of the dual-listing, it is expected that there will be, at least initially, limited liquidity on the Euronext Paris market insofar as the probability is very low that a counterparty for a transaction in euros will arise. As of the date of this Annual Report, we have not appointed any market maker on the Euronext Paris market but may do so in the future. On this basis, the liquidity of our Class A Common Stock traded on Euronext Paris may be uncertain and investors on the Euronext Paris market may need to assess their ability to adjust the size of their position given the then trading liquidity prior to investing in our securities.

**Item 1B. Unresolved Staff Comments.**

None.

**Item 2. Properties.**

We occupy numerous offices, manufacturing, distribution and research and development facilities in the U.S. and abroad. Our principal executive offices are located in New York, U.S. Division corporate headquarters are located in New York, U.S., Amsterdam, Netherlands, and Singapore.

We consider our properties to be generally in good condition and believe that our facilities are adequate for our operations and provide sufficient capacity to meet anticipated requirements. The following table sets forth our principal owned and leased corporate, manufacturing and research and development facilities as of June 30, 2023. The leases expire at various times subject to certain renewal options at our option.

Location/Facility	Use	Segment
Amsterdam, Netherlands (leased)	Corporate	Corporate
New York, New York, U.S. (leased)	Corporate/Commercial	Corporate / Consumer Beauty
Paris, France (3 locations) (leased)	Corporate/Commercial	Corporate / Prestige
Singapore, Singapore (leased)	Corporate/Commercial	Corporate
Ashford, England (land leased, building owned)	Manufacturing	Consumer Beauty
Chartres, France (owned)	Manufacturing	Prestige
Granollers, Spain (owned)	Manufacturing	Prestige
Hunt Valley, U.S. (owned)	Manufacturing	Consumer Beauty
Monaco, Monaco (leased)	Manufacturing /R&D	Prestige
Sanford, North Carolina, U.S. (owned)	Manufacturing	Prestige
Senador Canedo, Brazil (owned)	Manufacturing	Consumer Beauty
Wujiang, China (owned)	Manufacturing	Consumer Beauty
Morris Plains, New Jersey, U.S. (leased)	R&D	All segments

**Item 3. Legal Proceedings.**

For information on our legal matters, see Note 26—Legal and Other Contingencies in the notes to our Consolidated Financial Statements.

**PART II****Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.****Common Stock**

Our common stock is listed on the New York Stock Exchange under the symbol "COTY."

**Stockholders of Record**

As of June 30, 2023 there were 690 stockholders of record of our Class A Common Stock. The actual number of stockholders is greater than this number of record holders, and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers and other nominees. This number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

**Dividend Policy**

On April 29, 2020, our Board of Directors suspended the payment of dividends on our common stock, in accordance with our 2018 Coty Credit Agreement, as amended. As we focus on preserving cash, we have continued to suspend the payment of Common Stock dividends. Any determination to pay dividends on our common stock in the future will be at the discretion of our Board of Directors and is subject to the restrictions under the terms of the Convertible Series B Preferred Stock described below.

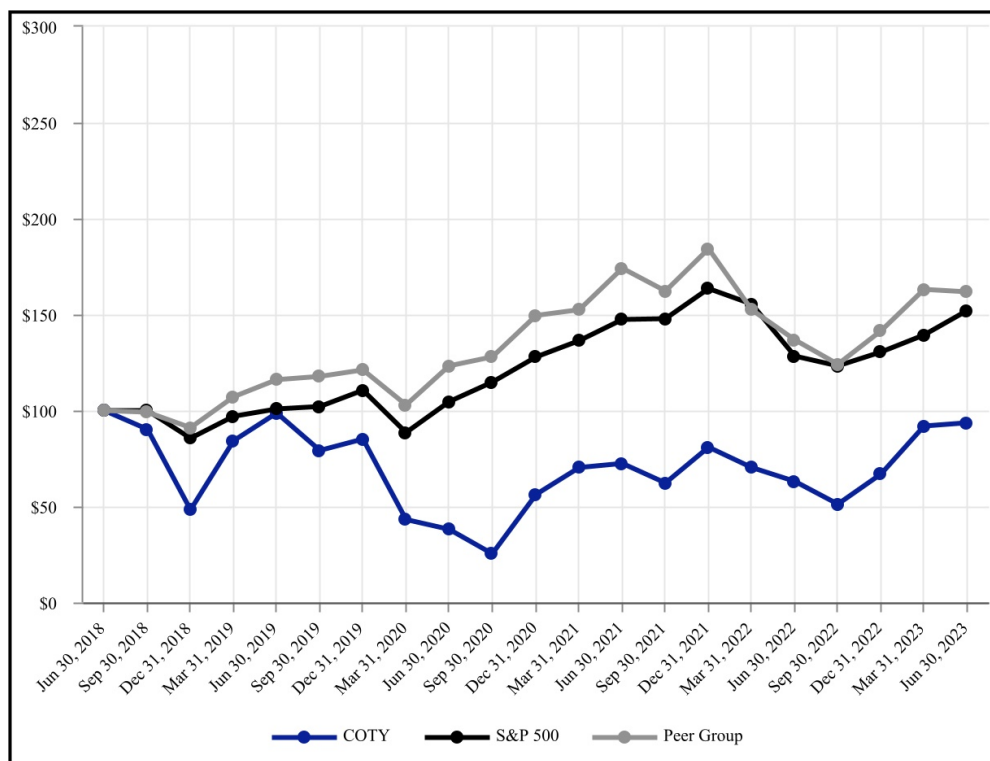
Dividends on the Convertible Series B Preferred Stock are payable in cash, or by increasing the amount of accrued dividends on Convertible Series B Preferred Stock, or any combination thereof, at the sole discretion of the Company. After the expiration of applicable restrictions under the 2018 Coty Credit Agreement, as amended, we began to pay dividends on the Convertible Series B Preferred Stock in cash for the period ending June 30, 2021, and we expect to continue to pay such dividends in cash on a quarterly basis, subject to the declaration thereof by our Board of Directors. The terms of the Convertible Series B Preferred Stock restrict our ability to declare cash dividends on our common stock until all accrued dividends on the Convertible Series B Preferred Stock have been declared and paid in cash.

Furthermore, we are required to comply with certain covenants contained within the agreements that govern our indebtedness, including our credit agreements and the indentures relating to our senior secured notes and our senior unsecured notes. These agreements contain customary representations and warranties as well as customary affirmative and negative covenants, including but not limited to, restrictions on incurrence of additional debt, liens, dividends and other restricted payments, asset sales, investments, mergers, acquisitions and affiliate transactions. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Financial Condition—Liquidity and Capital Resources—Debt" and Note 15—Debt in the notes to our Consolidated Financial Statements.

## Market Performance Graph

### Comparison of 5 Year Cumulative Total Return <sup>(a)</sup>

Coty Inc., The S&P 500 Index, and Fiscal 2023 Peer Group <sup>(b)</sup>



<sup>(a)</sup> Total return assumes reinvestment of dividends at the closing price at the end of each quarter, since June 30, 2018.

<sup>(b)</sup> The Peer Group includes L'Oréal S.A., Inc., Estée Lauder Companies, Inc., Beiersdorf AG, Shiseido Company, Limited and Inter Parfums Inc. We added Beiersdorf AG to our peer group to replace Revlon, Inc. following its delisting from the New York Stock Exchange.

The Market Performance Graph above assumes a \$100.00 investment on June 30, 2018, in Coty Inc.'s common stock, the S&P 500 Index and the Peer Group. The dollar amounts indicated in the graph above are as of the last trading day in the quarter. The returns of each company in the Peer Group have been weighted according to their respective stock market capitalization at the beginning of the measurement period for purposes of arriving at a Peer Group average.

## Equity Compensation Plan Information

Plan Category	(1) Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans <sup>(e)</sup> (excluding securities reflected in column(1))
Equity compensation plans approved by security holders			
Options <sup>(a)</sup>	5,084,137	\$ 13.06	
Restricted Stock Units <sup>(a)</sup>	33,932,994	N/A	
Performance Restricted Stock Units <sup>(f)</sup>	11,640,282	N/A	
Subtotal	50,657,413	—	35,856,976
Equity compensation plans not approved by security holders			
Series A Preferred Stock <sup>(b)(c)</sup>	1,000,000	\$ 22.39	
Phantom Units <sup>(d)</sup>	349,432	N/A	
Subtotal	1,349,432	—	—
Total	52,006,845		35,507,544

N/A is not applicable

<sup>(a)</sup> For information about Options and Restricted Stock Units, see Note 24—Share-Based Compensation Plans in the notes to our Consolidated Financial Statements.

<sup>(b)</sup> Upon vesting of the Series A Preferred Stock, the recipient receives, in cash or shares, at our sole election, the fair market value of our Class A Common Stock on the vest date of the Series A Preferred Stock less the sum of the fair market value of our Class A Common Stock on the original issue date of the Series A Preferred Stock and a hurdle price specified in the recipient's subscription agreement. As such, the benefit provided under the Series A Preferred Stock will always be based solely on the increase in value of our Class A Common Stock after the date of grant and the Series A Preferred Stock will not have any value to the participant until the value of our Class A Common Stock exceeds the value of such shares on the date of grant plus the specified hurdle.

<sup>(c)</sup> On March 27, 2017, the Board approved an award of 1,000,000 shares of Series A Preferred Stock, par value \$0.01 per share, to Lambertus J.H. Becht in his capacity as a non-employee director to compensate him for services performed in connection with closing the P&G Beauty Business transaction, aiding with the transition of the new chief executive officer into his role and integrating the P&G Beauty Business.

<sup>(d)</sup> On December 1, 2014, the Board granted Lambertus J.H. Becht an award of 49,432 phantom units (the "December Grant"). On July 21, 2015, the Board granted to Mr. Becht an award of 300,000 phantom units (the "July Grant"). Both the December Grant and July Grant to Mr. Becht were outside of the Company's Equity and Long-Term Incentive Plan. Each phantom unit has an economic value equivalent to one share of the Company's Class A Common Stock. The phantom units vested on the fifth anniversary of the grant date. Mr. Becht elected to receive payment in respect of the December Grant and the July Grant in shares of Class A Common Stock.

<sup>(e)</sup> Reflects number of securities remaining available for future issuance under equity compensation plans, excluding share reserves related to terminated equity plans.

<sup>(f)</sup> Performance Restricted Stock Units are subject to the achievement of performance objectives and continued employment through vesting date.

## Issuer Purchases of Equity Securities

No shares of Class A Common Stock were repurchased during the fiscal years ended June 30, 2023 and 2022.



## Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the financial condition and results of operations of Coty Inc. and its consolidated subsidiaries, should be read in conjunction with the information contained in the Consolidated Financial Statements and related notes included elsewhere in this document. When used in this discussion, the terms "Coty," the "Company," "we," "our," or "us" mean, unless the context otherwise indicates, Coty Inc. and its majority and wholly-owned subsidiaries. The following discussion contains forward-looking statements. See "Forward-Looking Statements" and "Risk Factors" for a discussion on the uncertainties, risks and assumptions associated with these statements as well as any updates to such discussion as may be included in subsequent reports we file with the SEC. Actual results may differ materially and adversely from those contained in any forward-looking statements. The following discussion includes certain non-GAAP financial measures. See "Overview—Non-GAAP Financial Measures" for a discussion of non-GAAP financial measures and how they are calculated.

All dollar amounts in the following discussion are in millions of United States ("U.S.") dollars, unless otherwise indicated.

### OVERVIEW

We are one of the world's largest beauty companies, with an iconic portfolio of brands across fragrance, color cosmetics, and skin and body care. We continue to make progress on our strategic priorities, including stabilizing and growing our Consumer Beauty brands through leading innovation and improved execution, accelerating our Prestige fragrance business and ongoing expansion into Prestige cosmetics, building a comprehensive skincare portfolio leveraging existing brands, enhancing our e-commerce and Direct-to-Consumer ("DTC") capabilities, expanding our presence in China and travel retail through Prestige products and select Consumer Beauty brands, and establishing Coty as an industry leader in sustainability. Our brands empower people to express themselves freely, creating their own visions of beauty; and we are committed to making a positive impact on the planet.

We remain attentive to economic and geopolitical conditions that may materially impact our business. We continue to explore and implement risk mitigation strategies in the face of these unfolding conditions and remain agile in adapting to changing circumstances. Such conditions, including risks and uncertainties associated with the economy in China and the broader global economy, global inflation, and resulting impacts from the conflict between Russia and Ukraine, have or may have global implications that may impact the future performance and growth of our business in unpredictable ways.

Our operations outside of the United States account for a significant portion of our revenues and expenses. As a result, a substantial portion of our total revenue and expenses are denominated in currencies other than the U.S. dollar. Exchange rates between certain of these currencies and the U.S. dollar have fluctuated significantly and may continue to do so in the future.

Our revenues grew across both divisions in fiscal 2023 and benefited from price increases across our product portfolio despite stable year-over-year sales volumes and market share declines across certain major product categories. Fluctuations in foreign exchange rates may have a significant impact our operating results. During fiscal 2023, fluctuations in the U.S. dollar relative to certain other foreign currencies – such as the euro and British pound – reduced our reported revenue and expenses, such as those expenses principally related to cost of sales, fixed costs, and advertising and consumer promotional costs. Refer to Part I, Item 1A under the heading "Risk Factors" for a discussion of these factors and other risks.

We expect that our net revenue for fiscal year 2024 will grow in the mid-to-high single digits versus the prior year, excluding the impact of foreign exchange and the early termination of the *Lacoste* fragrance license.

#### *Global Supply Chain Challenges*

We experienced global supply chain challenges resulting from industry-wide component shortages and transportation delays. These challenges have negatively impacted order fill rates across our product categories, particularly prestige fragrances where there has been demand growth, especially in North America and certain European countries.

In the second half of fiscal 2023 we saw sequential quarterly improvements in our order fill rates on a company-wide basis and continue to take steps to improve order fill rates and mitigate the impact of these constraints, including working closely with our suppliers to ensure the availability of components such as glass and metal, and building our inventory levels to meet demand. We expect to sustain the progress made this fiscal year, into the first quarter of fiscal 2024, or make incremental improvements to our order fill rates on a divisional and company-wide basis.

#### *Inflation*

Inflationary trends in certain markets and global supply chain challenges may negatively affect our sales and operating performance. We experienced the impact of inflation on material, logistical and other costs during fiscal 2023. We will continue to implement mitigation strategies and price increases to offset these trends; however, such measures may not fully offset the impact to our operating performance.

#### *Russia-Ukraine War*

We recognized total pre-tax gains of \$17.0 in fiscal year 2023 related to our market exit of Russia primarily related to a bad debt accrual release due to better than expected collections. We also recognized \$0.4 of income tax benefits. We anticipate that we will incur an immaterial amount of additional costs through completion of the wind down. Additionally, we anticipate derecognizing the cumulative translation adjustment balance pertaining to the Russian subsidiary. We have substantially completed our commercial activities in Russia. However, we anticipate that the process related to the liquidation of the Russian legal entity will take an extended period of time.

Selected Financial Data

(in millions, except per share data)	Year Ended June 30,		
	2023	2022	2021
Net revenues	\$ 5,554.1	\$ 5,304.4	\$ 4,629.9
Gross profit	3,547.3	3,369.2	2,768.2
Restructuring costs	(6.5)	(6.5)	63.6
Acquisition- and divestiture-related costs	—	14.7	138.8
Asset impairment charges	—	31.4	—
Operating income (loss)	543.7	240.9	(48.6)
Interest expense, net	257.9	224.0	235.1
Other Income, net	(419.0)	(409.9)	(43.9)
Income (loss) from continuing operations before income taxes	704.8	426.8	(239.8)
Provision (benefit) for income taxes on continuing operations	181.6	164.8	(172.0)
Net income (loss) from continuing operations	523.2	262.0	(67.8)
Net income (loss) from discontinued operations	—	5.7	(137.3)
Net income (loss)	523.2	267.7	(205.1)
Net income (loss) attributable to Coty Inc.	\$ 508.2	\$ 259.5	\$ (201.3)

**Amounts attributable to Coty Inc.:**

Net income (loss) from continuing operations attributable to common stockholders	\$ 495.0	\$ 55.5	\$ (166.3)
Net income (loss) from continuing operations attributable to common stockholders	\$ 495.0	\$ 61.2	\$ (303.6)

**Per Share Data:**

Net income (loss) attributable to Coty Inc. per common share:

Basic income (loss) from continuing operations	\$ 0.58	\$ 0.07	\$ (0.22)
Basic income (loss) for Coty Inc.	\$ 0.58	\$ 0.08	\$ (0.40)
Diluted income (loss) from continuing operations	\$ 0.57	\$ 0.07	\$ (0.22)
Diluted income (loss) for Coty Inc.	\$ 0.57	\$ 0.08	\$ (0.40)

**Weighted-average common shares**

Basic	849.0	820.6	764.8
Diluted	886.5	834.1	764.8

(in millions)	Year Ended June 30,		
	2023	2022	2021
<b>Consolidated Statements of Cash Flows Data:</b>			
Net cash provided by operating activities	\$ 625.7	\$ 726.6	\$ 318.7
Net cash (used in) provided by investing activities	(118.2)	269.7	2,441.9
Net cash (used in) financing activities	(469.3)	(1,034.0)	(2,795.1)

(in millions)	As of June 30,		
	2023	2022	2021
<b>Consolidated Balance Sheets Data:</b>			
Cash and cash equivalents	\$ 246.9	\$ 233.3	\$ 253.5
Total assets	12,661.6	12,116.1	13,691.4
Total debt, net of discount	4,265.9	4,473.9	5,476.9
Total Coty Inc. stockholders' equity	3,811.1	3,154.5	2,860.7

### *Non-GAAP Financial Measures*

To supplement the financial measures prepared in accordance with GAAP, we use non-GAAP financial measures for continuing operations and Coty Inc. including Adjusted operating income (loss), Adjusted EBITDA, Adjusted net income (loss), and Adjusted net income (loss) attributable to Coty Inc. to common stockholders (collectively, the “Adjusted Performance Measures”). The reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are shown in tables below. These non-GAAP financial measures should not be considered in isolation from, or as a substitute for or superior to, financial measures reported in accordance with GAAP. Moreover, these non-GAAP financial measures have limitations in that they do not reflect all the items associated with the operations of the business as determined in accordance with GAAP. Other companies, including companies in the beauty industry, may calculate similarly titled non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

Despite the limitations of these non-GAAP financial measures, our management uses the Adjusted Performance Measures as key metrics in the evaluation of our performance and annual budgets and to benchmark performance of our business against our competitors. The following are examples of how these Adjusted Performance Measures are utilized by our management:

- strategic plans and annual budgets are prepared using the Adjusted Performance Measures;
- senior management receives a monthly analysis comparing budget to actual operating results that is prepared using the Adjusted Performance Measures; and
- senior management’s annual compensation is calculated, in part, by using some of the Adjusted Performance Measures.

In addition, our financial covenant compliance calculations under our debt agreements are substantially derived from these Adjusted Performance Measures.

Our management believes that Adjusted Performance Measures are useful to investors in their assessment of our operating performance and the valuation of the Company. In addition, these non-GAAP financial measures address questions we routinely receive from analysts and investors and, in order to ensure that all investors have access to the same data, our management has determined that it is appropriate to make this data available to all investors. The Adjusted Performance Measures exclude the impact of certain items (as further described below) and provide supplemental information regarding our operating performance. By disclosing these non-GAAP financial measures, our management intends to provide investors with a supplemental comparison of our operating results and trends for the periods presented. Our management believes these measures are also useful to investors as such measures allow investors to evaluate our performance using the same metrics that our management uses to evaluate past performance and prospects for future performance. We provide disclosure of the effects of these non-GAAP financial measures by presenting the corresponding measure prepared in conformity with GAAP in our financial statements, and by providing a reconciliation to the corresponding GAAP measure so that investors may understand the adjustments made in arriving at the non-GAAP financial measures and use the information to perform their own analyses.

Adjusted operating income/Adjusted EBITDA from continuing operations excludes restructuring costs and business structure realignment programs, amortization, acquisition- and divestiture-related costs and acquisition accounting impacts, stock-based compensation, and asset impairment charges and other adjustments as described below. For adjusted EBITDA, in addition to the preceding, we exclude adjusted depreciation as defined below. We do not consider these items to be reflective of our core operating performance due to the variability of such items from period-to-period in terms of size, nature and significance. They are primarily incurred to realign our operating structure and integrate new acquisitions, and implement divestitures of components of our business, and fluctuate based on specific facts and circumstances. Additionally, Adjusted net income attributable to Coty Inc. and Adjusted net income attributable to Coty Inc. per common share are adjusted for certain interest and other (income) expense items and preferred stock deemed dividends, as described below, and the related tax effects of each of the items used to derive Adjusted net income as such charges are not used by our management in assessing our operating performance period-to-period.

Adjusted Performance Measures reflect adjustments based on the following items:

- Costs related to acquisition and divestiture activities: We have excluded acquisition- and divestiture-related costs and the accounting impacts such as those related to transaction costs and costs associated with the revaluation of acquired inventory in connection with business combinations because these costs are unique to each transaction. Additionally, for divestitures, we exclude write-offs of assets that are no longer recoverable and contract related costs due to the divestiture. The nature and amount of such costs vary significantly based on the size and timing of the acquisitions and divestitures, and the maturities of the businesses being acquired or divested. Also, the size, complexity and/or volume of past transactions, which often drives the magnitude of such expenses, may not be indicative of the size, complexity and/or volume of any future acquisitions or divestitures.

- Restructuring and other business realignment costs: We have excluded costs associated with restructuring and business structure realignment programs to allow for comparable financial results to historical operations and forward-looking guidance. In addition, the nature and amount of such charges vary significantly based on the size and timing of the programs. By excluding the referenced expenses from our non-GAAP financial measures, our management is able to further evaluate our ability to utilize existing assets and estimate their long-term value. Furthermore, our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Asset impairment charges: We have excluded the impact of asset impairments as such non-cash amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions. Our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Amortization expense: We have excluded the impact of amortization of finite-lived intangible assets, as such non-cash amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions. Our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance. Although we exclude amortization of intangible assets from our non-GAAP expenses, our management believes that it is important for investors to understand that such intangible assets contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in the amortization of additional intangible assets.
- Gain on sale and termination of brand assets: We have excluded the impact of gain on sale and termination of brand assets as such amounts are inconsistent in amount and frequency and are significantly impacted by the size of the sale and termination of brand assets.
- Costs related to market exit: We have excluded the impact of direct incremental costs related to our decision to wind down our business operations in Russia. We believe that these direct and incremental costs are inconsistent and infrequent in nature. Consequently, our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Gains on sale of real estate: We have excluded the impact of gains on sale of real estate as such amounts are inconsistent in amount and frequency and are significantly impacted by the size of the sale. Our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Stock-based compensation: Although stock-based compensation is a key incentive offered to our employees, we have excluded the effect of these expenses from the calculation of adjusted operating income and adjusted EBITDA. This is due to their primarily non-cash nature; in addition, the amount and timing of these expenses may be highly variable and unpredictable, which may negatively affect comparability between periods.
- Depreciation and Adjusted depreciation: Our adjusted operating income excludes the impact of accelerated depreciation for certain restructuring projects that affect the expected useful lives of Property, Plant and Equipment, as such charges vary significantly based on the size and timing of the programs. Further, we have excluded adjusted depreciation, which represents depreciation expense net of accelerated depreciation charges, from our adjusted EBITDA. Our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Other (income) expense: We have excluded the impact of pension curtailment (gains) and losses and pension settlements as such events are triggered by our restructuring and other business realignment activities and the amount of such charges vary significantly based on the size and timing of the programs. Further, we have excluded the change in fair value of the investment in Wella, as our management believes these unrealized (gains) and losses do not reflect our underlying ongoing business, and the adjustment of such impact helps investors and others compare and analyze performance from period to period. We have excluded the gain on the exchange of Series B Preferred Stock. Such transactions do not reflect our operating results and we have excluded the impact as our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Noncontrolling interest: This adjustment represents the after-tax impact of the non-GAAP adjustments included in Net income attributable to noncontrolling interests based on the relevant noncontrolling interest percentage.
- Tax: This adjustment represents the impact of the tax effect of the pretax items excluded from Adjusted net income. The tax impact of the non-GAAP adjustments is based on the tax rates related to the jurisdiction in which the adjusted

items are received or incurred. Additionally, adjustments are made for the tax impact of any intra-entity transfer of assets and liabilities.

- **Deemed Preferred Stock Dividends:** We have excluded preferred stock deemed dividends related to the First Exchange and the Second Exchange (as disclosed and defined in Note 13—Equity Investments in our Annual Report on Form 10-K for fiscal 2023) from our calculation of adjusted net income attributable to Coty Inc. These deemed dividends are nonmonetary in nature, the transactions were entered into to simplify our capital structure and do not reflect our underlying ongoing business. Management believes that this adjustment helps investors and others compare and analyze our performance from period to period.

#### *Constant Currency*

We operate on a global basis, with the majority of our net revenues generated outside of the U.S. Accordingly, fluctuations in foreign currency exchange rates can affect our results of operations. Therefore, to supplement financial results presented in accordance with GAAP, certain financial information is presented in “constant currency”, excluding the impact of foreign currency exchange translations to provide a framework for assessing how our underlying businesses performed excluding the impact of foreign currency exchange translations. Constant currency information compares results between periods as if exchange rates had remained constant period-over-period. We calculate constant currency information by translating current and prior-period results for entities reporting in currencies other than U.S. dollars into U.S. dollars using prior year foreign currency exchange rates. The constant currency calculations do not adjust for the impact of revaluing specific transactions denominated in a currency that is different to the functional currency of that entity when exchange rates fluctuate. The constant currency information we present may not be comparable to similarly titled measures reported by other companies.

#### *Basis of Presentation of Acquisitions, Divestitures, Terminations and Market Exit from Russia*

During the period when we complete an acquisition, divestiture, early license termination, or market exit, the financial results of the current year period are not comparable to the financial results presented in the prior year period. When explaining such changes from period to period and to maintain a consistent basis between periods, we exclude the financial contribution of: (i) the acquired brands or businesses in the current year period until we have twelve months of comparable financial results, and (ii) the divested brands or businesses or early terminated brands or markets exited in the prior year period, to maintain comparable financial results with the current fiscal year period. Acquisitions, divestitures, early license terminations, and market exits that would impact the comparability of financial results between periods presented in the Management’s Discussion and Analysis of Financial Condition and Results of Operations are shown in the table below.

<b>Period of acquisition, divestiture, termination, or market exit</b>	<b>Acquisition, divestiture, termination, or market exit</b>	<b>Impact on basis of 2023/2022 presentation</b>	<b>Impact on basis of 2022/2021 presentation</b>
<b>Third quarter fiscal 2023</b>	Market Exit from Russia	Third and fourth quarters fiscal 2022 net revenue excluded.	n/a

When used herein, the term “Acquisitions,” “Divestitures,” “Terminations,” and “Market Exit,” refer to the financial contributions of the related acquisitions or divestitures, early license terminations, and market exits shown above, during the period that is not comparable as a result of such acquisitions or divestitures, early license terminations, and market exits.

Financial results for the Wella Business for fiscal year 2021 are presented as discontinued operations.

***Unless otherwise noted, the following section pertains to the results of continuing operations.***

#### **NET REVENUES**

In fiscal 2023, net revenues increased 5%, or \$249.7, to \$5,554.1 from \$5,304.4 in fiscal 2022. Excluding net revenue from the second half of the prior period from Russia, net revenues increased 6% or \$276.8 to \$5,554.1 from \$5,277.3, reflecting a positive price and mix impact of 11% partially offset by a negative foreign currency exchange translation impact of 5%.

Net revenues grew across both our segments. The growth in our Consumer Beauty segment was due to positive performance across the body care, skincare, and color cosmetics categories. Growth in our Prestige segment was primarily due to the positive performance in the prestige fragrance category due to the continued success of fragrance brands such as *Burberry*, *Calvin Klein*, *Hugo Boss*, *Gucci*, and *Marc Jacobs*. Although, the prestige make up category was negatively impacted by COVID-19 related to the lockdowns in China in the earlier portion of the fiscal period, this category began to show recovery in the last quarter of the fiscal period. The overall increase in net revenues reflects the successful implementation of global price increases across all product categories, our product premiumization strategy, and positive overall market trends.

Net revenues also grew across all of our major geographic regions led by growth in the U.S. and Brazil. Additionally, there was an increase in travel retail sales in all major regions due to increased leisure travel in the period.

The overall increase in net revenues was partially offset by the negative impact of foreign exchange headwinds on net revenues, primarily affecting the euro and British pound.

Our ongoing exit from Russia impacted the overall change in our reported net revenues. Considering total fiscal year-to-date net revenues from Russia in both the current and prior year periods, the net negative impact on our fiscal year-to-date reported net revenue was approximately 1% on a consolidated basis, 1% for our Prestige division, and 1% for our Consumer Beauty division.

In fiscal 2022, net revenues increased 15%, or \$674.5, to \$5,304.4 from \$4,629.9 in fiscal 2021, reflecting a positive price and mix impact of 10%, an increase in unit volume of 6%, partially offset by a negative foreign currency exchange translation impact of 1%. The increase in net revenues primarily reflects the reopening of stores across regions and increased leisure travel due to reduced COVID restrictions. The reduced travel restrictions have contributed to increased sales through travel retail channels. A number of countries continued to experience rolling lockdowns; however, these lockdowns were confined to certain localities. Increased foot traffic and demand had a favorable impact on both the Prestige and Consumer Beauty segments, with the highest impact on the Prestige segment. In addition, the Prestige segment benefited from various strong and successful launches such as *Gucci Flora*, *Burberry Hero*, *Tiffany Rose Gold*, *Hugo Boss The Scent* and the relaunch of *Kylie cosmetics*. The Consumer Beauty segment also experienced net revenue increase due to COVID-19 recovery and market share gains as a result of a repositioning and reinvestment in key color cosmetics brands. Furthermore, the continued growth of e-commerce across the regions and continued market growth in the U.S. and Europe contributed to the net revenue increase. China also contributed to net revenue increase despite a downturn in economic conditions due to increased COVID-19 restrictions impacting performance in the second half of the fiscal year.

(in millions)	Year Ended June 30,			Change %	
	2023	2022	2021	2023/2022	2022/2021
<b>NET REVENUES</b>					
Prestige	\$ 3,420.5	\$ 3,267.9	\$ 2,720.8	5 %	20 %
Consumer Beauty	2,133.6	2,036.5	1,909.1	5 %	7 %
<b>Total</b>	<b>\$ 5,554.1</b>	<b>\$ 5,304.4</b>	<b>\$ 4,629.9</b>	<b>5 %</b>	<b>15 %</b>

#### *Prestige*

In fiscal 2023, net revenues in the Prestige segment increased 5%, or \$152.6 to \$3,420.5 from \$3,267.9 in fiscal 2022. Excluding net revenue from the second half of the prior period from Russia, net revenues increased 6% or \$169.0 to \$3,420.5 from \$3,251.5, reflecting a positive price and mix impact of 11% partially offset by a negative foreign currency exchange translation impact of 5%. The increase in net revenues primarily reflects:

- (i) the continued success and growth of prestige fragrances, specifically *Burberry Hero*, *Burberry Her*, *Calvin Klein*, *Hugo Boss Boss Bottled*, *Gucci Flora*, and *Marc Jacobs Daisy*;
- (ii) the positive pricing impact as a result of global price increases and in line with the overall premiumization strategy;
- (iii) growth in travel retail net revenues in all major regions due to increased leisure travel compared to the prior year; and
- (iv) growth in the U.S due to positive market trends and innovation in the prestige fragrance brands.

These increases were partially offset by:

- (i) lower net revenues in the Prestige makeup category impacted by a decline in *Gucci* makeup travel retail sales in the Asia Pacific region as a result of slow recovery from the lockdowns in China; and
- (ii) lower net revenues for *philosophy* due to less innovation and repositioning of the brand.

In fiscal 2022, net revenues in the Prestige segment increased 20%, or \$547.1, to \$3,267.9 from \$2,720.8 in fiscal 2021, reflecting an increase in unit volume of 18%, a positive price and mix impact of 4%, partially offset by a negative foreign currency exchange translation impact of 2%. The increase in net revenues primarily reflects:

- (i) an increase in net revenues driven by market growth in the U.S. and Europe amid a post COVID-19 recovery, as well as from the travel retail business in many localities, particularly in North America, Europe, and China, had reduced travel restrictions and reopened for leisure travel as they emerge from the COVID-19 pandemic;
- (ii) an increase in net revenues from the new launches of *Gucci Flora*, *Burberry Hero*, *Tiffany Rose Gold*, *CK Defy*, *Hugo Boss The Scent*, and the global relaunch of *Kylie cosmetics* in the current fiscal year, as well as the continued success of *Gucci Makeup*, *Gucci Guilty*, *Burberry Her*, *Gucci Bloom*, *Chloe Atelier des Fleurs*, and *Marc Jacobs Perfect*;
- (iii) an increase in net revenues due to positive pricing impact and product mix as a result of global price increases and an overall premiumization strategy focusing on premium plus brands, selling new launches at higher prices, and reducing tail lines resulting in more optimized shelf space utilization; and
- (iv) an increase in net revenues due to the growth of e-commerce across the regions, distribution expansion in China, and additional shelf space in the U.S. retail stores.

These increases were partially offset by:

- (i) lower net revenues due to strategic initiatives to reduce sales through lower priced channels;
- (ii) lower net revenues in the last fiscal quarter from China due to increased COVID restrictions limiting travel and consumer spending;
- (iii) lower net revenues related to *Kylie Skin* products due to less innovation in the current fiscal year; and
- (iv) a decrease in the U.S. net revenues for improvements in returns trends for *philosophy* in the prior year.

#### *Consumer Beauty*

In fiscal 2023, net revenues in the Consumer Beauty segment increased 5%, or \$97.1, to \$2,133.6 from \$2,036.5 in fiscal 2022. Excluding net revenue from the second half of the prior period from Russia, net revenues increased 6% or \$107.8 to \$2,133.6 from \$2,025.8, reflecting a positive price and mix impact of 10% partially offset by a negative foreign currency exchange translation impact of 4%. The increase in net revenues primarily reflects:

- (i) an increase in net revenues from color cosmetics brands, including *CoverGirl* due to positive pricing impact and higher sell out resulting in lower returns and markdowns in the U.S., and *Rimmel Manhattan* due to brand innovation and positive price and mix impact in major European markets, such as Germany, Austria and Switzerland, and Australia;
- (ii) an increase in net revenues from the skin and body care brands in Brazil due to strong category momentum, and positive product mix impact, as well as due to innovation in brands such as *Monange* and market share gains for *Paixao*; and
- (iii) due to price increases across the Consumer Beauty product portfolio.

These increases were partially offset by lower net revenues from the mass fragrance category, primarily due to negative foreign currency exchange translation impacts.

In fiscal 2022, net revenues in the Consumer Beauty segment increased 7%, or \$127.4, to \$2,036.5 from \$1,909.1 in fiscal 2021, reflecting an increase in unit volume of 5%, and a positive price and mix impact of 3%, partially offset by a negative foreign currency exchange translation impact of 1%. The increase in net revenues primarily reflects:

- (i) an increase in net revenues due to market share gain from certain key color cosmetics brands as a result of new brand positioning and enhanced support for these brands;
- (ii) an increase in net revenues due to market recovery from COVID-19 and positive market share uplift in the color cosmetics and fragrance categories, increasing customer demand and store traffic, as well as a healthy growth in e-commerce, which positively impacted brands within the segment; and
- (iii) an increase in net revenues due to a reduction in sales returns, discounts and allowances, primarily as a result of actions implemented in connection to our Transformation Plan. These actions involved selectively reducing the level of incentives and price reductions on certain products, limiting the frequency and number of shelf resets in the period, and better focusing on planning for new products.



These increases were partially offset by lower net revenues from *Beyoncé* and *Stetson* as a result of license expiration. Also, the exit from the Russian market negatively impacted brands such as *Bourjois*, which experienced a decline in net revenue, as well as *Max Factor*. In addition, nail category declines had a negative impact on our *Sally Hansen* brand net revenue in the fourth quarter. This resulted from the closure of nail salons in the prior year due to COVID restrictions which increased demand for at-home nail care, positively impacting the nail category and the brand's net revenue in fiscal 2021.

#### COST OF SALES

In fiscal 2023, cost of sales increased 4%, or \$71.6, to \$2,006.8 from \$1,935.2 in fiscal 2022. Cost of sales as a percentage of net revenues decreased to 36.1% in fiscal 2023 from 36.5% in fiscal 2022 resulting in a gross margin percentage increase of approximately 40 basis points, primarily reflecting:

- (i) approximately 30 basis points primarily related to manufacturing and material costs due to productivity improvements;
- (ii) approximately 20 basis points related to designer license fees due to favorable royalty related activity; and
- (iii) approximately 10 basis points related to excess and obsolescence costs.

These increases were partially offset by approximately 20 basis points in increased freight costs.

The above includes the negative impact of inflation (principally for material costs) and the positive impact from pricing, estimated at approximately 200 basis points each.

In fiscal 2022, cost of sales increased 4%, or \$73.5, to \$1,935.2 from \$1,861.7 in fiscal 2021. Cost of sales as a percentage of net revenues decreased to 36.5% in fiscal 2022 from 40.2% in fiscal 2021 resulting in a gross margin percentage increase of approximately 370 basis points primarily reflecting:

- (i) approximately 130 basis points related to positive product and category mix associated with increased contribution from higher margin Prestige products, reduced sales of products through lower priced channels, as well as price increases within our product portfolio;
- (ii) approximately 120 basis points related to favorable manufacturing fixed-cost absorption, a favorable impact on variable costs due to increased manufacturing efficiencies, improvements in productivity, as well as procurement and material cost optimization;
- (iii) approximately 60 basis points related to decreased excess and obsolescence expense on inventory due to improvements in the current fiscal year in forecasting sales and better focus on planning for new products, as well as the impact of greater sales volume in the fiscal year;
- (iv) approximately 30 basis points primarily related to reductions in Consumer Beauty, as a percentage of revenues, in promotional allowances and other trade spend items, which are recorded as adjustments to net sales;
- (v) approximately 20 basis points related to designer license fees due to a favorable impact associated with higher Prestige brand sales in the current year; and
- (vi) approximately 10 basis points related to freight expense, reflecting both the contribution from our cost savings measures as well as the increased volume of higher priced Prestige products sold.

Included in the above is the negative impact of inflation on material, freight, and energy costs of approximately 120 basis points.

#### SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

In fiscal 2023, selling, general and administrative expenses decreased 2%, or \$63.0, to \$2,818.3 from \$2,881.3 in fiscal 2022. Selling, general and administrative expenses as a percentage of net revenues decreased to 50.7% in fiscal 2023 from 54.3% in fiscal 2022, or approximately 360 basis points. This decrease was primarily due to:

- (i) 130 basis points in stock-based compensation cost primarily related to a reduction in expense recognized in connection with a prior year's grant made to the CEO;
- (ii) 100 basis points due to a decrease in advertising and consumer promotional costs as a percentage of net revenues primarily related to a reduction of working media in the fiscal period;
- (iii) 100 basis points due to a decrease in administrative costs as a percentage of net revenues primarily due to lower depreciation expense related to fully depreciated IT equipment and lower consulting fees;
- (iv) 70 basis points due to a decrease in bad debt expense as a percentage of net revenues; and

- (v) 40 basis points due to a decrease in logistics costs as a percentage of net revenues.

These decreases were partially offset by the following increases:

- (i) 60 basis points due to unfavorable transactional impact from our exposure to foreign currency exchange fluctuations; and
- (ii) 30 basis points due to gains on sale of real estate recorded in the comparative period, which represented a greater percentage of net revenues compared to the net gains recorded in the current period, which primarily related to the early termination of the *Lacoste* license.

In fiscal 2022, selling, general and administrative expenses increased 22%, or \$518.1, to \$2,881.3 from \$2,363.2 in fiscal 2021. Selling, general and administrative expenses as a percentage of net revenues increased to 54.3% in fiscal 2022 from 51.0% in fiscal 2021, or approximately 330 basis points. This increase was primarily due to:

- (i) 520 basis points due to increase in advertising and consumer promotional costs related to support for certain key brands and product launches, as well as increased store promotions coinciding with store reopenings as COVID restrictions ease;
- (ii) 310 basis points in stock-based compensation primarily related to the CEO grant made on June 30, 2021;
- (iii) 90 basis points primarily related to the write-down of working capital, long-term assets, as well as contract termination charges and legal costs, in connection with our decision to exit Russia; and
- (iv) 30 basis points related to higher bad debt expense.

These increases were partially offset by the following decreases:

- (i) 330 basis points in administrative costs primarily due to a decrease in compensation related to a reduction in employee headcount;
- (ii) 220 basis points related to gains on sale of real estate;
- (iii) 50 basis points related to lower logistics costs as a percentage of net revenue; and
- (iv) 20 basis points related to sale of rights associated with certain brands distributed by a subsidiary in South Africa.

#### OPERATING INCOME (LOSS) FROM CONTINUING OPERATIONS

In fiscal 2023, operating income from continuing operations was \$543.7 compared to a income of \$240.9 in fiscal 2022. Operating income as a percentage of net revenues, improved to 9.8% in fiscal 2023 as compared to Operating income as a percentage of net revenues of 4.5% in fiscal 2022. The improved operating margin is largely driven by lower fixed costs as a percentage of net revenues, lower stock-based compensation as a percentage of net revenues, lower advertising and consumer promotional spending as a percentage of net revenues, and an asset impairment charge related to the impairment of indefinite-lived intangibles recorded in the prior period.

In fiscal 2022, operating income from continuing operations was \$240.9 compared to a loss of \$48.6 in fiscal 2021. Operating income as a percentage of net revenues, improved to 4.5% in fiscal 2022 as compared to Operating loss as a percentage of net revenues of (1.0)% in fiscal 2021. The improved operating margin is largely driven by lower cost of goods sold as a percentage of net revenues, a reduction in fixed costs, decrease in acquisition and divestiture related expenses, gains recognized on sale of real estate, lower amortization expense, decrease in restructuring expense, partially offset by an increase in advertising and consumer promotional costs, higher stock-based compensation and asset impairment charges related to the impairment of indefinite-lived intangibles.

### Operating Income (Loss) by Segment

(in millions)	Year Ended June 30,			Change %	
	2023	2022	2021	2023/2022	2022/2021
<b>Operating income (loss) from continuing operations</b>					
Prestige	\$ 483.7	\$ 367.2	\$ 158.1	32 %	>100%
Consumer Beauty	63.3	9.5	26.9	>100%	(65 %)
Corporate	(3.3)	(135.8)	(233.6)	98 %	42 %
<b>Total</b>	<b>\$ 543.7</b>	<b>\$ 240.9</b>	<b>\$ (48.6)</b>	<b>&gt;100%</b>	<b>&gt;100%</b>

#### Prestige

In fiscal 2023, operating income for Prestige was \$483.7 compared to income of \$367.2 in fiscal 2022. Operating margin improved to 14.1% of net revenues in fiscal 2023 as compared to 11.2% in fiscal 2022, driven primarily by lower fixed costs as a percentage of net revenues, lower cost of goods sold as a percentage of net revenues and lower amortization expense as a percentage of net revenues.

In fiscal 2022, operating income for Prestige was \$367.2 compared to income of \$158.1 in fiscal 2021. Operating margin improved to 11.2% of net revenues in fiscal 2022 as compared to 5.8% in fiscal 2021, driven primarily by higher sales volume, lower cost of goods sold as a percentage of net revenues, lower fixed costs as a percentage of net revenues and a decrease in amortization expense, partially offset by an increase in advertising and consumer promotional costs.

#### Consumer Beauty

In fiscal 2023, operating income for Consumer Beauty was \$63.3 compared to income of \$9.5 in fiscal 2022. Operating margin improved to 3.0% of net revenues in fiscal 2023 as compared to 0.5% in fiscal 2022, driven by lower advertising and consumer promotional costs as a percentage of net revenues, an impairment charge related to the impairment of indefinite-lived intangibles recorded in the prior period, and lower fixed costs as a percentage of net revenues, partially offset by an increase in cost of sales as a percentage of net revenues.

In fiscal 2022, operating income for Consumer Beauty was \$9.5 compared to income of \$26.9 in fiscal 2021. Operating margin worsened to 0.5% of net revenues in fiscal 2022 as compared to 1.4% in fiscal 2021, driven by an increase in advertising and consumer promotional costs and asset impairment charges related to the impairment of indefinite-lived intangibles, partially offset by higher sales volume, a reduction in fixed costs, lower cost of goods sold as a percentage of net revenues, and a decrease in amortization expense.

#### Corporate

Corporate primarily includes expenses not directly relating to our operating activities. These items are included in Corporate since we consider them to be corporate responsibilities, and these items are not used by our management to measure the underlying performance of the segments.

Operating loss for Corporate was \$3.3, \$135.8 and \$233.6 in fiscal 2023, 2022 and 2021, respectively, as described under “Adjusted Operating Income” below. The operating loss of \$3.3 in fiscal 2023 declined in comparison to the prior year primarily due to lower stock based compensation, a gain recognized due to the early termination of the *Lacoste* fragrance license in the current period, and a reduction in acquisition and divestiture related costs, partially offset by a gain on sale of real estate recognized in the comparative period.

The operating loss of \$135.8 in fiscal 2022 includes stock-based compensation, costs related to the Russia market exit, restructuring and other business realignment costs, acquisition and divestiture related costs, partially offset by a gains on the sale of real estate.

The operating loss of \$233.6 in fiscal 2021 includes acquisition and divestiture related costs, restructuring and other business realignment costs, and stock-based compensation.

### Continuing Operations by Segment

We believe that adjusted operating income (loss) from continuing operations by segment further enhances an investor's understanding of our performance. See "Overview—Non-GAAP Financial Measures." A reconciliation of reported operating income (loss) to Adjusted operating income is presented below, by segment:

Year Ended June 30, 2023			
(in millions)	Reported (GAAP)	Adjustments <sup>(a)</sup>	Adjusted (Non-GAAP)
<b>Adjusted operating income (loss) from continuing operations</b>			
Prestige	\$ 483.7	\$ 151.4	\$ 635.1
Consumer Beauty	63.3	40.4	103.7
Corporate	(3.3)	3.3	—
<b>Total</b>	<b>\$ 543.7</b>	<b>\$ 195.1</b>	<b>\$ 738.8</b>
Year Ended June 30, 2022			
(in millions)	Reported (GAAP)	Adjustments <sup>(a)</sup>	Adjusted (Non-GAAP)
<b>Adjusted operating income (loss) from continuing operations</b>			
Prestige	\$ 367.2	\$ 162.9	\$ 530.1
Consumer Beauty	9.5	75.9	85.4
Corporate	(135.8)	135.8	—
<b>Total</b>	<b>\$ 240.9</b>	<b>\$ 374.6</b>	<b>\$ 615.5</b>
Year Ended June 30, 2021			
(in millions)	Reported (GAAP)	Adjustments <sup>(a)</sup>	Adjusted (Non-GAAP)
<b>Adjusted operating income (loss) from continuing operations</b>			
Prestige	\$ 158.1	\$ 201.2	\$ 359.3
Consumer Beauty	26.9	50.0	76.9
Corporate	(233.6)	233.6	—
<b>Total</b>	<b>\$ (48.6)</b>	<b>\$ 484.8</b>	<b>\$ 436.2</b>

<sup>(a)</sup> See a reconciliation of reported operating income (loss) to adjusted operating income and a description of the adjustments under "Adjusted Operating Income (Loss) from Continuing Operations for Coty Inc." below. All adjustments are reflected in Corporate, except for amortization and asset impairment charges on goodwill, regional indefinite-lived intangible assets, and finite-lived intangible assets, which are reflected in the Prestige and Consumer Beauty segments.

### Adjusted Operating Income (Loss) and Adjusted EBITDA from Continuing Operations for Coty Inc.

Adjusted operating income (loss) from continuing operations provides investors with supplementary information relating to our performance. See “Overview—Non-GAAP Financial Measures.” Reconciliation of reported operating loss to adjusted operating income (loss) is presented below:

(in millions)	Year Ended June 30,			Change %	
	2023	2022	2021	2023/2022	2022/2021
<b>Reported operating income (loss) from continuing operations</b>	<b>\$ 543.7</b>	<b>\$ 240.9</b>	<b>\$ (48.6)</b>	<b>&gt;100%</b>	<b>&gt;100%</b>
<i>% of Net revenues</i>	<i>9.8 %</i>	<i>4.5 %</i>	<i>(1.0 %)</i>		
Amortization expense	191.8	207.4	251.2	(8 %)	(17 %)
Restructuring and other business realignment costs	(6.3)	4.7	67.0	<(100%)	(93 %)
Stock-based compensation	135.9	195.5	27.8	(30 %)	>100%
Costs related to acquisition and divestiture activities	—	14.7	138.8	(100 %)	(89 %)
Asset impairment charges	—	31.4	—	(100 %)	N/A
(Gains) Costs related to market exit	(17.0)	45.9	—	<(100%)	N/A
Gains on sale and termination of brand assets	(104.4)	(9.5)	—	<(100%)	N/A
Gains on sale of real estate	(4.9)	(115.5)	—	96 %	N/A
Total adjustments to reported operating loss	195.1	374.6	484.8	(48 %)	(23) %
<b>Adjusted operating income from continuing operations</b>	<b>\$ 738.8</b>	<b>\$ 615.5</b>	<b>\$ 436.2</b>	<b>20 %</b>	<b>41 %</b>
<i>% of Net revenues</i>	<i>13.3 %</i>	<i>11.6 %</i>	<i>9.4 %</i>		
Adjusted depreciation	234.0	289.8	325.8	(19 %)	(11) %
<b>Adjusted EBITDA</b>	<b>\$ 972.8</b>	<b>\$ 905.3</b>	<b>\$ 762.0</b>	<b>7 %</b>	<b>19 %</b>
<i>% of Revenues</i>	<i>17.5 %</i>	<i>17.1 %</i>	<i>16.5 %</i>	<i>2.3 %</i>	<i>3.6 %</i>

In fiscal 2023, adjusted operating income was \$738.8 compared to income of \$615.5 in fiscal 2022. Adjusted operating margin increased to 13.3% of net revenues in fiscal 2023 as compared to 11.6% in fiscal 2022. In fiscal 2023, adjusted EBITDA was \$972.8 compared to \$905.3 in fiscal 2022. Adjusted EBITDA margin increased to 17.5% of net revenues in 2023 as compared to 17.1% in fiscal 2022, primarily driven by lower fixed costs as a percentage of net revenues, and lower advertising and consumer promotional costs as a percentage of net revenues.

In fiscal 2022, adjusted operating income was \$615.5 compared to an income of \$436.2 in fiscal 2021. Adjusted operating margin increased to 11.6% of net revenues in fiscal 2022 as compared to 9.4% in fiscal 2021. In fiscal 2022, adjusted EBITDA was \$905.3 compared to \$762.0 in fiscal 2021. Adjusted EBITDA margin increased to 17.1% of net revenues in 2022 as compared to 16.5% in fiscal 2021, primarily driven by higher sales volume, lower cost of goods sold as a percentage of net revenues, and a reduction in fixed costs, partially offset by an increase in advertising and consumer promotional costs.

#### Amortization Expense

In fiscal 2023, amortization expense decreased to \$191.8 from \$207.4 in fiscal 2022. In fiscal 2023, amortization expense of \$151.4 and \$40.4, was reported in the Prestige and Consumer Beauty respectively. In fiscal 2022, amortization expense of \$162.9 and \$44.5, was reported in the Prestige and Consumer Beauty segments, respectively. The decrease was primarily driven by certain license and collaboration agreements, which fully amortized in early fiscal 2023 and fiscal 2022.

In fiscal 2022, amortization expense decreased to \$207.4 from \$251.2 in fiscal 2021. In fiscal 2021, amortization expense of \$201.2, \$50.0, was reported in the Prestige and Consumer Beauty segments, respectively. The decrease was primarily driven by finite intangible assets that are fully amortized as of fiscal 2021.

#### Restructuring and Other Business Realignment Costs

We continue to analyze our cost structure, including opportunities to simplify and optimize operations. In connection with the four-year Turnaround plan announced on July 1, 2019 to drive substantial improvement and optimization in our business, we have reached the end of the plan at the end of the fiscal period, however, we will continue looking for opportunities to improve our cost structure. Restructuring costs are initially based on estimates which may differ from actuals due to various factors including more than expected employee attrition and final negotiated severance packages. On May 11, 2020 we

announced an expansion of the Turnaround Plan to further reduce fixed costs, the Transformation Plan. We incurred \$517.7 of cash costs life-to-date as of June 30, 2023, which have been recorded in Corporate.

In fiscal 2023, we incurred a credit in restructuring and other business structure realignment costs of \$(6.3), as follows:

- We incurred a credit in restructuring costs of \$(6.5), related to the Transformation Plan, included in the Consolidated Statements of Operations and
- We incurred business structure realignment costs of \$0.2 primarily related to our Transformation Plan. This amount includes \$0.9 reported in cost of sales in the Consolidated Statement of Operations, and a credit of \$(0.7) reported in selling, general and administrative expenses.

In fiscal 2022, we incurred restructuring and other business structure realignment costs of \$4.7, as follows:

- We incurred a credit in restructuring costs of \$(6.5) primarily related to the Transformation Plan, included in the Consolidated Statements of Operations. Included within the credit in restructuring costs is \$(6.3) related to employee severances in connection with our exit of Russia; and
- We incurred business structure realignment costs of \$11.2 primarily related to our Transformation Plan and certain other programs. This amount includes \$11.6 reported in cost of sales due to an increase in accelerated depreciation as part of Transformation Plan, and a credit of \$(0.4) reported in selling, general and administrative expenses in the Consolidated Statement of Operations.

In fiscal 2021, we incurred restructuring and other business structure realignment costs of \$67.0, as follows:

- We incurred restructuring costs of \$63.6 primarily related to the Transformation Plan, included in the Consolidated Statements of Operations; and
- We incurred business structure realignment costs of \$3.4 primarily related to our Transformation Plan and certain other programs. This amount includes \$8.3 reported in cost of sales due to an increase in accelerated depreciation as part of Transformation Plan, and a credit of \$(4.9) reported included in selling, general and administrative expenses, which is a result of changes in estimate, in the Consolidated Statement of Operations.

In all reported periods, all restructuring and other business realignment costs were reported in Corporate.

#### *Stock-based compensation*

In fiscal 2023, stock-based compensation was \$135.9 as compared with \$195.5 in fiscal 2022. The decrease in stock-based compensation is primarily related to a reduction in expense recognized in connection with a prior year's grant made to the CEO.

In fiscal 2022, stock-based compensation was \$195.5 as compared with \$27.8 in fiscal 2021. The increase in stock-based compensation is primarily related to the CEO grant made on June 30, 2021.

In all reported periods, all costs related to stock-based compensation were reported in Corporate.

#### *Acquisition- and divestiture-related costs*

In fiscal 2023, we incurred no costs related to acquisition- and divestiture-activities.

In fiscal 2022, we incurred \$14.7 of acquisition- and divestiture-related costs which were associated with the Wella Transaction.

In fiscal 2021, we incurred \$138.8 of acquisition- and divestiture-related costs, of which \$135.8 were associated with the Wella Transaction, and \$3.0 were consulting and legal costs associated with the Kim Kardashian Transaction.

In all reported periods, all acquisition- and divestiture-related costs were reported in Corporate, except where otherwise noted.

#### *Asset Impairment Charges*

In fiscal 2023, we did not incur any asset impairment charges.

In fiscal 2022, we incurred \$31.4 of asset impairment charges related to the impairment of indefinite-lived intangibles in connection with our decision to exit Russia, all of which was reported in Consumer Beauty.

In fiscal 2021, we did not incur any asset impairment charges.

For further detail as to the factors resulting in the asset impairment charges please see Note 12 —Goodwill and Other Intangible Assets, net to the Consolidated Financial Statements.

*(Gains) Costs Related to Market Exit*

In fiscal 2023, we recognized gains of \$(17.0) related to our decision to wind down our business operations in Russia which are included in Selling, general and administrative expenses and Cost of sales in the Consolidated Statements of Operations.

In fiscal 2022, we incurred costs of \$45.9 related to our decision to wind down our business operations in Russia which are included in Selling, general and administrative expenses and Cost of sales in the Consolidated Statements of Operations.

In fiscal 2021, we did not recognize costs related to a market exit.

*Gains on Sale and Termination of Brand Assets*

In fiscal 2023, we recognized a gain of \$104.4 related to the early termination of the *Lacoste* fragrance license.

In fiscal 2022, we recognized a gain of \$9.5 related to sale of brand assets in South Africa, which was reported in Corporate.

In fiscal 2021, we did not recognize any gain or loss on the sale and termination of brand assets.

*Gains on Sale of Real Estate*

In fiscal 2023, we recognized gains of \$4.9 related to sale of real estate, which was reported in Corporate.

In fiscal 2022, we recognized gains of \$115.5 related to sale of real estate, which was reported in Corporate.

In fiscal 2021, we did not recognize any gain or loss on the sale of real estate.

*Adjusted depreciation expense*

In fiscal 2023, adjusted depreciation expense of \$110.5 and \$123.5 was reported in the Prestige and Consumer Beauty segments, respectively.

In fiscal 2022, adjusted depreciation expense of \$138.7 and \$151.1 was reported in the Prestige and Consumer Beauty segments, respectively.

In fiscal 2021, adjusted depreciation expense of \$144.4 and \$181.4, was reported in the Prestige and Consumer Beauty segments, respectively.

**INTEREST EXPENSE, NET**

Net interest expense was \$257.9, \$224.0, and \$235.1 in fiscal 2023, fiscal 2022 and fiscal 2021, respectively. In fiscal year 2023, the increase in interest expense is primarily due to the impact of a higher average interest rate despite lower debt balances in the current period. In fiscal year 2022, the decrease in interest expense was primarily due to foreign currency exchange gains, offset by the impact of higher interest rates despite lower average debt balances.

**OTHER EXPENSE (INCOME), NET**

In fiscal 2023, net other income was \$419.0, primarily related to a favorable adjustment for the unrealized gain in the Wella investment of \$230.0 and unrealized gain on forward repurchase contracts of \$196.9.

In fiscal 2022, net other income was \$409.9, primarily related to a favorable adjustment for the unrealized gain in the Wella investment of \$403.9.

In fiscal 2021, net other income was \$43.9, primarily related to a favorable adjustment for the unrealized gain in the Wella investment of \$73.5, partially offset by write-off of deferred financing costs and debt discounts of \$24.2 as a result of prepayments of the 2018 Coty Term A and B Facilities.

**INCOME TAXES**

The following table presents our (benefit) provision for income taxes, and effective tax rates for the periods presented:

	2023	2022	2021
Provision (benefit) for income taxes	\$ 181.6	\$ 164.8	\$ (172.0)
Effective income tax rate	25.8 %	38.6 %	71.7 %

The effective income tax rate in fiscal 2023 is primarily due to the limitation on the deductibility of executive stock compensation, offset by fair value gains related to the investment in the Wella business at a lower tax rate.

The effective income tax rate in fiscal 2022 is primarily due to the limitation on the deductibility of executive stock compensation and tax costs associated with the Russia exit, offset by large fair value gains related to the investment in the Wella business at a lower rate.

The effective income tax rate in fiscal 2021 is primarily due to a preliminary benefit of \$234.4 recorded as a result of a tax rate differential on the deferred taxes recognized on the transfer of assets and liabilities, following the Company's relocation of the main principal location from Geneva to Amsterdam. The overall value of the assets and liabilities transferred was negotiated with both the Swiss and Dutch Tax Authorities and per terms of the agreements, will be reevaluated after three years. The Company also recorded an expense of \$130.0 related to an internal restructuring following the Wella divestiture, primarily intended to create a more efficient structure to hold its equity investment in Wella.

The effective rates vary from the U.S. Federal statutory rate of 21% due to the effect of (i) jurisdictions with different statutory rates, (ii) adjustments to our unrecognized tax benefits and accrued interest, (iii) non-deductible expenses, (iv) audit settlements and (v) valuation allowance changes. Our effective tax rate could fluctuate significantly and could be adversely affected to the extent earnings are lower than anticipated in countries that have lower statutory rates and higher than anticipated in countries that have higher statutory rates.

**Reconciliation of Reported Income (Loss) Before Income Taxes to Adjusted Income (Loss) Before Income Taxes and Effective Tax Rates from Continuing Operations:**

(in millions)	Year Ended June 30, 2023			Year Ended June 30, 2022			Year Ended June 30, 2021		
	(Loss)/ income before income taxes	(Benefit) provision for income taxes	Effective tax rate	(Loss)/ income before income taxes	(Benefit) provision for income taxes	Effective tax rate	(Loss)/income before income taxes	(Benefit)provision for income taxes	Effective tax rate
<b>Reported income (loss) before income taxes</b>	<b>\$ 704.8</b>	<b>\$ 181.6</b>	<b>25.8 %</b>	<b>\$ 426.8</b>	<b>\$ 164.8</b>	<b>38.6 %</b>	<b>\$ (239.8)</b>	<b>\$ (172.0)</b>	<b>71.7 %</b>
Adjustments to reported operating income (loss) <sup>(a)</sup>	195.1			374.6			484.8		
Change in fair value of investment in Wella Business <sup>(e)</sup>	(230.0)			(403.9)			(73.5)		
Other adjustments <sup>(f)</sup>	0.2			(2.4)			7.2		
Total Adjustments <sup>(b)(c)(d)</sup>	(34.7)	\$ (4.5)		(31.7)	(55.3)		418.5	204.3	
<b>Adjusted income before income taxes</b>	<b>\$ 670.1</b>	<b>\$ 177.1</b>	<b>26.4 %</b>	<b>\$ 395.1</b>	<b>\$ 109.5</b>	<b>27.7 %</b>	<b>\$ 178.7</b>	<b>\$ 32.3</b>	<b>18.1 %</b>

<sup>(a)</sup> See a description of adjustments under "Adjusted Operating Income (Loss) for Coty Inc."

<sup>(b)</sup> The tax effects of each of the items included in adjusted income are calculated in a manner that results in a corresponding income tax benefit/provision for adjusted income. In preparing the calculation, each adjustment to reported income is first analyzed to determine if the adjustment has an income tax consequence. The provision for taxes is then calculated based on the jurisdiction in which the adjusted items are incurred, multiplied by the respective statutory rates and offset by the increase or reversal of any valuation allowances commensurate with the non-GAAP measure of profitability. In connection with our decision to wind down our operations in Russia, we recognized tax charges related to certain direct incremental impacts of our decision, which are reflected in this amount, in fiscal 2023 and fiscal 2022.

<sup>(c)</sup> The total tax impact on adjustments includes a tax benefit of \$0.4 and tax expense of \$24.1 for fiscal 2023 and fiscal 2022, respectively, recorded as the result of the Company's exit from Russia.

<sup>(d)</sup> The total tax impact on adjustments in fiscal 2021 includes a \$234.4 benefit recorded as the result of the tax rate differential on the deferred taxes recognized on the transfer of assets and liabilities, following the relocation of our main principal location from Geneva to Amsterdam on July 1, 2020. It also includes a \$130.0 tax expense recorded as the result of an internal restructuring following the Wella divestiture, primarily intended to create a more efficient structure to hold its equity investment in Wella.

<sup>(e)</sup> The amount represents the realized and unrealized (gain) loss recognized for the change in fair value of the investment in Wella.

<sup>(f)</sup> See "Reconciliation of Reported Net Income (Loss) Attributable to Coty Inc. to Adjusted Net Income (Loss) Attributable to Coty Inc."

The adjusted effective tax rate was 26.4% compared to 27.7% in the prior-year period. The differences were primarily due to permanent adjustments and jurisdictional mix of income. Cash paid during the years ended June 30, 2023, 2022 and 2021, for income taxes was \$58.6, \$97.2 and \$15.9, respectively.



# NET INCOME (LOSS) ATTRIBUTABLE TO COTY INC.

In fiscal 2023, net income attributable to Coty Inc. was \$508.2 compared to income of \$259.5 in fiscal 2022. The net income increase was primarily driven by higher operating income, incremental net gains associated with forward repurchase contracts, contingent consideration gains associated with the sale of Wella, partially offset by a less favorable adjustment related to the unrealized gain in the Wella investment in the current year, higher net interest expense in the current year and an increase in the provision for income taxes in the current year compared to the prior year.

In fiscal 2022, net income attributable to Coty Inc. was \$259.5 compared to a loss of \$201.3 in fiscal 2021. The net income increase was primarily driven by higher operating income in the current year, a favorable adjustment of \$403.9 related to the realized and unrealized gain in the Wella investment in the current year, and the loss on sale of the Wella Business, which was recorded in the comparative period, partially offset by a provision for income taxes in the current year compared to income tax benefit in the prior year.

## ADJUSTED NET INCOME (LOSS) ATTRIBUTABLE TO COTY INC.

We believe that adjusted net income (loss) attributable to Coty Inc. provides an enhanced understanding of our performance. See “Overview—Non-GAAP Financial Measures.”

(in millions)	Year Ended June 30,			Change %	
	2023	2022	2021	2023/2022	2022/2021
<b>Net income (loss) from Coty Inc. net of noncontrolling interests</b>	<b>\$ 508.2</b>	<b>\$ 259.5</b>	<b>\$ (201.3)</b>	<b>96 %</b>	<b>&gt;100%</b>
Convertible Series B Preferred Stock dividends <sup>(a)</sup>	(13.2)	(198.3)	(102.3)	93 %	(94 %)
<b>Reported net income (loss) attributable to Coty Inc.</b>	<b>495.0</b>	<b>61.2</b>	<b>(303.6)</b>	<b>&gt;100%</b>	<b>&gt;100%</b>
Adjustments to reported operating income <sup>(b)</sup>	195.1	374.6	486.3	(48 %)	(23 %)
Adjustments to Loss on Sale of Business	—	(6.1)	246.4	100 %	<(100%)
Change in fair value of investment in Wella Business <sup>(c)</sup>	(230.0)	(403.9)	(73.5)	43 %	<(100%)
Adjustments to other expense (income) <sup>(d)</sup>	0.2	(2.4)	7.2	>100%	<(100%)
Adjustments to noncontrolling interest <sup>(e)</sup>	(6.9)	(7.0)	(11.3)	1 %	38 %
Change in tax provision due to adjustments to reported net income (loss) attributable to Coty Inc.	4.5	55.7	(170.0)	(92 %)	>100%
Adjustment for deemed Series B Preferred Stock dividends related to the First and Second Exchanges	—	160.0	—	(100 %)	N/A
<b>Adjusted net income attributable to Coty Inc.</b>	<b>\$ 457.9</b>	<b>\$ 232.1</b>	<b>\$ 181.5</b>	<b>97 %</b>	<b>28 %</b>
<i>% of Net revenues</i>	<i>8.2 %</i>	<i>4.4 %</i>	<i>3.2 %</i>		
<b>Per Share Data</b>					
Adjusted weighted-average common shares					
Basic	849.0	820.6	764.8		
Diluted <sup>(a)(f)</sup>	862.8	834.1	764.8		
Adjusted net income attributable to Coty Inc. per common share					
Basic	\$ 0.54	\$ 0.28	\$ 0.24		
Diluted <sup>(a)(f)</sup>	\$ 0.53	\$ 0.28	\$ 0.24		

<sup>(a)</sup> Diluted EPS is adjusted by the effect of dilutive securities, including awards under the Company's equity compensation plans, the convertible Series B Preferred Stock and the Forward Repurchase Contracts. When calculating any potential dilutive effect of stock options, Series A Preferred Stock, restricted stock, PRSUs and RSUs, the Company uses the treasury method and the if-converted method for the Convertible Series B Preferred Stock and the Forward Repurchase Contracts. The treasury method typically does not adjust the net income attributable to Coty Inc., while the if-converted method requires an adjustment to reverse the impact of the preferred stock dividends and the impact of fair market value (gains)/losses for contracts with the option to settle in shares or cash, if dilutive, on net income applicable to common stockholders during the period.

<sup>(b)</sup> See a description of adjustments under “Adjusted Operating Income (Loss) from Continuing Operations for Coty Inc.”

<sup>(c)</sup> In fiscal 2023, 2022, and 2021, the amount represents the unrealized (gain) loss recognized for the change in fair value of the investment in Wella.

<sup>(d)</sup> In fiscal 2023, the amount includes the amortization of basis differences in certain equity method investments and pension curtailment gains. In fiscal 2022, the amount includes a net gain on the exchange of Series B Preferred Stock partially offset by the amortization of basis differences in certain equity method investments and pension curtailment losses. In fiscal 2021, the Company incurred losses of \$13.8

due to the write-off of deferred financing fees related to the Wella sale, primarily offset by pension curtailment gains of \$6.9 as a result of the Transformation Plan, which significantly reduced the expected years of future service for employees participating in our non-U.S. pension plans.

<sup>(e)</sup> The amounts represent the after-tax impact of the non-GAAP adjustments included in Net (loss) income attributable to noncontrolling interests based on the relevant noncontrolling interest percentage in the Consolidated Statements of Operations.

<sup>(f)</sup> As of June 30, 2023 and 2022, 23.7 and 65.4 million dilutive shares of Convertible Series B Preferred Stock were excluded in the computation of adjusted weighted-average diluted shares because their effect would be anti-dilutive. As of June 30, 2021, 171.1 million dilutive shares of RSUs and Convertible Series B Preferred Stock were excluded in the computation of adjusted weighted-average diluted shares because their effect would be anti-dilutive.

#### DISCONTINUED OPERATIONS

Due to the sale of the Wella Business on November 30, 2020, no net revenues or operating expenses from discontinued operations were recorded after November 30, 2020. As such, our results from discontinued operations for the fiscal year ended June 30, 2021 reflect only five months of operations.

In fiscal 2021, net revenues from discontinued operations was \$986.3 and operating income was \$220.8 in fiscal 2021. Net loss was \$137.3 in fiscal 2021.

The loss on sale of the Wella Business was \$246.4 in fiscal 2021. Factored into the loss on sale are the proceeds received from the sale of our majority interest in Wella, the book value of net assets sold and costs to sell. The book value of net assets sold was impacted by the seasonal effects on certain portions of the Wella Business during the months leading up to the sale, resulting in increases in the net assets sold. Additionally, certain legal and tax structuring matters were finalized in the final month of the closing of the transaction, resulting in a reduction to certain deferred tax assets and liabilities that were transferred at the date of sale and an increase in the tax liabilities retained by us. The loss on sale of the Wella Business also reflects certain purchase price working capital adjustments made during fiscal 2021.

In connection with the sale of a majority stake in the Wella Business, the Company recorded a tax cost of approximately \$34.3 in fiscal 2021. This cost is a combination of cash taxes incurred as well as a deferred tax expense due to the utilization of net operating loss carryforwards, capital loss carryforwards, and foreign tax credits.

## Quarterly Results of Operations Data

The following tables set forth our unaudited quarterly consolidated statements of operations data for each of the eight quarters in the periods ended June 30, 2023. We have prepared the quarterly consolidated statements of operations data on a basis consistent with the consolidated financial statements included in Part II, Item 8, “Financial Statements and Supplementary Data” in this Annual Report on Form 10-K. In the opinion of management, the financial information reflects all adjustments, consisting only of normal recurring adjustments, which we consider necessary for a fair presentation of this data. This information should be read in conjunction with the consolidated financial statements and related notes included in Part II, Item 8, “Financial Statements and Supplementary Data” in this Annual Report. The results of historical periods are not necessarily indicative of the results of operations for any future period.

(in millions, except per share data)	Fiscal 2023				Fiscal 2022			
	Three Months Ended				Three Months Ended			
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Net revenues	\$ 1,351.6	\$ 1,288.9	\$ 1,523.6	\$ 1,390.0	\$ 1,168.3	\$ 1,186.2	\$ 1,578.2	\$ 1,371.7
Gross profit	849.5	810.8	998.3	888.7	722.1	763.1	1,017.1	866.9
Restructuring costs	(1.1)	(1.3)	(2.9)	(1.2)	(8.0)	(6.8)	(4.1)	12.4
Acquisition and divestiture-related costs	—	—	—	—	0.5	3.3	6.9	4.0
Asset impairment charges	—	—	—	—	31.4	—	—	—
Operating income (loss)	129.0	43.5	199.3	171.9	(77.4)	57.1	244.0	17.2
Interest expense, net	72.2	58.8	61.0	65.9	40.4	62.9	60.9	59.8
Income (Loss) from continuing operations before income taxes	78.8	141.6	280.2	204.2	(280.8)	54.8	309.3	343.5
Provision (benefit) for income taxes	43.3	29.8	38.8	69.7	0.3	0.5	49.4	114.6
Net (loss) income from continuing operations	35.5	111.8	241.4	134.5	(281.1)	54.3	259.9	228.9
Net (loss) income from discontinued operations	—	—	—	—	1.2	0.7	3.8	—
Net (loss) income attributable to noncontrolling interests	(1.4)	1.0	(1.4)	—	(2.8)	(0.9)	(0.9)	(0.5)
Net income attributable to redeemable noncontrolling interests	4.0	2.4	4.5	5.9	4.4	2.3	3.2	3.4
Net (loss) income attributable to Coty Inc.	\$ 32.9	\$ 108.4	\$ 238.3	\$ 128.6	\$ (281.5)	\$ 53.6	\$ 261.4	\$ 226.0
<b>Amounts attributable to Coty Inc. common stockholders:</b>								
Convertible Series B Preferred Stock dividends	(3.3)	(3.3)	(3.3)	(3.3)	(3.3)	(3.3)	(68.7)	(123.0)
<b>Net (loss) income from continuing operations attributable to common stockholders</b>	29.6	105.1	235.0	125.3	(286.0)	49.6	188.9	103.0
Net (loss) income attributable to common stockholders	\$ 29.6	\$ 105.1	\$ 235.0	\$ 125.3	\$ (284.8)	\$ 50.3	\$ 192.7	\$ 103.0
<b>Per Share Data:</b>								
Weighted-average common shares:								
Basic	852.0	851.6	850.8	842.0	838.4	838.4	829.1	777.6
Diluted <sup>(a)</sup>	864.7	865.2	886.8	882.2	838.4	852.9	842.7	787.7
Dividends declared per common share	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Net (loss) income attributable to Coty Inc. per common share:</b>								
Basic for Continuing Operations	\$ 0.03	\$ 0.12	\$ 0.28	\$ 0.15	\$ (0.34)	\$ 0.06	\$ 0.23	\$ 0.13
Basic for Coty Inc.	\$ 0.03	\$ 0.12	\$ 0.28	\$ 0.15	\$ (0.34)	\$ 0.06	\$ 0.23	\$ 0.13
Diluted for Continuing Operations	\$ 0.03	\$ 0.12	\$ 0.27	\$ 0.15	\$ (0.34)	\$ 0.06	\$ 0.23	\$ 0.13
Diluted for Coty Inc.	\$ 0.03	\$ 0.12	\$ 0.27	\$ 0.15	\$ (0.34)	\$ 0.06	\$ 0.23	\$ 0.13

<sup>(a)</sup> The outstanding stock options and Series A/A-1 Preferred Stock with purchase or conversion rights to purchase shares of Common Stock, RSUs and Convertible Series B Preferred Stock were excluded in the computation of diluted shares when their effect would be antidilutive.

## FINANCIAL CONDITION

### LIQUIDITY AND CAPITAL RESOURCES

#### Overview

Our primary sources of funds include cash expected to be generated from operations, borrowings from issuance of debt and lines of credit provided by banks and lenders in the U.S. and abroad.

Our cash flows are subject to seasonal variation throughout the year, including demands on cash made during our first fiscal quarter in anticipation of higher global sales during the second fiscal quarter and strong cash generation in the second fiscal quarter as a result of increased demand by retailers associated with the holiday season.

Our principal uses of cash are to fund planned operating expenditures, capital expenditures, interest payments, dividends, share repurchases, any principal payments on debt, and from time to time, acquisitions, and business structure realignment expenditures. Working capital movements are influenced by the sourcing of materials related to the production of products. Cash and working capital management initiatives, including the phasing of vendor payments and factoring of trade receivables from time-to-time, may also impact the timing and amount of our operating cash flows.

We remain focused on deleveraging our balance sheet using cash flows generated from our operations. We continue to take steps to permanently reduce our debt, in order to reduce interest costs and improve our long term profitability and cash flows. In addition, our 25.9% investment in Wella gives us the opportunity for further permanent debt reductions, when our equity position is divested. On July 18, 2023 we announced that we entered into a binding letter of intent to sell a 3.6% stake in Wella to investment firm IGF Wealth Management for \$150.0. The closing of the transaction is subject to, among other things, completion of due diligence and the satisfaction of certain closing conditions, including the approval of the transaction by KKR. If the transaction closes, we intend to use the net proceeds to pay down a portion of the outstanding principal balance of our Revolving Credit Facility. Assuming the transaction closes, we would retain 22.3% of the Wella Company.

Variable rate debt accounts for approximately 34% of our total debt outstanding as of June 30, 2023. We incurred higher average variable interest rates compared to the same period in the prior year. We have taken action to reduce variability in our interest payments including paying down variable interest rate debt outstanding under our 2018 Coty Term B Facility, issuing fixed rate bonds (as discussed in the Debt section below), and entering into floating to fixed interest rate swaps. Giving effect to transactions in July 2023 (as noted in the Debt section below) on our June 30, 2023 debt balances, the proportion of our fixed rate debt outstanding would have been approximately 84%.

During the fiscal year, we terminated our licensing arrangement for Lacoste fragrances and received termination payments from the licensor totaling €87.8 million (approximately \$93.9). We expect to receive an additional payment of €15.0 million (approximately \$16.3) in fiscal 2024. We used proceeds received to repay debt, as discussed below.

We continue to wind down the operations of our Russian subsidiary. We anticipate that we will incur an immaterial amount of additional costs through completion of the wind down, and future net cash costs of \$10.0 to \$20.0, which will be funded by our Russian subsidiary. The amount of future costs, including cash costs, will be subject to various factors, such as additional government regulation and the resolution of legal contingencies. We have substantially completed our commercial activities in Russia. However, we anticipate that the process related to the liquidation of the Russian legal entity will take an extended period of time.

We continue to experience inflationary pressures in most markets resulting in higher commodity and supply chain costs, including material, freight, and energy costs, as well as higher costs for services and labor. Further, inflationary trends in certain markets and global supply chain challenges, including component shortages, may negatively affect our future sales and operating performance. Supply chain constraints may impact the availability of raw materials used to manufacture our products which may negatively impact our ability to meet customer demands, thereby impacting our cash flows and profitability. To mitigate the impact of these supply chain constraints on our ability to meet demand for our products, we have increased inventory levels throughout the year. We continue to monitor supply chain and other factors impacting our ability to meet demand and we will take the necessary actions to optimize our inventory levels in light of these factors.

## **Debt**

We are in the process of deleveraging our company and improving the maturity mix of our debt, including through refinancing or repayment of a portion of our debt. Actions that we have taken in fiscal 2023 and subsequently include the following.

### *Fiscal 2023*

- **Senior Notes** – We completed cash tender offers and redeemed \$77.0 of our 2026 Dollar Notes and €69.7 million (approximately \$72.2) of our 2026 Euro Notes.
- **2018 Term B Facility** – We used proceeds associated with the termination of the Lacoste fragrances license to reduce the euro and U.S. dollar portions of the 2018 Term B Facility, in the amounts of €20.1 million (approximately \$21.5) and \$29.5, respectively.

In addition, on March 7, 2023, we amended the 2018 Coty Credit Agreement to effectuate the transition of the underlying variable interest rate from LIBOR to the Secured Overnight Financing Rate (“SOFR”). Interest payments on our debt agreements were not materially impacted by the transition to SOFR.

### *First Quarter of Fiscal 2024*

#### *July Transactions*

- **2018 Revolving Credit Facility** – On July 11, 2023, we extended the maturity of the 2018 Revolving Credit Facility until July 2028.
- **Senior Notes** – On July 26, 2023, we completed a senior secured notes offering and received net proceeds of \$740.6. The new senior secured notes are due in 2030 and bear an annual interest rate of 6.625%.
- **2018 Term B Facility** – At the time we completed the senior secured noted offering, we used net proceeds to fully repay our U.S. dollar variable interest rate loans outstanding and repay a pro-rata portion of our euro variable interest rate loans outstanding under our existing 2018 Term B Facility.

#### *August Transactions*

- On August 3, 2023, we repaid €408.0 million of debt outstanding under our 2018 Term B Facility.

See Note 15—Debt in the notes to our Consolidated Financial Statements for additional information on our debt arrangements and prior period credit agreements, as well as definitions of capitalized terms. See Note 28—Subsequent Events in the notes to our Consolidated Financial Statements for disclosures of transactions occurring after June 30, 2023.

A significant portion of our long-term debt maturities (excluding capital lease obligations) have been extended from fiscal 2024 and 2025 to fiscal 2029 and thereafter following the July 2023 transactions. Following the transactions over 99% of our aggregate debt maturities have been pushed out to fiscal 2026 and beyond.

## **Factoring of Receivables**

From time to time, we supplement the timing of our cash flows through the factoring of trade receivables. In this regard, we have entered into factoring arrangements with financial institutions.

The net amount utilized under the factoring facilities was \$202.9 and \$179.3 as of June 30, 2023 and 2022, respectively. The aggregate amount of trade receivable invoices factored on a worldwide basis amounted to \$1,579.2 and \$1,041.2 in fiscal 2023 and 2022, respectively. Remaining balances due from factors amounted to \$14.2 and \$11.2 as of June 30, 2023 and 2022, respectively.

## Business Combinations

During fiscal 2023 and 2022, we did not enter into any business combinations or asset acquisitions.

During fiscal 2021, we completed the acquisition of a 20% ownership interest in KKW Holdings and the related collaboration agreement. Total cash paid in the transaction totaled \$200.0.

For additional information on our prior period activity from fiscal year 2022, see Note 4—Business Combinations, Asset Acquisitions and Divestitures in the notes to our Consolidated Financial Statements.

## Dispositions

During fiscal 2023 and 2022, we did not enter into any business dispositions.

During fiscal 2021, we completed the sale of a majority stake in the Wella Business (as discussed below).

### *The Wella Business Divestiture*

During fiscal 2021, we completed the sale of a majority stake in the Wella Business and received cash proceeds of \$2,451.7 and retained an initial ownership stake of 40% in Wella. Additionally, during fiscal 2021, we entered into a post-closing purchase consideration adjustment agreement for the Wella Business sale and received advanced contingent proceeds of \$34.0.

During fiscal 2022, our ownership stake in the Wella Company was reduced to 25.9%.

During fiscal 2023 and 2022, we earned \$30.8 and \$0.7, respectively of the contingent proceeds advanced to us from the sale of Wella. The remaining \$2.5 is unearned as of June 30, 2023.

For additional information on our prior period business dispositions from fiscal year 2021, see Note 4—Business Combinations, Asset Acquisitions and Divestitures in the notes to our Consolidated Financial Statements.

## Cash Flows

(in millions)

### Consolidated Statements of Cash Flows Data <sup>(a)</sup>:

	Year Ended June 30,		
	2023	2022	2021
Net cash provided by operating activities	\$ 625.7	\$ 726.6	\$ 318.7
Net cash (used in) provided by investing activities	(118.2)	269.7	2,441.9
Net cash (used in) financing activities	(469.3)	(1,034.0)	(2,795.1)

<sup>(a)</sup> Balances presented herein represent the cash flows of Coty Inc.

### *Net cash provided by operating activities*

Net cash provided by operating activities was \$625.7, \$726.6 and \$318.7 for fiscal 2023, 2022 and 2021, respectively.

The decrease in cash provided by operating activities of \$100.9 in fiscal 2023 as compared with fiscal 2022 is primarily driven by an overall net decrease in cash from working capital partially offset by an increase in cash related net income. The net decrease in cash from working capital was mainly the result of changes in accrued expenses and other current liabilities and increased inventory levels in fiscal 2023, partially offset by positive impacts from changes in trade receivables. The increase in cash related net income was due to an increase in net revenues and gross margin, and lower selling, general and administrative expenses in the current year compared to the prior year.

The increase in cash provided by operating activities of \$407.9 in fiscal 2022 as compared with fiscal 2021 is primarily driven by a year over year increase in cash related net income and overall increase in cash flows from changes in net working capital accounts. Higher net revenues in both segments, lower costs as percentage of revenues, lower costs for acquisition and divestiture related activities, and lower cash outflows associated with operating leases contributed to the higher year over year cash flows from operating activities which were partially offset by outflows from higher costs during fiscal 2022 for selling, general, and administrative expenses. Higher cash outflows during fiscal 2022 for net income tax payments is driven by the significant prior year tax overpayment collections and were primarily offset by lower year over year cash outflows for restructuring activity payments and payments for interest costs.

### *Net cash (used in) provided by investing activities*

Net cash (used in) provided by investing activities was \$(118.2), \$269.7 and \$2,441.9 for fiscal 2023, 2022 and 2021, respectively.

The decrease in cash flows from investing activities of \$387.9 in fiscal 2023 as compared with fiscal 2022 was mainly attributable to the prior year cash received from return of capital from one of our equity investments which did not reoccur

during the year ended June 30, 2023. Additionally, the prior year included higher proceeds from the sales of long-lived assets and the positive impact from the receipt of contingent proceeds related to the Wella Business tax credits partially offset with higher capital expenditures in the current year.

The decrease in cash flows provided by investing activities of \$2,172.2 in fiscal 2022 as compared with fiscal 2021 was principally driven by higher cash proceeds associated with the sale of the discontinued Wella Business in the prior year. Cash proceeds from the sale of the business and related returns on capital associated with Coty's remaining stake in Wella whereby initial cash proceeds from the sale received were \$2,374.1 in fiscal 2021 compared to the \$34.0 proceeds from contingent consideration in the current fiscal year. Returns of capital from equity investments for Coty's remaining stake in Wella were \$448.0 in prior year compared to \$230.6 in the current year. Higher proceeds from the sale of other long lived assets in fiscal 2022 and outflows from the prior year related to the KKW Holdings asset acquisition and 20% equity investment helped to partially offset the year over year decrease in cash from investing activities

#### ***Net cash (used in) financing activities***

Net cash (used in) financing activities was \$(469.3), \$(1,034.0) and \$(2,795.1) for fiscal 2023, 2022 and 2021, respectively.

The decrease in cash used in financing activities of \$564.7 in fiscal 2023 as compared to fiscal 2022 was primarily driven mainly by higher cash outflows in the prior year for net paydowns of the Company's revolving credit facility and other long term debt balances as well, as higher payments of deferred financing fees, and higher dividend payments on Series B Preferred Stock. Additionally, lower cash payments in the current year for the settlement of foreign currency contracts contributed to the overall decrease in use of cash but were partially offset by cash payments related to the Company's forward repurchase contracts.

The decrease in cash used in financing activities of \$1,761.1 in fiscal 2022 as compared to fiscal 2021 was primarily driven by lower net cash outflows for repayments associated with the Company's revolving credit facility and other long term debt outstanding under the Company's Credit Agreement. The year over year change in the level of debt repayments is primarily attributable to the impact of the use of prior year proceeds from the sale of the Wella discontinued business being used to prepay more than \$2,000.0 of the outstanding debt on the Company's term loan facilities. Net overall cash outflows also occurred in the current year but to a lesser extent and were offset by proceeds from the issuance of the 2029 Senior Secured Notes and the Brazilian Credit Facilities. Increases in cash outflows for the settlement of realized losses on foreign currency contracts in the current year and the prior year inflows from the issuance of Convertible Series B Preferred Stock only partially offset the impact of the year over year changes in debt activities

#### **Dividends**

On April 29, 2020, our Board of Directors suspended the payment of dividends, in keeping with our 2018 Coty Credit Agreement, as amended. As we focus on preserving cash, we expect to suspend the payment of dividends until we reach a Net debt to Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") of 2x. Any determination to pay dividends in the future will be at the discretion of our Board of Directors.

Dividends on the Convertible Series B Preferred Stock are payable in cash, or by increasing the amount of accrued dividends on Convertible Series B Preferred Stock, or any combination thereof, at the sole discretion of the Company. After the expiration of applicable restrictions under the 2018 Coty Credit Agreement, as amended, we began to pay dividends on the Convertible Series B Preferred Stock in cash for the period ending June 30, 2021, and we expect to continue to pay such dividends in cash on a quarterly basis, subject to the declaration thereof by our Board of Directors. The terms of the Convertible Series B Preferred Stock restrict our ability to declare cash dividends on our common stock until all accrued dividends on the Convertible Series B Preferred Stock have been declared and paid in cash. During the twelve months ended June 30, 2023, the Board of Directors declared dividends on the Series B Preferred Stock of \$13.2 of which \$9.9 was paid and \$3.3 was paid in July 2023.

For additional information on our dividends and dividend policy, respectively, see Note 23—Equity and Convertible Preferred Stock in the notes to our Consolidated Financial Statements and Item 5, "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy".

#### **Treasury Stock - Share Repurchase Program**

For additional information on our Share Repurchase Program, see Note 23—Equity and Convertible Preferred Stock in the notes to our Consolidated Financial Statements.

## Contractual Obligations and Commitments

Our principal contractual obligations and commitments are presented below as of June 30, 2023.

(in millions)	Total	Payments Due in Fiscal					
		2024	2025	2026	2027	2028	Thereafter
Long-term debt obligations	\$ 4,274.5	\$ 55.1	\$ 1,389.3	\$ 2,330.1	\$ —	\$ —	\$ 500.0
Interest on long-term debt obligations <sup>(a)</sup>	1,508.7	242.2	240.2	237.6	261.2	267.6	259.9
Operating lease obligations	368.2	78.6	60.0	48.8	41.0	32.7	107.1
License agreements: <sup>(b)</sup>							
Royalty payments	505.0	132.3	68.7	60.8	43.8	39.0	160.4
Other contractual obligations <sup>(c)</sup>	931.6	869.3	24.5	22.8	9.9	5.1	—
Other long-term obligations:							
Pension obligations (mandated) <sup>(d)</sup>	15.6	3.0	3.1	3.1	3.2	3.2	—
Total	<u>\$ 7,603.6</u>	<u>\$ 1,380.5</u>	<u>\$ 1,785.8</u>	<u>\$ 2,703.2</u>	<u>\$ 359.1</u>	<u>\$ 347.6</u>	<u>\$ 1,027.4</u>

<sup>(a)</sup> Interest costs on our debt after consideration of our interest rate swap arrangements are determined based on interest rate forecast and assumptions of the amount of debt outstanding. A 25 basis-point increase in our variable interest rate debt would have increased our interest costs by \$22.0 over the term of our long-term debt.

<sup>(b)</sup> Obligations under license agreements relate to royalty payments and required advertising and promotional spending levels for our products bearing the licensed trademark. Royalty payments are typically made based on contractually defined net sales. However, certain licenses require minimum guaranteed royalty payments regardless of sales levels. Actual royalty payments are expected to be higher. Furthermore, early termination of any of these license agreements could result in potential cash outflows that have not been reflected above.

<sup>(c)</sup> Other contractual obligations primarily represent advertising/marketing, manufacturing, logistics and capital improvements commitments. We also maintain several distribution agreements for which early termination could result in potential future cash outflows that have not been reflected above.

<sup>(d)</sup> Represents future contributions to our pension and other postretirement benefit plans over the next five years mandated by local regulations or statutes. Subsequent funding requirements cannot be reasonably estimated as the return on plan assets in future periods, as well as future assumptions are not known.

The table above excludes obligations for uncertain tax benefits, including interest and penalties, of \$218.6 as of June 30, 2023, as we are unable to predict when, or if, any payments would be made. See Note 17—Income Taxes in the notes to our Consolidated Financial Statements for additional information on our uncertain tax benefits.

The table excludes \$93.5 of RNCI which is reflected in Redeemable noncontrolling interest in the Consolidated Balance Sheet as of June 30, 2023 related to the 25.0% RNCI in our subsidiary in the Middle East (“Middle East Subsidiary”). Given the provisions of the associated Put and Call rights, RNCI is redeemable outside of our control and is recorded in temporary equity. See Note 22—Redeemable Noncontrolling Interests in the notes to our Consolidated Financial Statements for further discussion related to the calculation of the redemption value of this noncontrolling interest.

The table also excludes \$142.4 of preferred stock, which is reflected in Convertible Series B Preferred Stock in the Consolidated Balance Sheet as of June 30, 2023. Given the provisions of the associated Put rights, Convertible Series B Preferred Stock is redeemable outside of our control upon certain change of control events and is recorded in temporary equity. See Note 23—Equity and Convertible Preferred Stock in the notes to our Consolidated Financial Statements for further discussion related to the calculation of the Convertible Series B Preferred Stock.

## Contingencies

From time to time, our Brazilian subsidiaries receive tax assessments from local, state, and federal tax authorities in Brazil. See Note 26—Legal and Other Contingencies for more details on these tax assessments. In relation to the appeal of our Brazilian tax assessments, we have entered into surety bonds of R\$423.8 million (approximately \$87.3) as of June 30, 2023. As of June 30, 2023, we are in the early stages of administrative action and expect the judicial process in Brazil to take a number of years to conclude.

## Derivative Financial Instruments and Hedging Activities

We are exposed to foreign currency exchange fluctuations and interest rate volatility through our global operations. We utilize natural offsets to the fullest extent possible in order to identify net exposures. In the normal course of business, established policies and procedures are employed to manage these net exposures using a variety of financial instruments. We do not enter into derivative financial instruments for trading or speculative purposes.

## Foreign Currency Exchange Risk Management



We operate in multiple functional currencies and are exposed to the impact of foreign currency fluctuations. For foreign currency exposures, which primarily relate to receivables, inventory purchases and sales, payables and intercompany loans, derivatives are used to better manage the earnings and cash flow volatility arising from foreign currency exchange rate fluctuations. We recorded foreign currency gains (losses) of \$(32.3), \$3.3 and \$(7.8) in fiscal 2023, 2022 and 2021, respectively, resulting from non-financing foreign currency exchange transactions which are included in their associated expense type and are included in the Consolidated Statements of Operations. In July 2021, the Company entered into foreign exchange forward contracts to hedge up to 80% of our euro denominated external debt as part of management's strategy to minimize the impact of currency movements on those debt instruments. Net (losses) gains of \$(12.2), \$10.0 and \$(6.8) in fiscal 2023, 2022 and 2021, respectively, resulting from financing foreign exchange currency transactions are included in Interest expense, net in the Consolidated Statements of Operations.

Exchange gains or losses are also partially offset through the use of qualified derivatives under hedge accounting, for which we record accumulated gains or losses in Accumulated other comprehensive income until the underlying transaction occurs at which time the gain or loss is reclassified into the respective account in the Consolidated Statements of Operations.

We have experienced and will continue to experience fluctuations in our net income as a result of balance sheet transactional exposures. We use a combination of foreign currency forward contracts and cross currency contracts to offset these exposures. As of June 30, 2023, in the event of a 10% unfavorable change in the prevailing market rates of hedged foreign currencies versus the U.S. dollar, the change in fair value of all foreign exchange forward contracts and cross currency contracts would result in a \$91.6 decrease in the fair value of these forward contracts, which would be offset by an increase in the underlying foreign currency exposures.

### **Interest Rate Risk Management**

We are exposed to interest rate risk that relates primarily to our indebtedness, which is affected by changes in the general level of the interest rates primarily in the U.S. and Europe. We periodically enter into interest rate swap agreements to facilitate our interest rate management activities. We have designated these agreements as cash flow hedges and, accordingly, applied hedge accounting. The effective changes in fair value of these agreements are recorded in AOCI/(L), net of tax, and ineffective portions are recorded in current- period earnings. Amounts in AOCI/(L) are subsequently reclassified to earnings as interest expense when the hedged transactions are settled.

We expect that both at the inception and on an ongoing basis, the hedging relationship between any designated interest rate hedges and underlying variable rate debt will be highly effective in achieving offsetting cash flows attributable to the hedged risk during the term of the hedge. If it is determined that a derivative is not highly effective, or that it has ceased to be a highly effective hedge, we will be required to discontinue hedge accounting with respect to that derivative prospectively. The corresponding gain or loss position of the ineffective hedge recorded to AOCI/(L) will be reclassified to current-period earnings.

We are exposed to changes in interest rates because of certain variable-rate debt discussed in Note 15—Debt. If interest rates had been 10% higher and all other variables were held constant, Income (loss) from continuing operations before income taxes in fiscal 2023 would decrease by \$8.4.

As of June 30, 2023, we also had fixed-rate senior notes (the “Notes”) outstanding. Since our Notes bear interest at fixed rates and are carried at amortized cost, fluctuations in interest rates do not have any impact on our consolidated financial statements. However, the fair value of the Notes will fluctuate with movements in market interest rates, increasing in periods of declining interest rates and declining in periods of increasing interest rates.

### **Equity Investment Risk**

Our equity investments are investments in equity securities of privately-held companies without readily determinable fair values, including an investment of approximately \$1,060.0 that is valued using the fair value option and approximately \$8.9 that is accounted for using the equity method as of June 30, 2023. These investments are subject to a wide variety of market-related risks that could have a material impact on the carrying value of our holdings. We continually evaluate our equity investments in privately-held companies. See Note 13—Equity Investments for additional information.

In addition to the above equity investments, we entered into certain forward repurchase contracts to start hedging for two potential \$200.0 and \$196.0 share buyback programs, in 2024 and 2025, respectively. These forward repurchase contracts are accounted for at fair value, with changes in the fair value recorded in Other income, net within the Consolidated Statements of Operations. Our primary exposure is the movements of our stock price during the contract period, which may be volatile and is likely to fluctuate due to a number of factors beyond our control. These factors include actual or anticipated fluctuations in the quarterly and annual results of our Company or of other peer companies in the industry, market perceptions concerning the macroeconomic, social or political developments, industry conditions, changes in government regulation and the securities market trends. We estimate that an immediate, hypothetical 10% decline in our stock price would result in a \$60.9 decrease in the fair value of these forward repurchase contracts and reduce our Income (loss) from continuing operations before income

taxes. Any realized gains or losses resulting from such fair value changes would occur if we elect to terminate the forward repurchase contracts prior to or on maturity. Refer to Note 23—Equity and Convertible Preferred Stock.

### **Credit Risk Management**

We attempt to minimize credit exposure to counterparties by generally entering into derivative contracts with counterparties that have an “A” (or equivalent) credit rating. The counterparties to these contracts are major financial institutions. Exposure to credit risk in the event of nonperformance by any of the counterparties is limited to the fair value of contracts in net asset positions, which totaled \$225.5 as of June 30, 2023. Management believes risk of material loss under these hedging contracts is remote.

### **Inflation Risk**

We experienced the impact of inflation on our business during the fiscal year. We believe that inflation may continue to have an effect on our business, financial condition or results of operations in fiscal year 2024. Inflation may negatively impact our business by raising cost and reducing profitability and we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, prospects, financial condition, results of operations, cash flows, as well as the trading price of our securities.

### **Off-Balance Sheet Arrangements**

We had undrawn letters of credit of \$7.2 and \$14.3 and bank guarantees of \$16.3 and \$17.2 as of June 30, 2023 and 2022, respectively.

### **Critical Accounting Policies**

We prepare our Consolidated Financial Statements in conformity with U.S. generally accepted accounting principles. The preparation of these Consolidated Financial Statements requires us to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures. These estimates and assumptions can be subjective and complex and, consequently, actual results may differ from those estimates that would result in material changes to our operating results and financial condition. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our most critical accounting policies relate to revenue recognition, the fair value of equity investments, the assessment of goodwill, other intangible and long-lived assets for impairment, inventory and income taxes.

Our management has discussed the selection of significant accounting policies and the effect of estimates with the Audit and Finance Committee of our Board of Directors.

### **Revenue Recognition**

Net revenues comprise gross revenues less customer discounts and allowances, actual and expected returns (estimated based on an analysis of historical experience and position in product life cycle) and various trade spending activities. Trade spending activities represent variable consideration promised to the customer and primarily relate to advertising, product promotions and demonstrations, some of which involve cooperative relationships with customers. The costs of trade spend activities are estimated considering all reasonably available information, including contract terms with the customer, the Company’s historical experience and its current expectations of the scope of the activities, and is reflected in the transaction price when sales are recorded. For additional information on our revenue accounting policies, see Note 2—Summary of Significant Accounting Policies. Returns represented 2%, 2% and 2% of gross revenue after customer discounts and allowances in fiscal 2023, 2022 and 2021, respectively. Trade spending activities recorded as a reduction to gross revenue after customer discounts and allowances represent 10%, 10%, and 10% in fiscal 2023, 2022 and 2021, respectively.

Our sales return accrual reflects seasonal fluctuations, including those related to the holiday season in the first half of our fiscal year. This accrual is a subjective critical estimate that has a direct impact on reported net revenues, and is calculated based on history of actual returns, estimated future returns and information provided by retailers regarding their inventory levels. In addition, as necessary, specific accruals may be established for significant future known or anticipated events. The types of known or anticipated events that we have considered, and will continue to consider, include the financial condition of our customers, store closings by retailers, changes in the retail environment, and our decision to continue to support new and existing brands. If the historical data we use to calculate these estimates does not approximate future returns, additional allowances may be required.

### **Equity Investments**

We elected the fair value option to account for its investment in Wella to align with our strategy for this investment. The fair value is updated on a quarterly basis. The investments are classified within Level 3 in the fair value hierarchy because we estimate the fair value of the investments using a combination of the income approach, the market approach and private

transactions, when applicable. Changes in the fair value of equity investments under the fair value option are recorded in Other income, net within the Consolidated Statements of Operations (see Note 13—Equity Investments).

Some of the inherent estimates and assumptions used in determining fair value of the Wella Company are outside the control of management, including interest rates, cost of capital, tax rates, credit ratings and industry growth. While we believe we have made reasonable estimates and assumptions to calculate the fair value of the Wella Company, it is possible changes could occur. As for the Wella Company, if in future years, the actual results are not consistent with our estimates and assumptions used to calculate fair value, we may be required to recognize additional adjustments.

### ***Goodwill, Other Intangible Assets and Long-Lived Assets***

#### ***Goodwill***

Goodwill is calculated as the excess of the cost of purchased businesses over the fair value of their underlying net assets. Other intangible assets consist of indefinite-lived trademarks. Goodwill and other indefinite-lived intangible assets are not amortized.

We assess goodwill at least annually as of May 1 for impairment, or more frequently, if certain events or circumstances warrant. We test goodwill for impairment at the reporting unit level, which is the same level as our reportable segments. We identify our reporting units by assessing whether the components of our reporting segments constitute businesses for which discrete financial information is available and management of each reporting unit regularly reviews the operating results of those components.

When testing goodwill for impairment, we have the option of first performing a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as the basis to determine if it is necessary to perform a quantitative goodwill impairment test. In performing our qualitative assessment, we consider the extent to which unfavorable events or circumstances identified, such as changes in economic conditions, industry and market conditions or company specific events, could affect the comparison of the reporting unit's fair value with its carrying amount. If we conclude that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we are required to perform a quantitative impairment test.

Quantitative impairment testing for goodwill is based upon the fair value of a reporting unit as compared to its carrying value. We make certain judgments and assumptions in allocating assets and liabilities to determine carrying values for our reporting units. The impairment loss recognized would be the difference between a reporting unit's carrying value and fair value in an amount not to exceed the carrying value of the reporting unit's goodwill.

Testing goodwill for impairment requires us to estimate fair values of reporting units using significant estimates and assumptions. The assumptions made will impact the outcome and ultimate results of the testing. We use industry accepted valuation models and set criteria that are reviewed and approved by various levels of management and, in certain instances, we engage independent third-party valuation specialists. To determine fair value of the reporting unit, we used a combination of the income and market approaches, when applicable. We believe the blended use of both models, when applicable, compensates for the inherent risk associated with either model if used on a stand-alone basis, and this combination is indicative of the factors a market participant would consider when performing a similar valuation.

Under the income approach, we determine fair value using a discounted cash flow method, projecting future cash flows of each reporting unit, as well as a terminal value, and discounting such cash flows at a rate of return that reflects the relative risk of the cash flows. Under the market approach, when applicable, we utilize information from comparable publicly traded companies with similar operating and investment characteristics as the reporting units, which creates valuation multiples that are applied to the operating performance of the reporting units being tested, to value the reporting unit.

The key estimates and factors used in these approaches include revenue growth rates and profit margins based on our internal forecasts, our specific weighted-average cost of capital used to discount future cash flows, and comparable market multiples for the industry segment, when applicable, as well as our historical operating trends. Certain future events and circumstances, including deterioration of market conditions, higher cost of capital, a decline in actual and expected consumer consumption and demands, could result in changes to these assumptions and judgments. A revision of these assumptions could cause the fair values of the reporting units to fall below their respective carrying values, resulting in a non-cash impairment charge. Such charge could have a material effect on the Consolidated Statements of Operations and Balance Sheets.

There were no impairments of goodwill at our reporting units in fiscal 2023, 2022 or fiscal 2021.

Based on the annual impairment test performed on May 1, 2023, we determined that the fair value of each of the reporting units exceeded their respective carrying values at that date by approximately 132.1% and 71.6% relating to the Prestige and Consumer Beauty reporting units, respectively. To determine the fair value of our reporting units, we have used annual revenue growth rates ranging from 3.0%-11.3% and 2.0%-9.2% for the Prestige and Consumer Beauty reporting units, respectively, and a discount rate of 9.75%.

Some of the inherent estimates and assumptions used in determining fair value of the reporting units are outside the control of management, including interest rates, cost of capital, tax rates, credit ratings and industry growth. While the Company believes it has made reasonable estimates and assumptions to calculate the fair values of the reporting units, it is possible changes could occur. As for all the Company's reporting units, if in future years, the reporting unit's actual results are not consistent with the Company's estimates and assumptions used to calculate fair value, the Company may be required to recognize material impairments to goodwill. The Company will continue to monitor its reporting units for any triggering events or other signs of impairment. The Company may be required to perform additional impairment testing based on changes in the economic environment, disruptions to the Company's business, significant declines in operating results of the Company's reporting units, further sustained deterioration of the Company's market capitalization, and other factors, which could result in impairment charges in the future. Although management cannot predict when improvements in macroeconomic conditions will occur, if consumer confidence and consumer spending decline significantly in the future or if commercial and industrial economic activity or the market capitalization deteriorates significantly from current levels, it is reasonably likely the Company will be required to record impairment charges in the future.

#### *Other Intangible Assets*

We assess indefinite-lived other intangible assets (trademarks) at least annually as of May 1 for impairment, or more frequently if certain events occur or circumstances change that would more likely than not reduce the fair value of an indefinite-lived intangible asset below its carrying value. Trademarks are tested for impairment on a brand level basis.

The trademarks' fair values are based upon the income approach, primarily utilizing the relief from royalty methodology. This methodology assumes that, in lieu of ownership, a third party would be willing to pay a royalty in order to obtain the rights to use the trademark. An impairment loss is recognized when the estimated fair value of the intangible asset is less than the carrying value. Fair value calculation requires significant judgments in determining both the assets' estimated cash flows as well as the appropriate discount and royalty rates applied to those cash flows to determine fair value. Variations in economic conditions or a change in general consumer demand, operating results estimates or the application of alternative assumptions could produce significantly different results.

The carrying value of our indefinite-lived other intangible assets was \$950.8 as of June 30, 2023, and is comprised of trademarks for the following brands: CoverGirl of \$327.4, Max Factor of \$148.4, Sally Hansen of \$159.4, philosophy of \$124.0, Bourjois of \$36.7 and other trademarks totaling \$154.9.

As a result of the May 1, 2022 annual impairment test, total impairments on indefinite-lived other intangible assets of \$31.4 were recorded. On May 1, 2023, we performed our annual impairment testing of indefinite-lived other intangible assets and determined that no adjustments to carrying values were required.

As of May 1, 2023, we determined that the fair value of our Max Factor and Bourjois trademarks exceeded their carrying values by approximately 6.8% and 10.5%, respectively, using annual revenue growth rates ranging from 2.0%-10.5% and 2.0%-8.2%, respectively, and a discount rate of 10.3%. The fair value of the Max Factor and Bourjois trademarks would fall below their carrying values if the average annual revenue growth rate decreased by approximately 55 basis points and 80 basis points, respectively, or the discount rate increased by 60 basis points and 90 basis points, respectively.

The fair values of the remaining indefinite-lived trademarks exceeded their carrying values by amounts ranging from 26% to 868%.

Some of the inherent estimates and assumptions used in determining fair value of the indefinite-lived intangible assets are outside the control of management, including interest rates, cost of capital, tax rates, credit ratings and industry growth. While the Company believes it has made reasonable estimates and assumptions to calculate the fair values of the indefinite-lived intangible assets, it is possible changes could occur. As for the indefinite-lived intangible assets, the most significant assumptions used are the revenue growth rate and the discount rate, a decrease in the revenue growth rate or an increase in the discount rate could result in a future impairment. The Company will continue to monitor its indefinite-lived tradenames for any triggering events or other signs of impairment. The Company may be required to perform additional impairment testing based on changes in the economic environment, disruptions to the Company's business, significant declines in operating results of the Company's reporting units and/or tradenames, further sustained deterioration of the Company's market capitalization, and other factors, which could result in impairment charges in the future. Although management cannot predict when improvements in macroeconomic conditions will occur, if consumer confidence and consumer spending decline significantly in the future or if commercial and industrial economic activity or the market capitalization deteriorates significantly from current levels, it is reasonably likely the Company will be required to record impairment charges in the future.

#### *Long-Lived Assets*

Long-lived assets, including tangible and intangible assets with finite lives, are amortized over their respective lives to their estimated residual values and are also reviewed for impairment whenever certain triggering events may indicate impairment. When such events or changes in circumstances occur, a recoverability test is performed comparing projected

undiscounted cash flows from the use and eventual disposition of an asset or asset group to its carrying value. If the projected undiscounted cash flows are less than the carrying value, an impairment would be recorded for the excess of the carrying value over the fair value, which is determined by discounting future cash flows.

During fiscal years 2023, 2022 and 2021, we recorded asset impairment charges of \$4.3, \$2.4 and \$5.2, respectively, to Property and equipment, net and \$1.1, \$1.0 and \$0.6, respectively to Operating lease right-of-use assets, primarily relating to the abandonment of equipment or leases no longer in use. These impairment charges are primarily recorded in Selling, general and administrative expenses in the Consolidated Statements of Operations.

### ***Inventory***

Inventories include items which are considered salable or usable in future periods, and are stated at the lower of cost or net realizable value, with cost being based on standard cost which approximates actual cost on a first-in, first-out basis. Costs include direct materials, direct labor and overhead (e.g., indirect labor, rent and utilities, depreciation, purchasing, receiving, inspection and quality control) and in-bound freight costs. We classify inventories into various categories based upon their stage in the product life cycle, future marketing sales plans and the disposition process.

We also record an inventory obsolescence reserve, which represents the excess of the cost of the inventory over its estimated net realizable value, based on various product sales projections. This reserve is calculated using an estimated obsolescence percentage applied to the inventory based on age, historical trends, and requirements to support forecasted sales. In addition, and as necessary, we may establish specific reserves for future known or anticipated events. These estimates could vary significantly, either favorably or unfavorably, from the amounts that we may ultimately realize upon the disposition of inventories if future economic conditions, customer inventory levels, product discontinuances, sales return levels, competitive conditions or other factors differ from our estimates and expectations.

### ***Income Taxes***

We are subject to income taxes in the U.S. and various foreign jurisdictions. We account for income taxes under the asset and liability method. Therefore, income tax expense is based on reported income before income taxes, and deferred income taxes reflect the effect of temporary differences between the amounts of assets and liabilities that are recognized for financial reporting purposes and the amounts that are recognized for income tax purposes. Deferred taxes are recorded at currently enacted statutory tax rates and are adjusted as enacted tax rates change.

A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount that is more likely than not to be realized based on currently available evidence. We consider how to recognize, measure, present and disclose in financial statements uncertain tax positions taken or expected to be taken on a tax return.

We are subject to tax audits in various jurisdictions. We regularly assess the likely outcomes of such audits in order to determine the appropriateness of liabilities for unrecognized tax benefits. We classify interest and penalties related to unrecognized tax benefits as a component of the provision for income taxes.

For unrecognized tax benefits, we first determine whether it is more-likely-than-not (defined as a likelihood of more than fifty percent) that a tax position will be sustained based on its technical merits as of the reporting date, assuming that taxing authorities will examine the position and have full knowledge of all relevant information. A tax position that meets this more-likely-than-not threshold is then measured and recognized at the largest amount of benefit that is greater than fifty percent likely to be realized upon effective settlement with a taxing authority. As the determination of liabilities related to unrecognized tax benefits, including associated interest and penalties, requires significant estimates to be made by us, there can be no assurance that we will accurately predict the outcomes of these audits, and thus the eventual outcomes could have a material impact on our operating results or financial condition and cash flows.

Unrecognized tax benefits are reviewed on an ongoing basis and are adjusted in light of changing facts and circumstances, including progress of examinations by tax authorities, developments in case law and closing of statute of limitations. Such adjustments are reflected in the provision for income taxes as appropriate. In addition, we are present in approximately 40 tax jurisdictions and we are subject to the continuous examination of our income tax returns by the Internal Revenue Service (IRS) and other tax authorities. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes.

As a result of the 2017 Tax Act changing the U.S. to a modified territorial tax system, the Company no longer asserts that any of its undistributed foreign earnings are permanently reinvested. We do not expect to incur significant withholding or state taxes on future distributions. To the extent there remains a basis difference between the financial reporting and tax basis of an investment in a foreign subsidiary after the repatriation of the previously taxed income, the Company is permanently reinvested. A determination of the unrecognized deferred taxes related to these components is not practicable.

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**Item 7A. Quantitative and Qualitative Disclosures About Market Risk.**

We have operations both within the U.S. and internationally, and we are exposed to market risks in the ordinary course of our business, including the effect of foreign currency fluctuations, interest rate changes and inflation. Information relating to quantitative and qualitative disclosures about these market risks is set forth in under the captions “Foreign Currency Exchange Risk Management,” “Interest Rate Risk Management,” and “Credit Risk Management” within Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources” and is incorporated in this Item 7A by reference.

**Item 8. Financial Statements and Supplementary Data.**

The information required by this Item appears beginning on page F-1 of this Annual Report on Form 10-K and is incorporated in this Item 8 by reference.

**Item 9A. Controls and Procedures.****Evaluation of Disclosure Controls and Procedures**

We maintain “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Our management, with the participation of our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2023. Based on the evaluation of our disclosure controls and procedures as of June 30, 2023, our CEO and CFO concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

We have included our Management Report over Internal Control over Financial Reporting in “Item 15. Exhibits, Financial Statement Schedules” and is incorporated in this Item 9A by reference.

**Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting identified in management’s evaluation pursuant to Rules 13a-15(f) and 15d-15(f) of the Exchange Act during the fourth fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Inherent Limitations on Effectiveness of Controls**

Our management, including our CEO and CFO, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving our objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

**Item 9B. Other Information**

During the three months ended June 30, 2023, none of the Company’s directors or Section 16 reporting officers adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of the SEC’s Regulation S-K).

### PART III

#### **Item 10. Directors, Executive Officers and Corporate Governance.**

##### **Directors**

Information regarding directors is incorporated by reference to the “Directors” and “Corporate Governance” sections of our proxy statement on Schedule 14A for the 2023 Annual Meeting of Stockholders (the “2023 Proxy Statement”).

##### **Executive Officers**

Information regarding executive officers is incorporated by reference to the “Executive Officers” section of our 2023 Proxy Statement.

##### **Section 16(a) Beneficial Ownership Reporting Compliance**

This information is incorporated by reference to the “Section 16(a) Beneficial Ownership Reporting Compliance” section of our 2023 Proxy Statement.

##### **Code of Ethics**

This information is incorporated by reference to the “Corporate Governance Guidelines and Code of Business Conduct” section of our 2023 Proxy Statement.

#### **Item 11. Executive Compensation.**

This information is incorporated by reference to the “Executive Compensation” and “Director Compensation” sections of our 2023 Proxy Statement.

#### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.**

This information is incorporated by reference to the “Security Ownership of Certain Beneficial Owners and Management” section of our 2023 Proxy Statement.

For equity compensation plan information, see “Equity Compensation Plan Information” in Part II, Item 5 hereof, which is incorporated herein by reference.

#### **Item 13. Certain Relationships and Related Transactions, and Director Independence.**

This information is incorporated by reference to the “Certain Relationships and Transactions of Related Persons” and “Corporate Governance” section of our 2023 Proxy Statement.

#### **Item 14. Principal Accounting Fees and Services.**

This information is incorporated by reference to the “Audit Fees and Other Fees” section of our 2023 Proxy Statement.

### PART IV

#### **Item 15. Exhibits, Financial Statement Schedules.**

List of documents filed as part of this Report:

- (1) Consolidated Financial Statements and Reports of Independent Registered Public Accounting Firm (PCAOB ID No. 34) included herein: See Index on page F-1.
- (2) Financial Statement Schedule: See S-1.
- (3) All other schedules are omitted as they are inapplicable or the required information is furnished in the Company’s Consolidated Financial Statements or the Notes thereto.
- (4) List of Exhibits:

Exhibit Number	Document
<a href="#">2.1</a>	<a href="#">Transaction Agreement dated as of July 8, 2015 among The Procter &amp; Gamble Company, Coty Inc., Galleria Co. and Green Acquisition Sub Inc. (incorporated by reference to Exhibit 2.2 to the Company’s Annual Report on Form 10-K filed on August 17, 2015).*</a>

- [2.2 Repurchase Letter Agreement dated August 13, 2015 among The Procter & Gamble Company, Coty Inc., Galleria Co. and Green Acquisition Sub Inc. \(incorporated by reference to Exhibit 2.3 to the Company's Annual Report on Form 10-K filed on August 17, 2015\).](#)
- [2.3 Letter Agreement, dated February 19, 2016, by and among The Procter & Gamble Company, the registrant, Galleria Co. and Green Acquisition Sub Inc. \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 25, 2016\).](#)
- [2.4 Third Amendment to Transaction Agreement, dated May 25, 2016, by and among The Procter & Gamble Company, Coty Inc., Galleria Co. and Green Acquisition Sub Inc. \(incorporated by reference to Exhibit 10.1 to the registrant's Current Report on Form 8-K filed on May 27, 2016\).](#)
- [2.5 Fourth Amendment to Transaction Agreement, dated August 25, 2016, by and among The Procter & Gamble Company, Coty Inc., Galleria Co. and Green Acquisition Sub Inc. \(incorporated by reference to Exhibit 2.5 to Amendment No. 4 to the Company's Registration Statement on Form S-4, filed on August 25, 2016\).\\*](#)
- [2.6 Side Letter, dated September 13, 2016, between Coty Inc. and The Procter & Gamble Company \(incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on November 9, 2016\).](#)
- [2.7 Assignment and Transfer Agreement, dated as of November 2, 2015, by and between JAB Cosmetics B.V. and Coty Inc., including as an exhibit thereto that certain Shares and Trademarks Sale and Purchase Agreement, dated as of November 2, 2015, by and among JAB Cosmetics B.V., Hypermarcas S.A., Cosmed Indústria de Cosméticos e Medicamentos S.A., and as intervening and consenting parties, Novita Distribuição, Armazenamento e Transportes S.A., and Savoy Indústria de Cosméticos S.A. \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 3, 2015\).](#)
- [2.8 Sale and Purchase Agreement, dated as of October 17, 2016, by and among Coty Inc., Gloria Coinvest I L.P., Lion Capital Fund III L.P., Lion Capital Fund III SBS L.P., Lion Capital Fund III \(USD\) L.P., Lion Capital Fund III SBS \(USD\) L.P., Ghd Nominees Limited \("GHD"\), the management sellers named therein, and the other individual sellers named therein \(incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on October 17, 2016\).\\*](#)
- [2.9 Tax Matters Agreement, effective as of October 1, 2016, by and among Coty Inc., The Procter & Gamble Company, Galleria Co. and Green Acquisition Sub Inc. \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 3, 2016\).](#)
- [2.10 Purchase Agreement, dated as of November 18, 2019, by and among King Kylie Holdings, LLC, KMJ 2018 Irrevocable Trust, Kylie Jenner Inc., King Kylie, LLC, Coty Inc. and solely for the purpose of Section 6.7 and Section 6.13, KKJ 2018 Irrevocable Trust \(incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on February 5, 2020\).](#)
- [2.11 Sale and Purchase Agreement, dated June 1, 2020, by and among Coty Inc., Coty International Holding, B.V. and Rainbow UK Bidco Limited \(incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed on June 2, 2020\).](#)
- [2.12 Separation Agreement, dated June 1, 2020, by and among Coty Inc., Coty International Holding, B.V., Waves UK Divestco Limited and Rainbow UK Bidco Limited \(incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on June 2, 2020\).](#)
- [2.13 Amended and Restated Sale and Purchase Agreement, dated November 11, 2020, by and among Coty Inc., Coty International B.V. and Rainbow UK Bidco Limited \(incorporated by reference to Exhibit 2.2 of the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on November 12, 2020\).](#)
- [2.14 Amended and Restated Separation Agreement, dated November 11, 2020, by and among Coty Inc., Coty International B.V., Waves UK Divestco Limited and Rainbow UK Bidco Limited \(incorporated by reference to Exhibit 2.1 of the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on November 12, 2020\).](#)
- [3.1 Amended and Restated Certificate of Incorporation of Coty Inc. \(incorporated by reference to Exhibit 3.1 to Amendment No. 5 of the Company's Registration Statement on Form S-1 \(File No. 333-182420\) filed on May 14, 2013\).](#)
- [3.2 Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Coty Inc. \(incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on October 3, 2016\).](#)
- [3.3 Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Coty Inc. \(incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 25, 2020\).](#)
- [3.4 Amended and Restated By-Laws \(incorporated by reference to Exhibit 3.2 to Amendment No. 4 to the Company's Registration Statement on Form S-1 \(File No. 333-182420\) filed on April 24, 2013\).](#)



- [4.1 Specimen Class A Common Stock Certificate of the registrant \(incorporated by reference to Exhibit 4.1 to Amendment No. 6 to the Company's Registration Statement on Form S-1 \(File No. 333-182420\) filed on May 28, 2013\).](#)
- [4.2 Certificate of Designations of Preferred Stock, Series A, dated April 17, 2015 \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 20, 2015\).](#)
- [4.3 Certificate of Designations of Preferred Stock, Series A-1, dated February 4, 2019 \(incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q filed on February 8, 2019\).](#)
- [4.4 Certificate of Designations of Preferred Stock, Series B, dated May 26, 2020 \(incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 26, 2020\).](#)
- [4.5 Indenture, dated as of April 5, 2018, among Coty Inc., the guarantors named therein, Deutsche Bank Trust Company Americas, as Trustee, Registrar and U.S. Paying Agent with respect to the 2026 Dollar Notes, and Deutsche Bank AG, London Branch, as London Paying Agent with respect to the Euro Notes \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 10, 2018\).](#)
- [4.6 Form of 2026 Dollar Notes \(included in Exhibit 4.5\) \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 10, 2018\).](#)
- [4.7 Form of 2026 Euro Notes \(included in Exhibit 4.5\) \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 10, 2018\).](#)
- [4.8 Amended and Restated Stockholders Agreement, dated as of June 16, 2023, by and among Coty Inc., JAB Holdings B.V. and JAB Beauty B.V. \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 16, 2023\).](#)
- [4.9 Description of Securities.](#)
- [4.10 Indenture, dated as of April 21, 2021, among Coty Inc., the guarantors named therein, and Deutsche Bank Trust Company Americas, as Trustee and Collateral Agent \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 22, 2021\).](#)
- [4.11 Form of 5.000% Senior Secured Notes due 2026 \(included in Exhibit 4.10\) \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 22, 2021\).](#)
- [4.12 First Lien/First Lien Intercreditor Agreement, dated as of April 21, 2021, among JPMorgan Chase Bank, N.A., as the credit facility agent, Deutsche Bank Trust Company Americas, as the initial other authorized representative, and each additional authorized representative from time to time party thereto, as consented to by Coty Inc. and the other grantors party to the Consent of Grantors attached thereto \(incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on April 22, 2021\).](#)
- [4.13 Pledge and Security Agreement, dated as of April 21, 2021, by and among Coty Inc., the other grantors from time to time party thereto and Deutsche Bank Trust Company Americas, as collateral agent \(incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on April 22, 2021\).](#)
- [4.14 Indenture, dated as of June 16, 2021, among Coty Inc., the guarantors named therein, and Deutsche Bank Trust Company Americas, as Trustee and Collateral Agent and Deutsche Bank AG, London Branch as paying agent \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K file on June 16, 2021\).](#)
- [4.15 Form of 3.875% Senior Secured Notes due 2026 \(included in Exhibit 4.14\) \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K file on June 16, 2021\).](#)
- [4.16 Joinder Agreement No. 1, dated as of June 16, 2021 among and acknowledged by JPMorgan Chase Bank, N.A., as credit facility agent, Deutsche Bank Trust Company Americas as initial other authorized representative, and the Company to the First Lien/First Lien Intercreditor Agreement, dated as of April 21, 2021 among JPMorgan Chase Bank, N.A., as credit facility agent and Deutsche Bank Trust Company Americas as initial other authorized representative \(incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on June 16, 2021\).](#)
- [4.17 Pledge and Security Agreement, dated as of June 16, 2021, by and among Coty Inc., the other grantors from time to time party thereto and Deutsche Bank Trust Company Americas, as collateral agent \(incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on June 16, 2021\).](#)
- [4.18 Indenture, dated as of November 30, 2021, among Coty Inc., HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the guarantors named therein, and Deutsche Bank Trust Company Americas, as Trustee, Paying Agent and Collateral Agent, \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on November 30, 2021\).](#)
- [4.19 Form of 4.750% Senior Secured Notes due 2029, \(included in Exhibit 4.18\) \(incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on November 30, 2021\).](#)

- [4.20](#) [Joinder Agreement No. 2, dated as of November 30, 2021 among JPMorgan Chase Bank, N.A., as credit facility agent, Deutsche Bank Trust Company Americas as initial other authorized representative, and the Company to the First Lien/First Lien Intercreditor Agreement, dated as of April 21, 2021, as modified by the Joinder Agreement No. 1, dated as of June 16, 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas, as initial other authorized representative. \(incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on November 30, 2021\).](#)
- [4.21](#) [Pledge and Security Agreement, dated as of November 30, 2021, by and among Coty Inc., HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the other grantors from time to time party thereto and Deutsche Bank Trust Company Americas, as collateral agent \(incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on November 30, 2021\).](#)
- [4.22](#) [Indenture, dated as of July 26, 2023, among Coty Inc., HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the guarantors named therein, and Deutsche Bank Trust Company Americas, as Trustee, Paying Agent and Collateral Agent \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on July 26, 2023\).](#)
- [4.23](#) [Form of 6.625% Senior Secured Notes due 2030 \(included in Exhibit 4.22\)\(incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on July 26, 2023\).](#)
- [4.24](#) [Joinder Agreement No. 3, dated as of July 26, 2023 among JPMorgan Chase Bank, N.A., as credit facility agent, Deutsche Bank Trust Company Americas as initial other authorized representative, and the Company to the First Lien/First Lien Intercreditor Agreement, dated as of April 21, 2021, as modified by the Joinder Agreement No. 1, dated as of June 16, 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas, as initial other authorized representative and Joinder Agreement No. 2, dated as of November 30, 2021, among JPMorgan Chase Bank, N.A., as credit facility agent, and Deutsche Bank Trust Company Americas as initial other authorized representative \(incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on July 26, 2023\).](#)
- [4.25](#) [Pledge and Security Agreement, dated as of July 26, 2023, by and among Coty Inc., HFC Prestige Products, Inc., HFC Prestige International U.S. LLC, the other grantors from time to time party thereto and Deutsche Bank Trust Company Americas, as collateral agent \(incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on July 26, 2023\).](#)
- [10.1](#) [Credit Agreement, dated as of October 27, 2015, by and among Coty Inc., the other borrowers party thereto from time to time, the lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and the other agents from time to time party thereto \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 30, 2015\).](#)
- [10.2](#) [Pledge and Security Agreement, dated as of October 27, 2015, by and among Coty Inc., its subsidiaries signatory thereto and any other subsidiary who may become a party thereto and JPMorgan Chase Bank, N.A., as collateral agent \(incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on October 30, 2015\).](#)
- [10.3](#) [Credit Agreement, dated January 26, 2016, among Galleria Co., as initial borrower, the other borrowers from time to time party thereto, J.P. Morgan Chase Bank, N.A., as administrative agent and collateral agent, and the other agents and lenders party thereto \(incorporated by reference to Exhibit 10.4 of Galleria Co.'s Registration Statement on Form S-4 filed on April 22, 2016\).](#)
- [10.4](#) [Guaranty Agreement, dated as of October 27, 2015, by and among Coty Inc., its subsidiaries signatory thereto and any other subsidiary who may become a party thereto and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent \(incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on October 30, 2015\).](#)
- [10.5](#) [Incremental Assumption Agreement and Amendment No. 1, dated April 8, 2016 to the Credit Agreement, by and among Coty Inc., Coty B.V., certain subsidiaries of Coty Inc. party thereto, the incremental lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 14, 2016\).](#)
- [10.6](#) [Incremental Assumption Agreement and Refinancing Amendment to Credit Agreement, dated as of October 28, 2016, among Coty Inc., Coty B.V., the other loan parties party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 28, 2016\).](#)
- [10.7](#) [Incremental Facility Activation Notice, dated as of October 28, 2016, among Coty Inc., each incremental term A lender and JPMorgan Chase Bank, N.A. as administrative agent \(incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on October 28, 2016\).](#)

- [10.8](#) [Amended and Restated Credit Agreement, dated as of April 5, 2018, by and among Coty Inc., Coty B.V., the other borrowers party thereto from time to time, the lenders and other parties from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 10, 2018\).](#)
- [10.9](#) [Amendment No. 1, dated June 27, 2019, to the Amended and Restated Credit Agreement, dated April 5, 2018, by and among Coty Inc., Coty B.V., the other borrowers party thereto from time to time, the lenders and other parties from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 1, 2019\).](#)
- [10.10](#) [Amendment No. 2, dated April 29, 2020, to the Amended and Restated Credit Agreement, dated April 5, 2018, by and among Coty Inc., Coty B.V., the other borrowers party thereto from time to time, the lenders and other parties from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed on April 30, 2020\).](#)
- [10.11](#) [Amendment No. 3 to Credit Agreement \(Incremental Assumption Agreement\), dated as of June 4, 2021, by and among Coty Inc., Coty B.V., the other loan parties party thereto, the incremental revolving lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 7, 2021\).](#)
- [10.12](#) [Refinancing Amendment, dated as of November 30, 2021, by and among Coty Inc., Coty B.V., the other loan parties party thereto, the refinancing revolving lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, \(incorporated by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed on November 30, 2021\).](#)
- [10.13](#) [Amendment No. 5 to Amended and Restated Credit Agreement, dated March 7, 2023, by and among Coty Inc., Coty B.V., the lenders from time to time party thereto and JPMorgan Chase Bank, N.A. as administrative agent \(incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 9, 2023\).](#)
- [10.14](#) [Amendment No. 6 \(Refinancing Amendment\), dated as of July 11, 2023, by and among Coty Inc., Coty B.V., the other loan parties party thereto, the refinancing revolving lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on July 14, 2023\).](#)
- [10.15](#) [Shareholders' Agreement, dated as of November 30, 2020, by and between Coty Inc., Coty International B.V., Rainbow Capital Group Limited, Rainbow JVCo Limited and Rainbow UK Bidco Limited \(incorporated by reference to Exhibit 10.2 to the Company's 8-K filed on December 1, 2020\).](#)
- [10.16](#) [IP Cross-License Agreement, dated as of November 30, 2020, by and between Coty International B.V. and Wella International Operations Switzerland S.à.r.l. \(incorporated by reference to Exhibit 10.1 to the Company's 8-K filed on December 1, 2020\).](#)
- [10.17](#) [Redemption Agreement dated as of September 30, 2021, by and among Coty Inc., KKR Rainbow Aggregator L.P., Rainbow Capital Group Limited and Coty JV Holdings S.a.r.l \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on on Form 8-K filed on October 1, 2021\).](#)
- [10.18](#) [Redemption Agreement dated as of November 6, 2021, by and among Coty Inc., KKR Rainbow Aggregator L.P., Rainbow Capital Group Limited and Coty JV Holdings S.a.r.l \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on on Form 8-K filed on November 8, 2021\).](#)
- [10.19](#) [Employment Agreement, dated January 27, 2020, between Coty Management B.V. and Kristin Blazewicz \(incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on May 11, 2020\).†](#)
- [10.20](#) [Employment Agreement, dated June 3, 2020, between Coty Management B.V. and Gordon Von Bretten \(incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K filed on August 27, 2020\).†](#)
- [10.22](#) [Offer Letter, dated as of April 1, 2016, between Ayesha Zafar and the Company \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 11, 2016\).†](#)
- [10.23](#) [Employment Agreement, dated May 7, 2020, between Coty International B.V. and Laurent Mercier \(incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on February 9, 2021\).†](#)
- [10.24](#) [Offer Letter, dated October 21, 2019, between Coty International B.V. and Laurent Mercier \(incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on February 9, 2021\).†](#)

<a href="#"><u>10.25</u></a>	<a href="#"><u>Offer Letter, dated December 5, 2020, Coty International B.V. and Laurent Mercier (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on February 9, 2021).†</u></a>
<a href="#"><u>10.26</u></a>	<a href="#"><u>Offer Letter dated as of November 26, 2021 between Coty Management B.V. and Laurent Mercier (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on February 8, 2022).†</u></a>
<a href="#"><u>10.27</u></a>	<a href="#"><u>Offer Letter dated as of June 14, 2022 between Coty Management B.V. and Laurent Mercier (incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K filed on August 25, 2022).†</u></a>
<a href="#"><u>10.28</u></a>	<a href="#"><u>Offer Letter dated as of June 8, 2023, between Coty Management B.V. and Laurent Mercier.†</u></a>
<a href="#"><u>10.29</u></a>	<a href="#"><u>Employment Agreement, dated December 21, 2020, between Coty Italia S.r.l. and Anna von Bayern (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2021).†</u></a>
<a href="#"><u>10.30</u></a>	<a href="#"><u>Employment Agreement, dated January 1, 2021, between Coty Italia S.r.l. and Anna von Bayern (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2021).†</u></a>
<a href="#"><u>10.31</u></a>	<a href="#"><u>Employment Agreement, dated October 13, 2020, between Coty Inc. and Sue Nabi (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2021).†</u></a>
<a href="#"><u>10.33</u></a>	<a href="#"><u>Equity Transfer Agreement, dated July 2, 2020, among Cottage Holdco B.V., Coty Inc. and Sue Nabi (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2021).†</u></a>
<a href="#"><u>10.34</u></a>	<a href="#"><u>Restricted Stock Unit Award between Coty Inc. and Sue Nabi. (incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K filed on August 26, 2021).†</u></a>
<a href="#"><u>10.35</u></a>	<a href="#"><u>Amended Employment Agreement, dated May 4, 2023, between Coty Inc. and Sue Nabi..†</u></a>
<a href="#"><u>10.36</u></a>	<a href="#"><u>Form of Performance Restricted Stock Unit Award Terms and Conditions for Sue Nabi.†</u></a>
<a href="#"><u>10.37</u></a>	<a href="#"><u>Form of Restricted Stock Unit Award Terms and Conditions for Sue Nabi.†</u></a>
<a href="#"><u>10.38</u></a>	<a href="#"><u>Form of Indemnification Agreement between the registrant and its directors and officers (incorporated by reference to Exhibit 10.24 to Amendment No. 4 to the Company's Registration Statement on Form S-1 (File No. 333-182420) filed on April 24, 2013).</u></a>
<a href="#"><u>10.39</u></a>	<a href="#"><u>Amended and Restated Annual Performance Plan, as of February 1, 2017 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2017).†</u></a>
<a href="#"><u>10.40</u></a>	<a href="#"><u>Form of Restricted Stock Unit Award under Coty Inc. 2007 Stock Plan for Directors, as amended on April 8, 2013 (incorporated by reference to Exhibit 10.41 to Amendment No. 4 to the Company's Registration Statement on Form S-1 (File No. 333-182420) filed on April 24, 2013).†</u></a>
<a href="#"><u>10.41</u></a>	<a href="#"><u>Amended and Restated Coty Inc. Equity and Long-Term Incentive Plan, as amended and restated on November 3, 2020 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-Q filed on November 6, 2020).†</u></a>
<a href="#"><u>10.42</u></a>	<a href="#"><u>Restricted Stock Unit Award Terms and Conditions Under Coty Inc. Equity and Long-Term Incentive Plan, as amended and restated on April 8, 2013 (incorporated by reference to Exhibit 10.44 to Amendment No. 4 to the Company's Registration Statement on Form S-1 (File No. 333-182420) filed on April 24, 2013).†</u></a>
<a href="#"><u>10.43</u></a>	<a href="#"><u>Restricted Stock and Restricted Stock Unit Tandem Award Terms and Conditions under the Coty Inc. Equity and Long-Term Incentive Plan, as amended and restated on April 8, 2013 (incorporated by reference to Exhibit 10.45 to Amendment No. 4 to the Company's Registration Statement on Form S-1 (File No. 333-182420) filed on April 14, 2013).†</u></a>
<a href="#"><u>10.44</u></a>	<a href="#"><u>Form of Subscription Agreement for Series A Preferred Stock (incorporated by reference to Exhibit 10.55 to the Company's Annual Report on Form 10-K filed on August 17, 2015).†</u></a>
<a href="#"><u>10.45</u></a>	<a href="#"><u>Amended and Restated Coty Inc. Stock Plan for Directors, as adopted November 3, 2020. (incorporated by reference to Exhibit 10.40 to the Company's Annual Report on Form 10-K filed on August 26, 2021) †</u></a>
<a href="#"><u>10.46</u></a>	<a href="#"><u>Amended Form of Elite Subscription and Stock Option Agreement (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2017).†</u></a>
<a href="#"><u>10.47</u></a>	<a href="#"><u>Form of Phantom Unit Award Terms and Conditions (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 5, 2014).†</u></a>

<a href="#"><u>10.48</u></a>	<a href="#"><u>Form of Restricted Stock Award Agreement under the Amended and Restated Coty Inc. Equity and Long Term-Incentive Plan (incorporated by reference to Exhibit 10.52 to the Company's Annual Report on Form 10-K filed on August 27, 2020) †</u></a>
<a href="#"><u>10.49</u></a>	<a href="#"><u>Form of Restricted Stock Unit Terms and Conditions, as adopted on December 17, 2020, under the Amended and Restated Coty Inc. Equity and Long-Term Incentive Plan, (incorporated by reference to Exhibit 10.47 to the Company's Annual Report on Form 10-K filed on August 26, 2021) †</u></a>
<a href="#"><u>21.1</u></a>	<a href="#"><u>List of significant subsidiaries.</u></a>
<a href="#"><u>23.1</u></a>	<a href="#"><u>Consent of Deloitte &amp; Touche LLP.</u></a>
<a href="#"><u>24.1</u></a>	<a href="#"><u>Power of Attorney (included in signature page).</u></a>
<a href="#"><u>31.1</u></a>	<a href="#"><u>Certification of Chief Executive Officer, pursuant to Rules 13a-14a and 15d-14(a).</u></a>
<a href="#"><u>31.2</u></a>	<a href="#"><u>Certification of Chief Financial Officer, pursuant to Rules 13a-14(d) and 15d-14(d).</u></a>
<a href="#"><u>32.1</u></a>	<a href="#"><u>Certification of Chief Executive Officer, pursuant to 18 U.S. C. Section 1350</u></a>
<a href="#"><u>32.2</u></a>	<a href="#"><u>Certification of Chief Financial Officer, pursuant to 18 U.S. C. Section 1350</u></a>
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).
*	Schedules and similar attachments have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company agrees to furnish supplementary to the Securities and Exchange Commission a copy of any omitted schedule or similar attachment upon request.
†	Exhibit is a management contract or compensatory plan or arrangement.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of New York, New York on August 22, 2023.

COTY INC.

By: /s/ Laurent Mercier

Name: Laurent Mercier

Title: Chief Financial Officer

## POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Kristin Blazewicz, as their true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as they might or could do in person, hereby ratifying and confirming that all said attorney-in-fact and agent, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
<u>/s/Sue Nabi</u> <b>(Sue Nabi)</b>	Chief Executive Officer and Director (Principal Executive Officer)	August 22, 2023
<u>/s/Laurent Mercier</u> <b>(Laurent Mercier)</b>	Chief Financial Officer (Principal Financial Officer)	August 22, 2023
<u>/s/Ayesha Zafar</u> <b>(Ayesha Zafar)</b>	Senior Vice President, Group Controller (Principal Accounting Officer)	August 22, 2023
<u>/s/Maria Asuncion Aramburuzabala</u> <b>(Maria Asuncion Aramburuzabala)</b>	Director	August 22, 2023
<u>/s/Beatrice Ballini</u> <b>(Beatrice Ballini)</b>	Director	August 22, 2023
<u>/s/Joachim Creus</u> <b>(Joachim Creus)</b>	Director	August 22, 2023
<u>/s/Olivier Goudet</u> <b>(Olivier Goudet)</b>	Director	August 22, 2023
<u>/s/Peter Harf</u> <b>(Peter Harf)</b>	Chairman of the Board of Directors	August 22, 2023
<u>/s/Johannes Huth</u> <b>(Johannes Huth)</b>	Director	August 22, 2023
<u>/s/Anna Makanju</u> <b>(Anna Makanju)</b>	Director	August 22, 2023
<u>/s/Isabelle Parize</u> <b>(Isabelle Parize)</b>	Director	August 22, 2023
<u>/s/Lubomira Rochet</u> <b>(Lubomira Rochet)</b>	Director	August 22, 2023
<u>/s/Robert Singer</u> <b>(Robert Singer)</b>	Director	August 22, 2023

## MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Coty's management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) of the Securities Exchange Act of 1934) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America ("GAAP"). Coty's internal control over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements.

Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Coty's management evaluated the effectiveness of internal control over financial reporting as of June 30, 2023 based on the criteria established in "Internal Control - Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the evaluation, management has concluded that Coty maintained effective internal control over financial reporting as of June 30, 2023.

The Company's internal control over financial reporting as of June 30, 2023 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their attestation report which appears herein.

/s/Sue Nabi  
Sue Nabi  
Chief Executive Officer

/s/Laurent Mercier  
Laurent Mercier  
Chief Financial Officer

August 22, 2023

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Coty Inc.

### Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Coty Inc. and subsidiaries (the “Company”) as of June 30, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of June 30, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements, and financial statement schedule as of and for the year ended June 30, 2023, of the Company and our report dated August 22, 2023, expressed an unqualified opinion on those financial statements and financial statement schedule.

### Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

New York, New York

August 22, 2023



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Coty Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Coty Inc. and subsidiaries (the "Company") as of June 30, 2023 and 2022, the related consolidated statements of operations, comprehensive income (loss), equity and cash flows, for each of the three years in the period ended June 30, 2023, and the related notes and the financial statement schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended June 30, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of June 30, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated August 22, 2023, expressed an unqualified opinion on the Company's internal control over financial reporting.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

***Goodwill and Other Intangible Assets, net – Max Factor Trademark Valuation – Refer to Notes 2 and 12 to the financial statements***

### Critical Audit Matter Description

The Company has trademarks that are indefinite-lived intangible assets. The Company's evaluation of the trademarks for impairment involves the comparison of the fair value of each trademark to its carrying value. Management estimates the fair value of these trademarks annually on its elected assessment date of May 1, or more frequently if certain events occur, based upon the income approach, using the relief from royalty methodology, which is a specific discounted cash flow method. The determination of the fair value requires management to make significant estimates and assumptions related to the trademarks' estimated cash flows, royalty, and discount rates, especially those related to the Max Factor trademark. Changes in these assumptions could have a significant impact on the fair value of the Max Factor trademark, the amount of any impairment charge, or both. As of June 30, 2023, the carrying value of the indefinite-lived intangible assets was \$950.8 million, of which \$148.4 million related to the Max Factor trademark. The fair value of the Max Factor trademark exceeded its carrying value by 6.8%.

Given the significant estimates and assumptions made by management to estimate the fair value and the difference between the fair value and carrying value for the Max Factor trademark, performing audit procedures to evaluate the reasonableness of such estimates and assumptions, particularly the estimated cash flows, and the selection of the royalty and discount rate, required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

### How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the estimated cash flows, the selection of the royalty and discount rate for the Max Factor trademark included the following, among others:

- We tested the effectiveness of controls over indefinite-lived intangible assets, including those over the estimated cash flows for the Max Factor trademark and the selection of the respective royalty and discount rate.
- We evaluated management's ability to accurately forecast by comparing actual results in previous years to management's historical forecasts and by comparing the May and June 2023 forecasts with actual results for those months.
- We evaluated the reasonableness of management's estimated cash flows for the Max Factor trademark, by comparing management's forecasts with:
  - Historical cash flows and trends;
  - Internal communications to management and the Board of Directors; and
  - Forecasted information included in industry reports of the Company and selected companies in its peer group.
- We considered the impact of industry and market conditions on management's forecasts for the Max Factor trademark, including consideration of the effects related to the current macro-economic environment.
- We evaluated the impact of changes in management's forecasts from the May 1, 2023 annual measurement date to June 30, 2023.
- With the assistance of our fair value specialists, we evaluated the valuation approach and royalty and discount rate for the Max Factor trademark, including testing the underlying source information and the mathematical accuracy of the calculations, and developing independent estimates and comparing those to the respective royalty and discount rate selected by management.

/s/ Deloitte & Touche LLP

New York, New York  
August 22, 2023

We have served as the Company's auditor since 1995.

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**COTY INC. & SUBSIDIARIES**  
**INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS**

<a href="#"><u>Consolidated Statements of Operations</u></a>	<a href="#"><u>F-1</u></a>
<a href="#"><u>Consolidated Statements of Comprehensive Income (Loss)</u></a>	<a href="#"><u>F-2</u></a>
<a href="#"><u>Consolidated Balance Sheets</u></a>	<a href="#"><u>F-3</u></a>
<a href="#"><u>Consolidated Statements of Equity</u></a>	<a href="#"><u>F-4</u></a>
<a href="#"><u>Consolidated Statements of Cash Flows</u></a>	<a href="#"><u>F-7</u></a>
<a href="#"><u>Notes to Consolidated Financial Statements</u></a>	<a href="#"><u>F-9</u></a>
Financial Statement Schedule:	
<a href="#"><u>Schedule II—Valuation and Qualifying Accounts</u></a>	<a href="#"><u>S-1</u></a>

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**COTY INC. & SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In millions, except per share data)

	Year Ended June 30,		
	2023	2022	2021
<b>Net revenues</b>	<b>\$ 5,554.1</b>	<b>\$ 5,304.4</b>	<b>\$ 4,629.9</b>
Cost of sales	2,006.8	1,935.2	1,861.7
<b>Gross profit</b>	<b>3,547.3</b>	<b>3,369.2</b>	<b>2,768.2</b>
Selling, general and administrative expenses	2,818.3	2,881.3	2,363.2
Amortization expense	191.8	207.4	251.2
Restructuring costs	(6.5)	(6.5)	63.6
Acquisition- and divestiture- related costs	—	14.7	138.8
Asset impairment charges	—	31.4	—
<b>Operating income (loss)</b>	<b>543.7</b>	<b>240.9</b>	<b>(48.6)</b>
Interest expense, net	257.9	224.0	235.1
Other income, net	(419.0)	(409.9)	(43.9)
<b>Income (loss) from continuing operations before income taxes</b>	<b>704.8</b>	<b>426.8</b>	<b>(239.8)</b>
Provision (benefit) for income taxes on continuing operations	181.6	164.8	(172.0)
<b>Net income (loss) from continuing operations</b>	<b>523.2</b>	<b>262.0</b>	<b>(67.8)</b>
Net income (loss) from discontinued operations	—	5.7	(137.3)
<b>Net income (loss)</b>	<b>523.2</b>	<b>267.7</b>	<b>(205.1)</b>
Net loss attributable to noncontrolling interests	(1.8)	(5.1)	(16.1)
Net income attributable to redeemable noncontrolling interests	16.8	13.3	12.3
<b>Net income (loss) attributable to Coty Inc.</b>	<b>\$ 508.2</b>	<b>\$ 259.5</b>	<b>\$ (201.3)</b>
<b>Amounts attributable to Coty Inc.</b>			
Net income (loss) from continuing operations	\$ 508.2	\$ 253.8	\$ (64.0)
Convertible Series B Preferred Stock dividends	(13.2)	(198.3)	(102.3)
Net income (loss) from continuing operations attributable to common stockholders	495.0	55.5	(166.3)
Net income (loss) from discontinued operations, net of tax	—	5.7	(137.3)
<b>Net income (loss) from continuing operations attributable to common stockholders</b>	<b>\$ 495.0</b>	<b>\$ 61.2</b>	<b>\$ (303.6)</b>
<b>Earnings (losses) per common share</b>			
Earnings (losses) from continuing operations per common share - basic	\$ 0.58	\$ 0.07	\$ (0.22)
Earnings (losses) from continuing operations per common share - diluted	\$ 0.57	\$ 0.07	\$ (0.22)
Earnings (losses) from discontinued operations - basic	\$ 0.00	\$ 0.01	\$ (0.18)
Earnings (losses) from discontinued operations - diluted	\$ 0.00	\$ 0.01	\$ (0.18)
Earnings (losses) per common share - basic	\$ 0.58	\$ 0.08	\$ (0.40)
Earnings (losses) per common share - diluted	\$ 0.57	\$ 0.08	\$ (0.40)
<b>Weighted-average common shares outstanding:</b>			
Basic	849.0	820.6	764.8
Diluted	886.5	834.1	764.8

See notes to Consolidated Financial Statements.

**COTY INC. & SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(In millions)

	Year Ended June 30,		
	2023	2022	2021
<b>Net income (loss)</b>	<b>\$ 523.2</b>	<b>\$ 267.7</b>	<b>\$ (205.1)</b>
<b>Other comprehensive income (loss):</b>			
Foreign currency translation adjustment	49.4	(476.1)	130.3
Net unrealized derivative (loss) gain on cash flow hedges, net of taxes of \$1.4, \$(6.0) and \$(8.4), respectively	(3.6)	19.8	27.5
Pension and other post-employment benefits, net of taxes of \$(4.9), \$(24.7) and \$9.0, respectively	10.1	59.4	(23.6)
Total other comprehensive income (loss), net of tax	55.9	(396.9)	134.2
<b>Comprehensive income (loss)</b>	<b>579.1</b>	<b>(129.2)</b>	<b>(70.9)</b>
<b>Comprehensive (loss) attributable to noncontrolling interests:</b>			
Net loss	(1.8)	(5.1)	(16.1)
Foreign currency translation adjustment	0.3	(0.5)	(0.1)
Total comprehensive loss attributable to noncontrolling interests	(1.5)	(5.6)	(16.2)
<b>Comprehensive income (loss) attributable to redeemable noncontrolling interests:</b>			
Net income	16.8	13.3	12.3
Foreign currency translation adjustment	0.1	(0.4)	—
Total comprehensive income attributable to redeemable noncontrolling interests	16.9	12.9	12.3
<b>Comprehensive income (loss) attributable to Coty Inc.</b>	<b>\$ 563.7</b>	<b>\$ (136.5)</b>	<b>\$ (67.0)</b>

See notes to Consolidated Financial Statements.

**COTY INC. & SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(In millions, except per share data)

	June 30, 2023	June 30, 2022
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 246.9	\$ 233.3
Restricted cash	36.9	30.5
Trade receivables—less allowances of \$23.2 and \$53.4, respectively	360.9	364.6
Inventories	853.4	661.5
Prepaid expenses and other current assets	553.6	392.0
<b>Total current assets</b>	<b>2,051.7</b>	<b>1,681.9</b>
Property and equipment, net	712.9	715.5
Goodwill	3,987.9	3,914.7
Other intangible assets, net	3,798.0	3,902.8
Equity investments	1,068.9	842.6
Operating lease right-of-use assets	286.7	320.9
Deferred income taxes	589.9	651.8
Other noncurrent assets	165.6	85.9
<b>TOTAL ASSETS</b>	<b>\$ 12,661.6</b>	<b>\$ 12,116.1</b>
<b>LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 1,444.7	\$ 1,268.3
Accrued expenses and other current liabilities	1,042.0	1,097.1
Short-term debt and current portion of long-term debt	57.9	23.0
Current operating lease liabilities	65.6	67.8
Income and other taxes payable	126.6	109.4
<b>Total current liabilities</b>	<b>2,736.8</b>	<b>2,565.6</b>
Long-term operating lease liabilities	247.5	282.2
Long-term debt, net	4,178.2	4,409.1
Pension and other post-employment benefits	280.7	292.2
Deferred income taxes	659.7	669.0
Other noncurrent liabilities	325.4	340.0
<b>TOTAL LIABILITIES</b>	<b>8,428.3</b>	<b>8,558.1</b>
<b>COMMITMENTS AND CONTINGENCIES (Note 26)</b>		
<b>CONVERTIBLE SERIES B PREFERRED STOCK</b> , \$0.01 par value; 1.0 shares authorized; 0.1 and 0.1 issued and 0.1 and 0.1 outstanding, at June 30, 2023 and 2022, respectively	<b>142.4</b>	<b>142.4</b>
<b>REDEEMABLE NONCONTROLLING INTERESTS</b>	<b>93.5</b>	<b>69.8</b>
<b>EQUITY:</b>		
Preferred stock, \$0.01 par value; 20.0 shares authorized; 1.0 and 1.5 issued and outstanding, at June 30, 2023 and 2022, respectively	—	—
Class A Common Stock, \$0.01 par value; 1,250.0 shares authorized, 919.3 and 905.5 issued and 852.8 and 839.2 outstanding at June 30, 2023 and 2022, respectively	9.1	9.0
Additional paid-in capital	10,898.6	10,805.8
Accumulated deficit	(4,987.9)	(5,496.1)
Accumulated other comprehensive loss	(662.4)	(717.9)
Treasury stock—at cost, shares: 66.5 and 66.3 at June 30, 2023 and 2022, respectively	(1,446.3)	(1,446.3)
<b>Total Coty Inc. stockholders' equity</b>	<b>3,811.1</b>	<b>3,154.5</b>
<b>Noncontrolling interests</b>	<b>186.3</b>	<b>191.3</b>
<b>Total equity</b>	<b>3,997.4</b>	<b>3,345.8</b>
<b>TOTAL LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY</b>	<b>\$ 12,661.6</b>	<b>\$ 12,116.1</b>

See notes to Consolidated Financial Statements.

**COTY INC. & SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EQUITY**  
(In millions)

	Preferred Stock		Class A Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Total Coty Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	Convertible Series B Preferred Stock
	Shares	Amount	Shares	Amount				Shares	Amount					
<b>BALANCE as previously reported—July 1, 2020</b>	<b>1.5</b>	<b>\$ —</b>	<b>830.6</b>	<b>\$ 8.3</b>	<b>\$ 10,447.4</b>	<b>\$ (5,548.6)</b>	<b>\$ (456.2)</b>	<b>65.5</b>	<b>\$ (1,446.3)</b>	<b>\$ 3,004.6</b>	<b>\$ 224.2</b>	<b>\$ 3,228.8</b>	<b>\$ 79.1</b>	<b>\$ 715.8</b>
Adjustment due to the adoption of ASU No. 2016-13						(5.7)				(5.7)		(5.7)		
<b>Balance as adjusted—July 1, 2020</b>	<b>1.5</b>	<b>\$ —</b>	<b>830.6</b>	<b>\$ 8.3</b>	<b>\$ 10,447.4</b>	<b>\$ (5,554.3)</b>	<b>\$ (456.2)</b>	<b>65.5</b>	<b>\$ (1,446.3)</b>	<b>\$ 2,998.9</b>	<b>\$ 224.2</b>	<b>\$ 3,223.1</b>	<b>\$ 79.1</b>	<b>\$ 715.8</b>
Issuance of Preferred Stock										—		—		242.4
Reacquired Class A Common Stock for employee taxes								0.1		—		—		
Cancellation of Restricted Stock								0.7	—	—		—		
Exercise of employee stock options and restricted stock units			1.7	—	—					—		—		
Share based compensation expense					27.4					27.4		27.4		
Changes in dividends accrued					1.2					1.2		1.2		
Shares withheld for employee taxes					(5.0)					(5.0)		(5.0)		
Deemed Dividends- Convertible Series B Preferred Stock					(10.5)					(10.5)		(10.5)		10.5
Dividends Accrued- Convertible Series B Preferred Stock					(67.6)					(67.6)		(67.6)		67.6
Dividends Paid-Convertible Series B Preferred Stock					(24.2)					(24.2)		(24.2)		
Net income (loss)						(201.3)				(201.3)	(16.1)	(217.4)	12.3	
Other comprehensive income							134.3			134.3	(0.1)	134.2		
Distribution to noncontrolling interests, net										—	(6.5)	(6.5)	(2.1)	
Adjustment of redeemable noncontrolling interests to redemption value					5.2					5.2		5.2	(5.2)	
Equity Investment contribution for share-based compensation					2.3					2.3		2.3		
<b>BALANCE—June 30, 2021</b>	<b>1.5</b>	<b>\$ —</b>	<b>832.3</b>	<b>\$ 8.3</b>	<b>\$ 10,376.2</b>	<b>\$ (5,755.6)</b>	<b>\$ (321.9)</b>	<b>66.3</b>	<b>\$ (1,446.3)</b>	<b>\$ 2,860.7</b>	<b>\$ 201.5</b>	<b>\$ 3,062.2</b>	<b>\$ 84.1</b>	<b>\$ 1,036.3</b>

See notes to Consolidated Financial Statements.

**COTY INC. & SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EQUITY**  
(In millions)

	Preferred Stock		Class A Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Accumulated Other Comprehensive Income	Treasury Stock		Total Coty Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	Convertible Series B Preferred Stock
	Shares	Amount	Shares	Amount				Shares	Amount					
<b>BALANCE as adjusted—July 1, 2021</b>	<b>1.5</b>	<b>\$ —</b>	<b>832.3</b>	<b>\$ 8.3</b>	<b>\$ 10,376.2</b>	<b>\$ (5,755.6)</b>	<b>\$ (321.9)</b>	<b>66.3</b>	<b>\$ (1,446.3)</b>	<b>\$ 2,860.7</b>	<b>\$ 201.5</b>	<b>\$ 3,062.2</b>	<b>\$ 84.1</b>	<b>\$ 1,036.3</b>
Exercise of employee stock options and restricted stock units and issuance of restricted stock			3.3							—		—		
Shares withheld for employee taxes					(12.7)					(12.7)		(12.7)		
Share-based compensation expense					195.4					195.4		195.4		
Equity investment contribution for share-based compensation					0.7					0.7		0.7		
Changes in dividends accrued					0.8					0.8		0.8		
Conversion of Convertible Series B Preferred Stock			69.9	0.7	428.8					429.5		429.5		(429.5)
Exchange Transaction												—		(606.9)
Dividends Accrued- Convertible Series B Preferred Stock					(35.2)					(35.2)		(35.2)		35.2
Deemed Dividends and Contributions- Convertible Series B Preferred Stock					(163.1)					(163.1)		(163.1)		163.1
Dividends Paid- Convertible Series B Preferred Stock										—		—		(55.8)
Net income (loss)						259.5				259.5	(5.1)	254.4	13.3	
Other comprehensive loss							(396.0)			(396.0)	(0.5)	(396.5)	(0.4)	
Distribution to noncontrolling interests, net										—	(4.6)	(4.6)	(12.3)	
Adjustment of redeemable noncontrolling interests to redemption value					14.9					14.9		14.9	(14.9)	
<b>BALANCE—June 30, 2022</b>	<b>1.5</b>	<b>\$ —</b>	<b>905.5</b>	<b>\$ 9.0</b>	<b>\$ 10,805.8</b>	<b>\$ (5,496.1)</b>	<b>\$ (717.9)</b>	<b>66.3</b>	<b>\$ (1,446.3)</b>	<b>\$ 3,154.5</b>	<b>\$ 191.3</b>	<b>\$ 3,345.8</b>	<b>\$ 69.8</b>	<b>\$ 142.4</b>

See notes to Consolidated Financial Statements.



**COTY INC. & SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EQUITY**  
(In millions)

	Preferred Stock		Class A Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Treasury Stock		Total Coty Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	Convertible Series B Preferred Stock
	Shares	Amount	Shares	Amount	Capital	Deficit	Income	Shares	Amount	Equity	Interests	Equity	Interests	Preferred Stock
<b>BALANCE—July 1, 2022</b>	<b>1.5</b>	<b>—</b>	<b>905.5</b>	<b>9.0</b>	<b>\$ 10,805.8</b>	<b>\$ (5,496.1)</b>	<b>\$ (717.9)</b>	<b>66.3</b>	<b>\$ (1,446.3)</b>	<b>\$ 3,154.5</b>	<b>\$ 191.3</b>	<b>\$ 3,345.8</b>	<b>\$ 69.8</b>	<b>\$ 142.4</b>
Cancellation of Preferred Stock	(0.5)	—								—		—		
Reacquired Class A Common Stock for employee taxes								0.2	—	—		—		
Exercise of employee stock options and restricted stock units and issuance of restricted stock			13.8	0.1	0.8					0.9		0.9		
Shares withheld for employee taxes					(13.6)					(13.6)		(13.6)		
Share-based compensation expense					134.7					134.7		134.7		
Equity investment contribution for share-based compensation					4.6					4.6		4.6		
Changes in dividends accrued					0.1					0.1		0.1		
Dividends Accrued - Convertible Series B Preferred Stock					(13.2)					(13.2)		(13.2)		13.2
Dividends Paid- Convertible Series B Preferred Stock										—		—		(13.2)
Net income (loss)						508.2				508.2	(1.8)	506.4	16.8	
Other comprehensive loss							55.5			55.5	0.3	55.8	0.1	
Distribution to noncontrolling interests, net										—	(3.5)	(3.5)	(13.8)	
Adjustment of redeemable noncontrolling interests to redemption value					(20.6)					(20.6)		(20.6)	20.6	
<b>BALANCE—June 30, 2023</b>	<b>1.0</b>	<b>\$ —</b>	<b>919.3</b>	<b>\$ 9.1</b>	<b>\$ 10,898.6</b>	<b>\$ (4,987.9)</b>	<b>\$ (662.4)</b>	<b>66.5</b>	<b>\$ (1,446.3)</b>	<b>\$ 3,811.1</b>	<b>\$ 186.3</b>	<b>\$ 3,997.4</b>	<b>\$ 93.5</b>	<b>\$ 142.4</b>

See notes to Consolidated Financial Statements.

**COTY INC. & SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In millions)

	Year Ended June 30,		
	2023	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>Net income (loss)</b>	<b>\$ 523.2</b>	<b>\$ 267.7</b>	<b>\$ (205.1)</b>
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	426.7	516.4	585.3
Non-cash lease expense	63.6	78.5	81.2
Asset impairment charges	—	31.4	—
Deferred income taxes	56.3	12.1	(218.1)
(Release) provision for bad debts	(18.9)	20.5	(13.2)
Provision for pension and other post-employment benefits	8.5	12.7	17.8
Share-based compensation	135.9	195.5	29.9
(Gain) loss on sale of business in discontinued operations and other business divestiture	—	(6.1)	246.4
(Gains) losses on disposals of long-lived assets and license terminations, net	(99.7)	(115.8)	15.4
Realized and unrealized gains from equity investments, net	(226.3)	(400.3)	(70.3)
Foreign exchange effects	29.9	(16.8)	26.7
Unrealized gains on forward repurchase contracts, net	(196.9)	(16.1)	—
Other	8.9	21.3	54.6
Change in operating assets and liabilities:			
Trade receivables	36.8	(77.2)	10.5
Inventories	(180.3)	(48.3)	81.2
Prepaid expenses and other current assets	(15.2)	(12.7)	(136.5)
Accounts payable	138.4	140.5	(49.7)
Accrued expenses and other current liabilities	(21.9)	129.6	(45.8)
Operating lease liabilities	(61.0)	(70.7)	(125.3)
Income and other taxes payable	59.9	91.7	19.9
Other noncurrent assets	(7.5)	(6.7)	40.2
Other noncurrent liabilities	(34.7)	(20.6)	(26.4)
<b>Net cash provided by operating activities</b>	<b>625.7</b>	<b>726.6</b>	<b>318.7</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Capital expenditures	(222.8)	(174.1)	(173.9)
Proceeds from sale of long-lived assets and license termination	104.6	179.2	4.3
Proceeds related to the sale of discontinued business, net of cash acquired and related contingent consideration	—	34.0	2,374.1
Return of capital from equity investments	—	230.6	448.0
Payments for equity investment and asset acquisition	—	—	(200.0)
Proceeds from sale of business, net of cash disposed	—	—	27.0
Termination of currency swaps designated as net investment hedges	—	—	(37.6)
<b>Net cash (used in) provided by investing activities</b>	<b>(118.2)</b>	<b>269.7</b>	<b>2,441.9</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Net proceeds of short-term debt, original maturity less than three months	—	0.6	—
Proceeds from revolving loan facilities	1,558.0	943.0	2,759.8
Repayments of revolving loan facilities	(1,600.1)	(1,338.8)	(3,593.3)
Proceeds from issuance of other long term debt	—	542.4	1,748.8
Repayments of term loans and other long term debt	(226.1)	(868.3)	(3,894.5)
Dividend payments on Class A Common Stock and Convertible Series B Preferred Stock	(13.7)	(57.2)	(25.7)
Proceeds from issuance of Class A Common Stock and Convertible Series B Preferred Stock	0.9	—	227.2

Net (payments) proceeds for foreign currency contracts	(128.1)	(178.5)	18.5
Distributions to mandatorily redeemable financial interests, redeemable noncontrolling interests and noncontrolling interests	(17.3)	(16.9)	(8.6)
Payments related to forward repurchase contracts	(26.4)	—	—
Purchase of remaining mandatorily redeemable financial interest	—	(7.1)	—
Payment of deferred financing fees	—	(39.6)	(21.9)
All other	(16.5)	(13.6)	(5.4)
<b>Net cash (used in) financing activities</b>	<b>(469.3)</b>	<b>(1,034.0)</b>	<b>(2,795.1)</b>
<b>EFFECT OF EXCHANGE RATES ON CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>(18.2)</b>	<b>(8.9)</b>	<b>(7.1)</b>
<b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>20.0</b>	<b>(46.6)</b>	<b>(41.6)</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH—Beginning of period</b>	<b>263.8</b>	<b>310.4</b>	<b>352.0</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH—End of period</b>	<b>\$ 283.8</b>	<b>\$ 263.8</b>	<b>\$ 310.4</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:</b>			
Cash paid during the year for interest	\$ 229.1	\$ 215.4	\$ 230.6
Cash paid during the year for income taxes, net of refunds received	58.6	97.2	15.9
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING AND INVESTING ACTIVITIES:</b>			
Accrued capital expenditure additions	\$ 107.8	\$ 100.1	\$ 69.7
Redemption of Series B Preferred Stock in exchange for Wella Equity Investment	—	603.3	—
Conversion of Series B Preferred Stock into Class A Common Stock	—	429.5	—
Non-cash Series B Preferred Stock dividends and deemed (contributions) dividends	—	(1.1)	78.1

See notes to Consolidated Financial Statements.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
( \$ in millions, except per share data )

**1. DESCRIPTION OF BUSINESS**

Coty Inc. and its subsidiaries (collectively, the “Company” or “Coty”) manufacture, market, sell and distribute branded beauty products, including fragrances, color cosmetics and skin & body related products throughout the world. Coty is a global beauty company with a rich entrepreneurial history and an iconic portfolio of brands.

The Company operates on a fiscal year basis with a year-end of June 30. Unless otherwise noted, any reference to a year preceded by the word “fiscal” refers to the fiscal year ended June 30 of that year. For example, references to “fiscal 2023” refer to the fiscal year ended June 30, 2023. When used in this Annual Report on Form 10-K, the term “includes” and “including” means, unless the context otherwise indicates, including without limitation.

The Company’s sales generally increase during the second fiscal quarter as a result of increased demand associated with the winter holiday season. Financial performance, working capital requirements, sales, cash flows and borrowings generally experience variability during the three to six months preceding the holiday season. Product innovations, new product launches and the size and timing of orders from the Company’s customers may also result in variability.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation and Principles of Consolidation**

The accompanying financial statements of the Company are presented on a consolidated basis in accordance with accounting principles generally accepted in the United States of America (“GAAP”). All intercompany accounts and transactions have been eliminated in consolidation.

The Company also consolidates majority-owned entities in the United States of America, United Arab Emirates, Kingdom of Saudi Arabia, and South Korea where the Company has the ability to exercise control. Ownership interests of noncontrolling parties are presented as noncontrolling interests or redeemable noncontrolling interests, as applicable.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Significant accounting policies that contain subjective management estimates and assumptions include those related to revenue recognition, the net realizable value of inventory, the fair value of equity investments, the assessment of goodwill, other intangible assets and long-lived assets for impairment, and income taxes. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, and makes adjustments when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from those estimates and assumptions. Significant changes, if any, in those estimates and assumptions resulting from continuing changes in the economic environment will be reflected in the Consolidated Financial Statements in future periods.

**Cash Equivalents**

Cash equivalents include all highly liquid investments with original maturities of three months or less at the time of purchase.

**Restricted Cash**

Restricted cash represents funds that are not readily available for general purpose cash needs due to contractual limitations. Restricted cash is classified as a current or long-term asset based on the timing and nature of when or how the cash is expected to be used or when the restrictions are expected to lapse. As of June 30, 2023 and 2022, the Company had restricted cash of \$36.9 and \$30.5, respectively, included in Restricted cash in the Consolidated Balance Sheets. The restricted cash balances as of June 30, 2023 and 2022 primarily provide collateral for certain bank guarantees on rent, customs and duty accounts and also consists of collections on factored receivables that remain unremitted to the factor as of June 30, 2023 and 2022. Restricted cash is included as a component of Cash, cash equivalents, and restricted cash in the Consolidated Statement of Cash Flows.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**Trade Receivables**

Trade receivables are stated net of the allowance for doubtful accounts and cash discounts, which is based on the evaluation of the accounts receivable aging, specific exposures, and historical trends. We make estimates of expected credit and collectibility trends for the allowance for doubtful accounts based upon our assessment of historical experience, the age of the accounts receivable balances, credit quality of our customers, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect our ability to collect from customers. Trade receivables are written off on a case-by-case basis, net of any amounts that may be collected.

**Inventories**

Inventories include items which are considered salable or usable in future periods, and are stated at the lower of cost or net realizable value, with cost being based on standard cost which approximates actual cost on a first-in, first-out basis. Costs include direct materials, direct labor and overhead (e.g., indirect labor, rent and utilities, depreciation, purchasing, receiving, inspection and quality control) and in-bound freight costs. The Company classifies inventories into various categories based upon their stage in the product life cycle, future marketing sales plans and the disposition process.

The Company also records an inventory obsolescence reserve, which represents the excess of the cost of the inventory over its net realizable value, based on various product sales projections. This reserve is calculated using an estimated obsolescence percentage applied to the inventory based on age, historical trends, and requirements to support forecasted sales. In addition, and as necessary, the Company may establish specific reserves for future known or anticipated events.

**Equity Investments**

The Company elected the fair value option to account for its investment in Rainbow JVCO LTD and subsidiaries (together, "Wella" or the "Wella Company") to align with the Company's strategy for this investment. The fair value is updated on a quarterly basis. The investments are classified within Level 3 in the fair value hierarchy because the Company estimates the fair value of the investments using a combination of the income approach, the market approach and private transactions, when applicable. Changes in the fair value of equity investments under the fair value option are recorded in Other (income) expense, net within the Consolidated Statements of Operations (see Note 13—Equity Investments).

**Property and Equipment and Other Long-lived Assets**

Property and equipment is stated at cost less accumulated depreciation or amortization. The cost of renewals and betterments is capitalized and depreciated. Expenditures for maintenance and repairs are expensed as incurred. Property and equipment that is disposed of through sale, trade-in, donation, or scrapping is written off, and any gain or loss on the transaction, net of costs to dispose, is recorded in Selling, general and administrative expense. Depreciation and amortization are computed principally using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Useful Lives</u>
Buildings	20-40 years
Marketing furniture and fixtures	3-5 years
Machinery and equipment	2-15 years
Computer equipment and software	2-5 years
Property and equipment under finance leases and leasehold improvements	Lesser of lease term or economic life

Intangible assets with finite lives are amortized principally using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Useful Lives</u>
License agreements	2-34 years
Customer relationships	2-28 years
Trademarks	2-30 years
Product formulations and technology	2-28 years

Long-lived assets, including tangible and intangible assets with finite lives, are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. When such events or changes in circumstances occur, a recoverability test is performed comparing projected undiscounted cash flows from the use and eventual disposition of an asset or asset group to its carrying value. If the projected undiscounted cash flows are less than the carrying value, an impairment charge would be recorded for the excess of the carrying value over the fair value. The Company estimates fair value based on the best information available, including discounted cash flows and/or the use of third-party valuations.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
( \$ in millions, except per share data )

**Goodwill and Other Indefinite-lived Intangible Assets**

Goodwill is calculated as the excess of the cost of purchased businesses over the fair value of their underlying net assets. Goodwill is allocated and evaluated at the reporting unit level, which are the Company's operating segments. The Company allocates goodwill to one or more reporting units that are expected to benefit from synergies of the business combination.

Goodwill and other intangible assets with indefinite lives are not amortized, but are evaluated for impairment annually as of May 1 or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. When testing goodwill for impairment, the Company has the option of first performing a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as the basis to determine if it is necessary to perform a quantitative goodwill impairment test. In performing its qualitative assessment, the Company considers the extent to which unfavorable events or circumstances identified, such as changes in economic conditions, industry and market conditions or company specific events, could affect the comparison of the reporting unit's fair value with its carrying amount. If the Company concludes that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company is required to perform a quantitative impairment test.

Quantitative impairment testing for goodwill is based upon the fair value of a reporting unit as compared to its carrying value. The Company makes certain judgments and assumptions in allocating assets and liabilities to determine carrying values for its reporting units. To determine fair value of the reporting unit, the Company uses a combination of the income and market approaches, when applicable. Under the income approach, fair value is determined using a discounted cash flow method, projecting future cash flows of each reporting unit, as well as a terminal value, and discounting such cash flows at a rate of return that reflects the relative risk of the cash flows. Under the market approach, when applicable, information from comparable publicly traded companies with similar operating and investment characteristics as the reporting units is utilized to create valuation multiples that are applied to the operating performance of the reporting units being tested, to value the reporting unit. The impairment loss recognized would be the difference between a reporting unit's carrying value and fair value in an amount not to exceed the carrying value of the reporting unit's goodwill.

Indefinite-lived other intangible assets principally consist of trademarks. The fair values of indefinite-lived other intangible assets are estimated and compared to their respective carrying values. The trademarks' fair values are based upon the income approach, utilizing the relief from royalty or excess earnings methodology. This methodology assumes that, in lieu of ownership, a third party would be willing to pay a royalty in order to obtain the rights to use the comparable asset. An impairment loss is recognized when the estimated fair value of the intangible asset is less than its carrying value.

**Leases**

All of the Company's material leases are operating leases. These are primarily for real estate properties, including corporate offices, retail stores and facilities to support the Company's manufacturing, research and development and distribution operations.

For any new or modified lease, the Company, at the inception of the contract, determines whether a contract is or contains a lease. The Company records right-of-use ("ROU") assets and lease obligations for its operating leases, which are initially recognized based on the discounted future lease payments over the term of the lease. Variable lease payments are not included in the measurement of ROU assets and lease liabilities. As the rate implicit in the Company's leases is not easily determinable, the Company's applicable incremental borrowing rate is used in calculating the present value of the sum of the lease payments.

Lease term is defined as the non-cancelable period of the lease plus any options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option. The Company has elected not to recognize ROU asset and lease obligations for its short-term leases, which are defined as leases with an initial term of 12 months or less.

As an accounting policy election for all asset classes, the Company elected the practical expedient related to lease and non-lease components, which allows a lessee to not separate non-lease from lease components and instead account for consideration paid in a contract as a single lease component.

**Deferred Financing Fees**

The Company capitalizes costs related to the issuance of debt instruments, as applicable. Such costs are amortized over the contractual term of the related debt instrument in Interest expense, net using the straight-line method, which approximates the effective interest method, in the Consolidated Statements of Operations.

**Noncontrolling Interests and Redeemable Noncontrolling Interests**

Interests held by third parties in consolidated majority-owned subsidiaries are presented as noncontrolling interests, which represents the noncontrolling stockholders' interests in the underlying net assets of the Company's consolidated majority-

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
( \$ in millions, except per share data )

owned subsidiaries. Noncontrolling interests that are not redeemable are reported in the equity section of the Consolidated Balance Sheets.

Noncontrolling interests, where the Company may be required to repurchase the noncontrolling interest under a put option or other contractual redemption requirement, are reported in the Consolidated Balance Sheets between liabilities and equity, as redeemable noncontrolling interests. The Company adjusts the redeemable noncontrolling interests to the higher of the redemption value or the carrying value (the acquisition date fair value adjusted for the noncontrolling interest's share of net income (loss) and dividends) on each balance sheet date with changes recognized as an adjustment to retained earnings, or in the absence of retained earnings, as an adjustment to additional paid-in capital.

**Revenue Recognition**

Revenue is recognized at a point in time and/or over time when control of the promised goods or services is transferred to the Company's customers, which usually occurs upon delivery. Revenue is recognized in an amount that reflects the consideration the Company expects to be entitled to in exchange for transferring those goods or services. At contract inception, the Company assesses the goods and services promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a good or service (or bundle of goods or services) that is distinct. To identify the performance obligations, the Company considers all of the goods or services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. The Company's revenue contracts principally represent a performance obligation to sell its beauty products to trade customers and are satisfied when control of promised goods and services is transferred to the customers.

Net revenues comprise gross revenues less customer discounts and allowances, actual and expected returns (estimated based on an analysis of historical experience and position in product life cycle) and various trade spending activities. Trade spending activities represent variable consideration promised to the customer and primarily relate to advertising, product promotions and demonstrations, some of which involve cooperative relationships with customers. The costs of trade spend activities are estimated considering all reasonably available information, including contract terms with the customer, the Company's historical experience and its current expectations of the scope of the activities, and is reflected in the transaction price when sales are recorded.

The Company's payment terms vary by the type and location of its customers and the products offered. The term between invoicing and when payment is due is not significant.

The Company's sales return accrual reflects seasonal fluctuations, including those related to revenues for the holiday season in the first half of the fiscal year. This accrual is a subjective critical estimate that has a direct impact on reported net revenues, and is calculated based on history of actual returns, estimated future returns and information provided by retailers regarding their inventory levels. In addition, as necessary, specific accruals may be established for significant future known or anticipated events. The types of known or anticipated events that the Company has considered, and will continue to consider, include the financial condition of the Company's customers, store closings by retailers, changes in the retail environment, and the Company's decision to continue to support new and existing brands. Returns represented 2%, 2% and 2% of gross revenue after customer discounts and allowances in fiscal 2023, 2022 and 2021, respectively. Trade spending activities recorded as a reduction to gross revenue after customer discounts and allowances represented 10%, 10%, and 10% in fiscal 2023, 2022 and 2021, respectively.

The Company accounts for certain customer store fixtures as other assets. Such fixtures are amortized using the straight-line method over the period of 3 to 5 years as a reduction of revenue.

**Cost of Sales**

Cost of sales includes all of the costs to manufacture the Company's products. For products manufactured in the Company's own facilities, such costs include raw materials and supplies, direct labor and factory overhead. For products manufactured for the Company by third-party contractors, such costs represent the amounts invoiced by the contractors. Cost of sales also includes royalty expense associated with license agreements. Additionally, shipping costs, freight-in and depreciation and amortization expenses related to manufacturing equipment and facilities are included in Cost of sales in the Consolidated Statements of Operations.

**Selling, General and Administrative Expenses**

Selling, general and administrative expenses include advertising and promotional costs and research and development costs. Also included in Selling, general and administrative expenses are share-based compensation, certain warehousing fees, manufacturing fixed costs, personnel and related expenses, rent on operating leases, and professional fees.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(\$ in millions, except per share data)**

Advertising and promotional costs are expensed as incurred and totaled \$1,479.6, \$1,465.1 and \$1,029.4 in fiscal 2023, 2022 and 2021, respectively. Included in advertising and promotional costs are \$103.0, \$119.4, and \$130.3 of depreciation of marketing furniture and fixtures, such as product displays, in fiscal 2023, 2022 and 2021, respectively. Research and development costs are expensed as incurred and totaled \$105.2, \$97.3 and \$96.5 in fiscal 2023, 2022 and 2021, respectively.

**Share-Based Compensation**

***Common Stock***

Common shares are available to be awarded for the exercise of phantom units, vested stock options, the settlement of restricted stock units (“RSUs”) and performance restricted stock units (“PRSUs”), and the conversion of Series A and Series A-1 Preferred Stock.

Share-based compensation expense is measured and fixed at the grant date, based on the estimated fair value of the award and is recognized on a straight-line basis, net of estimated forfeitures, over the employee’s requisite service period and, for PRSUs, when it is probable that the performance condition will be achieved.

The fair value of stock options is determined using the Black-Scholes valuation model using the assumptions discussed in Note 24—Share-Based Compensation Plans. The fair value of RSUs and PRSUs are determined on the date of grant based on the Company’s stock price.

**Treasury Stock**

The Company accounts for treasury stock under the cost method. When shares are reissued or retired from treasury stock they are accounted for at an average price. When treasury stock is re-issued at a price higher than its cost, the difference is recorded as a component of Additional paid-in-capital in the Company’s Consolidated Balance Sheets. When treasury stock is re-issued at a price lower than its cost, the difference is recorded as a reduction of Additional paid-in-capital to the extent that there are treasury stock gains to offset the losses. If there are no treasury stock gains in Additional paid-in-capital, the losses upon re-issuance of treasury stock are recorded as a reduction of Retained earnings in the Company’s Consolidated Balance Sheets.

**Income Taxes**

The Company is subject to income taxes in the U.S. and various foreign jurisdictions. The Company accounts for income taxes under the asset and liability method. Therefore, income tax expense is based on reported (Loss) income before income taxes, and deferred income taxes reflect the effect of temporary differences between the carrying amounts of assets and liabilities that are recognized for financial reporting purposes and the carrying amounts that are recognized for income tax purposes. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount that is more likely than not to be realized based on currently available evidence. The Company considers how to recognize, measure, present and disclose in financial statements uncertain tax positions taken or expected to be taken on a tax return.

The Company is subject to tax audits in various jurisdictions. The Company regularly assesses the likely outcomes of such audits in order to determine the appropriateness of liabilities for unrecognized tax benefits (“UTBs”). The Company classifies interest and penalties related to UTBs as a component of the provision for income taxes.

For UTBs, the Company first determines whether it is more-likely-than-not (defined as a likelihood of more than fifty percent) that a tax position will be sustained based on its technical merits as of the reporting date, assuming that taxing authorities will examine the position and have full knowledge of all relevant information. A tax position that meets this more-likely-than-not threshold is then measured and recognized at the largest amount of benefit that is greater than fifty percent likely to be realized upon effective settlement with a taxing authority. As the determination of liabilities related to UTBs and associated interest and penalties requires significant estimates to be made by the Company, there can be no assurance that the Company will accurately predict the outcomes of these audits, and thus the eventual outcomes could have a material impact on the Company’s operating results or financial condition and cash flows.

As a result of the 2017 Tax Act changing the U.S. to a modified territorial tax system, the Company no longer asserts that any of its undistributed foreign earnings are permanently reinvested. The Company does not expect to incur significant withholding or state taxes on future distributions. To the extent there remains a basis difference between the financial reporting and tax basis of an investment in a foreign subsidiary after the repatriation of the previously taxed income, the Company is permanently reinvested. A determination of the unrecognized deferred taxes related to these components is not practicable.

The Tax Act requires a U.S. shareholder of a foreign corporation to include in income its global intangible low-taxed income (“GILTI”). In general, GILTI is described as the excess of a U.S. shareholder’s total net foreign income over a deemed return on tangible assets. An entity may choose to recognize deferred taxes for temporary differences expected to reverse as GILTI in future years or an entity can elect to treat GILTI as a period cost and include it in the tax expense of the year it is



**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(**\$ in millions, except per share data**)

incurred. As such, the Company has elected to treat the tax on GILTI as a tax expense in the year it is incurred rather than recognizing deferred taxes.

**Restructuring Costs**

Charges incurred in connection with plans to restructure and integrate acquired businesses or in connection with cost-reduction initiatives that are initiated from time to time are included in Restructuring costs in the Consolidated Statements of Operations if such costs are directly associated with an exit or disposal activity, a reorganization, or with integrating an acquired business. These costs can include employee separations, contract and lease terminations, and other direct exit costs. Employee severance and other termination benefits are primarily determined based on established benefit arrangements, local statutory requirements or historical practices. The Company recognizes these benefits when payment is probable and estimable.

Other business realignment costs represent the incremental cost directly related to the restructuring activities which can include accelerated depreciation, professional or consulting fees and other internal costs including compensation related costs for dedicated internal resources. Other business realignment costs are generally recorded in Selling, general and administrative expenses in the Consolidated Statements of Operations.

**Fair Value Measurements**

The following fair value hierarchy is used in selecting inputs for those assets and liabilities measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company's assumptions (unobservable inputs). The Company evaluates these inputs and recognizes transfers between levels, if any, at the end of each reporting period. The hierarchy consists of three levels:

*Level 1* - Valuation based on quoted market prices in active markets for identical assets or liabilities;

*Level 2* - Valuation based on inputs other than Level 1 inputs that are observable for the assets or liabilities either directly or indirectly;

*Level 3* - Valuation based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and supported by little or no observable market activity.

Apart from Coty's equity investment in Wella (see Note 13—Equity Investments), the Company has not elected the fair value measurement option for any financial instruments or other assets not required to be measured at fair value on a recurring basis.

**Derivative Instruments and Hedging Activities**

All derivatives are recognized as assets or liabilities and measured at fair value. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation. For derivative instruments designated as cash flow hedges under FASB ASC Topic 815, "Derivatives and Hedging" ("ASC 815"), the change in fair value of the derivative is initially recorded in Accumulated other comprehensive (loss) income in the Consolidated Balance Sheets and is subsequently recognized in earnings when the hedged exposure impacts earnings. For derivative instruments that are not designated as hedges, gains (losses) from changes in fair values are recognized in Net income (loss). The Company does not enter into derivatives for trading or speculative purposes.

**Foreign Currency**

Exchange gains or losses incurred on non-financing foreign exchange currency transactions conducted by one of the Company's operations in a currency other than the operation's functional currency are reflected in Cost of sales or operating expenses. Net (losses)/gains of \$(32.3), \$3.3 and \$(7.8) in fiscal 2023, 2022 and 2021, respectively resulting from non-financing foreign exchange currency transactions are included in the Consolidated Statements of Operations.

Assets and liabilities of foreign operations are translated into U.S. dollars at the rates of exchange in effect at the end of the reporting period. Income and expense items are translated at the average exchange rates prevailing during each reporting period presented. Translation gains or losses are reported as cumulative adjustments in Accumulated other comprehensive income (loss) ("AOCI/(L)").

Net (losses)/gains of \$(12.2), \$10.0 and \$(6.8) in fiscal 2023, 2022 and 2021, respectively, resulting from financing foreign exchange currency transactions are included in Interest expense, net in the Consolidated Statements of Operations.

**Lacoste Fragrances License Termination**

During fiscal 2023, the Company terminated its licensing arrangement for Lacoste fragrances and received termination payments from the licensor totaling €87.8 million (approximately \$93.9). The Company is expected to receive an additional payment of €15.0 million (approximately \$16.3) in fiscal 2024. The Company recognized a net gain within Selling, general and

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

administrative expenses of \$104.4 reflecting the termination proceeds, net of estimated expenses for contractual termination obligations and non-recoverable assets associated with the license termination. Amounts due to the Company from the licensor are reflected in Prepaid expenses and other current assets as of June 30, 2023. The Company will continue to sell remaining Lacoste fragrances inventory through December of calendar year 2023, as per a contractual inventory sell-off arrangement.

**Russia Market Exit**

On April 27, 2022, the Company announced the Board of Directors' decision to wind down its Russian operations. During fiscal 2022, the Company recognized total pre-tax charges in the Condensed Consolidated Statements of Operations of \$83.6 associated with its exit of Russia. These charges are primarily related to the net realizable value of assets associated with the Russian business. These charges consisted of \$45.5 in Selling, general and administrative expenses, primarily related to the write-down of working capital, long-term assets, as well as contract termination charges, contingent liabilities and legal costs, \$31.4 in Asset impairment charges related to the impairment of indefinite-lived intangibles, \$6.3 in Restructuring costs related to employee severances, and \$0.4 in Cost of sales related to inventory write-downs. The Company incurred \$24.1 of income tax charges associated with its decision to exit Russia, in fiscal 2022. Additionally, the Company recognized total pre-tax gains in the Condensed Consolidated Statements of Operations of \$17.0 in the fiscal year ended June 30, 2023. These amounts are primarily related to a bad debt accrual release due to better than expected collections. The Company recognized \$0.4 of income tax benefits associated with the decision to exit Russia in the fiscal year ended June 30, 2023.

The Company anticipates that it will incur an immaterial amount of additional costs through completion of the wind down. Additionally, management anticipates derecognizing the cumulative translation adjustment balance pertaining to the Russian subsidiary. The Company has substantially completed its commercial activities in Russia. However, the Company anticipates that the process related to the liquidation of the Russian legal entity will take an extended period of time.

**Recently Adopted Accounting Pronouncements**

In August 2020, the FASB issued Accounting Standards Update ("ASU") No. 2020-06, Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging- Contracts in Entity's Own Equity (Subtopic 815-40), which simplifies the accounting for convertible instruments by reducing the number of accounting models available for convertible debt instruments. This guidance also eliminates the treasury stock method to calculate diluted earnings per share for convertible instruments and requires the use of the if-converted method. The Company adopted this guidance using the modified retrospective method in the first quarter of fiscal year 2023. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

In July 2021, the FASB issued ASU No. 2021-05, Leases (Topic 842): Lessors-Certain Leases with Variable Lease Payments, which requires a lessor to classify a lease with variable lease payments that do not depend on an index or rate as an operating lease on the commencement date of the lease if specified criteria are met. The Company adopted this guidance in the first quarter of fiscal year 2023. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

**Recently Issued and Not Yet Adopted Accounting Pronouncements**

Accounting Standard Update(s)	Topic	Effective Period	Summary
2023-01	Leases (Topic 842) - Common Control Arrangements	Fiscal 2025	The FASB issued ASU No. 2023-01, Leases (Topic 842) - Common Control Arrangements, which clarifies the accounting for leasehold improvements associated with common control leases. The guidance will be effective for the Company in fiscal 2025 with early adoption permitted. The Company does not expect this ASU will have a material effect on its consolidated financial position, results of operations or cash flows.

**3. DISCONTINUED OPERATIONS**

On June 1, 2020, the Company entered into a definitive agreement with Rainbow UK Bidco Limited ("KKR Bidco"), regarding a strategic transaction for the sale of Coty's Professional and Retail Hair businesses, including the Wella, Clairol, OPI and ghd brands, (together, the "Wella Business"), valuing the business at \$4,300.0 on a cash- and debt-free basis. The transaction was completed on November 30, 2020 and Coty retained an initial ownership of 40% of the Wella Company. As of June 30, 2023, the Company owned a 25.9% stake in the Wella Company. See Note 13—Equity Investments for additional information.

In accordance with applicable accounting guidance for the disposal of long-lived assets, the results of the Wella Business are presented as discontinued operations in the prior period leading up to the date of the sale, and, as such, have been excluded

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

from both continuing operations and segment results for all periods presented. The Wella Business was comprised of the Professional Beauty and Retail Hair businesses.

The following table has selected financial information included in Net income from discontinued operations for the Wella Business.

	Year Ended June 30,		
	2023	2022 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Net revenues</b>	\$ —	\$ —	\$ 986.3
Cost of sales	—	—	322.5
<b>Gross profit</b>	—	—	663.8
Selling, general and administrative expenses	—	—	443.7
Restructuring costs	—	—	(0.7)
<b>Operating income</b>	—	—	220.8
Interest expense, net	—	—	21.3
(Gain) loss on sale of business	—	(6.1)	246.4
Other (income) expense, net	—	—	(1.0)
<b>Income (loss) from discontinued operations before income taxes</b>	—	6.1	(45.9)
Income tax on discontinued operations	—	0.4	91.4
<b>Net income (loss) from discontinued operations</b>	<b>\$ —</b>	<b>\$ 5.7</b>	<b>\$ (137.3)</b>

<sup>(a)</sup> Net income from discontinued operations for the year ended June 30, 2022 reflect certain working capital adjustments net of the related income tax impact.

<sup>(b)</sup> As the sale of the Wella Business occurred on November 30, 2020, discontinued operations activity, other than the Loss on sale of business, comprises five months for the fiscal year ended 2021.

The following is selected financial information included in cash flows from discontinued operations for the Wella Business held for sale:

	Year Ended June 30,		
	2023	2022	2021
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital expenditures	\$ —	\$ —	\$ 8.7

The gain/(loss) on sale of the Wella Business included in Net income (loss) from discontinued operations in the Consolidated Statements of Operations was nil, \$6.1, and \$(246.4) for the years ended June 30, 2023, 2022 and 2021, respectively. Initial cash proceeds received by the Company for the sale of its 60% stake in the Wella Business were \$2,451.7 and the Company retained an equity interest of 40%. The loss on sale reflects the net assets sold, taxes and other costs to sell the Wella Business.

On December 22, 2021, the Company entered into an agreement with KKR Bidco related to post-closing adjustments to the purchase consideration for the Wella Business. As part of this agreement, the Company may receive future contingent proceeds, based on the future recovery of certain tax credits of the Wella Business.

The Company accounts for the initial measurement of contingent consideration under a loss recovery approach. As of the time the contingent consideration arrangement was entered into, the Company was unable to determine that it was probable that any of the contingent consideration would be earned. Therefore, no contingent consideration gain was initially recognized. Subsequent measurement of the contingent consideration is based on the guidance for gain contingencies and any gain will be recorded at the time the consideration is earned.

In fiscal 2022, a \$34.0 advance of future contingent proceeds was paid to the Company and subject to claw back if recovery targets related to the Wella Business tax credits are not achieved. During fiscal 2023 and 2022, certain recovery targets were achieved and the Company recognized gains of \$30.8 and \$0.7, respectively, reported in Other income, net. The remaining \$2.5 is unearned and is included in Other noncurrent liabilities in the Consolidated Balance Sheet until the contingency is resolved.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**4. BUSINESS COMBINATIONS, ASSET ACQUISITIONS AND DIVESTITURES**

**Business Combinations and Asset Acquisitions**

There were no business combination or asset acquisition transactions during the years ended June 30, 2023 and 2022.

***KKW Beauty Business Transaction***

On January 4, 2021, the Company completed its purchase of 20% of the outstanding equity of KKW Holdings, LLC (“KKW Holdings”), pursuant to a purchase agreement entered into between the Company, KKW Holdings and other parties listed as signatories (the “KKW Purchase Agreement”). On the same date, as contemplated by the KKW Purchase Agreement, the Company entered into a collaboration agreement, pursuant to which, in exchange for a marketing fee and a license fee, it received the right and license to manufacture, advertise, promote, distribute and sell certain Kim Kardashian products outside of the existing KKW Holdings scope of fragrances and cosmetics, and use certain intellectual property owned by or licensed to KKW Holdings in connection with the development, manufacture, labelling, packaging, advertising, display, distribution and sale of such products (the “KKW Collaboration Agreement”). Under the KKW Collaboration Agreement, products will be sold by the Company’s consolidated subsidiaries. Therefore, the related revenues generated and expenses incurred by such subsidiaries will be reported in the Company’s Consolidated Statements of Operations.

The KKW Purchase Agreement also gives the Company an option to acquire, and the sellers the option to compel the Company to acquire, an additional 31% of the outstanding equity of KKW Holdings (the “KKW Call Option” and “KKW Put Option”, respectively). The seller’s ability to exercise the KKW Put Option is contingent upon the achievement of certain contractually defined targets. The KKW Call Option and KKW Put Option expire on the seventh anniversary of the KKW Collaboration Agreement. Future exercise of the KKW Call Option or KKW Put Option has been deemed by the Company to be remote. However, if exercise were to occur such exercise may result in a material cash outflow for the Company.

The purchase consideration paid for the equity interest, the KKW Call Option and rights under the KKW Collaboration Agreement was \$200.0 and was allocated as follows using a relative fair value approach at the acquisition date:

	Estimated fair value	Estimated useful life (in years)
KKW Collaboration Agreement	\$ 180.6	20
20% equity interest in KKW Holdings	19.4	
Total purchase consideration	<u>\$ 200.0</u>	

The initial fair value of the KKW Collaboration Agreement and the Company’s 20% equity investment were estimated using an income approach. The Company accounts for its 20% investment in the equity of KKW Holdings under the equity method. The initial fair value of the KKW Collaboration Agreement is recognized within Other intangible assets, net and the Company’s equity investment in KKW Holdings is recognized within Equity investments, each within the Consolidated Balance Sheets. The fair value of the KKW Call Option was deemed to be de minimis.

**Business Divestitures**

There were no divestiture transactions during the years ended June 30, 2023 and 2022.

***Wella Business***

On November 30, 2020, the Company completed the strategic transaction with Kohlberg Kravis Roberts & Co. L.P. and its affiliates (“KKR”) for the sale of a majority stake in the Wella Business (see Note 3—Discontinued Operations). Following the sale, Coty deconsolidated the Wella Business as KKR owned approximately 60% of the separately managed business, and the Company owned the remaining 40%. As of June 30, 2023, the Company owned a 25.9% stake in the Wella Company. See Note 13—Equity Investments for additional information. Initial cash proceeds received for the sale of the 60% stake in the Wella Business were \$2,451.7 (less cash disposed of \$65.5, resulted in net cash proceeds of \$2,386.2).

Coty utilized \$2,015.5 of the net proceeds to pay down its 2018 Coty Term A and B Facilities (as defined in Note 15—Debt) on a pro rata basis and reserved \$500.0 for reinvestment in the Company’s business, pursuant to the 2018 Coty Credit Agreement, as amended (as defined in Note 15—Debt). In connection with the November 30, 2021 amendment to the 2018

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

Coty Credit Agreement, the Company received consent from the participating banks to eliminate the requirements to utilize or repay the Reinvestment Balance (as defined in Note 15—Debt).

Additionally, as contemplated in the Sale and Purchase Agreement (as amended) relating to the sale of the Wella Business (the “Wella SPA”), the purchase consideration was subject to further adjustments for other working capital and contractually specified items. See Note 3—Discontinued Operations for more information.

As a result of the sale of the majority interest in the Wella Business, the Company determined that it no longer had a controlling interest in the Wella Business. The Company, therefore, deconsolidated its ownership of the Wella Business assets and liabilities and no longer reported the assets and liabilities of the Wella Business in its Consolidated Balance Sheet as of December 1, 2020. The operations of the Wella Business were consolidated in the results of the Company through the date of sale. The Company accounted for its stake in Wella under the fair value option (see Note 13—Equity Investments).

## 5. SEGMENT REPORTING

Operating and reportable segments (referred to as “segments”) reflect the way the Company is managed and for which separate financial information is available and evaluated regularly by the Company’s chief operating decision maker (“CODM”) in deciding how to allocate resources and assess performance. The Company has designated its Chief Executive Officer as the CODM.

Certain income and shared costs and the results of corporate initiatives are managed by Corporate. Corporate primarily includes stock compensation expense, restructuring and realignment costs, costs related to acquisition and divestiture activities, and impairments of long-lived assets, goodwill and intangibles that are not attributable to ongoing operating activities of the segments. Corporate costs are not used by the CODM to measure the underlying performance of the segments.

With the exception of goodwill and acquired intangible assets, the Company does not identify or monitor assets by segment. The Company does not present assets by reportable segment since various assets are shared between reportable segments. The allocation of goodwill by segment is presented in Note 12—Goodwill and Other Intangible Assets, net.

<b>SEGMENT DATA</b>	<b>Year Ended June 30,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Net revenues:</b>			
Prestige	\$ 3,420.5	\$ 3,267.9	\$ 2,720.8
Consumer Beauty	2,133.6	2,036.5	1,909.1
Total	<u>\$ 5,554.1</u>	<u>\$ 5,304.4</u>	<u>\$ 4,629.9</u>
<b>Depreciation and amortization:</b>			
Prestige	\$ 262.4	\$ 313.4	\$ 350.4
Consumer Beauty	164.3	203.0	234.9
Total	<u>\$ 426.7</u>	<u>\$ 516.4</u>	<u>\$ 585.3</u>
<b>Operating income (loss) from continuing operations</b>			
Prestige	\$ 483.7	\$ 367.2	\$ 158.1
Consumer Beauty	63.3	9.5	26.9
Corporate	(3.3)	(135.8)	(233.6)
Total	<u>\$ 543.7</u>	<u>\$ 240.9</u>	<u>\$ (48.6)</u>
<b>Reconciliation:</b>			
Operating income (loss) from continuing operations	\$ 543.7	\$ 240.9	\$ (48.6)
Interest expense, net	257.9	224.0	235.1
Other income, net	(419.0)	(409.9)	(43.9)
<b>Income (loss) from continuing operations before income taxes</b>	<u>\$ 704.8</u>	<u>\$ 426.8</u>	<u>\$ (239.8)</u>

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

	As of June 30,	
	2023	2022
<b>Long-lived assets:</b>		
U.S.	\$ 3,597.3	\$ 3,724.7
Netherlands	3,367.5	3,313.5
Brazil	495.0	467.9
All other	1,039.0	1,026.9
Total	<u>\$ 8,498.8</u>	<u>\$ 8,533.0</u>

For Net revenues, a major country is defined as a group of subsidiaries in a country with combined revenues greater than 10% of consolidated net revenues or as otherwise deemed significant. The United States is the only country that accounts for more than 10% of total net revenues for fiscal years 2023, 2022 and 2021. The United States had net revenues of \$1,547.7, \$1,477.7 and \$1,288.9 in fiscal 2023, 2022 and 2021, respectively. No customer or group of affiliated customers accounted for more than 10% of the Company's Net revenues in fiscal 2023, 2022 and 2021 or are otherwise deemed significant.

For Long-lived assets, a major country is defined as a group of subsidiaries within a country with combined long-lived assets greater than 10% of consolidated long-lived assets or as otherwise deemed significant. Long-lived assets include property and equipment, goodwill and other intangible assets.

Presented below are the net revenues associated with Company's product categories as a percentage of total net revenues for continuing operations:

<b>PRODUCT CATEGORY</b>	Year Ended June 30,		
	2023	2022	2021
Fragrances	59.4 %	58.9 %	57.4 %
Color Cosmetics	27.9 %	28.7 %	29.3 %
Body Care, Skin & Other	12.7 %	12.4 %	13.3 %
Total	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

#### 6. ACQUISITION- AND DIVESTITURE-RELATED COSTS

Acquisition-related costs, which are expensed as incurred, represent non-restructuring costs directly related to acquiring and integrating an entity, for both completed and contemplated acquisitions and can include finder's fees, legal, accounting, valuation, other professional or consulting fees, and other internal costs which can include compensation related expenses for dedicated internal resources. The Company recognized acquisition-related costs of nil, nil and \$3.0 for the fiscal years ended 2023, 2022 and 2021, respectively.

Divestiture-related costs, which are expensed as incurred, represent non-restructuring costs directly related to divesting and selling an entity, including partial sales, for both completed and contemplated divestitures. These costs can include legal, accounting, information technology, other professional or consulting fees and other internal costs. Internal costs can include compensation related expenses for dedicated internal resources. Additionally, for divestitures, the Company includes write-offs of assets that are no longer recoverable and contract related costs due to the divestiture. The Company recognized divestiture-related costs of nil, \$14.7 and \$135.8 for the fiscal 2023, 2022 and 2021, respectively. Divestiture-related costs incurred during the fiscal years 2022 and 2021 were primarily related to the strategic transaction with KKR for the sale of a majority stake in the Wella Business. See Note 4—Business Combinations, Asset Acquisitions and Divestitures for information on the strategic transaction.

These costs have been recorded in Acquisition- and divestiture- related costs in the Consolidated Statements of Operations.

#### 7. RESTRUCTURING COSTS

Restructuring costs for the fiscal years ended June 30, 2023, 2022 and 2021 are presented below:

	Year Ended June 30,		
	2023	2022	2021
Transformation Plan	\$ (6.5)	\$ (6.5)	\$ 73.2
Other Restructuring	—	—	(9.6)
Total	<u>\$ (6.5)</u>	<u>\$ (6.5)</u>	<u>\$ 63.6</u>

#### Transformation Plan

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

On July 1, 2019, the Company announced a four-year plan to drive substantial improvement in and optimization in the Company's businesses (the "Turnaround Plan"). This plan was expanded on May 11, 2020 to further reduce fixed costs (the "Transformation Plan"). Of the expected costs, the Company has incurred cumulative restructuring charges of \$216.8 related to approved initiatives through June 30, 2023, which have been recorded in Corporate.

As of June 30, 2023, the Company does not expect to incur any additional restructuring charges pertaining to the Transformation Plan.

The following table presents aggregate restructuring charges for the program:

	Severance and Employee Benefits	Fixed Asset Write- offs	Other Exit Costs	Total
Fiscal 2020	\$ 151.2	\$ (1.1)	\$ 6.5	\$ 156.6
Fiscal 2021	\$ 73.4	\$ (0.5)	\$ 0.3	\$ 73.2
Fiscal 2022	(6.2)	—	(0.3)	\$ (6.5)
Fiscal 2023	(6.5)	—	—	(6.5)
Cumulative through June 30, 2023	211.9	(1.6)	6.5	216.8

The related liability balance and activity of restructuring costs for the Transformation Plan restructuring costs are presented below:

	Severance and Employee Benefits	Total Program Costs
Balance—July 1, 2022	\$ 55.2	\$ 55.2
Restructuring charges	4.6	4.6
Payments	(37.8)	(37.8)
Changes in estimates	(11.1)	(11.1)
Effect of exchange rates	(0.9)	(0.9)
Balance—June 30, 2023	\$ 10.0	\$ 10.0

The Company currently estimates that the total remaining accrual of \$10.0 will result in cash expenditures of approximately \$8.9 and \$1.1 in fiscal 2024 and thereafter, respectively.

#### Other Restructuring

The Company executed a number of other restructuring activities in prior years, which are substantially completed. The Company recognized expenses (income) of \$0.0, \$0.0, and \$(9.6) in fiscal 2023, 2022 and 2021, respectively, which have been recorded in Corporate. The related liability balances were \$0.0 at both June 30, 2023 and June 30, 2022.

#### 8. TRADE RECEIVABLES—FACTORING

The Company factors a portion of its trade receivables with unrelated third-party factoring companies on both a recourse and non-recourse basis. The Company accounts for trade receivable transfers as sales and derecognizes the sold receivables from the Consolidated Balance Sheets. The net amount utilized under factoring facilities was \$202.9 and \$179.3 as of June 30, 2023 and 2022, respectively. The aggregate amount of trade receivable invoices on a worldwide basis amounted to \$1,579.2 and \$1,041.2 in fiscal 2023 and 2022, respectively. Remaining balances due from factors amounted to \$14.2 and \$11.2 as of June 30, 2023 and 2022, respectively, and are included in Trade receivables, net in the Consolidated Balance Sheets. Factoring fees paid under these arrangements were \$8.5, \$3.0 and \$1.2 in fiscal 2023, 2022 and 2021, respectively, which were recorded in Selling, general and administrative expenses in the Consolidated Statements of Operations. Cash received from the selling of receivables are presented as a change in trade receivables within the operating activities section of the Consolidated Statements of Cash Flows.

#### U.S. Receivables Purchase Agreement

On March 19, 2019, the Company entered into an Uncommitted Receivables Purchase Agreement (the "Receivables Purchase Agreement") with a financial institution, with an aggregate facility limit of \$150.0. Eligible trade receivables are purchased by the financial institution for cash at net invoice value less a factoring fee. Pursuant to Receivables Purchase Agreement, the Company acts as collections agent for the financial institution and is responsible for the collection, and

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

remittance to the financial institution, of all customer payments related to trade receivables factored under this arrangement. For certain customer receivables factored, the Company will retain a recourse obligation of up to 10 percent of the respective invoice's net invoice value, payable to the financial institution if the customer's payment is not received by the contractual due date. The fair value of sold receivables approximated their book value due to their short-term nature. The Company estimated that the fair value of its servicing responsibilities was not material.

**European Receivables Purchase Agreement**

In September 2019, the Company entered into a factoring agreement with a financial institution, which allows for the transfer of receivables from certain of the Company's European subsidiaries, in exchange for cash (the "European Receivables Purchase Agreement"). The total outstanding amount permitted among such subsidiaries is €102.6 million. Factoring of such receivables under the European Receivables Purchase Agreement is executed on a non-recourse basis.

**Other Factoring Agreements**

In addition to the Company's main factoring facilities described above, from time to time, certain of the Company's subsidiaries may enter into local factoring agreements with local financial institutions. Based on the terms of such arrangements entered into during fiscal 2023 and 2022, the Company has derecognized receivables sold pursuant to these arrangements from the Consolidated Balance Sheets.

**9. INVENTORIES**

Inventories as of June 30, 2023 and 2022 are presented below:

	June 30, 2023	June 30, 2022
Raw materials	\$ 224.1	\$ 171.5
Work-in-process	15.6	13.2
Finished goods	613.7	476.8
Total inventories	<u>\$ 853.4</u>	<u>\$ 661.5</u>

**10. PREPAID EXPENSES AND OTHER CURRENT ASSETS**

Prepaid expenses and other current assets as of June 30, 2023 and 2022 are presented below:

	June 30, 2023	June 30, 2022
Due from related party	\$ 70.6	\$ 70.2
Value added tax, sales and other non-income tax assets	60.2	59.4
Expected income tax refunds, credits and prepaid income taxes	102.4	116.3
Prepaid marketing, copyright and agency fees	88.7	66.9
Non-trade receivables	18.4	15.3
Prepaid rent, leases, maintenance and insurance	17.5	10.3
Interest rate swap asset	2.8	7.6
Forward Repurchase Contracts Asset	137.6	—
Other	55.4	46.0
Total prepaid expenses and other current assets	<u>\$ 553.6</u>	<u>\$ 392.0</u>



**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**11. PROPERTY AND EQUIPMENT, NET**

Property and equipment, net as of June 30, 2023 and 2022 are presented below:

	June 30, 2023	June 30, 2022
Land, buildings and leasehold improvements	\$ 432.1	\$ 424.2
Machinery and equipment	676.4	670.7
Marketing furniture and fixtures	531.8	501.8
Computer equipment and software	751.5	737.9
Construction in progress	81.6	65.2
Property and equipment, gross	2,473.4	2,399.8
Accumulated depreciation and amortization	(1,760.5)	(1,684.3)
Property and equipment, net	<u>\$ 712.9</u>	<u>\$ 715.5</u>

Depreciation expense of property and equipment totaled \$235.0, \$309.0 and \$334.1 in fiscal 2023, 2022 and 2021, respectively. Depreciation expense is recorded in Cost of sales and Selling, general and administrative expenses in the Consolidated Statements of Operations.

During fiscal 2023, 2022 and 2021, the Company recorded asset impairment charges of \$4.3, \$2.4 and \$5.2 respectively, which are included in Selling, general and administrative expenses in the Consolidated Statements of Operations. The fiscal 2023, 2022, and 2021 impairment charges primarily relate to the abandonment of distribution equipment and IT software, the abandonment of computer software, and the abandonment of machinery and equipment, respectively.

**12. GOODWILL AND OTHER INTANGIBLE ASSETS, NET**

**Assessment for Impairments**

The Company tests goodwill and indefinite-lived other intangible assets for impairment at least annually as of May 1, or more frequently, if certain events or circumstances warrant. During fiscal years 2023, 2022 and 2021, the Company recorded no impairments of goodwill at the Company's reporting units. During fiscal years 2023, 2022 and 2021, the Company recorded total impairments on indefinite-lived other intangible assets of nil, \$31.4 and nil, respectively. Additionally, the Company recorded no impairments on finite-lived other intangible assets during fiscal years 2023, 2022 or 2021.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**Goodwill**

Goodwill as of June 30, 2023, 2022 and 2021 is presented below:

	<b>Prestige</b>	<b>Consumer Beauty</b>	<b>Total</b>
Gross balance at June 30, 2021	\$ 6,384.0	\$ 1,774.2	\$ 8,158.2
Accumulated impairments	(3,110.3)	(929.8)	(4,040.1)
Net balance at June 30, 2021	<u>\$ 3,273.7</u>	<u>\$ 844.4</u>	<u>\$ 4,118.1</u>
Changes during the year ended June 30, 2022			
Foreign currency translation	<u>(163.3)</u>	<u>(40.1)</u>	<u>(203.4)</u>
Gross balance at June 30, 2022	\$ 6,220.7	\$ 1,734.1	\$ 7,954.8
Accumulated impairments	(3,110.3)	(929.8)	(4,040.1)
Net balance at June 30, 2022	<u>\$ 3,110.4</u>	<u>\$ 804.3</u>	<u>\$ 3,914.7</u>
Changes during the year ended June 30, 2023			
Foreign currency translation	<u>58.5</u>	<u>14.7</u>	<u>73.2</u>
Gross balance at June 30, 2023	\$ 6,279.2	\$ 1,748.8	\$ 8,028.0
Accumulated impairments	(3,110.3)	(929.8)	(4,040.1)
Net balance at June 30, 2023	<u>\$ 3,168.9</u>	<u>\$ 819.0</u>	<u>\$ 3,987.9</u>

**Other Intangible Assets, net**

Other intangible assets, net as of June 30, 2023 and 2022 are presented below:

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Indefinite-lived other intangible assets	\$ 950.8	\$ 936.6
Finite-lived other intangible assets, net	2,847.2	2,966.2
Total Other intangible assets, net	<u>\$ 3,798.0</u>	<u>\$ 3,902.8</u>

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The changes in the carrying amount of indefinite-lived other intangible assets are presented below:

	<b>Trademarks</b>	<b>Total</b>
Gross balance at June 30, 2021	\$ 1,932.2	\$ 1,932.2
Accumulated impairments	(913.5)	(913.5)
Net balance at June 30, 2021	<u>\$ 1,018.7</u>	<u>\$ 1,018.7</u>
Changes during the year ended June 30, 2022		
Impairment charges <sup>(a)</sup>	(31.4)	(31.4)
Foreign currency translation	<u>(50.7)</u>	<u>(50.7)</u>
Gross balance at June 30, 2022	\$ 1,881.5	\$ 1,881.5
Accumulated impairments	(944.9)	(944.9)
Net balance at June 30, 2022	<u>\$ 936.6</u>	<u>\$ 936.6</u>
Changes during the year ended June 30, 2023		
Foreign currency translation	<u>14.2</u>	<u>14.2</u>
Gross balance at June 30, 2023	\$ 1,895.7	\$ 1,895.7
Accumulated impairments	<u>\$ (944.9)</u>	<u>\$ (944.9)</u>
Net balance at June 30, 2023	<u>950.8</u>	<u>950.8</u>

<sup>(a)</sup> During fiscal 2022, the Company recognized asset impairment charges of \$31.4 relating to the Max Factor and Bourjois trademarks.

Intangible assets subject to amortization are presented below:

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Accumulated Impairment</b>	<b>Net</b>
<b>June 30, 2022</b>				
License and collaboration agreements	\$ 3,861.9	\$ (1,302.2)	\$ (19.6)	\$ 2,540.1
Customer relationships	740.0	(473.5)	(5.5)	261.0
Trademarks	320.5	(177.1)	(0.5)	142.9
Product formulations and technology	83.9	(61.7)	—	22.2
Total	<u>\$ 5,006.3</u>	<u>\$ (2,014.5)</u>	<u>\$ (25.6)</u>	<u>\$ 2,966.2</u>
<b>June 30, 2023</b>				
License and collaboration agreements	\$ 3,756.2	\$ (1,282.6)	\$ (19.6)	\$ 2,454.0
Customer relationships	750.6	(505.9)	(5.5)	239.2
Trademarks	313.0	(180.6)	(0.5)	131.9
Product formulations and technology	85.6	(63.5)	—	22.1
Total	<u>\$ 4,905.4</u>	<u>\$ (2,032.6)</u>	<u>\$ (25.6)</u>	<u>\$ 2,847.2</u>

Amortization expense totaled \$191.8, \$207.4 and \$251.2 for the fiscal years ended June 30, 2023, 2022 and 2021, respectively.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

Intangible assets subject to amortization are amortized principally using the straight-line method and have the following weighted-average remaining lives:

<b>Description</b>	
License and collaboration agreements	20.2 years
Customer relationships	15.4 years
Trademarks	14.9 years
Product formulations and technology	21.3 years

As of June 30, 2023, the remaining weighted-average life of all intangible assets subject to amortization is 19.6 years.

The estimated aggregate amortization expense for each of the following fiscal years ending June 30 is presented below:

2024	\$	190.0
2025		185.7
2026		154.8
2027		145.5
2028		142.1

**License Agreements**

The Company records assets for license agreements (“licenses”) acquired in transactions accounted for as business combinations. These licenses provide the Company with the exclusive right to manufacture and market on a worldwide and/or regional basis, certain of the Company’s products which comprise a significant portion of the Company’s revenues. These licenses have initial terms covering various periods. Certain brand licenses provide for automatic extensions ranging from 2 to 10 year terms, at the Company’s discretion.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**13. EQUITY INVESTMENTS**

The Company's equity investments, classified as Equity investments on the Consolidated Balance Sheets, as of June 30, 2023 are represented by the following:

	June 30, 2023	June 30, 2022
<i>Equity method investments:</i>		
KKW Holdings <sup>(a)</sup>	\$ 8.9	\$ 12.6
<i>Equity investments at fair value:</i>		
Wella <sup>(b)</sup>	1,060.0	830.0
Total equity investments	<u>\$ 1,068.9</u>	<u>\$ 842.6</u>

<sup>(a)</sup> On January 4, 2021, the Company completed its purchase of 20% of the outstanding equity of KKW Holdings. (See Note 4—Business Combinations, Asset Acquisitions and Divestitures).

During the years ended June 30, 2023 and 2022, the Company recognized \$3.7 and \$3.6, respectively, representing its share of the investee's net loss and the amortization of basis differences in Other income, net within the Consolidated Statements of Operations.

<sup>(b)</sup> On November 30, 2020, the Company completed the strategic transaction with KKR for the sale of a 60% stake in Coty's Wella Business. As of June 30, 2023 and 2022, the Company's stake in the Wella Company was 25.9%.

The following table presents summarized financial information of the Company's equity method investees for the years ended June 30, 2023 and 2022. Amounts presented represent combined totals at the investee level and not the Company's proportionate share:

<b>Summarized Statements of Operations information:</b>	Year Ended June 30, 2023	Year Ended June 30, 2022
Net revenues	\$ 2,477.7	\$ 2,505.1
Gross profit	1,616.2	1,706.5
Operating income (loss)	163.6	91.9
Loss before income taxes	(33.6)	(137.8)
Net loss	(76.2)	(171.7)

<b>Summarized Balance Sheets information:</b>	June 30, 2023	June 30, 2022
Current assets	\$ 1,093.4	\$ 951.4
Noncurrent assets	4,554.5	4,577.5
Total assets	5,647.9	5,528.9
Current liabilities	1,038.9	985.7
Noncurrent liabilities	2,708.5	2,525.6
Total liabilities	3,747.4	3,511.3

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

As of June 30, 2023, the Wella Company had 30.0 million shares of issued common stock and 1,843.2 million shares of issued redeemable preferred stock, of which Coty held 25.9% of each class of shares. The Wella Company had total equity inclusive of redeemable preferred stock of \$1,938.8 as of June 30, 2023.

The following table summarizes movements in equity investments with fair value option that are classified within Level 3 for the period ended June 30, 2023. There were no internal movements to or from Level 3 from Level 1 or Level 2 for the period ended June 30, 2023.

**Equity investments at fair value:**

Balance as of June 30, 2022	\$ 830.0
Total gains/(losses) included in earnings	230.0
Balance as of June 30, 2023	<u>\$ 1,060.0</u>

**Level 3 significant unobservable inputs sensitivity**

The following table summarizes the significant unobservable inputs used in Level 3 valuation of the Company's investments carried at fair value as of June 30, 2023. Included in the table are the inputs or range of possible inputs that have an effect on the overall valuation of the financial instruments.

	Fair value	Valuation Technique	Unobservable input	Range
Equity investments at fair value	\$ 1,060.0	Discounted cash flows	Discount rate	10.75% <sup>(a)</sup>
			Growth rate	1.8% - 9.2% <sup>(a)</sup>
		Market multiple	Revenue multiple	2.5x-3.0x <sup>(b)</sup>
			EBITDA multiple	12.0x - 15.0x <sup>(b)</sup>

<sup>(a)</sup> The primary unobservable inputs used in the fair value measurement of the Company's equity investments with fair value option, when using a discounted cash flow method, are the discount rate and revenue growth rate. Significant increases (decreases) in the discount rate in isolation would result in a significantly lower (higher) fair value measurement. The Company estimates the discount rate based on the investees' projected cost of equity and debt. The revenue growth rate is forecasted for future years by the investee based on their best estimates. Significant increases (decreases) in the revenue growth rate in isolation would result in a significantly higher (lower) fair value measurement.

<sup>(b)</sup> The primary unobservable inputs used in the fair value measurement of the Company's equity investments with fair value option, when using a market multiple method, are the revenue multiple and EBITDA multiple. Significant increases (decreases) in the revenue multiple or EBITDA multiple in isolation would result in a significantly higher (lower) fair value measurement. The market multiples are derived from a group of guideline public companies.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**14. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES**

Accrued expenses and other current liabilities as of June 30, 2023 and 2022 consist of the following:

	June 30, 2023	June 30, 2022
Advertising, marketing and licensing	\$ 338.4	\$ 314.9
Customer returns, discounts, allowances and bonuses	261.5	254.1
Compensation and other compensation related benefits	171.1	131.7
Value added, sales and other non-income taxes	71.5	83.1
Derivative liability for foreign currency	4.3	62.1
Restructuring costs	8.9	54.1
Interest	47.0	47.8
Auditing, consulting, legal and litigation accruals	25.2	30.8
Deferred income	6.9	21.5
Factoring - due to counterparty	23.0	12.8
Unfavorable contract liability	10.5	10.1
Due to related party	8.3	4.7
Cross currency swap liability	0.5	3.5
Other	64.9	65.9
Total accrued expenses and other current liabilities	<u>\$ 1,042.0</u>	<u>\$ 1,097.1</u>

**15. DEBT**

	June 30, 2023	June 30, 2022
Short-term debt	\$ —	\$ —
<b>Senior Secured Notes</b>		
2026 Dollar Senior Secured Notes due April 2026	900.0	900.0
2026 Euro Senior Secured Notes due April 2026	761.0	731.8
2029 Dollar Senior Secured Notes due January 2029	500.00	500.0
<b>2018 Coty Credit Agreement</b>		
2021 Coty Revolving Credit Facility due April 2025	228.9	273.6
2018 Coty Term B Facility due April 2025	1,183.7	1,239.2
<b>Senior Unsecured Notes</b>		
2026 Dollar Notes due April 2026	473.0	550.0
2026 Euro Notes due April 2026	196.0	261.4
Brazilian Credit Facility	31.9	42.4
Other long-term debt and finance lease obligations	7.1	0.1
Total debt	<u>4,281.6</u>	<u>4,498.5</u>
Less: Short-term debt and current portion of long-term debt	<u>(57.9)</u>	<u>(23.0)</u>
Total Long-term debt	4,223.7	4,475.5
Less: Unamortized financing fees	(29.8)	(41.8)
Less: Discount on long-term debt	(15.7)	(24.6)
Total Long-term debt, net	<u>\$ 4,178.2</u>	<u>\$ 4,409.1</u>

**Short-Term Debt**

The Company maintains short-term lines of credit with financial institutions around the world. Total available lines of credit were \$49.2 and \$43.1, of which nil and nil were outstanding at June 30, 2023 and 2022, respectively. Interest rates on

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

these short-term lines of credit vary depending on market rates for borrowings within the respective geographic locations plus applicable spreads. Interest rates plus applicable spreads on these lines ranged from 4.8% to 16.4% and from 1.2% to 15.9% as of June 30, 2023 and 2022, respectively. The weighted-average interest rate on short-term debt outstanding was 0.0% and 0.0% as of June 30, 2023 and 2022, respectively. In addition, the Company had undrawn letters of credit of \$7.2 and \$14.3 and bank guarantees of \$16.3 and \$17.2 as of June 30, 2023 and 2022, respectively.

**Long-Term Debt**

The Company's long-term debt facilities consisted of the following as of June 30, 2023 and 2022:

Facility	Maturity Date	Borrowing Capacity (in millions) as of June 30, 2023	Interest Rate Terms	Applicable Interest Rate Spread as of June 30, 2023	Debt Discount	Repayment Schedule
<i>Fiscal 2023 and 2022</i>						
2029 Dollar Senior Secured Notes	January 2029	\$500.0	4.75% per annum, payable semi-annually in arrears on January 15 and July 15 of each year, beginning on July 15, 2022	4.75%	N/A <sup>(b)</sup>	Payable in full at maturity date
2021 Coty Revolving Credit Facility <sup>(f)(g)</sup>	April 2025	\$2,000.0	SOFR <sup>(a)</sup> plus a margin ranging from 1.00% to 2.00% per annum or a base rate plus a margin ranging from 0.00% to 1.00% per annum, based on the Company's total net leverage ratio <sup>(c)(d)(e)</sup>	1.75%	N/A <sup>(b)</sup>	Payable in full at maturity date
Brazilian Credit Facilities - October 2023	October 2023	\$31.9	3.48% per annum, payable quarterly in arrears beginning on July 5, 2022	3.48%	N/A <sup>(b)</sup>	Payable in full at maturity date
Brazilian Credit Facilities - September 2023	September 2023	\$—	3.74% per annum, payable quarterly in arrears beginning on June 30, 2022	3.74%	N/A <sup>(b)</sup>	Repaid in full
2026 Dollar Senior Secured Notes	April 2026	\$900.0	5.0% per annum, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2021	5.000%	N/A <sup>(b)</sup>	Payable in full at maturity date
2026 Euro Senior Secured Notes	April 2026	€700.0	3.875% per annum, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2021	3.875%	N/A <sup>(b)</sup>	
2018 Coty Term B Facility - USD Portion <sup>(g)</sup>	April 2025	\$715.5	SOFR <sup>(a)</sup> plus a margin of 2.25% per annum or a base rate plus a margin of 1.25% per annum <sup>(d)</sup>	2.25%	0.25%	Quarterly repayments beginning September 30, 2018 at 0.25% of original principal amount
2018 Coty Term B Facility - EUR Portion <sup>(g)</sup>	April 2025	€430.6	SOFR <sup>(a)</sup> plus a margin of 2.50% per annum <sup>(d)</sup>	2.50%	0.25%	
2026 Dollar Notes	April 2026	\$473.0	6.5% per annum, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2018	N/A <sup>(b)</sup>	N/A <sup>(b)</sup>	Payable in full at maturity date
2026 Euro Notes	April 2026	€180.3	4.75% per annum, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2018	N/A <sup>(b)</sup>	N/A <sup>(b)</sup>	

<sup>(a)</sup> As defined in the *Interest* section below.

<sup>(b)</sup> N/A - Not Applicable.

<sup>(c)</sup> As defined per the 2018 Coty Credit Agreement, as amended.

<sup>(d)</sup> The selection of the applicable one, two, three, six or twelve month interest rate for the period is at the discretion of the Company.

<sup>(e)</sup> The Company will pay to the Revolving Credit Facility lenders an unused commitment fee calculated at a rate ranging from 0.10% to 0.35% per annum, based on the Company's total net leverage ratio<sup>(d)</sup>. As of June 30, 2023 and 2022, the applicable rate on the unused commitment fee was 0.25% and 0.25%, respectively.

<sup>(f)</sup> As a result of the amendments entered into in fiscal 2022, the 2018 Coty Revolving Credit Facility was refinanced and replaced by the 2021 Coty Revolving Credit Facility due April 5, 2025 (as described below).

<sup>(g)</sup> Except as described below in amendments to the 2018 Coty Credit Agreement (as defined below), original terms of the 2018 Coty Credit Agreement apply to these debt facilities.



**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
( \$ in millions, except per share data )

***Recent Developments***

***Early Paydown of Brazilian Credit Facility***

On June 23, 2023, a wholly-owned subsidiary of the Company utilized cash on hand to fully paid down one of the existing U.S. Dollar-denominated credit facilities in Brazil in the amount of \$10.5. This facility was set to mature in September 2023.

***Financing Activities***

The Company completed certain financing activities in the first quarter of fiscal 2024, as discussed in Note 28—Subsequent Events.

***Senior Secured Notes***

On November 30, 2021, the Company issued an aggregate principal amount of \$500.0 of 4.75% senior secured notes due 2029 ("2029 Dollar Senior Secured Notes"). Coty received gross proceeds of \$500.0 in connection with the offering of the 2029 Dollar Senior Secured Notes. In accordance with the 2018 Coty Credit Agreement, as amended, a portion of the gross proceeds received were utilized to pay down the remaining outstanding principal balance of the 2018 Coty Revolving Credit Facility of \$394.0 and the 2018 Coty Term A Facility of €89.5 million (approximately \$100.4).

On June 16, 2021, the Company issued an aggregate principal amount of €700.0 million of 3.875% senior secured notes due 2026 (the "2026 Euro Senior Secured Notes") in a private offering. Coty received gross proceeds of €700.0 million in connection with the offering of the 2026 Euro Senior Secured Notes.

On April 21, 2021, the Company issued an aggregate principal amount of \$900.0 of 5.00% senior secured notes due 2026 (the "2026 Dollar Senior Secured Notes" and, together with the 2026 Euro Senior Secured Notes and 2029 Dollar Senior Secured Notes, the "Senior Secured Notes"). Coty received gross proceeds of \$900.0 in connection with the offering of the 2026 Dollar Senior Secured Notes.

Coty used the gross proceeds of the offerings of the Senior Secured Notes to repay a portion of the term loans outstanding under the existing credit facilities and to pay related fees and expenses thereto.

The Senior Secured Notes are senior secured obligations of Coty and are guaranteed on a senior secured basis by each of Coty's wholly-owned domestic subsidiaries that guarantees Coty's obligations under its existing senior secured credit facilities and are secured by first priority liens on the same collateral that secures Coty's obligations under its existing senior secured credit facilities, as described below. The Senior Secured Notes and the guarantees are equal in right of payment with all of Coty's and the guarantors' respective existing and future senior indebtedness and are pari passu with all of Coty's and the guarantors' respective existing and future indebtedness that is secured by a first priority lien on the collateral, including the existing senior secured credit facilities, to the extent of the value of such collateral.

***Optional Redemption***

***Applicable Premium***

The indentures governing the Senior Secured Notes specify the Applicable Premium (as defined in the respective indentures) to be paid upon early redemption of some or all of the Senior Secured Notes prior to, and on or after, April 15, 2023 for the 2026 Euro Senior Secured Notes and 2026 Dollar Senior Secured Notes, and January 15, 2025 for the 2029 Dollar Senior Secured Notes (the "Early Redemption Dates").

The Applicable Premium related to the respective Senior Secured Notes on any redemption date and as calculated by the Company is the greater of:

- (1) 1.0% of the then outstanding principal amount of the respective Senior Secured Notes; and
- (2) the excess, if any, of (a) the present value at such redemption date of (i) the redemption price of such respective Senior Secured Notes that would apply if such respective notes were redeemed on the respective Early Redemption Dates, (such redemption price is expressed as a percentage of the principal amount being set forth in the table appearing in the Redemption Pricing section below), plus (ii) all remaining scheduled payments of interest due on the respective Senior Secured Notes to and including the respective Early Redemption Dates, (excluding accrued but unpaid interest, if any, to, but excluding, the redemption date), with respect to each of subclause (i) and (ii), computed using a discount rate equal to the Treasury Rate in the case of the 2026 Dollar Senior Secured Notes and 2029 Dollar Senior Secured Notes, or Bund Rate in the case of the 2026 Euro Senior Secured Notes (both Treasury Rate and Bund Rate as defined in the

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

respective indentures) as of such redemption date plus 50 basis points; over (b) the principal amount of the respective Senior Secured Notes.

*Redemption Pricing*

At any time and from time to time prior to the Early Redemption Dates, the Company may redeem some or all of the respective notes at redemption prices equal to 100% of the respective principal amounts being redeemed plus the Applicable Premium, plus accrued and unpaid interest, if any, to, but excluding, the redemption dates.

At any time on or after the Early Redemption Dates, the Company may redeem some or all of the respective notes at the redemption prices (expressed in percentage of principal amount) set forth below, plus accrued and unpaid interest, if any, to, but excluding, the redemption dates, if redeemed during the twelve-month period beginning on respective dates of each of the years indicated below:

For the period beginning Year	Price		
	2026 Dollar Senior Secured Notes	2026 Euro Senior Secured Notes	2029 Dollar Senior Secured Notes
	April 15,		January 15,
2024	101.250%	100.969%	N/A
2025	100.000%	100.000%	102.375%
2026	N/A	N/A	101.188%
2027 and thereafter	N/A	N/A	100.000%

*2018 Coty Credit Agreement*

On April 5, 2018, the Company entered into an amended and restated credit agreement (the "2018 Coty Credit Agreement"), which, as previously disclosed, was amended in June 2019, September 2021 and November 2021. On March 7, 2023, the Company further amended the 2018 Coty Credit Agreement to effectuate the transition of the underlying variable interest rate from LIBOR to the Secured Overnight Financing Rate ("SOFR").

As amended and restated through March 2023, the 2018 Coty Credit Agreement matures on April 5, 2025 and provides for (a) the incurrence by the Company of (1) a senior secured term A facility in an aggregate principal amount of (i) \$1,000.0 denominated in U.S. dollars and (ii) €2,035.0 million denominated in euros (the "2018 Coty Term A Facility") and (2) a senior secured term B facility in an aggregate principal amount of (i) \$1,400.0 denominated in U.S. dollars and (ii) €850.0 million denominated in euros (the "2018 Coty Term B Facility") and (b) the incurrence by the Company and Coty B.V., a Dutch subsidiary of the Company (the "Dutch Borrower" and, together with the Company, the "Borrowers"), of a senior secured revolving facility in an aggregate principal amount of \$2,000.0 denominated in U.S. dollars, specified alternative currencies or other currencies freely convertible into U.S. dollars (the "2021 Coty Revolving Credit Facility") (as amended through March 2023, the 2018 Coty Term A Facility, together with the 2018 Coty Term B Facility and the 2021 Coty Revolving Credit Facility, the "2018 Coty Credit Facilities").

The 2018 Coty Credit Agreement provides that with respect to the 2021 Coty Revolving Credit Facility, up to \$150.0 is available for letters of credit and up to \$150.0 is available for swing line loans. The 2018 Coty Credit Agreement also permits, subject to certain terms and conditions, the incurrence of incremental facilities thereunder in an aggregate amount of (i) \$1,700.0 plus (ii) an unlimited amount if the First Lien Net Leverage Ratio (as defined in the 2018 Coty Credit Agreement), at the time of incurrence of such incremental facilities and after giving effect thereto on a pro forma basis, is less than or equal to 3.00 to 1.00.

The obligations of the Company under the 2018 Coty Credit Agreement are guaranteed by the material wholly-owned subsidiaries of the Company organized in the U.S., subject to certain exceptions (the "Guarantors") and the obligations of the Company and the Guarantors under the 2018 Coty Credit Agreement are secured by a perfected first priority lien (subject to permitted liens) on substantially all of the assets of the Company and the Guarantors, subject to certain exceptions. The Dutch Borrower does not guarantee the obligations of the Company under the 2018 Coty Credit Agreement or grant any liens on its assets to secure any obligations under the 2018 Coty Credit Agreement.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(\$ in millions, except per share data)**

As previously disclosed, the Company utilized proceeds from certain transactions to pay down portions of the outstanding balances of the 2018 Coty Term A Facility and 2018 Coty Term B Facility in November 2020, October 2021 and January 2022. In December 2022, in connection with the Lacoste license termination, a portion of the termination payment totaling €52.5 million (approximately \$55.6 at the time) was advanced to the Company. In accordance with the 2018 Coty Credit Agreement, as amended, the Company utilized a portion of the advance proceeds to pay down €13.5 million (approximately \$14.3) and \$21.5, respectively, of the outstanding balances of the euro and U.S. dollar portions of the 2018 Term B Facility on December 23, 2022. In June 2023, in connection with the Lacoste license termination, a portion of the termination payment totaling €35.3 (approximately \$38.3) was paid to the Company. In accordance with the 2018 Coty Credit Agreement, as amended, the Company utilized a portion of the proceeds to pay down €6.6 million (approximately \$7.2) and \$8.0, respectively, of the outstanding balances of the euro and U.S. dollar portions of the 2018 Term B Facility on June 30, 2023. No balances remain outstanding under the 2018 Coty Term A Facility.

**Senior Unsecured Notes**

On April 5, 2018 the Company issued, at par, \$550.0 of 6.50% senior unsecured notes due 2026 (the “2026 Dollar Notes”), €550.0 million of 4.00% senior unsecured notes due 2023 (the “2023 Euro Notes”) and €250.0 million of 4.75% senior unsecured notes due 2026 (the “2026 Euro Notes” and, together with the 2023 Euro Notes, the “Euro Notes,” and the Euro Notes together with the 2026 Dollar Notes, the “Senior Unsecured Notes”) in a private offering.

The Senior Unsecured Notes are senior unsecured debt obligations of the Company and will be *pari passu* in right of payment with all of the Company’s existing and future senior indebtedness (including the 2018 Coty Credit Facilities). The Senior Unsecured Notes are guaranteed, jointly and severally, on a senior basis by the Guarantors. The Senior Unsecured Notes are senior unsecured obligations of the Company and are effectively junior to all existing and future secured indebtedness of the Company to the extent of the value of the collateral securing such secured indebtedness. The related guarantees are senior unsecured obligations of each Guarantor and are effectively junior to all existing and future secured indebtedness of such Guarantor to the extent of the value of the collateral securing such indebtedness.

The 2026 Dollar and Euro Notes will mature on April 15, 2026. The 2026 Dollar Notes will bear interest at a rate of 6.50% per annum. The 2026 Euro Notes will bear interest at a rate of 4.75% per annum. Interest on the 2026 Dollar and Euro Notes is payable semi-annually in arrears on April 15 and October 15 of each year.

The Company issued a notice of full redemption of the 2023 Euro Notes (as defined below) on February 15, 2022 and redeemed the 2023 Euro Notes on April 15, 2022 in the amount of €550.0 million (approximately \$606.4). The Company utilized cash on hand of \$480.7 and drew down \$125.7 on the 2021 Coty Revolving Credit Facility (as defined below) for the redemption. On December 7, 2022, the Company redeemed \$77.0 of the 2026 Dollar Notes and €69.7 million (approximately \$72.2) of the 2026 Euro Notes.

Upon the occurrence of certain change of control triggering events with respect to a series of Senior Unsecured Notes, the Company will be required to offer to repurchase all or part of the Senior Unsecured Notes of such series at 101% of their principal amount, plus accrued and unpaid interest, if any, to, but excluding, the purchase date applicable to such Senior Unsecured Notes.

The Senior Unsecured Notes contain customary covenants that place restrictions in certain circumstances on, among other things, incurrence of liens, entry into sale or leaseback transactions, sales of all or substantially all of the Company’s assets and certain merger or consolidation transactions. The Senior Unsecured Notes also provide for customary events of default.

**Optional Redemption**

As of June 30, 2023, the Company may at any time redeem some or all of the 2026 Dollar Notes and 2026 Euro Notes, respectively, at the redemption prices (expressed in percentage of principal amount) set forth below, plus accrued and unpaid interest, if any, to, but excluding, the redemption dates, if redeemed during the twelve-month period beginning on April 15 of

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

each of the years indicated below:

Year	Price	
	2026 Dollar Notes	2026 Euro Notes
2023	101.6250%	101.1875%
2024 and thereafter	100.0000%	100.0000%

**Deferred Issuance Costs**

For the fiscal years ended June 30, 2023, 2022 and 2021, the Company capitalized deferred financing fees of nil, \$9.2, and \$25.4, respectively. The Company incurred nil, \$27.0 and nil in third-party debt issuance costs during the fiscal years ended June 30, 2023, 2022 and 2021, respectively, which were recorded as Other income, net in the Consolidated Statement of Operations.

**Write-offs**

In fiscal 2023, the Company wrote off unamortized deferred financing fees of \$0.7 and \$0.1 of unamortized debt discounts. In fiscal 2022, the Company wrote off \$4.7 of unamortized deferred financing fees and \$0.4 of unamortized debt discounts. In fiscal 2021, the Company wrote off \$21.1 of unamortized deferred financing fees and \$3.1 of unamortized debt discounts. The write-offs of the unamortized deferred financing fees and unamortized debt discounts are included in Other income, net in the Consolidated Statements of Operations.

**Interest**

The 2018 Coty Credit Agreement facilities will bear interest at rates equal to, at the Company's option, either:

- SOFR of the applicable qualified currency, of which the Company can elect the applicable one, two, three, six or twelve month rate, plus the applicable margin; or
- Alternate base rate ("ABR") plus the applicable margin.

In the case of the 2021 Coty Revolving Credit Facility, the applicable margin means the lesser of a percentage per annum to be determined in accordance with the leverage-based pricing grid and the debt rating-based grid below:

Pricing Tier	Total Net Leverage Ratio:	SOFR plus:	Alternative Base Rate Margin:
1.0	Greater than or equal to 4.75:1	2.000%	1.000%
2.0	Less than 4.75:1 but greater than or equal to 4.00:1	1.750%	0.750%
3.0	Less than 4.00:1 but greater than or equal to 2.75:1	1.500%	0.500%
4.0	Less than 2.75:1 but greater than or equal to 2.00:1	1.250%	0.250%
5.0	Less than 2.00:1 but greater than or equal to 1.50:1	1.125%	0.125%
6.0	Less than 1.50:1	1.000%	—%

Pricing Tier	Debt Ratings S&P/Moody's:	SOFR plus:	Alternative Base Rate Margin:
5.0	Less than BB+/Ba1	2.000%	1.000%
4.0	BB+/Ba1	1.750%	0.750%
3.0	BBB-/Baa3	1.500%	0.500%
2.0	BBB/Baa2	1.250%	0.250%
1.0	BBB+/Baa1 or higher	1.125%	0.125%

In the case of the U.S. dollar portion of the 2018 Coty Term B Facility, the applicable margin means 2.25% per annum, in the case of SOFR loans, and 1.25% per annum, in the case of ABR loans. In the case of the Euro portion of the 2018 Coty Term B Facility, the applicable margin means 2.50% per annum, in the case of EURIBOR loans. In no event will SOFR be deemed to be less than 0.00% per annum.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**Fair Value of Debt**

	June 30, 2023		June 30, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Senior Secured Notes	\$ 2,161.0	\$ 2,066.9	\$ 2,131.8	\$ 1,914.1
2018 Coty Credit Agreement				
	1,412.6	1,393.5	1,512.8	1,451.5
Senior Unsecured Notes	669.0	661.5	811.4	733.5
Brazilian Credit Facility	31.9	32.2	42.4	48.2

The Company uses the market approach to value its debt instruments. The Company obtains fair values from independent pricing services or utilizes the USD SOFR curve to determine the fair value of these debt instruments. Based on the assumptions used to value these liabilities at fair value, these debt instruments are categorized as Level 2 in the fair value hierarchy.

**Debt Maturities Schedule**

Aggregate maturities of the Company's long-term debt, including the current portion of long-term debt and excluding capital lease obligations as of June 30, 2023, are presented below:

**Fiscal Year Ending June 30,**

2024	\$ 55.1
2025	1,389.3
2026	2,330.1
2027	—
2028	—
Thereafter	500.0
Total	<u>\$ 4,274.5</u>

**Covenants**

The 2018 Coty Credit Agreement contains affirmative and negative covenants. The negative covenants include, among other things, limitations on debt, liens, dispositions, investments, fundamental changes, restricted payments and affiliate transactions. With certain exceptions as described below, the 2018 Coty Credit Agreement, as amended, includes a financial covenant that requires us to maintain a Total Net Leverage Ratio (as defined below), equal to or less than the ratios shown below for each respective test period.

<b>Quarterly Test Period Ending</b>	<b>Total Net Leverage Ratio <sup>(a)</sup></b>
June 30, 2023 through April 5, 2025	4.00 to 1.00

<sup>(a)</sup> Total Net Leverage Ratio means, as of any date of determination, the ratio of: (a) (i) Total Indebtedness minus (ii) unrestricted and Cash Equivalents of the Parent Borrower and its Restricted Subsidiaries as determined in accordance with GAAP to (b) Adjusted EBITDA for the most recently ended Test Period (each of the defined terms, including Adjusted EBITDA, used within the definition of Total Net Leverage Ratio have the meanings ascribed to them within the 2018 Coty Credit Agreement, as amended). Adjusted EBITDA, as defined in the 2018 Coty Credit Agreement, as amended, includes certain add backs related to cost savings, unusual events such as COVID-19, operating expense reductions and future unrealized synergies subject to certain limits and conditions as specified in the 2018 Coty Credit Agreement, as amended.

In the four fiscal quarters following the closing of any Material Acquisition (as defined in the 2018 Coty Credit Agreement, as amended), including the fiscal quarter in which such Material Acquisition occurs, the maximum Total Net Leverage Ratio shall be the lesser of (i) 5.95 to 1.00 and (ii) 1.00 higher than the otherwise applicable maximum Total Net Leverage Ratio for such quarter (as set forth in the table above). Immediately after any such four fiscal quarter period, there shall be at least two consecutive fiscal quarters during which the Company's Total Net Leverage Ratio is no greater than the maximum Total Net Leverage Ratio that would otherwise have been required in the absence of such Material Acquisition, regardless of whether any additional Material Acquisitions are consummated during such period.

As of June 30, 2023, the Company was in compliance with all covenants contained within the 2018 Coty Credit Agreement, as amended.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**16. LEASES**

The Company leases office facilities under non-cancelable operating leases with terms generally ranging between 5 and 25 years. The Company utilizes these leased office facilities for use by its employees in countries in which the Company conducts its business. Leases are negotiated with third parties and, in some instances contain renewal, expansion and termination options. The Company also subleases certain office facilities to third parties when the Company no longer intends to utilize the space. None of the Company's leases restricts the payment of dividends or the incurrence of debt or additional lease obligations, or contain significant purchase options.

Due to the divestiture of the Wella Business, lease assets, liabilities and expenses specific to this business for the fiscal year ended June 30, 2021 are excluded from the subsequent tables.

The following table provides additional information about the Company's operating leases for the fiscal years ended June 30, 2023, 2022 and 2021.

<b>Lease Cost:</b>	<b>Year Ended June 30, 2023</b>	<b>Year Ended June 30, 2022</b>	<b>Year Ended June 30, 2021</b>
Operating lease cost	\$ 76.2	\$ 90.4	\$ 87.1
Short-term lease cost	0.9	1.2	0.8
Variable lease cost	40.3	39.3	49.5
Sublease income	(15.8)	(20.0)	(14.9)
Net lease cost	\$ 101.6	\$ 110.9	\$ 122.5
Other information:			
Operating cash outflows from operating leases	(73.8)	(83.8)	\$ (132.4)
Right-of-use assets obtained in exchange for lease obligations	25.7	104.9	\$ 27.8
Weighted-average remaining lease term - real estate	7.2 years	7.6 years	6.4 years
Weighted-average discount rate - real estate leases	4.13 %	3.85 %	3.57 %

Future minimum lease payments for the Company's operating leases as of June 30, 2023 are as follows:

<b>Fiscal Year Ending June 30,</b>	
2024	\$ 78.6
2025	60.0
2026	48.8
2027	41.0
2028	32.7
Thereafter	107.1
Total future lease payments	368.2
Less: imputed interest	(55.1)
Total present value of lease liabilities	\$ 313.1
Current operating lease liabilities	65.6
Long-term operating lease liabilities	247.5
Total operating lease liabilities	\$ 313.1

Table excludes obligations for leases with original terms of twelve months or less which have not been recognized as ROU assets or liabilities in the Consolidated Balance Sheets.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**17. INCOME TAXES**

Income (loss) from continuing operations before income taxes in fiscal 2023, 2022 and 2021 is presented below:

	Year Ended June 30,		
	2023	2022	2021
United States	\$ (253.6)	\$ (277.5)	\$ (434.4)
Foreign	958.4	704.3	194.6
Total	<u>\$ 704.8</u>	<u>\$ 426.8</u>	<u>\$ (239.8)</u>

The components of the Company's total provision (benefit) for income taxes from continuing operations during fiscal 2023, 2022 and 2021 are presented below:

	Year Ended June 30,		
	2023	2022	2021
Provision (benefit) for income taxes on continuing operations:			
Current:			
Federal	\$ 2.6	\$ 6.6	\$ 3.8
State and local	2.6	(6.0)	14.9
Foreign	120.1	152.1	55.2
Total	<u>125.3</u>	<u>152.7</u>	<u>73.9</u>
Deferred:			
Federal	(61.1)	(2.7)	41.1
State and local	1.0	(12.8)	5.4
Foreign	116.4	27.6	(292.4)
Total	<u>56.3</u>	<u>12.1</u>	<u>(245.9)</u>
Provision (benefit) for income taxes on continuing operations	<u>\$ 181.6</u>	<u>\$ 164.8</u>	<u>\$ (172.0)</u>

During fiscal 2023, the Company recorded a provision of \$181.6 primarily due to the limitation on the deductibility of executive stock compensation, offset by fair value gains related to the investment in the Wella business at a lower rate.

During fiscal 2022, the Company recorded a provision of \$164.8 primarily due to the limitation on the deductibility of executive stock compensation and tax costs associated with the Russia exit, offset by large fair value gains related to the investment in the Wella business at a lower rate.

During fiscal 2021, the Company recorded a benefit of \$234.4 as a result of a tax rate differential on the deferred taxes recognized on the transfer of assets and liabilities, following the Company's relocation of the main principal location from Geneva to Amsterdam. The overall value of the assets and liabilities transferred was negotiated with both the Swiss and Dutch tax authorities and per terms of the agreements, will be reevaluated after three years. The Company also recorded an expense of \$130.0 related to an internal restructuring following the Wella divestiture, primarily intended to create a more efficient structure to hold its equity investment in Wella.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The reconciliation of the U.S. Federal statutory tax rate to the Company's effective income tax rate during fiscal 2023, 2022 and 2021 is presented below:

	Year Ended June 30,		
	2023	2022	2021
Income (loss) from continuing operations before income taxes	\$ 704.8	\$ 426.8	\$ (239.8)
Provision (benefit) for income taxes at statutory rate	\$ 148.0	\$ 89.6	\$ (50.4)
State and local taxes—net of federal benefit	2.8	(14.9)	26.3
Foreign tax differentials	(10.1)	(16.4)	(23.3)
Change in valuation allowances	10.2	(2.3)	(3.8)
Change in unrecognized tax benefit	32.5	(10.6)	(18.0)
Permanent differences—net	(4.9)	25.4	(13.1)
Non-deductible executive stock compensation	27.7	37.1	—
Currency Loss	(13.6)	(0.2)	—
Dispositions of business assets	—	12.7	—
Russia exit	(7.0)	24.1	—
Principal relocation	—	—	(234.4)
Post-divestiture restructuring	—	—	130.0
Other	(4.0)	20.3	14.7
Provision (benefit) for income taxes on continuing operations	\$ 181.6	\$ 164.8	\$ (172.0)
Effective income tax rate	25.8 %	38.6 %	71.7 %

Significant components of deferred income tax assets and liabilities as of June 30, 2023 and 2022 are presented below:

	June 30, 2023	June 30, 2022
Deferred income tax assets:		
Inventories	\$ 7.5	\$ 8.3
Accruals and allowances	54.9	58.6
Sales returns	19.1	17.3
Share-based compensation	4.8	5.1
Employee benefits	55.6	60.3
Net operating loss carry forwards and tax credits	241.4	296.4
Capital loss carry forwards	0.3	1.1
Interest expense limitation carry forward	47.5	28.5
Lease liability	28.6	30.6
Principal relocation lease liability	424.0	434.0
Property, plant and equipment	13.0	—
Other	48.4	31.7
Less: valuation allowances	(60.7)	(41.7)
Net deferred income tax assets	884.4	930.2
Deferred income tax liabilities:		
Intangible assets	817.4	811.9
Property, plant and equipment	—	9.2
Licensing rights	27.8	25.7
Right of use asset	28.6	31.2
Other	80.5	69.4
Deferred income tax liabilities	954.3	947.4
Net deferred income tax (liability) asset	\$ (69.9)	\$ (17.2)



**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The expirations of tax loss carry forwards, amounting to \$686.9 as of June 30, 2023, in each of the fiscal years ending June 30, are presented below:

<b>Fiscal Year Ending June 30,</b>	<b>United States</b>	<b>Western Europe</b>	<b>Rest of World</b>	<b>Total</b>
2024	\$ —	\$ 7.9	\$ 0.6	\$ 8.5
2025	—	3.1	3.9	7.0
2026	—	—	9.5	9.5
2027	—	245.9	27.8	273.7
2028 and thereafter	—	115.5	272.7	388.2
<b>Total</b>	<b>\$ —</b>	<b>\$ 372.4</b>	<b>\$ 314.5</b>	<b>\$ 686.9</b>

The total valuation allowances recorded are \$60.7 and \$41.7 as of June 30, 2023 and 2022, respectively. In fiscal 2023, the change in the valuation allowance was primarily due to an increase in valuation allowance on certain state and foreign net operating losses.

A reconciliation of the beginning and ending amount of UTBs is presented below:

	<b>Year Ended June 30,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
UTBs—July 1	\$ 251.6	\$ 279.9	\$ 277.9
Additions based on tax positions related to the current year	6.7	1.7	32.1
Additions for tax positions of prior years	0.7	20.8	—
Reductions for tax positions of prior years	(1.4)	(29.4)	(4.5)
Settlements	(4.6)	(0.2)	(0.4)
Lapses in statutes of limitations	(13.8)	(14.1)	(33.3)
Foreign currency translation	(3.7)	(7.1)	8.1
<b>UTBs—June 30</b>	<b>\$ 235.5</b>	<b>\$ 251.6</b>	<b>\$ 279.9</b>

As of June 30, 2023, the Company had \$235.5 of UTBs of which \$184.9 represents the amount that, if recognized, would impact the effective income tax rate in future periods. As of June 30, 2023 and 2022, the liability associated with UTBs, including accrued interest and penalties, is \$218.6 and \$191.8, respectively, which is recorded in Income and other taxes payable and Other non-current liabilities in the Consolidated Balance Sheets.

The Company accrued interest of \$7.8, \$4.2 and \$0.8, respectively, in fiscal 2023, 2022 and 2021. The Company accrued immaterial penalties in fiscal 2023 and no penalties in fiscal 2022, and released penalties of \$0.5 in fiscal 2021. The total gross accrued interest and penalties recorded in the Other noncurrent liabilities in the Consolidated Balance Sheets related to UTBs as of June 30, 2023 and 2022 is \$33.1 and \$26.4, respectively.

The Company is present in approximately 40 tax jurisdictions, and at any point in time is subject to several audits at various stages of completion. As a result, the Company evaluates tax positions and establishes liabilities for UTBs that may be challenged by local authorities and may not be fully sustained, despite a belief that the underlying tax positions are fully supportable. UTBs are reviewed on an ongoing basis and are adjusted in light of changing facts and circumstances, including progress of tax audits, developments in case law, and closing of statute of limitations. Such adjustments are reflected in the provision for income taxes as appropriate. In fiscal 2023 and 2022, the Company recognized a tax benefit of \$18.4 and \$14.3 respectively associated with the settlement of tax audits in multiple jurisdictions and the expiration of foreign and state statutes of limitation. The Company has open tax years ranging from 2009 and forward.

On the basis of information available at June 30, 2023, it is reasonably possible that a decrease of up to \$21.5 in UTBs related to U.S. and foreign exposures may be necessary within the coming year. It is also possible the ongoing audits by tax authorities may result in increases or decreases to the balance of UTBs. Since it is common practice to extend audits beyond the Statute of Limitations, the Company is unable to predict the timing or conclusion of these audits and, accordingly, the Company is unable to estimate the amount of changes to the balance of UTBs that are reasonably possible at this time. However, the Company believes it has adequately provided for its UTBs for all open tax years in each tax jurisdiction.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**18. INTEREST EXPENSE, NET**

Interest expense, net for the years ended June 30, 2023, 2022 and 2021 is presented below:

	Year Ended June 30,		
	2023	2022	2021
Interest expense	\$ 261.1	\$ 241.2	\$ 231.8
Foreign exchange losses (gains), net of derivative contracts	12.2	(10.0)	6.8
Interest income	(15.4)	(7.2)	(3.5)
Total interest expense, net	<u>\$ 257.9</u>	<u>\$ 224.0</u>	<u>\$ 235.1</u>

**19. EMPLOYEE BENEFIT PLANS**

**Savings and Retirement Plans** - The Company's Savings and Retirement Plans include a U.S. defined contribution plan for employees primarily in the U.S. and international savings plans for employees in certain other countries. In the U.S., hourly and salary based employees are eligible to participate in the plan after 90 days of service and the Company matches 100% of employee contributions up to 6.0% of employee compensation. In addition, the Company makes contributions to the plan on behalf of employees determined by their age and compensation.

During fiscal 2023, 2022 and 2021, the defined contribution expense for Coty Inc. for the U.S. defined contribution plan was \$13.7, \$13.6 and \$15.8, respectively, and the defined contribution expense for the international savings plans was \$9.6, \$9.7 and \$12.0, respectively. Defined contribution expense includes amounts related to discontinued operations, which are not material for any period.

**Pension Plans** - The Company sponsors contributory and noncontributory defined benefit pension plans covering certain U.S. and international employees primarily in France, Germany and Switzerland. Participants in the U.S. defined benefit pension plan no longer accrue benefits. The Company measures defined benefit plan assets and obligations as of the date of the Company's fiscal year-end. The Company's defined benefit pension plans are funded primarily through contributions from the Company after consideration of recommendations from the pension plans' independent actuaries and are funded at levels sufficient to comply with local requirements.

**Settlements and Curtailments for Pension Plans**

As part of the Transformation Plan, the Company concluded that restructuring actions resulted in a significant reduction of future services of active employees in certain of the Company's non-U.S. pension plans. As a result, the Company recognized curtailment gains of \$0.7, \$1.3 and \$6.9 during the years ended June 30, 2023, 2022 and 2021, respectively. Additionally, the Company recognized settlement losses of \$0.2, \$1.8, and \$3.8, of which \$0.0, \$1.4, and \$2.3 were related to restructuring actions during the years ended June 30 2023, 2022 and 2021, respectively. The impact of settlement and curtailment activity on the current and prior comparative periods is included in Other income, net in the Consolidated Statements of Operations.

**Plan Amendments for Pension Plans** - There were no Plan amendments as of June 30, 2023.

**Other Post-Employment Benefit Plans ("OPEB")** - The Company provides certain post-employment health and life insurance benefits for certain employees and spouses principally in the U.S. and France if certain age and service requirements are met. Estimated benefits to be paid by the Company are expensed over the service period of each employee based on calculations performed by an independent actuary. In addition, the Company has a supplemental retirement plan and a termination benefit plan for selected salaried employees.

All of the disclosures below include amounts related to discontinued operations through November 30, 2020, except when otherwise noted.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The aggregate reconciliation of the projected benefit obligations, plan assets, funded status and amounts recognized in the Company's Consolidated Financial Statements related to the Company's pension plans and other post-employment benefit plans is presented below:

	Pension Plans				Other Post-Employment Benefits		Total	
	U.S.		International					
	2023	2022	2023	2022	2023	2022	2023	2022
<b>Change in benefit obligation</b>								
Benefit obligation—July 1	\$ 14.5	\$ 18.9	\$ 343.7	\$ 515.9	\$ 38.8	\$ 50.2	\$ 397.0	\$ 585.0
Service cost	—	—	4.8	9.1	0.6	0.8	5.4	9.9
Interest cost	0.7	0.5	10.9	5.9	1.7	0.8	13.3	7.2
Plan participants' contributions	—	—	1.1	1.5	0.2	0.2	1.3	1.7
Benefits paid	(1.4)	(2.1)	(14.5)	(15.1)	(1.9)	(2.2)	(17.8)	(19.4)
New employees transfers in	—	—	1.0	4.2	—	—	1.0	4.2
Premiums paid	—	—	(0.5)	(0.5)	—	—	(0.5)	(0.5)
Pension curtailment	—	—	(0.7)	(1.6)	—	—	(0.7)	(1.6)
Other <sup>(a)</sup>	—	—	16.2	—	—	—	16.2	—
Pension settlement	—	—	(4.2)	(39.3)	—	—	(4.2)	(39.3)
Actuarial loss (gain)	(0.8)	(2.8)	(16.6)	(86.8)	(3.3)	(10.9)	(20.7)	(100.5)
Effect of exchange rates	—	—	14.4	(49.6)	(0.1)	(0.1)	14.3	(49.7)
Benefit obligation—June 30	<u>\$ 13.0</u>	<u>\$ 14.5</u>	<u>\$ 355.6</u>	<u>\$ 343.7</u>	<u>\$ 36.0</u>	<u>\$ 38.8</u>	<u>\$ 404.6</u>	<u>\$ 397.0</u>
<b>Change in plan assets</b>								
Fair value of plan assets—July 1	\$ —	\$ —	\$ 101.5	\$ 159.1	\$ —	\$ —	\$ 101.5	\$ 159.1
Actual return on plan assets	—	—	1.5	(11.6)	—	—	1.5	(11.6)
Employer contributions	1.4	2.1	13.7	15.7	1.8	2.0	16.9	19.8
Plan participants' contributions	—	—	1.1	1.5	0.2	0.2	1.3	1.7
Benefits paid	(1.4)	(2.1)	(14.5)	(15.1)	(1.9)	(2.2)	(17.8)	(19.4)
New employees transfers in	—	—	1.0	4.2	—	—	1.0	4.2
Premiums paid	—	—	(0.5)	(0.5)	—	—	(0.5)	(0.5)
Plan settlements	—	—	(4.2)	(39.1)	—	—	(4.2)	(39.1)
Other <sup>(a)</sup>	—	—	16.2	—	—	—	16.2	—
Effect of exchange rates	—	—	5.1	(12.7)	—	—	5.1	(12.7)
Fair value of plan assets—June 30	<u>—</u>	<u>—</u>	<u>120.9</u>	<u>101.5</u>	<u>0.1</u>	<u>—</u>	<u>121.0</u>	<u>101.5</u>
Funded status—June 30	<u>\$ (13.0)</u>	<u>\$ (14.5)</u>	<u>\$ (234.7)</u>	<u>\$ (242.2)</u>	<u>\$ (35.9)</u>	<u>\$ (38.8)</u>	<u>\$ (283.6)</u>	<u>\$ (295.5)</u>

<sup>(a)</sup> In connection with the P&G Beauty business acquisition in 2016, the Company assumed certain international pension and OPEB obligations and assets (the "P&G plans"). At that time, the P&G plans had an active legal dispute that has been resolved during fiscal 2023, resulting in \$16.2 of additional assets being paid to the Coty plans. The projected benefit obligation has also increased \$16.2 to reflect the liability to distribute these funds to the employees who were originally in the P&G plans. We expect that most of these assets will be paid out in fiscal 2024.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

With respect to the Company's pension plans and other post-employment benefit plans, amounts recognized in the Company's Consolidated Balance Sheets as of June 30, 2023 and 2022, are presented below:

	Pension Plans				Other Post-Employment Benefits		Total	
	U.S.		International					
	2023	2022	2023	2022	2023	2022	2023	2022
Noncurrent assets	\$ —	\$ —	\$ 1.4	\$ 1.4	\$ —	\$ —	\$ 1.4	\$ 1.4
Current liabilities	(1.3)	(1.3)	(0.5)	(0.8)	(2.5)	(2.6)	(4.3)	(4.7)
Noncurrent liabilities	(11.7)	(13.2)	(235.6)	(242.8)	(33.4)	(36.2)	(280.7)	(292.2)
Funded status	(13.0)	(14.5)	(234.7)	(242.2)	(35.9)	(38.8)	(283.6)	(295.5)
AOC(L)/I	1.4	3.5	56.1	39.8	18.5	17.6	76.0	60.9
Net amount recognized	<u>\$ (11.6)</u>	<u>\$ (11.0)</u>	<u>\$ (178.6)</u>	<u>\$ (202.4)</u>	<u>\$ (17.4)</u>	<u>\$ (21.2)</u>	<u>\$ (207.6)</u>	<u>\$ (234.6)</u>

The projected benefit obligation actuarial gain of \$17.4 for the fiscal year ended June 30, 2023 was primarily driven by increases in discount rates offset by an increase in inflation since the fiscal year ended June 30, 2022. The actuarial gain in the projected benefit obligation was partially offset by an asset loss of \$1.9 as a result of worse than expected asset performance. For the fiscal year ended June 30, 2022, the projected benefit obligation actuarial gain of \$89.6 was primarily driven by a significant increase in discount rates since June 30, 2021. The actuarial gain in the projected benefit obligation was partially offset by the asset loss of \$16.0 as a result of worse than expected asset performance, particularly in Switzerland and Germany.

During fiscal 2023 the retiree medical and life insurance plan experienced a gain on the liability of \$3.3 primarily driven by the increase in the discount rate. Retirees waiving medical coverage and changes in the pre-65 medical claim costs also contributed to the gain, which was slightly offset by increases in the medical trend assumption. During fiscal 2022 the retiree medical and life insurance plan experienced a gain on the liability of \$10.9 primarily driven by the increase in the discount rate. Retirees waiving medical coverage, updated medical trend, and a change in the plan participation assumption for active participants to 50% HSA and 50% OAP also contributed to the gain. The gain was slightly offset due to updated claims and mortality assumption changes.

The accumulated benefit obligation for the U.S. defined benefit pension plans was \$13.0 and \$14.5 as of June 30, 2023 and 2022, respectively. The accumulated benefit obligation for international defined benefit pension plans was \$346.3 and \$333.0 as of June 30, 2023 and 2022, respectively.

Pension plans with accumulated benefit obligations in excess of plan assets and projected benefit obligations in excess of plan assets are presented below:

	Pension plans with accumulated benefit obligations in excess of plan assets				Pension plans with projected benefit obligations in excess of plan assets			
	U.S.		International		U.S.		International	
	2023	2022	2023	2022	2023	2022	2023	2022
Projected benefit obligation	\$ 13.0	\$ 14.5	\$ 342.0	\$ 328.8	\$ 13.0	\$ 14.5	\$ 342.0	\$ 328.8
Accumulated benefit obligation	13.0	14.5	333.7	319.0	13.0	14.5	333.7	319.0
Fair value of plan assets	—	—	106.2	85.3	—	—	106.2	85.3

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**Net Periodic Benefit Cost**

The components of net periodic benefit cost for pension plans and other post-employment benefit plans recognized in the Consolidated Statements of Operations are presented below:

Year Ended June 30,												
	Pension Plans						Other Post-Employment Benefits			Total		
	U.S.			International								
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Service cost	\$ —	\$ —	\$ —	\$ 4.8	\$ 9.1	\$ 18.4	\$ 0.6	\$ 0.8	\$ 1.0	\$ 5.4	\$ 9.9	\$ 19.4
Interest cost	0.7	0.5	0.5	10.9	5.9	8.4	1.7	0.8	1.3	13.3	7.2	10.2
Expected return on plan assets	—	—	—	(3.4)	(4.5)	(6.3)	—	—	—	(3.4)	(4.5)	(6.3)
Amortization of prior service (credit) cost	—	—	—	(0.1)	(0.1)	(0.3)	(0.2)	(0.3)	(3.3)	(0.3)	(0.4)	(3.6)
Amortization of net (gain) loss	(2.9)	0.4	1.5	(0.7)	(0.2)	(0.2)	(2.4)	(0.2)	(0.1)	(6.0)	—	1.2
Settlements (gain) loss recognized	—	—	—	0.2	1.8	3.8	—	—	—	0.2	1.8	3.8
Curtailment (gain) loss recognized	—	—	—	(0.7)	(1.3)	(6.9)	—	—	—	(0.7)	(1.3)	(6.9)
Net periodic benefit cost	<u>\$ (2.2)</u>	<u>\$ 0.9</u>	<u>\$ 2.0</u>	<u>\$ 11.0</u>	<u>\$ 10.7</u>	<u>\$ 16.9</u>	<u>\$ (0.3)</u>	<u>\$ 1.1</u>	<u>\$ (1.1)</u>	<u>\$ 8.5</u>	<u>\$ 12.7</u>	<u>\$ 17.8</u>

Net periodic benefit costs include amounts related to discontinued operations of \$0.0, \$0.0, and \$6.2 for the years ended June 30, 2023, 2022 and 2021, respectively.

Pre-tax amounts recognized in AOC(L)/I, which have not yet been recognized as a component of net periodic benefit cost are presented below:

	Pension Plans				Other Post-Employment Benefits		Total	
	U.S.		International					
	2023	2022	2023	2022	2023	2022	2023	2022
Net actuarial (loss) gain	\$ 1.4	\$ 3.5	\$ 55.3	\$ 39.0	\$ 18.2	\$ 17.1	\$ 74.9	\$ 59.6
Prior service credit (cost)	—	—	0.8	0.8	0.3	0.5	1.1	1.3
Total recognized in AOC(L)/I	<u>\$ 1.4</u>	<u>\$ 3.5</u>	<u>\$ 56.1</u>	<u>\$ 39.8</u>	<u>\$ 18.5</u>	<u>\$ 17.6</u>	<u>\$ 76.0</u>	<u>\$ 60.9</u>

Changes in plan assets and benefit obligations recognized in OCI/(L) during the fiscal year are presented below:

	Pension Plans				Other Post-Employment Benefits		Total	
	U.S.		International					
	2023	2022	2023	2022	2023	2022	2023	2022
Net actuarial (loss) gain	\$ 0.8	\$ 2.8	\$ 14.7	\$ 71.1	\$ 3.3	\$ 10.9	\$ 18.8	\$ 84.8
Amortization or curtailment recognition of prior service (credit) cost	—	—	(0.1)	(0.1)	(0.2)	(0.3)	(0.3)	(0.4)
Recognized net actuarial (gain) loss	(2.9)	0.4	(0.5)	1.7	(2.4)	(0.2)	(5.8)	1.9
Prior service credit (cost)	—	—	—	—	—	—	—	—
Effect of exchange rates	—	—	2.1	(1.7)	0.2	(0.5)	2.3	(2.2)
Total recognized in OCI/(L)	<u>\$ (2.1)</u>	<u>\$ 3.2</u>	<u>\$ 16.2</u>	<u>\$ 71.0</u>	<u>\$ 0.9</u>	<u>\$ 9.9</u>	<u>\$ 15.0</u>	<u>\$ 84.1</u>

**Pension and Other Post-Employment Benefit Assumptions**

The weighted-average assumptions used to determine the Company's projected benefit obligation above are presented below:

	Pension Plans				Other Post-Employment Benefits	
	U.S.		International			
	2023	2022	2023	2022	2023	2022
Discount rates	4.9%-5.3%	4.0%-4.7%	2.0%-4.2%	2.3%-3.4%	4.1%-5.1%	2.9%-4.7%
Future compensation growth rates	N/A	N/A	1.3%-3.2%	1.1%-3.2%	N/A	N/A

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The weighted-average assumptions used to determine the Company's net periodic benefit cost in fiscal 2023, 2022 and 2021 are presented below:

	<b>Pension Plans</b>						<b>Other Post-Employment Benefits</b>		
	<b>U.S.</b>			<b>International</b>					
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Discount rates	4.0%-4.7%	2.4%-2.6%	2.5%-2.8%	2.3%-3.4%	0.3%-1.6%	0.4%-6.7%	2.9%-4.7%	1.5%-2.8%	1.7%-2.8%
Future compensation growth rates	N/A	N/A	N/A	1.1%-3.2%	1.0%-2.5%	1.5%-6.7%	N/A	N/A	N/A
Expected long-term rates of return on plan assets	N/A	N/A	N/A	2.7%-3.8%	1.3%-3.8%	1.0%-5.8%	N/A	N/A	N/A

The health care cost trend rate assumptions have a significant effect on the amounts reported.

	<b>Year Ended June 30,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
Health care cost trend rate assumed for next year	7.1%	6.7%	7.5%-7.6%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.5%	4.5%	4.5%
Year that the rate reaches the ultimate trend rate	2030	2029	2027

**Pension Plan Investment Policy**

The Company's investment policies and strategies for plan assets are to achieve the greatest return consistent with the fiduciary character of the plan and to maintain a level of liquidity that is sufficient to meet the need for timely payment of benefits. The goals of the investment managers include minimizing risk and achieving growth in principal value so that the purchasing power of such value is maintained with respect to the rate of inflation.

The pension plan's return on assets is based on management's expectations of long-term average rates of return to be achieved by the underlying investment portfolios. In establishing this assumption, management considers historical and expected returns for the assets in which the plan is invested, as well as current economic and market conditions.

The asset allocation decision includes consideration of future retirements, lump-sum elections, growth in the number of participants, the Company's contributions and cash flow. These actual characteristics of the plan place certain demands upon the level, risk and required growth of trust assets. Actual asset allocation is regularly reviewed and periodically rebalanced to the strategic allocation when considered appropriate.

The target asset allocations for the Company's pension plans as of June 30, 2023 and 2022, by asset category are presented below:

	<b>Target</b>	<b>% of Plan Assets at Year Ended</b>	
		<b>2023</b>	<b>2022</b>
Equity securities	40%	32%	38%
Fixed income securities	49%	37%	42%
Cash and other investments	11%	31%	20%

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**Fair Value of Plan Assets**

The international pension plan assets that the Company measures at fair value on a recurring basis, based on the fair value hierarchy as described in Note 2—Summary of Significant Accounting Policies, as of June 30, 2023 and 2022 are presented below:

	Level 1		Level 2		Level 3		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Equity securities	\$ 32.1	\$ 32.5	\$ —	\$ —	\$ —	\$ —	\$ 32.1	\$ 32.5
Fixed income securities:								
Corporate securities	37.3	33.8	—	—	—	—	37.3	33.8
Other:								
Cash and cash equivalents	0.2	1.6	—	—	—	—	0.2	1.6
Insurance contracts and other	—	—	—	—	51.4	33.6	51.4	33.6
Total pension plan assets	<u>\$ 69.6</u>	<u>\$ 67.9</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 51.4</u>	<u>\$ 33.6</u>	<u>\$ 121.0</u>	<u>\$ 101.5</u>

The following is a description of the valuation methodologies used for plan assets measured at fair value:

*Equity securities*-The fair values reflect the closing price reported on a major market where the individual securities are traded. These investments are classified within Level 1 of the valuation hierarchy.

*Corporate securities*-The fair values are based on a compilation of primarily observable market information or a broker quote in a non-active market. These investments are classified within Level 1 of the valuation hierarchy.

*Cash and cash equivalents*-The carrying amount approximates fair value, primarily because of the short maturity of cash equivalent instruments. These investments are classified within Level 1 of the valuation hierarchy.

*Insurance contracts and other*- Includes contracts issued by insurance companies and other investments that are not publicly traded. These investments are generally classified as Level 3 as there are neither quoted prices nor other observable inputs for pricing. Insurance contracts are valued at cash surrender value, which approximates the contract fair value. Other Level 3 plan assets include real estate and other alternative investment funds requiring inputs that cannot be readily derived from observable market data due to the infrequency with which the underlying assets trade.

The Company sponsors a qualified defined benefit pension plan for all eligible Swiss employees. Retirement benefits are provided based on employees' years of service and earnings, or in accordance with applicable employee regulations. Consistent with typical Swiss practice, the pension plan is funded through a guaranteed insurance contract with an insurance company ("IC"). The IC is responsible for the investment strategy of the insurance premiums that the Company submits and does not hold individual assets per participating employer. Assets are invested in accordance with the IC's own strategies and risk assessments. Under the terms of the contract, the interest rate as well as the capital value is guaranteed for each participant, with the IC assuming any risk to the value of the underlying assets. The IC is a member of a security fund, whose purpose is to cover any shortfall in the event they are not able to fulfill its contractual agreements. The plan assets of the Swiss plan are included in the Level 3 valuation.

The Company also sponsors qualified defined benefit pension plans for certain eligible German employees. The Company's German pension plans are partially funded with plan assets held in a Contractual Trust Arrangement, under which Company assets have been irrevocably transferred to a registered association for the exclusive purpose of securing and funding pension obligations in Germany. The association invests primarily in publicly tradable equity and fixed income securities, using a funding strategy that is reviewed on a regular basis.

Plan assets are also held in the Company's other non-U.S. defined benefit pension plans. The other non-U.S. defined benefit pension plans provide benefits primarily based on earnings and years of service and are funded in compliance with local laws and practices. The plan assets are invested in various asset classes that are expected to produce a sufficient level of diversification and investment return over the long term at an acceptable level of risk.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The reconciliations of Level 3 plan assets measured at fair value in fiscal 2023 and 2022 are presented below:

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
<b>Insurance contracts:</b>		
Fair value—July 1	\$ 33.6	\$ 75.2
Return on plan assets	(0.3)	(7.5)
Purchases, sales and settlements, net	15.5	(31.6)
Effect of exchange rates	2.6	(2.5)
Fair value—June 30	<u>\$ 51.4</u>	<u>\$ 33.6</u>

**Contributions**

The Company plans to contribute approximately \$1.3 to its remaining U.S. pension plan and expects to contribute approximately \$16.2 and \$2.4 to its international pension and other post-employment benefit plans, respectively, during fiscal 2024.

**Estimated Future Benefit Payments**

Expected benefit payments, which reflect expected future service, as appropriate, are presented below:

<b>Fiscal Year Ending June 30,</b>	<b>Pension Plans</b>		<b>Other Post- Employment Benefits</b>	<b>Total</b>
	<b>U.S.</b>	<b>International</b>		
2024	\$ 1.3	\$ 21.7	\$ 2.5	\$ 25.5
2025	1.3	18.3	2.7	22.3
2026	1.2	19.0	2.8	23.0
2027	1.2	19.6	2.9	23.7
2028	1.2	19.8	3.0	24.0
2029 - 2032	5.3	106.9	15.6	127.8

**20. DERIVATIVE INSTRUMENTS**

**Foreign Exchange Risk**

The Company is exposed to foreign currency exchange fluctuations through its global operations. The Company reduces its exposure to fluctuations in foreign exchange rates by creating offsetting positions through the use of derivative instruments, including forward foreign exchange contracts and by designating foreign currency denominated borrowings and cross-currency swaps as hedges of net investments in foreign subsidiaries. The Company expects that through hedging, any gain or loss on the derivative instruments would generally offset the expected increase or decrease in the value of the underlying forecasted transactions.

In September 2019, the Company entered into cross-currency swap contracts in the notional amount of \$550.0 and designated these cross-currency swaps as hedges of its net investment in certain foreign subsidiaries. In September 2020, the Company terminated these net investment cross currency swap derivatives in exchange for cash payment of \$37.6. The related loss from this termination is included in AOCI/(L) until the sale or substantial liquidation of the underlying investments.

As of June 30, 2023 and 2022, the notional amounts of the outstanding forward foreign exchange contracts designated as cash flow hedges were \$28.0 and \$30.0, respectively.

The Company also uses certain derivatives not designated as hedging instruments consisting primarily of foreign currency forward contracts and cross currency swaps to hedge intercompany transactions and foreign currency denominated external debt. Although these derivatives were not designated for hedge accounting, the overall objective of mitigating foreign currency exposure is the same for all derivative instruments. For derivatives not designated as hedging instruments, changes in fair value are recorded in the line item in the Consolidated Statements of Operations to which the derivative relates. As of June 30, 2023 and 2022, the notional amounts of these outstanding non-designated foreign currency forward and cross currency forward contracts were \$1,653.5 and \$2,403.8, respectively.



**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

**Interest Rate Risk**

The Company is exposed to interest rate fluctuations related to its variable rate debt instruments. The Company reduces its exposure to fluctuations in the cash flows associated with changes in the variable interest rates by entering into offsetting positions through the use of derivative instruments, such as interest rate swap contracts. The interest rate swap contracts result in recognizing a fixed interest rate for the portion of the Company's variable rate debt that was hedged. This will reduce the negative impact of increases in the variable rates over the term of the contracts. Hedge effectiveness of interest rate swap contracts is based on a long-haul hypothetical derivative methodology and includes all changes in value.

During September 2019, the Company entered into incremental interest rate swap contracts in the notional amount of \$1,000.0, which extended the maturity of the interest rate swap portfolio from 2021 through 2023.

In fiscal 2021 and 2022, the Company terminated certain existing interest rate swaps with notional amounts of \$700.0 and \$200.0 in exchange for cash payments of \$4.9 and \$1.9, respectively. The related losses from these terminations are included in Interest expense, net, within the Consolidated Statement of Operations.

As of June 30, 2023 and 2022, the Company had interest rate swap contracts designated as effective hedges in the notional amounts of \$200.0 and \$800.0, respectively. These interest rate swaps are designated and qualify as cash flow hedges and were highly effective.

**Net Investment Hedge**

Foreign currency gains and losses on borrowings designated as a net investment hedge, except ineffective portions, are reported in the cumulative translation adjustment ("CTA") component of AOCI/(L), along with the foreign currency translation adjustments on those investments. As of June 30, 2023 and 2022, the nominal exposures of foreign currency denominated borrowings designated as net investment hedges were €701.3 million and €289.0 million, respectively. The designated hedge amounts were considered highly effective.

**Forward Repurchase Contracts**

In June and December 2022, the Company entered into certain forward repurchase contracts to start hedging for two potential \$200.0 and \$196.0 share buyback programs, in 2024 and 2025, respectively. These forward repurchase contracts are accounted for at fair value, with changes in the fair value recorded in Net income (loss) in the Consolidated Statements of Operations. Refer to Note 23—Equity and Convertible Preferred Stock.

**Derivative and non-derivative financial instruments which are designated as hedging instruments:**

The accumulated (loss) gain on foreign currency borrowings classified as net investment hedges in the foreign currency translation adjustment component of AOCI/(L) was \$(12.2) and \$41.7 as of June 30, 2023 and 2022, respectively.

The accumulated loss on cross currency swaps designated as net investment hedges in the foreign currency translation adjustment component of AOCI/(L) was \$(37.6) as of June 30, 2023 and 2022.

The amount of gains and losses recognized in OCI in the Consolidated Balance Sheets related to the Company's derivative and non-derivative financial instruments which are designated as hedging instruments is presented below:

	Gain (Loss) Recognized in OCI	Fiscal Year Ended June 30,		
		2023	2022	2021
Foreign exchange forward contracts	\$	(3.7)	\$ (1.0)	\$ (0.3)
Interest rate swap contracts		5.4	13.9	1.0
Cross-currency swap contracts		—	—	(25.1)
Net investment hedges		(53.9)	36.3	(256.5)

The accumulated gain on derivative instruments classified as cash flow hedges in AOCI/(L), net of tax, was \$0.7 and \$4.3 as of June 30, 2023 and 2022, respectively. The estimated net gain related to these effective hedges that is expected to be reclassified from AOCI/(L) into earnings, net of tax, within the next twelve months is \$0.2. As of June 30, 2023, all of the Company's remaining foreign currency forward contracts designated as hedges were highly effective.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The amount of gains and losses reclassified from AOCI/(L) to the Consolidated Statements of Operations related to the Company's derivative financial instruments which are designated as hedging instruments is presented below:

Location and Amount of Gain (Loss) Recognized in Income on Cash Flow Hedging Relationships	Fiscal Year Ended June 30,								
	2023			2022			2021		
	Net Revenues	Cost of sales	Interest expense, net	Net Revenues	Cost of sales	Interest expense, net	Net Revenues	Cost of sales	Interest expense, net
<b>Foreign exchange forward contracts:</b>									
Amount of gain reclassified from AOCI into income	\$ —	\$ (1.6)	\$ —	\$ —	\$ 1.7	\$ —	\$ 1.0	\$ —	\$ —
<b>Interest rate swap contracts:</b>									
Amount of loss reclassified from AOCI into income	—	—	8.3	—	—	(13.0)	—	—	(36.1)

**Derivatives not designated as hedging instruments:**

The amount of gains and losses related to the Company's derivative financial instruments not designated as hedging instruments is presented below:

Consolidated Statements of Operations		Fiscal Year Ended June 30,		
Classification of Gain (Loss) Recognized in Operations		2023	2022	2021
Foreign exchange contracts	Selling, general and administrative expenses	\$ (5.1)	\$ (0.1)	\$ 0.1
Foreign exchange contracts	Interest income (expense), net	(69.3)	2.7	26.3
Foreign exchange and forward repurchase contracts	Other income (expense), net	168.7	18.4	(0.6)

**21. MANDATORILY REDEEMABLE FINANCIAL INTEREST**

**United Arab Emirates subsidiary**

The Company is required under a shareholders agreement to purchase all of the shares held by the noncontrolling interest holder equal to 25% of the outstanding shares of a certain subsidiary in the United Arab Emirates (the "U.A.E. subsidiary") at the termination of the agreement on December 31, 2020. The final purchase price of \$7.1 was paid in July 2021.

**22. REDEEMABLE NONCONTROLLING INTERESTS**

As of June 30, 2023, the redeemable noncontrolling interests ("RNCI") consist of interests in a consolidated subsidiary in the Middle East ("Middle East Subsidiary"). The noncontrolling interest holder in the Company's Middle East Subsidiary had a 25% ownership share. The Company has the ability to exercise the Call right for the remaining noncontrolling interest of 25% on December 31, 2028, with such transaction to close on December 31, 2029. In addition to the Call right feature, the noncontrolling interest holder has the right to sell the noncontrolling interest to the Company on December 31, 2028, with such transaction to close on December 31, 2029 (a "Put right"). The amount at which the Put right and Call right can be exercised is based on a formula prescribed by the amended shareholders' agreement as summarized in the table below, multiplied by the noncontrolling interest holder's percentage interest in the Middle East Subsidiary. Given the provision of the Put right, the entire noncontrolling interest is redeemable outside of the Company's control and is recorded in the Consolidated Balance Sheets at the estimated redemption value. The Company adjusts the redeemable noncontrolling interest to the redemption values at the end of each reporting period with changes recognized as adjustments to APIC. The Company recognized \$93.5 and \$69.8

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

as the redeemable noncontrolling interest balances as of June 30, 2023 and 2022, respectively.

	<b>Middle East</b>
Percentage of redeemable noncontrolling interest	25%
Earliest exercise date(s)	December 2028
Formula of redemption value <sup>(a)</sup>	3-year average of EBIT * 6

<sup>(a)</sup> EBIT is defined in the amended shareholders' agreement as the consolidated net earnings before interest and income tax.

## **23. EQUITY AND CONVERTIBLE PREFERRED STOCK**

### **Common Stock**

As of June 30, 2023, the Company's Common Stock consisted of Class A Common Stock with a par value of \$0.01 per share. The holders of Class A Common Stock are entitled to one vote per share. As of June 30, 2023, total authorized shares of Class A Common Stock was 1,250.0 million and total outstanding shares of Class A Common Stock was 852.8 million.

In the fiscal years ended June 30, 2023, 2022, and 2021, the Company issued 13.8, 3.3, and 1.7 million shares of its Class A Common Stock, respectively, and received \$0.9, nil, and nil in cash, in connection with the exercise of employee stock options and settlement of RSUs.

During the fiscal year ended June 30, 2022, the Company issued 69.9 million shares of its Class A Common Stock as a result of conversions of Series B Preferred Stock.

During the fiscal year ended June 30, 2021, the Company reacquired 0.8 million of the 1.4 million shares of Class A Common Stock issued for the restricted stock awards granted during the year ended June 30, 2020. Of the 0.8 million shares of Class A Common Stock reacquired, 0.1 million were withheld for employee taxes due on vested restricted stock awards and 0.7 million were for restricted stock awards forfeited during the year ended, June 30, 2021.

During the fiscal years ended June 30, 2023, 2022 and 2021, JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), a wholly-owned subsidiary of JAB Cosmetics B.V. ("JABC"), and JABC acquired 0.0, 0.0 and 0.3 million shares, respectively, of Class A Common Stock in the open market.

As of June 30, 2023, the Company's largest stockholder was JAB Beauty B.V., which owned approximately 53% of Coty's outstanding Class A Common Stock. JAB Beauty B.V., a wholly-owned subsidiary of JAB Cosmetics B.V. ("JABC"), is indirectly controlled by Lucesca SE, Agnaten SE and JAB Holdings B.V. ("JAB"). The Company's CEO, Sue Nabi, was granted a one-time sign-on award of restricted stock units (the "Award") on June 30, 2021. On October 29, 2021, JAB Beauty B.V. completed the transfer of 10.0 million shares of Common Stock to Ms. Nabi in connection with her sign-on award of restricted stock units. See Note 24—Share-Based Compensation Plans for additional information.

### **Series A and A-1 Preferred Stock**

As of June 30, 2023, total authorized shares of preferred stock are 20.0 million. There are two classes of Preferred Stock, Series A Preferred Stock and Series A-1 Preferred Stock, both with a par value of \$0.01 per share.

As of June 30, 2023, there were 1.0 million shares of Series A and no shares of Series A-1 Preferred Stock authorized, issued and outstanding. Series A Preferred Stock and Series A-1 Preferred Stock are not entitled to receive any dividends and have no voting rights except as required by law.

The Series A and Series A-1 Preferred Stock were issued to executive officers and directors under subscription agreements. Generally, the subscription agreements entitle the holder of the vested Series A or Series A-1 Preferred Stock to exchange the Series A or Series A-1 Preferred Stock into either cash or shares of Class A Common Stock, at the election of the Company, at the exchange value. The exchange value is generally equal to the difference between the 10-day trailing average closing price of a share of Class A Common Stock on the date of exchange and a predetermined hurdle price. The Series A Preferred Stock generally vests on the fifth anniversary of issuance, subject to continued employment with the Company and investment by the holder in shares of Class A Common Stock throughout the vesting period. The Series A-1 Preferred Stock generally vests on graded vesting terms where 60% of the award granted vests after three years, 20% of the award granted vests after four years and 20% of the award granted vests after five years, subject to continued employment with the Company and investment by the holder in shares of Class A Common Stock throughout the vesting period. To the extent the Company controls whether such shares will be settled in cash or equity and intends to settle the grant in equity, the grant is treated as an equity grant, otherwise the grant is treated as a liability grant.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The following table summarizes the key terms of the outstanding issuance of Series A Preferred Stock:

Issuance Date	Type	Number of Shares Awarded at Grant Date (millions of shares)	Number of Shares Outstanding (millions of shares)	Hurdle Price per Share
March 27, 2017 <sup>(a)</sup> <sup>(b)</sup>	Series A	1.0	1.0	\$22.39

<sup>(a)</sup> If the holder does not exchange the vested Series A Preferred Stock by a specified expiration date, the Company must automatically exchange the Series A Preferred Stock into cash or shares, at election of the Company.

<sup>(b)</sup> This grant was sold to Lambertus J.H. Becht ("Mr. Becht"), the Company's former Chairman of the Board. Under the terms provided in the subscription agreement, the Series A Preferred Stock immediately vested on the grant date and the holder may exchange the vested shares after the fifth anniversary of the date of issuance. The Company requires shareholder approval in order to settle the exchange in shares of Class A Common Stock. Therefore, the award is classified as a liability as of June 30, 2023. An expense (income) of \$0.2, \$(0.2) and \$0.8 was recorded during fiscal 2023, 2022 and 2021, respectively, and has been included in Selling, general and administrative expenses on the Consolidated Statements of Operations.

As of June 30, 2023, total issued and outstanding shares of Series A Preferred Stock is 1.0 million, which vested on March 27, 2017. As of June 30, 2023, the Company classified \$0.8 of Series A Preferred Stock as a liability, recorded in Other noncurrent liabilities in the Consolidated Balance Sheet.

#### **Convertible Series B Preferred Stock**

On May 11, 2020, the Company entered into an Investment Agreement with KKR Aggregator, relating to the issuance and sale by the Company to KKR Aggregator of up to 1,000,000 shares of the Company's new Convertible Series B Preferred Stock, par value \$0.01 per share (the "Series B Preferred Stock"), for an aggregate purchase price of up to \$1,000.0, or \$1,000 per share (the "Issuance"). The Company completed the issuances and sales of the Series B Preferred Stock on May 26, 2020 and July 31, 2020. On November 16, 2020, KKR Aggregator and affiliated investment funds agreed to sell 146,057 shares of Series B Preferred Stock, to HFS Holdings S.à r.l, that is beneficially owned by Peter Harf, a director of the Company. The transaction closed on August 27, 2021.

As a result of various conversions and exchanges of KKR Aggregator's shares of the Series B Preferred Stock, as of December 31, 2021, KKR has fully redeemed/exchanged all of their Series B Preferred Stock.

Cumulative preferred dividends accrue daily on the Series B Preferred Stock at a rate of 9.0% per year. During the twelve months ended June 30, 2023 and 2022, the Board of Directors declared dividends on the Series B Preferred Stock of \$13.2 and \$35.2, paid accrued dividends of \$13.2 and \$55.8 and converted/exchanged dividends of \$0.0 and \$50.1, respectively. As of June 30, 2023, 2022 and 2021, the Series B Preferred Stock had outstanding accrued dividends of \$3.3, \$3.3 and \$74.1, respectively.

**Dividend Rights and Liquidation Preferences.** The Series B Preferred Stock rank senior to the Company's Common Stock with respect to dividend rights and rights on the distribution of assets on any liquidation, dissolution or winding up of the affairs of the Company. The Series B Preferred Stock has a liquidation preference of \$1,000 per share, representing an aggregate liquidation preference of \$1,000.0 upon issuance. Holders of the Series B Preferred Stock are entitled to the dividend at the rate of 9% per annum, accruing daily and payable quarterly in arrears. The dividend rate will increase by a 1% on the seven-year anniversary of the Closing Date and shall increase by an additional 1% on each subsequent anniversary up to a total of 12%. If the Company does not declare and pay a dividend on the Series B Preferred Stock on any dividend payment date, the dividend rate will increase by 1% per annum until all accrued but unpaid dividends have been paid in full. Dividends will be payable in cash, or by increasing the amount of accrued dividends on Series B Preferred Stock, or any combination thereof, at the sole discretion of the Company. Accrued and unpaid dividends are not payable in shares unless the Series B Preferred Stock is converted to Common Stock.

**Conversion Features.** The Series B Preferred Stock is convertible at the option of the holders at any time into shares of Common Stock at an initial conversion price of \$6.24 per share of Series B Preferred Stock and an initial conversion rate of 160.2564 shares of Common Stock per share of Series B Preferred Stock. At any time after the third anniversary of the closing date, if the volume weighted average price of the Common Stock exceeds \$12.48 per share for at least 20 trading dates in any period of 30 consecutive trading days, at the election of the Company, all or any portion of the Series B Preferred Stock will be convertible into the relevant number of shares of Common Stock.

**Redemption Features.** At any time following the fifth anniversary of the Closing Date, the Company may redeem some or all of the Series B Preferred Stock for a per share amount in cash equal to (i) the sum of (x) 100% of the liquidation preference plus (y) all accrued and unpaid dividends, multiplied by (ii) (A) 107% if the redemption occurs at any time after the fifth

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

anniversary of the Closing Date and prior to the sixth anniversary of the Closing Date, (B) 105% if the redemption occurs at any time after the sixth anniversary of the Closing Date and prior to the seventh anniversary of the Closing Date, and (C) 100% if the redemption occurs at any time after the seventh anniversary of the Closing Date.

**Voting rights.** Holders of Series B Preferred Stock are entitled to vote with holders of Common Stock on an as-converted basis, subject to the Ownership Limitation as defined in the Investment Agreement. Holders of the Series B Preferred Stock are entitled to a separate class vote with respect to, among other things, amendments to the Company's organizational documents that have an adverse effect on the Series B Preferred Stock, authorizations or issuances by the Company of securities that are senior to, or equal in priority with, the Series B Preferred Stock, increases or decreases in the number of authorized shares of Series B Preferred Stock, and issuances of shares of the Series B Preferred Stock.

**Change of Control Put.** Upon certain change of control events involving the Company holders of Series B Preferred Stock may, at the holder's election (i) convert their shares of Series B Preferred Stock into Common Stock at the then-current conversion price or (ii) cause the Company to redeem their shares of Series B Preferred Stock in an amount in cash equal to (x) if the change of control occurs on or before the fifth anniversary of the Closing Date, 110% of the sum of the liquidation preference thereof plus any accrued and unpaid dividends and (y) if the change of control occurs on or after the fifth anniversary of the Closing Date, 100% of the Redemption Price, provided that in the case of either clause (i) or (ii) above, if such change of control occurs on or before the fifth anniversary of the Closing Date, the Company will also be required to pay the holders of the Series B Preferred Stock a "make-whole" premium.

**Participation and Other Pertinent Rights.** Following the Second Exchange, KKR no longer holds any preferred stock of the Company and no longer has the right to designate any directors to the Company's Board of Directors.

**Dividends - Common Stock**

On April 29, 2020, the Board of Directors suspended the payment of dividends on Common Stock. No dividends on Common Stock were declared for the year ended June 30, 2023.

Total dividends in cash and other recorded to additional paid-in capital ("APIC") in the Consolidated Balance Sheet as of June 30, 2023 and 2022 was \$0.1 and \$0.8, respectively, which represents dividends no longer expected to vest as a result of forfeitures of outstanding RSUs.

In addition to the activity noted above, the Company made payments of \$0.7, of which \$0.2 relates to tax, and \$1.4, respectively, for the previously accrued dividends on RSUs that vested during the twelve months ended June 30, 2023 and 2022.

Total accrued dividends on unvested RSUs and phantom units included in Accrued expenses and other current liabilities are \$1.0 and \$1.4 as of June 30, 2023 and 2022, respectively. In addition, accrued dividends of \$0.1 and \$0.5 are included in Other noncurrent liabilities as of June 30, 2023 and 2022, respectively.

**Accumulated Other Comprehensive (Loss) Income**

		Foreign Currency Translation Adjustments			
	(Losses) Gains on Cash Flow Hedges	(Losses) Gains on Net Investment Hedge	Foreign Currency Translation Adjustments	Pension and Other Post-Employment Benefit Plans	Total
Beginning balance at July 1, 2021	\$ (15.5)	\$ (32.2)	\$ (259.3)	\$ (14.9)	\$ (321.9)
Other comprehensive income (loss) before reclassifications	11.0	36.3	(511.5)	58.0	(406.2)
Net amounts reclassified from AOCI/(L) <sup>(a)</sup>	8.8	—	—	1.4	10.2
Net current-period other comprehensive income (loss)	19.8	36.3	(511.5)	59.4	(396.0)
Ending balance at June 30, 2022	\$ 4.3	\$ 4.1	\$ (770.8)	\$ 44.5	\$ (717.9)
Other comprehensive income (loss) before reclassifications	1.7	(53.9)	102.9	14.7	65.4
Net amounts reclassified from AOCI/(L) <sup>(a)</sup>	(5.3)	—	—	(4.6)	(9.9)
Net current-period other comprehensive income (loss)	(3.6)	(53.9)	102.9	10.1	55.5
Ending balance at June 30, 2023	\$ 0.7	\$ (49.8)	\$ (667.9)	\$ 54.6	\$ (662.4)

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(\$ in millions, except per share data)**

<sup>(a)</sup> Amortization of actuarial gains of \$6.1 and \$1.6, net of taxes of \$1.5 and \$0.2, were reclassified out of AOCI/(L) and included in the computation of net period pension costs for the fiscal years ended June 30, 2023 and 2022, respectively (see Note 19—Employee Benefit Plans).

**Treasury Stock - Share Repurchase Program**

Since February 2014, the Board has authorized the Company to repurchase its Class A Common Stock under approved repurchase programs. On February 3, 2016, the Board authorized the Company to repurchase up to \$500.0 of its Class A Common Stock (the “Incremental Repurchase Program”). Such repurchases may be made from time to time at the Company’s discretion, based on ongoing assessments of the capital needs of the business, the market price of its Class A Common Stock, and general market conditions. As of June 30, 2023, the Company has \$396.8 remaining under the Incremental Repurchase Program. There were no share repurchase activities during the years ended June 30, 2023, 2022 and 2021 under the Incremental Repurchase Program.

In June and December 2022, the Company entered into forward repurchase contracts (the “Forward” and together the “Forwards”) with three large financial institutions (“Counterparties”) to start hedging for potential \$200.0 and \$196.0 share buyback programs in 2024 and 2025, respectively. In connection with the June and December 2022 Forward transactions, the Company incurred certain execution fees of \$2.0 and \$2.0, respectively, which were recognized as a premium to the forward price recorded at inception and amortized ratably over the contract periods.

As part of the Forward agreements, the Company will pay interest on the outstanding underlying notional amount of the Forwards held by the Counterparties during the contract periods. The interest rates are variable, based on the United States secured overnight funding rate (“SOFR”) plus a spread. The weighted average interest rate plus applicable spread for the June and December 2022 Forward transactions were 8.2% and 9.2%, respectively, as of June 30, 2023.

As part of the June 2022 Forward transaction, two of the Counterparties purchased approximately 27.0 million shares of the Company’s Class A Common Stock. In addition, as part of the December 2022 Forward transaction, these two Counterparties purchased approximately 11.0 million shares of the Company’s Class A Common Stock. The June and December 2022 Forward agreements require the Company to: (i) repurchase the shares on or before June 6, 2024 and December 15, 2024, respectively, at a price based on the weighted average of the daily volume weighted average price (“VWAP”) during the initial acquisition period (“Initial Price”); or (ii) at the Company’s option, pay or receive the difference between the Final Price, defined as the weighted average of the daily VWAP during the unwind period as defined in the agreement, and Initial Price of the Forwards.

As part of the December 2022 Forward transaction, the remaining Counterparty purchased approximately 11.5 million shares of the Company’s Class A Common Stock. This Forward requires the Company to pay or receive the difference between the Final Price and Initial Price established at inception of the Forward on or before January 15, 2025.

In addition, the Forwards include a provision for a potential true-up in cash upon specified changes in the price of the Company’s Class A Common Stock relative to the Initial Price (“Hedge Valuation Adjustment”). Such Hedge Valuation adjustment shall not result in a termination date or any adjustment of the number of Coty’s Class A Common Stock shares purchased by the Counterparties at inception.

In the event the Company declares and pays any cash dividends on its Class A Common Stock, the Forward Counterparties will be entitled to such dividend payments and payable at termination of the Forwards.

Since the Forwards permit a net cash settlement alternative in addition to the physical settlement, the Company accounted for the Forwards initially and subsequently at their fair value, with changes in the fair value recorded in Other income, net in the Condensed Consolidated Statement of Operations.

The fair values of the Company’s Forwards were \$219.8 and \$24.5 as of June 30, 2023 and 2022, respectively. The Forwards are valued principally based on the change in the quoted market price of the Company’s common stock price between the inception date and the end of the period. We classify these instruments as Level 2.

**24. SHARE-BASED COMPENSATION PLANS**

The Company has various share-based compensation programs (the “the Compensation Plans”) under which awards, including non-qualified stock options, Series A and Series A-1 Preferred Stock, RSUs, PRSUs, restricted stock and other share-based awards, may be granted or shares of Class A Common Stock may be purchased. As of June 30, 2023, 114.5 million shares of the Company’s Class A Common Stock were authorized to be granted pursuant to these Plans. As of June 30, 2023, approximately 46.3 million shares of Class A Common Stock were reserved and available to be granted pursuant to these Plans. The Company may satisfy the obligation of its stock-based compensation awards with new shares.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The Company accounts for its share-based compensation plans for Common Stock as equity plans. The share-based compensation for equity plans is estimated and fixed at the grant date, based on the estimated fair value of the award. Series A Preferred Stock is accounted for partially as equity and partially using liability plan accounting to the extent the award is expected to be settled in cash. Accordingly, share-based compensation expense for the liability plan awards are measured at the end of each reporting period based on the fair value of the award on each reporting date and recognized as an expense to the extent earned.

Total share-based compensation from continuing operations is shown in the table below:

	2023	2022	2021
Equity plan expense <sup>(a)</sup>	\$ 134.7	\$ 195.4	\$ 25.4
Equity plan modified and cash settled	—	—	0.9
Liability plan expense (income)	1.2	0.1	1.6
Fringe expense	1.7	2.3	0.5
Total share-based compensation expense <sup>(b)</sup>	<u>\$ 137.6</u>	<u>\$ 197.8</u>	<u>\$ 28.4</u>

<sup>(a)</sup> Equity plan share-based compensation expense of \$134.7, \$195.4, and \$27.4 was recorded to additional paid in capital and presented in the Consolidated Statement of Equity for the fiscal years ended June 30, 2023, 2022, and 2021, respectively. Of the \$134.7, \$195.4, and \$27.4 for the fiscal years ended June 30, 2023, 2022, and 2021, respectively, \$0.0, \$0.0, and \$2.0 was reclassified to discontinued operations. <sup>(b)</sup> Expenses relating to share-based awards granted to non-Coty employees (Wella) are recorded within other income, net, within the Consolidated Statement of Operations. See Note 27 -Related Party Transactions for additional information.

The share-based compensation expense for fiscal 2023, 2022 and 2021 of \$137.6, \$197.8 and \$28.4, respectively, includes \$138.7, \$202.0, and \$34.7 expense for the respective period offset by \$(1.1), \$(4.2) and \$(6.3) of income for the respective periods primarily due to significant executive forfeitures of share-based compensation instruments.

As of June 30, 2023, the total unrecognized share-based compensation expense related to unvested stock options, Series A Preferred Stock, restricted stock, PRSUs, and restricted stock units and other share awards is \$0.8, \$0.0, \$3.2, \$5.0 and \$172.9, respectively. The unrecognized share-based compensation expense related to unvested stock options, Series A Preferred Stock, restricted stock, PRSUs, and restricted stock units and other share awards is expected to be recognized over a weighted-average period of 0.86, 0.00, 1.95, 2.31 and 3.74 years, respectively.

#### Non-Qualified Stock Options

During fiscal 2023, 2022 and 2021, the Company granted 0.0 million, non-qualified stock option awards. These options are accounted for using equity accounting whereby the share-based compensation expense is estimated and fixed at the grant date based on the estimated value of the options using the Black-Scholes valuation model.

Non-qualified stock options generally become exercisable five years from the date of the grant or on a graded vesting schedule where 60% of each award granted vests after three years, 20% of each award granted vests after four years and 20% of each award granted vests after five years. All grants expire ten years from the date of the grant.

The Company's outstanding non-qualified stock options as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term (in years)
Outstanding at July 1, 2022	5.8	\$ 12.85		
Exercised	(0.1)	11.08		
Forfeited	(0.6)	11.42		
Outstanding at June 30, 2023	<u>5.1</u>	\$ 13.06		
Vested and expected to vest at June 30, 2023	<u>4.9</u>	\$ 13.13	\$ —	5.10
Exercisable at June 30, 2023	<u>4.1</u>	\$ 13.48	\$ —	4.95

Of the 5.1 million stock options outstanding at June 30, 2023, 2.0 million vest on the fifth anniversary of the grant date and 3.1 million vest on the graded vesting schedule.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

As of June 30, 2023, the grant prices of the outstanding options ranged from \$11.08 to \$18.55, and the grant prices for exercisable options ranged from \$11.08 to \$18.55.

A summary of the aggregated intrinsic value of stock options exercised for fiscal 2023 is presented below:

	2023
Intrinsic value of options exercised	\$ 0.1

The Company's non-vested non-qualified stock options as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Weighted Average Grant Date Fair Value
Non-vested at July 1, 2022	2.3	\$ 3.14
Vested	(0.9)	3.70
Forfeited	(0.4)	2.23
Non-vested at June 30, 2023	1.0	\$ 3.02

The share-based compensation expense recognized on the non-qualified stock options was \$1.3, \$(0.9) and \$0.5 during fiscal 2023, 2022 and 2021, respectively.

#### Executive Ownership Programs

The Company encourages executive stock ownership through various programs. These programs govern shares of Class A Common Stock purchased by employees ("Purchased Shares"). Employees purchased 0.0 million, 0.0 million and 0.1 million shares in fiscal 2023, 2022 and 2021, respectively, and received matching non-qualified stock options or RSUs in accordance with the terms of the Compensation Plans under the Omnibus Long-Term Incentive Plan ("Omnibus LTIP"). There was no share-based compensation expense recorded in connection with Purchased Shares for fiscal 2023, 2022 and 2021. Additionally, share-based compensation expense recorded in connection with matching stock awards granted in accordance with the Compensation Plans are noted in their respective section of this footnote.

#### Series A Preferred Stock

In addition to the Executive Ownership Programs discussed above, the Series A Preferred Stock are accounted for partially as equity and partially as a liability as of June 30, 2023, 2022 and 2021 and the Company recognized an expense (income) of \$0.2, \$(0.2) and \$0.8 in fiscal 2023, 2022 and 2021, respectively. See Note 23—Equity and Convertible Preferred Stock for additional information.

The Company uses the binomial lattice or the Black-Scholes model to value the outstanding Series A Preferred Stocks. The fair value of the Company's outstanding Series A Preferred Stock were estimated with the following assumptions.

	2023	2022	2021
Expected life, in years	0.74 years	1.74 years	2.74 years
Expected volatility	66.31%	65.57%	51.64%
Risk-free rate of return	5.44%	2.89%	0.46%
Dividend yield on Class A Common Stock	—%	1.56%	1.34%

*Expected life, in years* - The expected life represents the period of time (years) that Series A Preferred Stock granted are expected to be outstanding, which the Company calculates using a formula based on the contractual life of the respective Series A Preferred Stock.

*Expected volatility* - The expected volatility is derived using historical stock price information for the Company's common stock and that of certain peer group companies, and the volatility implied by the trading of options to purchase the Company's stock on open-market exchanges.

*Risk-free rate of return* - The Company bases the risk-free rate of return on the U.S. Constant Maturity Treasury Rate.

*Dividend yield on Class A Common Stock* - The Company calculated the dividend yield on shares using the expected annualized dividend rate and the stock price as of the valuation date.

Series A Preferred Shares generally expire seven years from the date of the grant.



**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The Company's outstanding Series A Preferred Shares as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term (in years)
Outstanding at July 1, 2022	1.5	\$ 22.10		
Forfeited	(0.5)	21.52		
Outstanding at June 30, 2023	1.0	22.39		
Vested and expected to vest at June 30, 2023	1.0	\$ 22.39	\$ —	0.74
Exercisable	1.0	\$ 22.39	\$ —	0.74

The Company's non-vested shares of Series A Preferred Stock as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Weighted Average Grant Date Fair Value
Non-vested at July 1, 2022	0.2	\$ 3.65
Forfeited	(0.2)	3.65
Non-vested at June 30, 2023	—	\$ —

**Long-term Equity Program for CEO**

The Company's CEO, Sue Nabi, was granted a one-time sign-on award of restricted stock units (the "Award") on June 30, 2021. The Award will vest and settle in 10,000,000 shares of the Company's Class A Common Stock, par value \$0.01 per share, on each of August 31, 2021, August 31, 2022 and August 31, 2023, subject to her continued employment through each such date. The Company will recognize approximately \$280.2 of share-based compensation expense, on a straight-line basis over the vesting period, based on the fair value on the grant date. The amount of compensation cost recognized at each vesting date must at least equal the portion of the award legally vested. As such, \$93.4 and \$170.9 were recognized in fiscal years ended June 30, 2023 and 2022. In addition, \$15.9 will be recognized in the fiscal year ending 2024.

In connection with this Award, on October 29, 2021, JAB Beauty B.V., the Company's largest stockholder and a wholly-owned subsidiary of JAB Holding Company S.à r.l., completed the transfer of 10,000,000 shares of Common Stock to Ms. Nabi. In the event Ms. Nabi remains employed through the third vesting date, JAB Beauty B.V. has agreed, pursuant to an equity transfer agreement, to transfer (either directly or through contributing to the Company) an additional 5,000,000 shares of Common Stock to Ms. Nabi.

On August 31, 2022, the Company issued 10,000,000 shares of Class A Common Stock to Ms. Nabi in connection with the second vesting of the Award.

On May 4, 2023 the Company granted Ms. Nabi 10,416,667 RSUs (the "Second Award"), which will vest and settle in shares of the Company's Class A Common Stock, par value \$0.01 per share over five years on the following vesting schedule: (i) 15% on September 1, 2024, (ii) 15% on September 1, 2025, (iii) 20% on September 1, 2026, (iv) 20% on September 1, 2027; and (v) 30% on September 1, 2028, in each case subject to Ms. Nabi's continued employment through the applicable vesting date. The Company will recognize approximately \$109.6 of share-based compensation expense, on a straight-line basis over the vesting period, based on the fair value on the grant date, net of forfeitures. The amount of compensation cost recognized at each vesting date must at least equal the portion of the award legally vested. For the fiscal year ended June 30, 2023, \$3.2 was recognized.

In addition, pursuant to the terms of the amended employment agreement the Company agreed to grant Ms. Nabi an award of 2,083,333 PRSUs which shall fully vest on September 1, 2026, subject to the achievement of three-year performance objectives to be determined by the Board on or around September 2023 and subject to Ms. Nabi's continued employment. The new arrangement also provides that on or around each September 1 of 2024 through 2027, the Company shall grant Ms. Nabi an additional award of 2,083,333 PRSUs, which shall vest on the third-year anniversary of the respective grant date, subject in each case to the achievement of three-year performance objectives to be determined by the Board. The Company will recognize share-based compensation expense associated with these PRSUs, on a straight-line basis over the vesting period, based on the fair value on the grant date when it is probable that the performance condition will be achieved.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

In the event that JAB and Ms. Nabi sell shares of Common Stock for cash in a privately negotiated transaction, subject to Board approval, the Company will grant Ms. Nabi new options to acquire shares of Common Stock (the “Reload Options”) in an amount equal to the number of shares sold by Ms. Nabi in such transaction. The Reload Options will have a strike price equal to the greater of the volume weighted average price for shares at the time of the relevant transaction and the fair market value on the date of grant. The potential expense attributed to the reload options will be recognized when the reload options are granted.

**Restricted Stock Units**

On October 14, 2020, the Company’s Board of Directors approved a new vesting schedule applicable to RSUs granted during fiscal 2021, to three-year graded vesting where one-third of each award granted vests after the first anniversary of grant, one-third of each award granted vests after the second anniversary of grant and one-third of each awarded granted vests after the third anniversary of grant.

On October 14, 2021, the Company’s Board of Directors approved a new vesting schedule applicable to RSUs granted during fiscal 2022, to three-year graded vesting where one-quarter of each award granted vests after the first anniversary of grant, one-quarter of each award granted vests after the second anniversary of grant and one-half of each awarded granted vests after the third anniversary of grant.

During fiscal 2023, 2022 and 2021, 17.2 million, 4.6 million and 38.1 million RSUs were granted under the Omnibus LTIP and 0.3 million, 0.3 million and 0.3 million RSUs were granted under the 2007 Stock Plan for Directors, respectively.

The Company’s outstanding RSUs as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term
Outstanding at July 1, 2022	32.4		
Granted	17.5		
Settled	(14.9)		
Cancelled	(1.1)		
Outstanding at June 30, 2023	33.9		
Vested and expected to vest at June 30, 2023	31.0	\$ 381.0	2.26

The share-based compensation expense recorded in connection with the RSUs was \$131.9, \$197.2 and \$26.1 during fiscal 2023, 2022 and 2021, respectively.

The Company’s outstanding and non-vested RSUs as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Weighted Average Grant Date Fair Value
Outstanding and nonvested at July 1, 2022	32.0	\$ 8.63
Granted	17.5	9.70
Vested	(15.0)	8.79
Cancelled	(1.1)	8.02
Outstanding and nonvested at June 30, 2023	33.4	\$ 9.38

The total intrinsic value of RSUs vested and settled during fiscal 2023, 2022 and 2021 is \$34.3, \$33.5 and \$32.9, respectively.

**Performance Restricted Stock Units**

During fiscal 2023, 1.2 million PRSUs were granted under the Omnibus LTIP.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The Company's outstanding PRSUs as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term
Outstanding at July 1, 2022	—		
Granted	1.2		
Settled	—		
Outstanding at June 30, 2023	<u>1.2</u>		
Vested and expected to vest at June 30, 2023	<u>1.0</u>	<u>12.3</u>	2.31

The share-based compensation expense recorded in connection with the PRSUs was \$1.5 during fiscal 2023.

The Company's outstanding and non-vested PRSUs as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Weighted Average Grant Date Fair Value
Outstanding and nonvested at July 1, 2022	—	
Granted	1.2	6.62
Vested	—	
Outstanding and nonvested at June 30, 2023	<u>1.2</u>	\$ 6.62

The total intrinsic value of PRSUs vested and settled during fiscal 2023 was \$0.0.

**Restricted Stock**

During fiscal 2023, 2022 and 2021, 0.4 million, 0.3 million and 0.0 million, restricted stock awards were granted under the Omnibus LTIP.

The Company's outstanding restricted stock as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term
Outstanding at July 1, 2022	0.6		
Granted	0.4		
Settled	(0.3)		
Outstanding at June 30, 2023	<u>0.7</u>		
Vested and expected to vest at June 30, 2023	<u>0.6</u>	\$ 7.8	1.95

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

The share-based compensation expense recorded in connection with the restricted stock was \$2.7, \$1.8, \$1.0 during fiscal 2023, 2022 and 2021, respectively.

The Company's outstanding and non-vested restricted stock as of June 30, 2023 and activity during the fiscal year then ended are presented below:

	Shares (in millions)	Weighted Average Grant Date Fair Value
Outstanding and nonvested at July 1, 2022	0.6	\$ 6.58
Granted	0.4	6.62
Vested	(0.3)	5.94
Outstanding and nonvested at June 30, 2023	0.7	\$ 6.94

The total intrinsic value of restricted stock vested and settled during fiscal 2023 and 2022 was \$2.6 and \$1.7, respectively.

**Phantom Units**

On July 21, 2015, the Board granted Mr. Becht, the Company's former Chairman of the Board and interim CEO, an award of 300,000 phantom units, in consideration of Mr. Becht's increased and continuing responsibilities as interim CEO of the Company. Each phantom unit has an economic value equivalent to one share of the Company's Class A Common Stock settleable in cash or shares at the election of Mr. Becht. The award to Mr. Becht was made outside of the Company's Omnibus LTIP. On July 24, 2015, Mr. Becht elected to receive payment of the phantom units in the form of shares of Class A Common Stock and the phantom units were valued at \$8.0. The phantom units vested on the fifth anniversary of the grant date and remain outstanding as of June 30, 2023.

**25. NET INCOME (LOSS) ATTRIBUTABLE TO COTY INC. PER COMMON SHARE**

Net income (loss) attributable to Coty Inc. common stockholders per common share ("basic EPS") is computed by dividing net income (loss) attributable to Coty Inc. less any dividends on Series B Preferred Stock by the weighted-average number of common shares outstanding during the period.

Net income (loss) attributable to Coty Inc. common stockholders per common share assuming dilution ("diluted EPS") is computed by adjusting the numerator used in basic EPS to add back the dividends applicable to the Series B Preferred Stock, if dilutive, and using the basic EPS weighted-average number of common shares and the effect of potentially dilutive securities outstanding during the period as the denominator. Potentially dilutive securities consist of non-qualified stock options, Series A Preferred Stock, RSUs, unvested restricted stock awards and potential shares resulting from the conversion of the Series B Preferred Stock as of June 30, 2023, 2022 and 2021.

Net income (loss) attributable to Coty Inc. is adjusted through the application of the two-class method of income per share to reflect a portion of the periodic adjustment of the redemption value in excess of fair value of the redeemable noncontrolling interests. There is no excess of redemption value over fair value of the redeemable noncontrolling interests in fiscal 2023, 2022 and 2021. In addition, there are no participating securities requiring the application of the two-class method of income per share.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

Reconciliation between the numerators and denominators of the basic and diluted EPS computations is presented below:

	Year Ended June 30,		
	2023	2022	2021
<b>Amounts attributable to Coty Inc.:</b>			
<b>Net income (loss) from continuing operations</b>	\$ 508.2	\$ 253.8	\$ (64.0)
Convertible Series B Preferred Stock dividends	(13.2)	(198.3)	(102.3)
Net income (loss) from continuing operations attributable to common stockholders	495.0	55.5	(166.3)
Net income (loss) from discontinued operations, net of tax	—	5.7	(137.3)
<b>Net income (loss) attributable to common stockholders</b>	<u>\$ 495.0</u>	<u>\$ 61.2</u>	<u>\$ (303.6)</u>
<b>Weighted-average common shares outstanding:</b>			
Weighted-average common shares outstanding—Basic	849.0	820.6	764.8
Effect of dilutive stock options and Series A/A-1 Preferred Stock <sup>(a)</sup>	—	—	—
Effect of restricted stock, PRSUs and RSUs <sup>(b)</sup>	13.8	13.5	—
Effect of Convertible Series B Preferred Stock <sup>(c)</sup>	23.7	—	—
Effect of Forward Repurchase Contracts <sup>(d)</sup>	—	—	—
Weighted-average common shares and common share equivalents outstanding—Diluted	<u>886.5</u>	<u>834.1</u>	<u>764.8</u>
<b>Earnings (losses) per common share</b>			
Earnings (losses) from continuing operations per common share - basic	\$ 0.58	\$ 0.07	\$ (0.22)
Earnings (losses) from continuing operations per common share - diluted <sup>(e)</sup>	\$ 0.57	\$ 0.07	\$ (0.22)
Earnings (losses) from discontinued operations - basic	\$ 0.00	\$ 0.01	\$ (0.18)
Earnings (losses) from discontinued operations - diluted	\$ 0.00	\$ 0.01	\$ (0.18)
Earnings (losses) per common share - basic	\$ 0.58	\$ 0.08	\$ (0.40)
Earnings (losses) per common share - diluted <sup>(e)</sup>	\$ 0.57	\$ 0.08	\$ (0.40)

<sup>(a)</sup> As of June 30, 2023 and 2022, outstanding stock options and Series A Preferred Stock with purchase or conversion rights to purchase 4.8 million and 8.3 million weighted average anti-dilutive shares of Common Stock, respectively, were excluded from the computation of diluted EPS. As of June 30, 2021, outstanding stock options and Series A Preferred Stock with purchase or conversion rights to purchase shares of Common Stock were excluded in the computation of diluted loss per share due to the net loss incurred during the period.

<sup>(b)</sup> As of June 30, 2023 and 2022, there were 3.2 million and 1.6 million weighted average anti-dilutive RSUs, respectively, excluded from the computation of diluted EPS. As of June 30, 2021, RSUs were excluded in the computation of diluted loss per share due to the net loss incurred during the period.

<sup>(c)</sup> As of June 30, 2022, there were 65.4 million dilutive shares of Convertible Series B Preferred Stock excluded from the computation of diluted EPS as their inclusion would be anti-dilutive. As of June 30 2021, Convertible Series B Preferred Stock shares were excluded from the computation of diluted EPS due to the net loss incurred during the period.

<sup>(d)</sup> For the twelve months ended June 30, 2023, potential shares for the Forward Repurchase Contracts were excluded from the computation of diluted EPS as Coty is in the position to receive shares from the counterparties and as such their inclusion would be anti-dilutive.

<sup>(e)</sup> Diluted EPS is adjusted by the effect of dilutive securities, including awards under the Company's equity compensation plans, the convertible Series B Preferred Stock, and the Forward Repurchase Contracts. When calculating any potential dilutive effect of stock options, Series A Preferred Stock, restricted stock, PRSUs and RSUs, the Company uses the treasury method and the if-converted method for the Convertible Series B Preferred Stock and the Forward Repurchase Contracts. The treasury method typically does not adjust the net income attributable to Coty Inc., while the if-converted method requires an adjustment to reverse the impact of the preferred stock dividends of \$13.2, \$198.3, and \$102.3, respectively, and to reverse the impact of fair market value (gains)/losses for contracts with the option to settle in shares or cash of \$(101.8), \$0, and \$0, respectively, if dilutive, for the twelve months ended June 30, 2023, 2022 and 2021 on net income applicable to common stockholders during the period.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
( \$ in millions, except per share data )

**26. LEGAL AND OTHER CONTINGENCIES**

**Legal Matters**

The Company is involved, from time to time, in various litigation, administrative and other legal proceedings, including regulatory actions, incidental or related to its business, including consumer class or collective actions, personal injury (most involving allegations related to alleged asbestos in the Company's talc-based cosmetic products), intellectual property, competition, compliance and advertising claims litigation and disputes, among others (collectively, "Legal Proceedings"). While the Company cannot predict any final outcomes relating thereto, management believes that the outcome of current Legal Proceedings will not have a material effect upon its business, prospects, financial condition, results of operations, cash flows or the trading price of the Company's securities. However, management's assessment of the Company's current Legal Proceedings is ongoing, and could change in light of the discovery of additional facts with respect to Legal Proceedings not presently known to the Company, further legal analysis, or determinations by judges, arbitrators, juries or other finders of fact or deciders of law which are not in accord with management's evaluation of the probable liability or outcome of such Legal Proceedings. From time to time, the Company is in discussions with regulators, including discussions initiated by the Company, about actual or potential violations of law in order to remediate or mitigate associated legal or compliance risks and liabilities or penalties. As the outcomes of such proceedings are unpredictable, the Company can give no assurance that the results of any such proceedings will not materially affect its reputation, business, prospects, financial condition, results of operations, cash flows or the trading price of its securities.

*Certain Litigation.* On June 13, 2023, the Court of Chancery of the State of Delaware approved the settlement of the consolidated purported stockholder class action and derivative complaint concerning the tender offer by Cottage Holdco B.V. (now known as JAB Beauty B.V.) (the "Cottage Tender Offer") and the Schedule 14D-9 that was filed on May 6, 2019 against certain current and former directors of the Company, JAB Holding Company S.à r.l., JAB Holdings B.V., JAB Cosmetics B.V., and Cottage Holdco B.V. The Company was named as a nominal defendant. The case was captioned Massachusetts Laborers' Pension Fund v. Harf et al., Case No. 2019-0336-AGB. On June 14, 2019, plaintiffs in the consolidated action filed a Verified Amended Class Action and Derivative Complaint ("Amended Complaint"). After defendants responded to the Amended Complaint, on October 21, 2019, plaintiffs filed a Verified Second Amended Class Action and Derivative Complaint (the "Second Amended Complaint"), alleging that the directors and JAB Holding Company S.à r.l., JAB Holdings B.V., JAB Cosmetics B.V., and Cottage Holdco B.V. breached their fiduciary duties to the Company's stockholders and breached the Stockholders Agreement. The Second Amended Complaint sought, among other things, monetary relief. On November 21, 2019, the defendants moved to dismiss certain claims asserted in the Second Amended Complaint, and certain of the director defendants also answered the complaint. On May 7, 2020, plaintiffs stipulated to the dismissal without prejudice of JAB Holding Company S.à r.l. from the action. On August 17, 2020, the court denied the remaining motions to dismiss. On March 29, 2023, the parties entered into a Stipulation and Agreement of Compromise and Settlement, the terms of which have been made available as part of the public filing requirements associated with the court-approval process. The settlement was approved by the Court on June 13, 2023 and did not have a material impact on the Company's financial results.

**Brazilian Tax Assessments**

The Company's Brazilian subsidiaries receive tax assessments from local, state and federal tax authorities in Brazil from time to time. Current open tax assessments as of June 30, 2023 are:

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(\$ in millions, except per share data)

Assessment received	Type of assessment	Type of Tax	Tax period impacted	Estimated amount, including interest and penalties as of June 30, 2023
Mar-18	State sales tax credits, which the Treasury Office of the State of Goiás considers as improperly registered	ICMS	2016-2017	R\$1.1 million (approximately \$0.2) <sup>(a)</sup>
Aug-20		ICMS	2017-2019	R\$569.3 million (approximately \$117.2)
Oct-20	Federal excise taxes, which the Treasury Office of the Brazil's Internal Revenue Service considers as improperly calculated	IPI	2016-2017	R\$401.9 million (approximately \$82.8)
Nov-22		IPI	2018-2019	R\$537.3 million (approximately \$110.6)
Nov-20	State sales taxes, which the Treasury Office of the State of Minas Gerais considers as improperly calculated	ICMS	2016-2019	R\$217.4 million (approximately \$44.8)
Jun-21	State sales tax, which the Treasury Office of the State of Goiás considers as improperly calculated	ICMS	2016-2020	R\$63.8 million (approximately \$13.1)

<sup>(a)</sup> During the fourth quarter of fiscal 2023, the ICMS assessment received in March 2018 had an unfavorable decision at administrative instance and the Company decided to pay the \$0.2 penalty at case closure. The Company does not believe the outcome of this decision will weigh on other pending cases as the case factors for other open ICMS assessments are different.

During the third quarter of fiscal 2023, the ICMS assessment received in November 2020 was moved to the judicial process. All other cases are currently in the administrative process. The Company is seeking favorable judicial and administrative decisions on the tax enforcement actions filed by the tax authorities for these assessments. The Company believes it has meritorious defenses and it has not recognized a loss for these assessments as the Company does not believe a loss is probable. Due to the fiscal environment in Brazil, the possibility of further tax assessments related to the same or similar matters cannot be ruled out.

#### Other Commitments

At June 30, 2023, the aggregate future minimum purchase obligations, which include commitments to purchase inventory and other services agreements, were as follows:

Fiscal Year Ending June 30,	Purchase Obligations
2024	\$ 869.3
2025	24.5
2026	22.8
2027	9.9
2028	5.1
Thereafter	—
Total	<u>\$ 931.6</u>

## 27. RELATED PARTY TRANSACTIONS

#### Performance Guarantee

In connection with the sales of certain businesses, the Company has assigned its rights and obligations under a real estate lease to JAB Partners LLP. The remaining term of this lease is approximately eight years. While the Company is no longer the primary obligor under this lease, the lessor has not completely released the Company from its obligation, and holds it secondarily liable in the event that the assignee defaults on the lease. The maximum potential future payments that the Company could be required to make, if the assignee was to default as of June 30, 2023, would be approximately \$4.1. The Company has assessed the probability of default by the assignee and has determined it to be remote.

**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
( \$ in millions, except per share data )

**Equity Transfer Agreement**

In connection with the Award granted to the Company's CEO on June 30, 2021, JAB Beauty B.V. has agreed to transfer to her (either directly or through contributing to the Company) one-half of the total number of shares of Common Stock owed to her if and when the Award vests. See Note 24—Share-Based Compensation Plans for more information on the Award.

**Relationship with KKR**

As noted in Note 23—Equity and Convertible Preferred Stock, in fiscal 2020 KKR Aggregator purchased Series B Preferred Stock. This preferred stock conveyed to KKR Aggregator the right to designate two directors to the Company's Board of Directors and voting rights on an as-converted basis.

On November 16, 2020, KKR Aggregator and affiliated investment funds agreed to sell 146,057 shares of Series B Preferred Stock to HFS Holdings S.à r.l, a private limited liability company incorporated under the laws of Luxembourg that is beneficially owned by Peter Harf, a director of the Company. The transaction, which was subject to customary closing conditions, closed on August 27, 2021.

In June of 2020, KKR Bidco and Coty entered into a separate definitive agreement regarding a strategic transaction ("Wella Transaction") for the sale of the Company's Professional and Retail Hair business, which was completed on November 30, 2020. Refer to Note 23—Equity and Convertible Preferred Stock for the definitive agreement entered into with KKR that closed on October 20, 2021.

On September 10, 2021, KKR Aggregator converted a portion of its Series B Preferred Stock into Class A common stock of the Company and completed a secondary public offering of the converted shares of Class A common stock. Refer to Note 23—Equity and Convertible Preferred Stock.

On October 20, 2021, the Company completed the sale of a 9.4% stake in Wella to KKR Aggregator in the First Exchange. On November 10, 2021, KKR Aggregator converted 123,219 shares of Series B Preferred Stock, and \$1.2 of unpaid dividends into 19,944,701 shares of Class A common stock. Immediately after the conversion, KKR Aggregator completed a sale of 19,944,701 shares of Class A common stock. On November 30, 2021, Coty completed the sale of an additional 4.7% stake in Wella to KKR Aggregator in the Second Exchange, reducing the Company's total shareholding in the Wella Company to 25.9%. Refer to Note 23—Equity and Convertible Preferred Stock. Following the Second Exchange, KKR no longer holds any preferred stock of the Company and no longer has the right to designate any directors to the Company's Board of Directors.

During fiscal 2023, 2022 and 2021, fees of nil, nil and \$7.6, respectively, were incurred with KKR in connection with the initial and second closings of the Series B Preferred Stock; these fees reduced the carrying value of the stock.

During fiscal 2023 and 2022, the Company recognized gains related to its post-closing contingent consideration agreement for the sale of Wella, of \$30.8 and \$0.7, respectively, reported in Other income, net. The remaining \$2.5 is unearned and is included in Other noncurrent liabilities until the contingency is resolved. Refer to Note 3—Discontinued Operations.

From time to time, certain funds held by KKR may hold the Company's Senior Secured and Unsecured Notes (as defined in Note 15—Debt). These funds may receive principal and interest payments on the same terms as other investors in the Company's Senior Secured and Unsecured Notes.

**Wella**

As of June 30, 2023, Coty owned 25.9% of the Wella Company as an equity investment and performs certain services to Wella. Refer to Note 13—Equity Investments and Note 28—Subsequent Events.

In connection with the sale of the Wella Business, the Company and Wella entered into a Transitional Services Agreement ("TSA"). Subject to the terms of this TSA, the Company will perform services for Wella in exchange for related service fees. Such services include billing and collecting from Wella customers, certain logistics and warehouse services, as well as other administrative and systems support. The Company and Wella have mutually agreed to end the contracted TSA services on January 31, 2022. The Company and Wella have also entered into other manufacturing and distribution arrangements to facilitate the Wella Business transition in the U.S. and Brazil. TSA fees and other fees earned were \$3.3 and \$7.6, respectively, for the year ended June 30, 2023, \$87.5 and \$6.7, respectively for the year ended June 30, 2022, and \$86.6 and \$3.4, respectively for the seven months ended June 30, 2021. The TSA fees are principally invoiced on a cost plus basis. The TSA fees and other fees were included in Selling, general and administrative expenses and Cost of sales, respectively, in the Company's Statement of Operations. As of June 30, 2023, accounts receivable from and accounts payable to Wella of \$70.6 and \$8.3, respectively, were included in Prepaid expenses and other current assets and Accrued expenses and other current liabilities, respectively, in the Company's Balance Sheets. Additionally, as of June 30, 2023, the Company has accrued \$33.0 related to long-term payables due to Wella included in Other noncurrent liabilities in the Company's Consolidated Balance Sheet.



**COTY INC. & SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
( \$ in millions, except per share data )

In accordance with the separation agreement with Wella, Coty shall retain and be solely responsible for any amounts payable to former Coty employees transferred to Wella (“Wella employees”), who participated in the Coty Long-Term Incentive Plan. The Wella employees will continue to participate and vest on the current terms for the remaining vesting period after the separation. As such, Coty will continue to recognize the share-based compensation expense for Wella employees until the existing equity awards reach their vesting date. For the years ended June 30, 2023, 2022, and 2021 Coty recorded \$4.6, \$0.7, and \$2.3 of share-based compensation expense related to Wella employees, which was presented as part of Other income, net in the Consolidated Statements of Operations.

The Company also entered into an agreement with Wella to provide management, consulting and financial services to Wella and its direct and indirect divisions, subsidiaries, parent entities and controlled affiliates (in assisting it in the management of its business). Fees earned and reflected in Other income, net in fiscal years 2023, 2022 and 2021 were \$2.7, nil and nil respectively. As of June 30, 2023, \$0.8 is due from Wella.

The Company has certain sublease arrangements with Wella after the sale. For the years ended June 30, 2023, 2022, and seven months ended 2021, the Company reported sublease income of \$9.1, \$13.3, and \$9.1 from Wella.

#### **Orveda**

The disinterested members of the Board reviewed and approved the entry into a license agreement with Orveda, an ultra-premium skincare brand co-founded by Coty’s CEO, Sue Nabi. Ms. Nabi has no continuing formal role at Orveda or economic interest in Orveda as a result of divesting her interests which was settled in cash in December 2021; however her business partner and co-founder, Nicolas Vu, is the sole owner and CEO of Orveda, and Mr. Vu also provides consulting services, related to the skincare category and Orveda positioning, to Coty under the terms of a separate agreement. The initial term of the Orveda license agreement is five years, with two five-year automatic renewals subject to the achievement of certain net revenue milestones. The principal terms of the license agreement are consistent with other Coty prestige licenses and the Board determined that the terms were no more favorable than to an unaffiliated third party.

#### **Consulting Services and Other Arrangements**

Beatrice Ballini, a director, serves as a senior member of the Retail Practice and a leader of the Board and CEO Advisory Partners group at Russell Reynolds Associates. From time to time, the Company has engaged Russell Reynolds Associates, a global leadership and search firm, for recruiting assistance. The amounts of such services provided to the Company for fiscal 2023, 2022 and 2021 were \$0.9, \$0.7 and \$2.3, respectively.

## **28. SUBSEQUENT EVENTS**

#### **Sale of Partial Wella Stake**

On July 18, 2023 the Company announced that it had entered into a binding letter of intent to sell a 3.6% stake in Wella to investment firm IGF Wealth Management for \$150.0. The closing of the transaction is subject to, among other things, completion of due diligence and the satisfaction of certain closing conditions, including the approval of the transaction by KKR. If the transaction closes, Coty intends to use the net proceeds to pay down a portion of the outstanding principal balance of its Revolving Credit Facility. Assuming the transaction closes, Coty would retain 22.3% of the Wella Company.

#### **Refinancing Amendment**

On July 11, 2023, the Company entered into an amendment to the 2018 Coty Credit Agreement that (i) refinanced all of the existing \$2,000.0 of revolving credit commitments and the outstanding loans made pursuant thereto with two new tranches of senior secured revolving credit commitments, one in an aggregate principal amount of \$1,670 available in dollars and certain other currencies and the other in an aggregate principal amount of €300 million available in euros, maturing in July 2028, (ii) provided for a credit spread adjustment of 0.10% for all interest periods, with respect to SOFR loans, (iii) added Fitch as a relevant rating agency for purposes of the collateral release provisions and determining applicable interest rates and fees and (iv) provided that certain covenants will cease to apply during a collateral release period.

#### **Offering of Senior Secured Notes**

On July 26, 2023, the Company issued an aggregate principal amount of \$750.0 of 6.625% senior secured notes due 2030 (“2030 Dollar Senior Secured Notes”). Coty received net proceeds of \$740.6 in connection with the offering of the 2030 Dollar Senior Secured Notes. In accordance with the 2018 Coty Credit Agreement, as amended, the net proceeds received were utilized to pay down a portion of the outstanding principal balance of the 2018 Coty Term B Facility.

#### **2018 Term B Facility repayment**

On August 3, 2023, the Company repaid €408.0 million of debt outstanding under the 2018 Term B Facility.

**COTY INC. & SUBSIDIARIES**  
**SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS**  
Years Ended June 30, 2023, 2022, and 2021  
(\$ in millions, except per share data)

**Valuation and Qualifying Accounts <sup>(a)</sup>**

	Three Years Ended June 30,					
Description	Balance at Beginning of Period	Balance Change through Acquisition/Divestiture	Charged to Costs and Expenses	Deductions	Balance at End of Period	
Allowance for doubtful accounts and other customer deductions:						
2023	\$ 53.4	\$ —	\$ 4.3	\$ (34.5) <sup>(b)</sup>	\$ 23.2	
2022	47.7	—	26.2	(20.5) <sup>(b)</sup>	53.4	
2021 <sup>(a)</sup>	91.1	(28.4)	5.7	(20.7) <sup>(b)</sup>	47.7	
Allowance for customer returns:						
2023	\$ 95.3	\$ —	\$ 103.0	\$ (115.5)	\$ 82.8	
2022	89.9	—	128.4	(123.0)	95.3	
2021 <sup>(a)</sup>	67.8	—	131.3	(109.2)	89.9	
Deferred tax valuation allowances:						
2023	\$ 41.7	\$ —	\$ 21.7	\$ (2.7)	\$ 60.7	
2022	33.4	—	12.5	(4.2)	41.7	
2021 <sup>(a)</sup>	54.9	(14.9)	1.4	(8.0)	33.4	

<sup>(a)</sup> Includes amounts from continuing operations and held for sale.

<sup>(b)</sup> Includes amounts written-off, net of recoveries and cash discounts.

## Coty Inc.

## Description of Securities

The rights of our stockholders are governed by Delaware General Corporation Law (“DGCL”), our amended and restated certificate of incorporation, as amended (our “Certificate of Incorporation”), and our amended and restated by-laws (our “By-laws”).

The following is a summary of the material terms and provisions of our capital stock and is qualified in its entirety by reference to our Certificate of Incorporation and the amendments thereto and our By-laws, which are incorporated by reference herein and attached as an exhibit to our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, and to the applicable provisions of the DGCL. This summary does not purport to be complete and may not contain all the information that is important to you.

**Authorized Capital Stock**

Under our Certificate of Incorporation, our authorized capital stock consists of 1,250,000,000 shares of Class A Common Stock, par value \$0.01 per share, and 20,000,000 shares of Preferred Stock, par value \$0.01 per share.

**Registered Securities**

Our Class A Common Stock is registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, and is listed on the New York Stock Exchange under the symbol “COTY”.

**Class A Common Stock***Dividend Rights*

Holders of our Class A Common Stock are entitled to receive dividends, as and when declared by our board of directors (the “Board”), out of our legally available assets, in cash, property, shares of our Class A Common Stock or other securities, after payments of dividends required to be paid on outstanding Preferred Stock, if any.

*Voting Rights*

Holders of our Class A Common Stock are entitled to one vote per share on all matters submitted to a vote of our stockholders, unless otherwise required by our Certificate of Incorporation or By-laws. At all meetings of the stockholders at which a quorum is present, except as otherwise required by law, the Certificate of Incorporation or the By-laws, any question brought before any meeting of stockholders other than the election of directors, shall be decided by the affirmative vote of the holders of a majority of the votes cast. Elections of directors shall be decided by a plurality of the votes cast.

*Stockholder Action by Written Consent*

Any action that can be taken at a meeting of the stockholders may be taken by written consent in lieu of the meeting if we receive consents signed by stockholders having the minimum number of votes that would be necessary to approve the action at a meeting at which all shares entitled to vote on the matter were present.

*Right to Receive Liquidation Distributions*

Upon our liquidation, dissolution or winding up, the assets legally available for distribution to our stockholders will be distributable ratably among the holders of Class A Common Stock, subject to prior satisfaction of all outstanding debts and other liabilities and the preferential rights and payment of liquidation preferences, if any, on any outstanding Preferred Stock.

*Amendment of Certificate of Incorporation and By-laws*

Our Board and our stockholders are authorized to adopt, amend or repeal our By-laws. The approval of our Board is required to amend our Certificate of Incorporation. In addition, Section 242(b)(2) of the DGCL requires that holders of our Class A Common Stock vote as a class upon the proposed amendment, if the amendment would increase or decrease the par value of the shares of Class A Common Stock, or alter or change the powers, preferences or special rights of the Class A Common Stock so as to affect them adversely.

*No Preemptive or Similar Rights*

Shares of our Class A Common Stock are not entitled to preemptive rights and are not convertible into any other shares of our capital stock.

## **Preferred Stock**

We are authorized, subject to the limits imposed by the DGCL, to issue Preferred Stock in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, powers, rights, preferences and privileges of the shares of each such series and any of the qualifications, limitations or restrictions thereof. Our Board can also increase or decrease the number of shares of any series, but not below the number of shares of a given series then outstanding, plus the number of shares reserved for issuance upon the exercise or vesting of outstanding securities convertible into the applicable series of Preferred Stock, by the affirmative vote of the holders of a majority of the shares of Coty stock entitled to vote, unless a vote of any other holders is required pursuant to a certificate or certificates of designation establishing a series of Preferred Stock, without any further vote or action by our stockholders.

The rights of holders of Class A Common Stock are subject to, and may be adversely affected by, the rights of the holders of any shares of Preferred Stock that may be issued in the future. Our Board may authorize the issuance of Preferred Stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of Class A Common Stock. The issuance of Preferred Stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a future change in control of the Company and may adversely affect the market price of Class A Common Stock and the voting and other rights of the holders of Class A Common Stock.

### *Series A Preferred Stock*

In fiscal year 2015, we established awards under our Equity and Long-Term Incentive Plan and certain of our executive officers at the time received awards of our Series A Preferred Stock. In April 2015, we filed a Certificate of Designations with the Secretary of State of the State of Delaware, establishing the voting rights, powers, preferences and privileges, and the relative, participating, optional or other rights, and the qualifications, limitations or restrictions thereof, with respect to our Series A Preferred Stock, which various and several voting powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof may be severally set forth in various subscription agreements relating to the issuance and sale of the Series A Preferred Stock (each, a “Series A Subscription Agreement”). Under the terms provided in the various Series A Subscription Agreements, a holder of Series A Preferred Stock may be entitled to exchange any or all vested Series A Preferred Stock prior to varying dates specified in the Series A Subscription Agreements, into, at our sole election, either cash or shares of Class A Common Stock, as calculated and subject to the limitations set forth therein.

Shares of Series A Preferred Stock are not entitled to receive any dividends and have no voting rights, except as required by law. Upon our liquidation, dissolution or winding up, each share of Series A Preferred Stock entitles the holder to receive out of our assets available for distribution to stockholders, after satisfaction of liabilities to creditors and subject to the rights of senior securities, an amount in cash per share equal the then fair market value per share of such Series A Preferred Stock as determined by an independent qualified professional appraisal firm. Such shares will not be entitled to an additional amount after the full liquidation distribution has been paid.

### *Series B Convertible Preferred Stock*

In May 2020, we filed a Certificate of Designations with the Secretary of State of the State of Delaware, establishing the voting rights, powers, preferences and privileges, and the relative, participating, optional or other rights, and the qualifications, limitations or restrictions thereof, with respect to our Series B Convertible Preferred Stock.

**Preferential Rights.** The Series B Convertible Preferred Stock ranks senior to the shares of Class A Common Stock and the Company’s other outstanding series of preferred stock as of the date of this Annual Report and will rank senior to any other future series of capital stock the terms of which do not expressly provide that such series rank on a parity basis or senior to the Series B Convertible Preferred Stock with respect to dividend rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company.

**Dissolution.** In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, the Holders shall be entitled, out of assets legally available therefor, before any distribution or payment out of the assets of the Company may be made to or set aside for the holders of any junior stock, and subject to the rights of the holders of any senior stock or parity stock and the rights of the Company’s existing and future creditors, to receive in full a liquidating distribution in cash and in the amount per share of Series B Convertible Preferred Stock equal to the greater of (i) the sum of (A) the liquidation preference plus (B) the accrued dividends with respect to such share of Series B Convertible Preferred Stock as of the date of such voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company and (ii) the

amount such Holders would have received had such Holders, immediately prior to such voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, converted such shares of Series B Convertible Preferred Stock into Class A Common Stock.

**Dividends.** Holders of the Series B Convertible Preferred Stock are entitled to a dividend at the rate of 9.0% per annum, accruing daily and payable quarterly in arrears; the dividend rate shall increase by 1.0% on the seven (7) year anniversary of May 26, 2020 and shall increase by an additional 1.0% on each subsequent anniversary up to a maximum of 12.0%. If the Company does not declare and pay a dividend on the Series B Convertible Preferred Stock on any dividend payment date, the dividend rate will increase by 1% per annum until all accrued but unpaid dividends have been paid in full. Dividends will be payable in cash, by increasing the amount of accrued dividends with respect to a share of Series B Convertible Preferred Stock, or any combination thereof, at the sole discretion of the Company.

**Conversion.** The Series B Convertible Preferred Stock will be convertible, in whole or in part, at any time at the option of the Holders thereof into shares of Class A Common Stock at an initial conversion price of \$6.24 per share of Series B Convertible Preferred Stock and an initial conversion rate of 160.2564 shares of Class A Common Stock per share of Series B Convertible Preferred Stock, subject to certain anti-dilution adjustments set forth in the Certificate of Designations, filed with the Secretary of State of the State of Delaware on May 26, 2020, designating the Series B Convertible Preferred Stock (the “Certificate of Designations”). At any time after the third anniversary of May 26, 2020, if the volume weighted average price of the Class A Common Stock exceeds the then applicable conversion rate, as may be adjusted pursuant to the Certificate of Designations, for at least 20 trading days in any period of 30 consecutive trading days, at the election of the Company, all or any portion of the Series B Convertible Preferred Stock will be convertible into the relevant number of shares of Class A Common Stock. Pursuant to the terms of the Certificate of Designations, unless and until approval of the Company’s stockholders is obtained as contemplated by NYSE listing rule 312.03(d) (the “Stockholder Approval”), no Holder of Series B Convertible Preferred Stock will have the right to acquire shares of Class A Common Stock if and solely to the extent that such conversion would result in such Holder beneficially owning a number of shares of Class A Common Stock that could trigger a change of control under NYSE listing rules (such limitation, the “Ownership Limitation”). The Company has the right to settle any conversion over the Ownership Limitation of a Holder of Series B Convertible Preferred Stock in cash if the Stockholder Approval is not obtained.

**Voting Rights.** Holders of the Series B Convertible Preferred Stock will be entitled to a separate class vote with respect to, among other things, amendments to the Company’s organizational documents that have an adverse effect on the Series B Convertible Preferred Stock, authorizations or issuances by the Company of securities that are senior to, or equal in priority with, the Series B Convertible Preferred Stock, increases or decreases in the number of authorized shares of Series B Convertible Preferred Stock and issuances of shares of Series B Convertible Preferred Stock after May 26, 2020.

**Redemption.** At any time following the fifth anniversary of May 26, 2020, the Company may redeem some or all of the Series B Convertible Preferred Stock for a per share amount in cash equal to: (i) the sum of (x) 100% of the liquidation preference thereof, plus (y) all accrued and unpaid dividends, multiplied by (ii) (A) 107% if the redemption occurs at any time on or after the fifth anniversary of May 26, 2020 and prior to the sixth anniversary of the Closing Date, (B) 105% if the redemption occurs at any time on or after the sixth anniversary of May 26, 2020 and prior to the seventh anniversary of May 26, 2020, and (C) 100% if the redemption occurs at any time on or after the seventh anniversary of May 26, 2020 (such price, the “Redemption Price”).

Upon certain change of control events involving the Company, the Holders of the Series B Convertible Preferred Stock may, at such Holder’s election, (i) convert their shares of Series B Convertible Preferred Stock into Class A Common Stock at the then-current conversion price; provided that if such change of control occurs on or before the fifth anniversary of May 26, 2020, the Company will also be required to pay the Holders of the Series B Convertible Preferred Stock a “make-whole” premium or (ii) cause the Company to redeem their shares of Series B Convertible Preferred Stock for an amount in cash equal to (x) if the change of control occurs on or before the fifth anniversary of May 26, 2020, 110% of the sum of the liquidation preference thereof plus any accrued and unpaid dividends and (y) if the change of control occurs on or after the fifth anniversary of May 26, 2020, 100% of the then-current Redemption Price. If no such election is made with respect to any share of Series B Convertible Preferred Stock, such share shall remain outstanding.

**Preemptive Rights.** The Holders shall not have any preemptive rights.

#### **Controlled Company Status**

As of the date of this Annual Report, the JAB Investors (as defined below) beneficially own approximately 53% of the outstanding shares of Class A Common Stock, which also represents approximately 53% of the voting power of our capital stock. Accordingly, we qualify as a “controlled company” under the NYSE Listed Company Manual rules (the “NYSE Rules”).

As a “controlled company,” we are permitted to take advantage of exemptions from certain of the corporate governance requirements under the NYSE Rules, including the requirements that a majority of our Board consist of independent directors, that we have a nominating and corporate governance committee that is composed entirely of independent directors and that we have a compensation committee that is composed entirely of independent directors. As a result, for so long as we are a controlled company, stockholders may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements under the NYSE Rules. However, the Stockholders Agreement described below contains certain obligations with respect to the independence of our Board and a committee of our Board.

### Stockholders Agreement

The Company is party to a stockholders agreement, dated as of March 17, 2019 and as amended and restated as of June 16, 2023 (the “Stockholders Agreement”), with JAB Holdings B.V., JAB Cosmetics B.V. and JAB Beauty B.V. (formerly known as Cottage Holdco B.V.) (the “JAB Investors”). Pursuant to the Stockholders Agreement, among other things:

- during the three year period following June 16, 2023, the JAB Investors shall not, subject to certain exceptions, effect or enter into any agreement to effect any acquisition of additional shares of capital stock of the Company (including Class A Common Stock, “Company Securities”); *provided* that, the JAB Investors may acquire Company Securities on an established securities exchange or through privately negotiated transactions that, after giving effect to such acquisition, does not result in an increase in the JAB Investors’ and their affiliates’ collective beneficial ownership percentage of the voting power of the then issued and outstanding Company Securities to an amount greater than the percentage of the voting power of the issued and outstanding Company Securities beneficially owned by the JAB Investors, collectively, as of the consummation of the Offer, plus 9% (meaning a cap of approximately 69% for three years after June 16, 2023);
- during the one-year period following June 16, 2023, the JAB Investors shall not, subject to certain exceptions, transfer any Company Securities to any other person or group (other than an affiliate of any of the JAB Investors) that, after giving effect to such transfer, would become the largest beneficial owner of Class A Common Stock;
- for so long as the Stockholders Agreement is in effect, the JAB Investors shall not effect or seek to effect, or announce any intention to effect, any “Rule 13e-3 transaction” as defined in Rule 13e-3 under the Exchange Act unless such transaction is conditioned on both (i) the affirmative approval of a special committee of our Board comprised solely of individuals who are each (1) “independent” under the requirements of Rule 10A-3 under the Exchange Act, and under the rules of the applicable securities exchange on which Company Securities are traded and (2) disinterested as it relates to the JAB Investors and their respective affiliates (any such individual, an “Independent Director”) and who are disinterested and independent under Delaware law as to the matter under consideration, duly obtained in accordance with the applicable provisions of the Company’s organizational documents, applicable law and the rules, regulations and listing standards promulgated by any securities exchange on which Company Securities are traded (“Disinterested Director Approval”) and (ii) the affirmative vote of our stockholders representing at least a majority of the voting power of the Company beneficially owned by stockholders that are not the JAB Investors or their affiliates;
- for so long as the Stockholders Agreement is in effect, material related party transactions involving the JAB Investors or any of their affiliates and the Company will require Disinterested Director Approval;
- for so long as the Stockholders Agreement is in effect, the JAB Investors and the Company have agreed to take all necessary actions within their control to maintain no fewer than four Independent Directors on our Board;
- the Company shall include certain questions specified in the Stockholders Agreement in its annual directors and officers’ questionnaire used in the preparation of the Company’s Form 10-K, annual report to stockholders and proxy statement; and
- the Company shall appoint of a new lead independent director consistent with the terms of the Stipulation of Settlement (as defined in the Stockholders Agreement).

The Stockholders Agreement also provides the JAB Investors with certain customary demand and shelf registration rights with respect to Company Securities and restricts the registration rights we may grant other stockholders after the date thereof. Prior to the entry into the Stockholders Agreement, we granted certain other stockholders customary demand and “piggyback” registration rights.

The Stockholders Agreement will terminate upon the earlier of the mutual consent of the parties to the Stockholders Agreement (including, with respect to the Company, Disinterested Director Approval) or such time as the JAB Investors and their affiliates cease to beneficially own 25% of the voting power of the Company capital stock on a fully diluted basis. The Stockholders Agreement may be amended by the JAB Investors and the Company after receipt of Disinterested Director

Approval. Any waiver by the Company of any condition or of any breach of any term, covenant, representation or warranty contained in the Stockholders Agreement also requires Disinterested Director Approval.

#### **Anti-Takeover Effects of Delaware Law, Certificate of Incorporation and By-laws**

The following provisions may make a change in control of our business more difficult and could delay, defer or prevent a tender offer or other takeover attempt that a stockholder might consider to be in its best interest, including takeover attempts that might result in the payment of a premium to our stockholders over the market price for their shares. These provisions also may promote the continuity of our management by making it more difficult for a person to remove or change the incumbent members of our Board.

*Controlling Stockholder.* As of the date of this Annual Report, the JAB Investors beneficially own approximately 53% of the outstanding shares of Class A Common Stock, which also represents approximately 53% of the voting power of our capital stock. This concentrated control could have the effect of discouraging others from initiating a potential merger, takeover or other future change of control transaction that other stockholders may view as beneficial.

*Delaware Law.* We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. In general, the statute prohibits a publicly-held Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years after the date that the person became an interested stockholder, subject to exceptions, unless the business combination is approved by our Board in a prescribed manner or the transaction in which the person became an interested stockholder is approved by our Board and disinterested stockholders in a prescribed manner. Generally, a “business combination” includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the stockholder. Generally, an “interested stockholder” is a person who, together with affiliates and associates, owns, or within three years prior, did own, 15% or more of the corporation’s voting stock. These provisions may have the effect of delaying, deferring or preventing a change in control of our business without further action by the stockholders.

*Authorized but Unissued Shares; Undesignated Preferred Stock.* The authorized but unissued shares of Class A Common Stock will be available for future issuance without stockholder approval. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, acquisitions and employee benefit plans. In addition, our Board may authorize, without stockholder approval, the issuance of undesignated Preferred Stock with voting rights or other rights or preferences designated from time to time by our Board. The existence of authorized but unissued shares of Class A Common Stock or Preferred Stock may enable our Board to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise.

*Advance Notice Requirements for Stockholder Proposals and Nominations of Directors.* Our By-laws require stockholders seeking to bring business before an annual meeting of stockholders, or to nominate individuals for election as directors at an annual or special meeting of stockholders, to provide timely notice in writing, as specified therein. These provisions regulate our stockholders in bringing matters before the annual meeting of stockholders or making nominations for directors at any meetings of stockholders. These provisions may also discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the potential acquiror’s own slate of directors or otherwise attempting to obtain control of our business.

*Special Meetings of Stockholders.* Our Certificate of Incorporation and By-laws provide that special meetings of stockholders may be called only by our Chairman, Chief Executive Officer or our Board or by our Secretary at the request of holders of not less than a majority of the combined voting power of Class A Common Stock.

*Cumulative Voting.* Our Certificate of Incorporation provides that our stockholders are not permitted to cumulate votes in the election of directors.

*Series B Convertible Preferred Stock Change in Control Provisions.* Upon certain change in control events involving the Company, the Holders thereof will have the right to convert their shares of Series B Convertible Preferred Stock into shares of Class A Common Stock or require the Company to repurchase the Series B Convertible Preferred Stock. See “Series B Convertible Preferred Stock—Redemption” above.

#### **Transfer Agent**

The transfer agent and registrar for our Class A Common Stock is Computershare Trust Company, N.A.



Laurent Mercier  
28 Bis Rue des Missionnaires 78000 Versailles

Amsterdam, 8 June 2023 Subject: Salary increase

Dear Laurent,

Further to recent conversations and referring to your employment agreement, we are happy to confirm that as of 1 June 2023, you will receive a salary increase.

Your new gross base annual salary based on fulltime (100%) amounts to € 825.000,00 per year, including 8% holiday allowance. This means that your gross monthly salary will be € 63.657,41.

All other elements of your employment contract will remain unchanged.

Thank you for all your efforts so far and we look forward to an exciting and successful collaboration in the future.

Best Regards,  
Coty Management B.V.

/s/ Annick Leeuwenberg

Annick Leeuwenberg  
Senior Global HR Director - Finance, IT & Business Services

Coty Management B.V.



**EXECUTION VERSION****AMENDMENT OF EMPLOYMENT AGREEMENT**

**THIS AMENDMENT OF EMPLOYMENT AGREEMENT** (the “Amendment”) is entered into as of May 4, 2023 (the “Effective Date”), by and between Coty Inc., a Delaware corporation (the “Company”) and Sue Y. Nabi (“Executive”).

**WHEREAS**, the Company and Executive are parties to that certain Employment Agreement dated as of October 13, 2020 (“Agreement”); and

**WHEREAS**, the parties desire to amend the Agreement in order to reflect a change in, among other things, Executive’s annual bonus and long-term incentive compensation.

**NOW, THEREFORE**, in consideration of the premises and mutual covenants herein contained, the parties agree as follows:

1. Section 4 is hereby deleted in its entirety and replaced with the following, effective as of the Effective Date:

“Annual Bonus. With respect to each fiscal year of the Company that ends during the Employment Term, beginning with fiscal year 2024, Executive shall be eligible to earn an annual cash bonus (the “Annual Bonus”) with a target annual bonus opportunity equal to 100% of Executive’s Base Salary (the “Target Bonus”). Annual Bonus awards will be based on the achievement of reasonable performance goals in line with the Company’s past performance and consistent with public and private statements by the Company (which performance goals shall be determined by the Board upon the recommendation of the Remuneration and Nomination Committee (the “RNC”) and in consultation with the Executive); provided that, depending on results, Executive’s actual Annual Bonus may be higher or lower than the Target Bonus, as determined by the Board upon the recommendation of the RNC, with a maximum payout equal to 200% of Base Salary and a minimum payout equal to 0% of Base Salary. The Annual Bonus awarded for a fiscal year shall be determined by the Board after the end of the fiscal year to which such Annual Bonus relates, and any such Annual Bonus shall be paid at the same time as annual bonuses are paid to the other senior executives of the Company in the year following the fiscal year to which it relates. In order to be eligible to receive an Annual Bonus, Executive must remain an employee of the Company through the date such Annual Bonus is paid.”

2. Section 5 is hereby amended to add the following as new paragraphs to the end thereof, effective as of the Effective Date:

“Subject to the terms of the Amended and Restated Coty Inc. Equity and Long-Term Incentive Plan, as amended and restated from time to time (the “Coty LTIP”) and award agreements to be executed by Executive and the Company in connection therewith, Executive will receive the following additional awards:

- (a) An award of 10,416,667 restricted stock units (the “RSU Award”) that will settle in Shares (as defined in the Coty LTIP), which will be granted on or around May 4, 2023 (or at the discretion of the Board during the next open trading window thereafter). The RSU Award will vest in five tranches pursuant to the following vesting schedule: (i) 15% on September 1, 2024 (“Tranche 1 RSUs”), (ii) 15% on September 1, 2025 (“Tranche 2 RSUs”), (iii) 20% on September 1, 2026 (“Tranche

3 RSUs”), (iv) 20% on September 1, 2027 (“Tranche 4 RSUs”); and (v) 30% on September 1, 2028 (“Tranche 5 RSUs”), in each case subject to the Executive’s continued employment through the applicable vesting date. The award agreement shall provide that if Executive is involuntarily terminated by the Company without Cause or due to death or Disability on or prior to September 1, 2026, to the extent not already vested, the Tranche 1 RSUs, Tranche 2 RSUs, and Tranche 3 RSUs shall become fully vested on the date of such termination. The award agreement shall also provide that if Executive is involuntarily terminated by the Company without Cause or due to death or Disability on or following September 1, 2026 but prior to September 1, 2027, a pro-rata portion of the Tranche 4 RSUs shall vest on the date of such termination equal to the number of Tranche 4 RSUs multiplied by a fraction, the numerator of which is the number of days elapsed from September 1, 2026 to the date of the Executive’s termination and the denominator of which is 365. If the Executive is involuntarily terminated by the Company without Cause or due to death or Disability on or following September 1, 2027 but prior to September 1, 2028, a pro-rata portion of the Tranche 5 RSUs shall vest on the date of such termination equal to the number of Tranche 5 RSUs multiplied by a fraction, the numerator of which is the number of days elapsed from September 1, 2027 to the date of Executive’s termination and the denominator of which is 365. For the avoidance of doubt, other than as a result of an involuntary termination by the Company of Executive without Cause or due to Death or Disability, there shall be no acceleration of the vesting of all or any portion of the RSU Award.

- (b) An award of 2,083,333 performance restricted stock units (each, a “PRSU Award”) on or around each of May 4, 2023 (the “2023 PRSU Award”), September 1, 2024, September 1, 2025, September 1, 2026, and September 1, 2027 (or, in each case, at the discretion of the Board in the next open trading window following such date). The 2023 PRSU Award shall vest in full on September 1, 2026, subject to (i) Executive’s continuous service with the Company through such date, and (ii) Executive’s achievement of three-year performance objectives determined by the Board (upon the recommendation of the RNC), aligned with the performance objectives established for performance restricted stock units to be granted to other officers of the Company in October 2023. Each other PRSU Award shall vest in full on the third anniversary of such PRSU Award’s grant date, in each case, subject to (i) Executive’s continuous service with the Company through the third anniversary of such PRSU Award’s grant date, and (ii) Executive’s achievement of performance objectives to be determined by the Board (upon the recommendation of the RNC).

In the event that (i) Executive enters into a “tag along” agreement (the “Tag Along Agreement”) with JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), or an affiliate thereof (collectively, “JAB”), and (ii) Executive participates in a “tag along” sale (as such term is defined in the Tag Along Agreement) with JAB whereby JAB and Executive sell Common Shares for cash in a privately negotiated transaction (i.e., not a public offering), subject to the approval of the Board and Executive’s continuous service with the Company as of such date, the Company will grant Executive new options to acquire Shares (“Reload Options”) in an amount equal to the number of Shares sold by Executive in such transaction. The Reload Options shall have a strike price equal to the greater of (x) the volume weighted average price for Shares at the time of a relevant transaction and (y) the

fair market value on the date of grant, and in each case have such other terms and conditions as contained in the applicable award agreement.”

3. Section 7 is hereby deleted in its entirety and replaced with the following, effective as of the Effective Date:

“Business Expenses. During the Employment Term, the Company shall reimburse Executive’s travel, entertainment and other business expenses as are reasonably and necessarily incurred by Executive during the Employment Term in the performance of her duties hereunder, in accordance with the Company’s policies as in effect from time to time, including reimbursement or provision of: first-class commercial, private or chartered air travel; first-class accommodations for business-related travel (or, at the Executive’s election, short or long term rental or leased apartments for business-related travel or stays, including such lodging’s associated expenses (e.g. utilities); and reimbursement of representational expenses up to EUR 30,000 per year (pro-rated for partial years). Subject to any limitations and conditions that may apply at applicable law, Executive hereby authorizes the Company to deduct from any sums owing to her (including but not limited to salary and accrued holiday pay) the amount of any sums owing from the Executive to the Company at any time.”

4. Section 9 is hereby deleted in its entirety and replaced with the following, effective as of the Effective Date:

“Tax Assistance. During the Employment Term, the Company shall pay, or reimburse Executive, for assistance with income and tax reporting obligations related to Executive’s services with the Company in any required jurisdiction in accordance with the Company’s policies as in effect from time to time, including any costs incurred by Executive in connection with the provision to Executive of tax advice or legal assistance required in connection with the grant, vesting and/or settlement of the awards provided for in Section 5 hereof.”

5. General Terms and Conditions. Except as modified by this Amendment, the Agreement shall remain in full force and effect; provided, that in the event that any provision in this Amendment conflicts with the Agreement, the terms of this Amendment shall govern. This Amendment shall be governed by and construed in accordance with the laws of the State of New York without reference to its principles of conflict of laws. The parties hereto irrevocably submit to and acknowledge and recognize the jurisdiction of the courts of the State of New York, or if appropriate, a federal court located in the State of New York (which courts, for purposes of this Amendment, are the only courts of competent jurisdiction), over any suit, action or other proceeding arising out of, under or in connection with this Amendment or the subject matter hereof. This Amendment may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment shall inure to the benefit of and be binding upon the personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees of the parties hereto. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Amendment in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive’s death by giving the Company written notice thereof. In the event of Executive’s death or a judicial

determination of her incompetence, reference in this Amendment to Executive shall be deemed, where appropriate, to refer to her beneficiary, estate or other legal representative.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the parties hereto have signed their names as of the date and year first above written.

COTY INC.

By: /s/ Peter Harf

Name: Peter Harf

Title: Chairman of the Board EXECUTIVE

/s/ Sue Nabi

SUE Y. NABI

**Performance Restricted Stock Unit Award**  
**Terms and Conditions**  
**Under**  
**COTY INC. EQUITY AND LONG-TERM INCENTIVE PLAN**  
**(As Amended and Restated)**

This instrument (the “**Terms and Conditions**”) evidences the grant effective on May 4, 2023 (the “**Grant Date**”) of an award of **2,083,333** Performance Restricted Stock Units (the “**Performance Restricted Stock Units**”) by Coty Inc., a Delaware corporation (the “**Company**”). Any term capitalized but not defined in these Terms and Conditions will have the meaning set forth in the Coty Inc. Equity and Long-Term Incentive Plan, as amended and restated (the “**Plan**”).

1. **Performance Restricted Stock Unit Grant.** The Participant is hereby granted the Performance Restricted Stock Units as of the Grant Date. The Performance Restricted Stock Units, and any Shares acquired upon settlement thereof, are subject to the following terms and conditions and to the provisions of the Plan, the terms of which are incorporated by reference herein. This Award is subject to cancellation unless the Participant executes and returns to the Company the Coty Inc. Confidentiality and Non-Competition Agreement by December 31 of the calendar year in which the Performance Restricted Stock Units were granted.
2. **Vesting Period.**
  - (a) In General. Except as otherwise provided in this Section 2, on each Vesting Date the Participant shall have the right to earn a number of Performance Restricted Stock Units, if any, based upon the achievement of specified levels of performance during the Performance Period, as set forth in Appendix A hereto, provided in addition that the Participant has remained in continuous Service through such date. The following table sets forth each Vesting Date and the number of Performance Restricted Stock Units eligible to be earned on such Vesting Date, expressed as a percentage of the total number of Performance Restricted Stock Units granted hereunder.

Vesting Date	Percentage of Restricted Stock Units Eligible to be Earned
September 1, 2026	100%

To the extent any portion of the Performance Restricted Stock Units eligible to be earned on a Vesting Date are not so earned (based upon Company performance), the unearned Performance Restricted Stock Units shall be immediately forfeited as of such Vesting Date.

- (b) Termination of Employment due to Death or Disability. Unless otherwise determined by the Committee, if the Participant’s Service terminates due to death or Disability after the last day of the Performance Period, then any unvested Performance Restricted Stock Units earned with respect to the Performance Period determined in accordance with Appendix A, shall become vested on the Vesting Date.

- (c) **Forfeiture.** (i) In the event the Participant's Service terminates for any reason not provided in Section 2(b) above, then notwithstanding any provision in the Plan or these Terms and Conditions to the contrary any outstanding and unvested Performance Restricted Stock Units granted to the Participant shall be immediately forfeited.

(ii) In the event that Participant fails to perform its obligations under the Coty Inc. Confidentiality and Non-Competition Agreement, then notwithstanding any provision in the Plan or these Terms and Conditions to the contrary and subject to applicable law, any outstanding and unvested Performance Restricted Stock Units granted to the Participant shall be immediately forfeited.

3. **Nontransferability.**

- (a) Except as provided in Section 3(b), no Performance Restricted Stock Units granted under the Plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent or distribution and all rights with respect to the Performance Restricted Stock Units shall be available during the Participant's lifetime only to the Participant or the Participant's guardian or legal representative. The Committee may, in its sole discretion, require the Participant's guardian or legal representative to supply it with evidence the Committee deems necessary to establish the authority of the guardian or legal representative to act on behalf of the Participant.
- (b) Subject to applicable law, Performance Restricted Stock Units may be transferred to a Successor. Such transferred Performance Restricted Stock Units may not be further sold, transferred, pledged, assigned or otherwise alienated by the Successor, and shall be subject in all respects to the terms of these Terms and Conditions and the Plan. For a transfer to be effective, the Successor shall promptly furnish the Company with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance of the Successor of the terms and conditions of the Plan.

4. **Settlement of Performance Restricted Stock Units.** Within fifteen (15) days after any portion of the Performance Restricted Stock Units become vested according to the terms of Section 2, the Company shall deliver to the Participant for each Performance Restricted Stock Unit one Share (thereafter an Owned Share) and the amount of dividends and other cash distributions paid with respect to a Share during the period beginning on the Grant Date and ending on the applicable Vesting Date.

5. **Securities Law Requirements.**

- (a) If at any time the Committee determines that issuing Shares would violate applicable securities laws, the Company will not be required to issue such Shares. The Committee may declare any provision of these Terms and Conditions or action of its own null and void, if it determines the provision or action fails to comply with the short-swing trading rules. As a condition to exercise, the Company may require the Participant to make written representations it deems necessary or desirable to comply with applicable securities laws.
- (b) No Person who acquires Shares under these Terms and Conditions may sell the Shares, unless they make the offer and sale pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "**Securities Act**"),

which is current and includes the Shares to be sold, or an exemption from the registration requirements of the Securities Act.

6. **No Limitation on Rights of the Company.** The grant of the Performance Restricted Stock Units does not and will not in any way affect the right or power of the Company to make adjustments, reclassifications or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.
7. **Participant to Have No Rights as a Shareholder.** Before the date as of which the Participant is recorded on the books of the Company as the holder of any Shares, the Participant will have no rights as a shareholder with respect to those Shares.
8. **Notice.** Any notice or other communication required or permitted under these Terms and Conditions must be in writing and must be delivered personally, sent by certified, registered or express mail, or sent by overnight courier, at the sender's expense. Notice will be deemed given when delivered personally or, if mailed, three (3) days after the date of deposit in the United States mail or, if sent by overnight courier, on the regular business day following the date sent. Notice to the Company should be sent to:

Coty Inc.  
350 Fifth Avenue  
New York, New York 10018  
Attention: General Counsel

Notice to the Participant should be sent to the address on file with the Company. Either party may change the Person and/or address to which the other party must give notice under this Section 8 by giving such other party written notice of such change, in accordance with the procedures described above.

9. **Successors.** All obligations of the Company under these Terms and Conditions will be binding on any successor to the Company, whether the existence of the successor results from a direct or indirect purchase of all or substantially all of the business of the Company, or a merger, consolidation, or otherwise.
10. **Governing Law.** To the extent not preempted by federal law, these Terms and Conditions will be construed and enforced in accordance with, and governed by, the laws of the State of New York, without giving effect to its conflicts of law principles that would require the application of the law of any other jurisdiction.
11. **Plan and Terms and Conditions Not a Contract of Employment or Service.** Neither the Plan nor these Terms and Conditions are a contract of employment or Service, and no terms of the Participant's employment or Service will be affected in any way by the Plan, these Terms and Conditions or related instruments, except to the extent specifically expressed therein. Neither the Plan nor these Terms and Conditions will be construed as conferring any legal rights on the Participant to continue to be employed or remain in Service with the Company, nor will it interfere with any Company Party's right to discharge the Participant or to deal with him or her regardless of the existence of the Plan, these Terms and Conditions or the Award.
12. **Plan Document Controls.** The rights granted under these Terms and Conditions are in all respects subject to the provisions set forth in the Plan to the same extent and with the same effect as if set forth fully in these Terms and Conditions. If the terms of these Terms



and Conditions conflict with the terms of the Plan document, the Plan document will control.

13. **Amendment of the Agreement.** These Terms and Conditions may be amended unilaterally by the Committee to the extent provided under the Plan, or by a written instrument signed by both parties. The Committee in its sole discretion shall update Appendix A attached hereto with the final Performance Conditions which shall be communicated to Participant.
14. **Entire Agreement.** These Terms and Conditions, together with the Plan, constitutes the entire obligation of the parties with respect to the subject matter of these Terms and Conditions and supersedes any prior written or oral expressions of intent or understanding with respect to such subject matter.
15. **Administration.** The Committee administers the Plan and these Terms and Conditions. The Participant's rights under these Terms and Conditions are expressly subject to the terms and conditions of the Plan, including any guidelines the Committee adopts from time to time. The Participant hereby acknowledges receipt of a copy of the Plan.
16. **Section 409A.** The Performance Restricted Stock Units awarded pursuant to these Terms and Conditions are intended to comply with or, in the alternative, be exempt from Section 409A. Any reference to a termination of Service shall be construed as a "separation from service" for purposes of Section 409A.

**COTY INC.**

By: \_\_\_\_\_

Name: Priya Srinivasan

Title: Chief People and Purpose Officer

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## **Appendix A**

**Restricted Stock Unit Award**  
**Terms and Conditions**

**Under**

**COTY INC. EQUITY AND LONG-TERM INCENTIVE PLAN**

**(As Amended and Restated)**

This instrument (the “**Terms and Conditions**”) evidences the grant effective May 4, 2023 (the “**Grant Date**”) of an award of **10,416,667** Restricted Stock Units (the “**Restricted Stock Units**”) by Coty Inc., a Delaware corporation (the “**Company**”). Any term capitalized but not defined in these Terms and Conditions will have the meaning set forth in the Coty Inc. Equity and Long-Term Incentive Plan, as amended (the “**Plan**”).

1. **Restricted Stock Unit Grant.** The Participant is hereby granted the Restricted Stock Units as of the Grant Date. The Restricted Stock Units, and any Shares acquired upon settlement thereof, are subject to the following terms and conditions and to the provisions of the Plan, the terms of which are incorporated by reference herein. This award is subject to cancellation unless the Participant executes and returns to the Company the Coty Inc. Confidentiality and Non-Competition Agreement by December 31 of the calendar year in which the Restricted Stock Units were granted.

2. **Vesting Period.**

(a) In General. The Restricted Stock Units shall vest as follows, provided that the Participant has remained in continuous Service through each such date:

- (i) Fifteen percent (15%) of the Restricted Stock Units shall vest on September 1, 2024 (“**Tranche 1 RSUs**”);
- (ii) Fifteen percent (15%) of the Restricted Stock Units shall vest on September 1, 2025 (“**Tranche 2 RSUs**”);
- (iii) Twenty percent (20%) of the Restricted Stock Units shall vest on September 1, 2026 (“**Tranche 3 RSUs**”);
- (iv) Twenty percent (20%) of the Restricted Stock Units shall vest on September 1, 2027 (“**Tranche 4 RSUs**”); and
- (v) Thirty percent (30%) of the Restricted Stock Units shall vest on September 1, 2028 (“**Tranche 5 RSUs**”).

Each of the dates described in clauses (i) through (v) is a “**Vesting Date**”.

(b) Involuntary Termination. If the Participant is involuntarily terminated by the Company without Cause or due to death or Disability on or prior to September 1, 2026, to the extent not already vested, all of the Tranche 1 RSUs, Tranche 2 RSUs, and Tranche 3

RSUs shall become fully vested on the date of such termination. If the Participant is involuntarily terminated by the Company without Cause or due to death or Disability on or following September 1, 2026 but before September 1, 2027, a pro-rata portion of the Tranche 4 RSUs shall vest on the date of such termination equal to the number of Tranche 4 RSUs multiplied by a fraction, the numerator of which is the number of days elapsed from September 1, 2026 to the date of the Participant's termination and the denominator of which is 365. If the Participant is involuntarily terminated by the Company without Cause or due to death or Disability on or following September 1, 2027 but before September 1, 2028, a pro-rata portion of the Tranche 5 RSUs shall vest on the date of such termination equal to the number of Tranche 5 RSUs multiplied by a fraction, the numerator of which is the number of days elapsed from September 1, 2027 to the date of the Participant's termination and the denominator of which is 365.

- (c) Joint Venture. If the Participant becomes an employee of a Joint Venture, vesting of any unvested Restricted Stock Units shall be tolled beginning on the date the Participant becomes an employee of the Joint Venture and shall recommence on the date the Participant again becomes an Employee. Accordingly, the applicable vesting period shall be extended by the number of days the Participant was an employee of the Joint Venture.
- (d) Forfeiture. In the event the Participant's Service terminates for any reason not provided in Sections 2(b) or 2(c) above, then notwithstanding any provision in the Plan or these Terms and Conditions to the contrary any unvested Restricted Stock Units granted to the Participant shall be immediately forfeited upon the Participant's termination of Service. For the avoidance of doubt and pursuant to the terms of the Plan, the Participant's Service shall continue after she ceases to be an Employee of the Company provided that and for so long as she continues to serve as a member of the Company's Board (including as Chairperson).

### 3. **Nontransferability.**

- (a) Except as provided in Section 3(b) and subject to Section 5(b), no Restricted Stock Units granted hereunder may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent or distribution and all rights with respect to the Restricted Stock Units shall be available during the Participant's lifetime only to the Participant or the Participant's guardian or legal representative. The Committee may, in its sole discretion, require the Participant's guardian or legal representative to supply it with evidence the Committee deems necessary to establish the authority of the guardian or legal representative to act on behalf of the Participant.
- (b) Subject to Section 5(b) and applicable law, Restricted Stock Units may be transferred to a Successor. Such transferred Restricted Stock Units may not be further sold, transferred, pledged, assigned or otherwise alienated by the Successor, and shall be subject in all respects to the terms of these Terms and Conditions and Section 16.6 of the Plan. For a transfer to be effective, the Successor shall promptly furnish the Company with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance of the Successor of the terms and conditions of the Plan.

4. **Settlement of Restricted Stock Units.** Within fifteen (15) days after the Restricted Stock Units become vested according to the terms of Section 2 (or, if applicable, as soon as practicable following the effectiveness of the settlement agreement and release of claims), the Company (or its designee) shall deliver to the Participant for each Restricted Stock Unit one Share and the amount of dividends and other cash distributions paid with respect to a Share during the vesting period beginning on the Grant Date.
5. **Securities Law Requirements.**
- (a) If at any time the Committee determines that issuing Shares would violate applicable securities laws, the Company will not be required to issue such Shares. The Committee may declare any provision of these Terms and Conditions or action of its own null and void, if it determines the provision or action fails to comply with the short-swing trading rules. As a condition to the issuance of the Shares, the Company may require the Participant to make written representations it deems necessary or desirable to comply with applicable securities laws.
  - (b) The Participant understands that the Restricted Stock Units and any Shares acquired upon settlement thereof have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and that no Person who acquires any Shares acquired upon settlement thereof under these Terms and Conditions may sell such Shares unless they make the offer and sale pursuant to an effective registration statement under the Securities Act, which is current and includes the Shares to be sold, or an exemption from the registration requirements of the Securities Act. The Participant further understands that the Shares shall bear a legend substantially as follows:  
  
THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED, PLEDGED, HYPOTHECATED OR SOLD UNLESS (I) A REGISTRATION STATEMENT COVERING SUCH SECURITIES IS EFFECTIVE UNDER THE ACT, OR (II) THE TRANSACTION IS EXEMPT FROM REGISTRATION UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS AND, IF THE COMPANY REQUESTS, AN OPINION SATISFACTORY TO THE COMPANY TO SUCH EFFECT HAS BEEN RENDERED BY COUNSEL.
  - (c) The Company shall use its reasonable best efforts to register the resale of any Shares acquired by the Participant upon settlement of the Restricted Stock Units within sixty days of the Participant's receipt of such Shares.
6. **No Limitation on Rights of the Company.** The grant of the Restricted Stock Units does not and will not in any way affect the right or power of the Company to make adjustments, reclassifications or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.
7. **Participant to Have No Rights as a Shareholder.** Before the date as of which the Participant is recorded on the books of the Company as the holder of any Shares, the Participant will have no rights as a shareholder with respect to those Shares.
-

8. **Notice.** Any notice or other communication required or permitted under these Terms and Conditions must be in writing and must be delivered personally, sent by certified, registered or express mail, or sent by overnight courier, at the sender's expense. Notice will be deemed given when delivered personally or, if mailed, three (3) days after the date of deposit in the United States mail or, if sent by overnight courier, on the regular business day following the date sent. Notice to the Company should be sent to:

Coty Inc.  
350 Fifth Avenue  
New York, New York 10118  
Attention: General Counsel

Notice to the Participant should be sent to the address on file with the Company. Either party may change the Person and/or address to which the other party must give notice under this Section 8 by giving such other party written notice of such change, in accordance with the procedures described above.

9. **Successors.** All obligations of the Company under these Terms and Conditions will be binding on any successor to the Company, whether the existence of the successor results from a direct or indirect purchase of all or substantially all of the business of the Company, or a merger, consolidation, or otherwise.
10. **Governing Law.** To the extent not preempted by federal law, these Terms and Conditions will be construed and enforced in accordance with, and governed by, the laws of the State of New York, without giving effect to its conflicts of law principles that would require the application of the law of any other jurisdiction.
11. **Plan and Terms and Conditions Not a Contract of Employment or Service.** Neither the Plan nor these Terms and Conditions are a contract of employment or Service, and no terms of the Participant's employment or Service will be affected in any way by the Plan, these Terms and Conditions or related instruments, except to the extent specifically expressed therein. Neither the Plan nor these Terms and Conditions will be construed as conferring any legal rights on the Participant to continue to be employed or remain in Service with the Company, nor will it interfere with the Company's right to discharge the Participant or to deal with him or her regardless of the existence of the Plan, these Terms and Conditions or the Award.
12. **Plan Document Controls.** The rights granted under these Terms and Conditions are in all respects subject to the provisions set forth in the Plan to the same extent and with the same effect as if set forth fully in these Terms and Conditions. If the terms of these Terms and Conditions conflict with the terms of the Plan document, the Plan document will control.
13. **Amendment of the Agreement.** These Terms and Conditions may be amended unilaterally by the Committee to the extent provided under the Plan, or by a written instrument signed by both parties.
14. **Entire Agreement.** These Terms and Conditions, together with the Plan, constitutes the entire obligation of the parties with respect to the subject matter of these Terms and Conditions and supersedes any prior written or oral expressions of intent or understanding with respect to such subject matter.
-

15. **Administration.** The Committee administers the Plan and these Terms and Conditions. The Participant's rights under these Terms and Conditions are expressly subject to the terms and conditions of the Plan, including any guidelines the Committee adopts from time to time.
16. **Recoupment.** Notwithstanding any provision in the these Terms and Conditions to the contrary, the Restricted Stock Units will be subject to recoupment by the Company pursuant to any "clawback" or similar compensation recoupment policy that may be established by the Company from time to time.
17. **Section 409A.** The Restricted Stock Units awarded pursuant to these Terms and Conditions are intended to comply with or, in the alternative, be exempt from Section 409A. Any reference to a termination of Service shall be construed as a "separation from service" for purposes of Section 409A.

**COTY INC.**

By:

Name: Priya Srinivasan  
Title: Chief People and Purpose Officer

Coty Inc.  
Subsidiary List  
as of June 30, 2023

Entity Name	Domestic Jurisdiction
Coty Argentina S.A.	Argentina
Coty Australia Holdings PTY Ltd.	Australia
Coty Australia Legacy Pty. Limited	Australia
Coty Australia PTY. Limited	Australia
Gresham Cosmetics Pty Ltd	Australia
HFC Prestige International Australia PTY Ltd	Australia
Coty Beauty Austria GmbH	Austria
HFC Prestige Products N.V.	Belgium
Coty Brasil Comércio SAR	Brazil
Savoy Indústria de Cosméticos S.A.	Brazil
HFC Prestige International Canada, Inc.	Canada
TJoy Holdings Co. Ltd.	Cayman Islands
Coty Cosméticos Chile Limitada	Chile
Coty China Holding Limited	China
Coty Hong Kong Distribution Ltd.	China
Coty International Trade (Shanghai) Co., Ltd.	China
Coty Prestige Shanghai Ltd.	China
HFC (Shanghai) Cosmetics Co., Ltd	China
Nanjing Yanting Trade Co. Ltd.	China
Suzhou Ganon Trading Co., Ltd.	China
Suzhou Jiahua Biochemistry Co. Ltd	China
HFC Prestige Service Costa Rica S.R.L.	Costa Rica
Coty Ceska republika, s.r.o.	Czechia
Coty Holdings UK Limited	England and Wales
Quest Beauty Limited	England and Wales
Coty S.A.S.	France
Coty France S.A.S.	France
Else France S.A.S.	France
Fragrance Production S.A.S.	France
HFC Prestige Holding France	France
Coty Beauty Germany GmbH	Germany
Coty Brands Management GmbH	Germany
Coty Germany Holding GmbH	Germany
HFC Prestige Manufacturing Cologne Germany GmbH	Germany
Zadafo Verwaltungsgesellschaft mbH	Germany
Chi Chun Industrial Co. Ltd.	Hong Kong
Coty Hong Kong Limited	Hong Kong
Coty INT Hong Kong Limited	Hong Kong
Coty Prestige Shanghai (HK) Ltd.	Hong Kong
Coty Prestige Southeast Asia (HK) Limited	Hong Kong
Ming-De Investment Co. Ltd.	Hong Kong
Super Globe Holdings Ltd.	Hong Kong



Coty Hungary Kft.	Hungary
PT StarAsia Distributions Indonesia	Indonesia
PT. Coty Prestige Southeast Asia Indonesia	Indonesia
Coty Ireland Ltd.	Ireland
Coty UK&I Limited	Ireland
HFC Prestige Manufacturing Ireland Ltd.	Ireland
Coty Italia S.R.L.	Italy
Coty Japan Godo Kaisha	Japan
Coty Korea Ltd.	Korea, Republic Of
Coty INT Malaysia Sdn. Bhd.	Malaysia
Coty Brands México, S. de R.L. de C.V.	Mexico
Coty México, S.A. de C.V.	Mexico
Coty Lancaster S.A.M.	Monaco
Coty B.V.	Netherlands
Coty Global 1 B.V.	Netherlands
Coty Global 2 B.V.	Netherlands
Coty Global 3 B.V.	Netherlands
Coty Global 4 B.V.	Netherlands
Coty Global 5 B.V.	Netherlands
Coty Global 6 B.V.	Netherlands
Coty Global 7 B.V.	Netherlands
Coty Global Holdings B.V.	Netherlands
Coty Holding Topco B.V.	Netherlands
Coty Investments B.V.	Netherlands
Coty International B.V.	Netherlands
Coty International Holding B.V.	Netherlands
Coty Management B.V.	Netherlands
Coty Netherlands B.V.	Netherlands
Coty Operations B.V.	Netherlands
HFC Prestige International Netherlands Holding B.V.	Netherlands
Lancaster B.V.	Netherlands
Coty Prestige Southeast Asia Philippines, Inc.	Philippines
Coty Eastern Europe sp. z.o.o.	Poland
Coty Beauty Portugal S.A.	Portugal
HFC Prestige International Puerto Rico LLC	Puerto Rico
Coty Cosmetics Romania SRL	Romania
Russwell Ltd	Russian Federation
Coty Arabia Trading Company LLC	Saudi Arabia
Coty Asia Pte. Ltd.	Singapore
Coty Operations Asia Pacific Pte. Ltd.	Singapore
Coty Prestige Southeast Asia Pte. Ltd.	Singapore
Coty Singapore Pte. Ltd.	Singapore
Coty Southeast Asia Pte. Limited	Singapore
HFC Prestige International Operations Switzerland SARL Singapore Branch	Singapore
HFC Prestige International Singapore Pte. Ltd.	Singapore
Coty Slovenská Republika s.r.o.	Slovakia
Coty Beauty South Africa (PTY) Ltd.	South Africa

Coty Beauty Spain, S.L.U.	Spain
Coty Spain S.L., Sociedad Unipersonal	Spain
Coty International B.V. Swiss Branch	Switzerland
Coty JV Holdings Sarl	Switzerland
HFC Prestige International Operations Switzerland Sarl	Switzerland
Coty Beauty Swiss Sarl	Switzerland
StarAsia Taiwan Co., Ltd.	Taiwan, Province Of China
Coty Prestige Southeast Asia (Thailand) Company Limited	Thailand
Coty Operations (Thailand) Co., Ltd.	Thailand
Coty Distribution Emirates L.L.C.	United Arab Emirates
Coty Middle East Fzco	United Arab Emirates
Coty Regional Trading FZE	United Arab Emirates
Bourjois Limited	United Kingdom
Coty Brands Group Limited	United Kingdom
Coty Export U.K. Ltd.	United Kingdom
Coty Manufacturing UK Ltd.	United Kingdom
Coty Services U.K. Ltd.	United Kingdom
Coty U.K. Limited	United Kingdom
Coty UK&I Ltd	United Kingdom
Del Laboratories (U.K.) Limited	United Kingdom
HFC Prestige Manufacturing UK Ltd	United Kingdom
HFC Prestige Products Ltd.	United Kingdom
HFC Prestige Service UK Ltd	United Kingdom
Lancaster Group, Ltd.	United Kingdom
Rimmel International Ltd.	United Kingdom
HFC Prestige Products, Inc.	United States - CT
Calvin Klein Cosmetic Corporation	United States - DE
Coty Brands Management Inc.	United States - DE
Coty DTC Holdings, LLC	United States - DE
Coty Holdings, Inc.	United States - DE
Coty Inc.	United States - DE
Coty International LLC	United States - DE
Coty Operations Americas LLC	United States - DE
Coty US Holdings Inc.	United States - DE
Coty US LLC	United States - DE
DLI International Holding I LLC	United States - DE
DLI International Holding II Corp	United States - DE
Galleria Co.	United States - DE
Graham Webb International, Inc.	United States - DE
HFC Prestige International U.S. LLC	United States - DE
King Kylie, LLC	United States - DE
Launch Beauty LLC	United States - DE
O P I Products, Inc.	United States - DE
Rimmel Inc.	United States - DE
The Wella Corporation	United States - DE
Noxell Corporation	United States - MD



**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement Nos. 333-189276, 333-214532 and 333-252920 on Form S-8 and Registration Statement Nos. 333-231352 and 333-248444 on Form S-3 of our reports dated August 22, 2023, relating to the financial statements of Coty Inc. and subsidiaries (the “Company”) and the effectiveness of the Company’s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended June 30, 2023.

/s/ Deloitte & Touche LLP

New York, New York  
August 22, 2023

## Certification

I, Sue Nabi, certify that:

1. I have reviewed this Annual Report on Form 10-K of Coty Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 22, 2023

/s/ Sue Nabi

Sue Nabi

Chief Executive Officer

## Certification

I, Laurent Mercier, certify that:

1. I have reviewed this Annual Report on Form 10-K of Coty Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 22, 2023

/s/ Laurent Mercier

Laurent Mercier  
Chief Financial Officer

**Certification**  
**Pursuant to Rule 13a-14(b) or**  
**Rule 15d-14(b) and 18 U.S.C. Section 1350**  
**(as adopted pursuant to Section 906 of the**  
**Sarbanes-Oxley Act of 2002)**

Pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), the undersigned officer of Coty Inc., a Delaware corporation (the “Company”), does hereby certify, to such officer’s knowledge, that:

The Annual Report on Form 10-K for the year ended June 30, 2023 (the “Report”) of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o(d)), and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 22, 2023

/s/ Sue Nabi

---

Sue Nabi

Chief Executive Officer

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and for no other purpose.

**Certification**  
**Pursuant to Rule 13a-14(b) or**  
**Rule 15d-14(b) and 18 U.S.C. Section 1350**  
**(as adopted pursuant to Section 906 of the**  
**Sarbanes-Oxley Act of 2002)**

Pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), the undersigned officer of Coty Inc., a Delaware corporation (the “Company”), does hereby certify, to such officer’s knowledge, that:

The Annual Report on Form 10-K for the year ended June 30, 2023 (the “Report”) of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o(d)), and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 22, 2023

/s/ Laurent Mercier

Laurent Mercier

Chief Financial Officer

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and for no other purpose.



**EXHIBIT II – Coty's 2023 Proxy Statement**



September 21, 2023

TO OUR STOCKHOLDERS:

On behalf of the Board of Directors and Executive Committee of Coty Inc., I cordially invite you to the 2023 Annual Meeting of Stockholders (the “Annual Meeting”) of Coty Inc. to be held via live audio webcast over the Internet at [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023) at 8:30 a.m., Eastern Time, on Thursday, November 2, 2023.

Under the leadership of Sue Nabi, Coty has made significant progress against its strategic objectives since they were announced in November 2021, reclaiming the Company’s status as a global beauty powerhouse. At the end of fiscal year 2023, the results mark the third consecutive year that Coty has delivered strong financial, operational and strategic performance as the Company delivered its twelfth consecutive quarter of results in-line to ahead of expectations, while consistently executing across its strategic growth pillars. In addition, Coty is making tangible progress on its sustainability agenda being committed to driving sustainable innovation across the business. I offer my deep appreciation to Sue, the Executive Committee and all Coty team members for their commitment and focus in delivering Coty’s goals. We are confident that the Coty team will continue to make strong progress across each of our strategic pillars.

In fiscal year 2023, the composition of the Board of Directors has changed. In January 2023, Lubomira Rochet was appointed to our Board of Directors joining on January 2, 2023. Erhard Schoewel resigned as a director on March 8, 2023 after serving on the Board in various capacities since 2006. As a result of these changes, Coty’s Board of Directors has a majority of female directors (six of the eleven directors).

Details about the Annual Meeting, nominees for election to the Board of Directors and other matters to be acted on at the Annual Meeting are presented in the Notice of 2023 Annual Meeting of Stockholders and Proxy Statement that follow.

It is important that your stock be represented at the Annual Meeting regardless of the number of shares you hold. You are encouraged to specify your voting preferences by so marking and dating the enclosed proxy card or following the voting instruction accompanying these materials, as described below. If you wish to vote in accordance with directors’ recommendations, all you need to do is sign, date and return the card or voting instruction.

Please vote over the Internet, by telephone or by completing and returning the proxy card in the enclosed envelope whether or not you plan to attend the virtual Annual Meeting.

You may virtually attend the Annual Meeting by visiting [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023) on the meeting date. If you virtually attend the Annual Meeting and wish to vote at the Annual Meeting, you may do so by revoking your proxy at any time so long as you are the holder of record of your shares. If you are not the holder of record, you must follow your broker’s procedures for obtaining a legal proxy in order to vote your shares at the Annual Meeting.

Thank you for your support.

Sincerely,

Peter Harf  
Chairman of the Board

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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**SCHEDULE 14A**  
**(Rule 14a-101)**

**SCHEDULE 14A INFORMATION**

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No.       )

Filed by the Registrant ☒

Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

☒ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting Material Pursuant to §240.14a-12

**COTY INC.**

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required

☐ Fee paid previously with preliminary materials

☐ Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a-6(i)(1) and 0-11

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**NOTICE OF 2023 ANNUAL MEETING OF STOCKHOLDERS  
AND PROXY STATEMENT**

September 21, 2023

To Coty Inc. Stockholders:

The Annual Meeting of Coty Inc. (the “Company”) will be held via audio webcast over the Internet at [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023) at 8:30 a.m., Eastern Time, on Thursday, November 2, 2023 (the “Annual Meeting”). This means that you can attend the Annual Meeting online, vote your shares electronically and submit questions during the online meeting by visiting the above mentioned Internet site. The principal business of the Annual Meeting will be the consideration of the following matters:

1. To elect the eleven directors named in this proxy statement;
2. To approve, on an advisory (non-binding) basis, the compensation of the Company’s named executive officers, as disclosed in this proxy statement;
3. To ratify the appointment of Deloitte & Touche LLP to serve as the Company’s independent registered public accounting firm for the fiscal year ending June 30, 2024;
4. To vote on a stockholder proposal regarding a report on plastic packaging reduction, if properly presented at the meeting; and
5. To transact such other business as may properly come before the Annual Meeting or any adjournment thereof.

This proxy statement describes these items in more detail. We have not received notice of any other matters that may be properly presented at the Annual Meeting. The close of business on September 8, 2023 has been fixed as the date for determining the holders of shares of the Company’s Class A Common Stock and Series B Convertible Preferred Stock entitled to notice of and to vote at the Annual Meeting and any adjournment thereof.

By order of the Board of Directors,

Kristin Blazewicz  
Chief Legal Officer & Secretary

**WHETHER OR NOT YOU PLAN TO VIRTUALLY ATTEND THE ANNUAL MEETING, YOU MAY VOTE AND SUBMIT YOUR PROXY. BY FOLLOWING THE VOTING INSTRUCTIONS ACCOMPANYING THESE MATERIALS, YOU MAY SUBMIT YOUR PROXY ELECTRONICALLY, BY TELEPHONE OR BY REQUESTING A PRINTED COPY OF THE PROXY MATERIALS AND COMPLETING AND RETURNING BY MAIL THE PROXY CARD YOU WILL RECEIVE IN RESPONSE TO YOUR REQUEST.**

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING TO BE HELD ON NOVEMBER 2, 2023: The Company’s Proxy Statement for the Annual Meeting and the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 are available at [materials.proxyvote.com/222070](http://materials.proxyvote.com/222070).**

## Table of Contents

Questions and Answers about the Proxy Materials and the Annual Meeting	<a href="#">3</a>
Environment, Social and Governance (ESG)	<a href="#">11</a>
Corporate Governance	<a href="#">11</a>
Principles of Corporate Governance and Code of Business Conduct	<a href="#">11</a>
Structure of our Board	<a href="#">12</a>
Board Meetings	<a href="#">14</a>
Board Qualifications and Membership Criteria	<a href="#">14</a>
Director Nomination Process	<a href="#">15</a>
Director Independence	<a href="#">15</a>
Communications with our Board	<a href="#">16</a>
Our Board's Role in Risk Oversight	<a href="#">16</a>
Board Attendance at the Annual Meeting	<a href="#">17</a>
Compensation Committee Interlocks and Insider Participation	<a href="#">17</a>
Certain Relationships and Related Party Transactions	<a href="#">17</a>
Proposal No. 1: Election of Directors	<a href="#">21</a>
Director Nominees	<a href="#">21</a>
Director Compensation	<a href="#">25</a>
Executive Officers	<a href="#">26</a>
Security Ownership of Certain Beneficial Owners and Management	<a href="#">28</a>
Delinquent Section 16(a) Reports	<a href="#">29</a>
Proposal No. 2: Approval of Advisory Resolution on Named Executive Officer Compensation (Say-On-Pay)	<a href="#">29</a>
Executive Compensation	<a href="#">30</a>
Pay Versus Performance	<a href="#">46</a>
Proposal No. 3: Ratification of Appointment of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm	<a href="#">50</a>
Audit Fees and Other Fees	<a href="#">50</a>
Audit and Finance Committee Report	<a href="#">51</a>
Proposal No. 4: Stockholder Proposal Regarding a Report on Plastic Packaging Reduction	<a href="#">52</a>
Stockholder Proposals for the 2024 Annual Meeting	<a href="#">54</a>
Other Matters	<a href="#">55</a>

**COTY INC.**  
**350 Fifth Avenue**  
**New York, New York 10118**

**PROXY STATEMENT**  
**FOR ANNUAL MEETING OF STOCKHOLDERS**  
**TO BE HELD ON NOVEMBER 2, 2023**

These proxy materials are being made available to you electronically or, if you have requested, printed versions of these materials, have been delivered to you by mail in connection with the solicitation of proxies by the Board of Directors of Coty Inc. (the “Company”, “we” or “us”), a Delaware corporation, for our 2023 Annual Meeting of Stockholders (the “Annual Meeting”) to be held at 8:30 a.m. Eastern Time (“ET”) on Thursday, November 2, 2023 via the Internet at [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023).

When used in these proxy materials, the term “includes” and “including” means, unless the context otherwise indicates, including without limitation.

**QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETING**

**Proxy Materials and Voting Information**

**1. What are proxy materials?**

A proxy statement is a document which includes information that we are required to provide to you under Securities and Exchange Commission (“SEC”) rules and is designed to assist you in voting your shares (your “shares”) of the Company’s Class A common stock, par value \$0.01 per share (“Class A Common Stock”) and/or of the Company’s Series B Convertible Preferred stock, par value \$0.01 per share (“Series B Preferred Stock”), at the Annual Meeting. The proxy materials include our proxy statement for the Annual Meeting (this “Proxy Statement”), our Annual Report to Stockholders (including our Annual Report on Form 10-K for the fiscal year ended June 30, 2023) (“Annual Report”), and the proxy card or a voting instruction card for the Annual Meeting.

This Proxy Statement contains information about the Annual Meeting and was prepared by our management. We sent a Notice of Internet Availability of Proxy Materials (the “Notice”), and made these proxy materials and the Notice available online, on or about September 21, 2023 to stockholders of record entitled to receive notice of the Annual Meeting. All stockholders may access the proxy materials online and download printable versions of the proxy materials or request a printed set of the proxy materials by following the instructions in the Notice. As a stockholder, you are invited to attend the virtual audio Annual Meeting online and are requested to vote on the items of business described in this Proxy Statement.

**2. What is the difference between holding shares as a stockholder of record and as a beneficial owner?**

If your shares are registered directly in your name with the Company’s registrar and transfer agent, Computershare Trust Company, N.A., you are considered a stockholder of record with respect to those shares. If your shares are held in a bank or brokerage account, you are considered the “beneficial owner” of those shares.

**3. Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?**

In accordance with SEC rules, we may furnish proxy materials, including this Proxy Statement and our Annual Report, to our stockholders by providing access to such documents on the Internet instead of mailing printed copies. Accordingly, we are sending the Notice to our stockholders of record and beneficial owners as of the close of business on September 8, 2023 (the “Record Date”).

**4. I share an address with another stockholder. Why did we receive only one copy of the proxy materials and how may I obtain an additional copy of the proxy materials?**

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for the Notice or other annual meeting materials with respect to two or more stockholders sharing the

same address by delivering a single Notice or other annual meeting materials addressed to those stockholders. This process, which is commonly referred to as “householding”, is intended to provide extra convenience for stockholders and cost savings for companies.

A number of brokers with account holders who are our stockholders will be “householding” our proxy materials. A single Notice will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. If you have received notice from your broker that they will be “householding” communications to your address, “householding” will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in “householding” and would prefer to receive a separate Notice, please notify your broker. Stockholders who have multiple accounts in their names or who share an address with other stockholders can request “householding” and authorize their broker to discontinue mailings of multiple annual reports and proxy statements by contacting their broker.

We will promptly deliver to a stockholder who received one copy of the Notice as a result of “householding” a separate copy upon the stockholder’s written or oral request directed to Investor Relations at Coty Inc., 350 Fifth Avenue, New York, New York 10118 or (212) 389-7300.

#### **5. Who is entitled to vote at the Annual Meeting?**

Only stockholders of record of our Class A Common Stock and Series B Preferred Stock at the close of business on the Record Date are entitled to vote at the Annual Meeting or at any adjournment or postponement of the Annual Meeting. Each stockholder of record is entitled to one vote per share of Class A Common Stock. On the Record Date, there were 857,827,369 shares of Class A Common Stock issued and outstanding and 146,057 shares of Series B Preferred Stock issued and outstanding.

Holders of the Series B Preferred Stock are entitled to vote with the holders of the Class A Common Stock on an “as converted” basis as set out in the Certificate of Designations for the Series B Preferred Stock (“Series B Certificate of Designations”). The Series B Preferred Stock is convertible, in whole or in part, at any time at the option of the holder, into shares of Class A Common Stock at an initial conversion rate of 160.2564 shares of Class A Common Stock per share of Series B Preferred Stock, subject to certain anti-dilution adjustments and accounting for accrued dividends through the designated date, as described in the Series B Certificate of Designations. As of the Record Date, the Series B Preferred Stock is convertible in the aggregate into 23,807,281 shares of Class A Common Stock and provides 163.000 votes per share of Series B Preferred Stock.

*Registered Stockholders.* The Notice was provided to you directly by us. As a stockholder of record, you have the right to grant your voting proxy directly to the individuals listed on the proxy card or to vote virtually at the Annual Meeting.

*Beneficial Stockholders.* The Notice was forwarded to you by your broker or nominee. Your broker or nominee is considered the stockholder of record of those shares and you are considered to hold your shares in “street name”. Beneficial owners are also invited to virtually attend the Annual Meeting. However, since you are not a stockholder of record, you may not vote your shares virtually at the Annual Meeting unless you follow your broker’s procedures for obtaining a legal proxy. If you request a printed copy of your proxy materials by mail, your broker or nominee will provide a voting instruction card for you to use.

**6. What items of business will be voted on at the Annual Meeting? How does the Board of Directors (the “Board”) recommend I vote on these items and what are the voting standards?**

Proposal	Voting Options	Vote Required to Adopt the Proposal	Effect of Abstentions or Withhold Votes (for Director Elections)	Effect of “Broker Non-Votes”	Board Recommendation
<b>Proposal 1:</b> Election of Directors	For or withhold for each director nominee.	A plurality of votes — nominees receiving the highest number of affirmative votes will be elected (up to the total number of available board seats).	No effect.	No effect.	Our Board recommends a vote <b>FOR</b> each director nominee.
<b>Proposal 2:</b> Approval of Advisory Resolution on Named Executive Officer Compensation	For, against, or abstain.	The affirmative vote of a majority of the votes cast.	No effect.	No effect.	Our Board recommends a vote <b>FOR</b> the approval of the advisory resolution on named executive officer compensation.
<b>Proposal 3:</b> Ratification of Appointment of Deloitte & Touche LLP (“Deloitte”) as our independent registered public accounting firm	For, against, or abstain.	The affirmative vote of a majority of the votes cast.	No effect.	Brokers have discretion to vote.	Our Board recommends a vote <b>FOR</b> ratification of the appointment of Deloitte.
<b>Proposal 4:</b> Stockholder Proposal Regarding a Report on Plastic Packaging Reduction	For, against, or abstain.	The affirmative vote of a majority of the votes cast.	No effect.	No effect.	Our Board recommends a vote <b>AGAINST</b> the stockholder proposal regarding a report on plastic packaging reduction.

The advisory resolutions to approve named executive officer compensation (Proposal 2) is not binding on the Company. However, the Remuneration and Nomination Committee (the “RNC”), which is responsible for designing and administering our executive compensation program, values the opinions expressed by stockholders and will take into account the outcome of the vote when making future compensation and governance decisions. The result of the stockholder proposal regarding a report on plastic packaging reduction (Proposal 4) is not binding on the Company.

**7. How do I cast my vote if I am a stockholder of record entitled to vote at the Annual Meeting?**

If you are a stockholder of record entitled to vote at the Annual Meeting, you can vote your shares by proxy electronically, by telephone or by mail by following the instructions set forth below:

*Voting Electronically.* You can vote at [www.proxyvote.com](http://www.proxyvote.com), 24 hours a day, seven days a week. You will need the control number included on your Notice or your proxy card (if you received a printed copy of the proxy materials).



*Voting By Telephone.* You can vote using a touch-tone telephone by calling 1-800-690-6903, 24 hours a day, seven days a week. You will need the control number included on your Notice or your proxy card (if you received a printed copy of the proxy materials).

*Voting By Mail.* If you have requested and received a printed copy of the proxy materials by mail, you may complete, sign and return the proxy card by mail to Coty Inc., c/o Broadridge Financial Solutions, 51 Mercedes Way, Edgewood, New York 11717.

*Voting at the Annual Meeting.* Although we encourage you to complete and return a proxy prior to the Annual Meeting to ensure that your vote is counted, you can virtually attend the Annual Meeting and vote your shares online by visiting [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023). You will need your control number included on your Notice or proxy card (if you receive a printed copy of the proxy materials) in order to be able to vote during the Annual Meeting. If you vote by proxy prior to the Annual Meeting and also virtually attend the Annual Meeting, there is no need to vote again at the Annual Meeting unless you wish to change your vote.

The procedures for voting online, by telephone, by mail and virtually at the Annual Meeting comply with Delaware law and are designed to authenticate stockholders' identities, to allow stockholders to vote their shares and to confirm that their instructions have been properly recorded.

**8. Is there a deadline for submitting proxies electronically or by telephone or mail?**

Proxies submitted electronically or by telephone as described above must be submitted by 11:59 p.m. ET on November 1, 2023.

Proxies submitted by mail must be received before the close of the Annual Meeting on November 2, 2023.

Each valid proxy received in time will be voted at the Annual Meeting in accordance with your instructions, regardless of the submission method used.

**9. What if I am a stockholder of record entitled to vote at the Annual Meeting and do not specify a choice for a matter when returning a proxy?**

All proxies properly submitted pursuant to this solicitation and not revoked will be voted at the Annual Meeting in accordance with the directions given. If you properly submit a proxy but do not provide specific voting instructions, your shares will be voted:

1. FOR the election of each nominee as director;
2. FOR the advisory resolution on the compensation of our named executive officers;
3. FOR the ratification of the appointment of Deloitte as our independent registered public accounting firm; and
4. AGAINST the stockholder proposal regarding a report on plastic packaging reduction.

If you have returned your signed and completed proxy card and other matters are properly presented at the Annual Meeting for consideration, the proxy holders appointed by our Board (the persons named in your proxy card if you are a stockholder of record) will have the discretion to vote on those matters for you.

**10. What if I am a beneficial owner and do not give voting instructions to my broker?**

As a beneficial owner, in order to ensure your shares are voted in the way you would like, you must provide voting instructions to your bank, broker or other nominee by the deadline provided in the materials you receive from your bank, broker or other nominee. Under the rules of the New York Stock Exchange (the "NYSE"), if you do not provide voting instructions to your bank, broker or other nominee, whether your shares can be voted by such person depends on the type of item being considered for vote.

Under the rules of the NYSE, if you hold your shares in street name and do not provide voting instructions to the broker, bank or other nominee that holds your shares, the nominee has discretionary authority to vote on routine matters but not on non-routine matters. If you hold your shares in street name, it is critical that you cast your vote if you want it to count regarding the election of directors (Proposal 1); the advisory resolution to approve named executive officer compensation (Proposal 2) and the stockholder proposal regarding a report on plastic packaging reduction (Proposal 4), which are considered non-routine matters. Only the ratification of the appointment of the independent registered public accounting firm (Proposal 3) is considered a routine matter.

#### **11. How are broker non-votes and abstentions counted?**

A broker non-vote occurs when shares held by a broker are not voted with respect to a particular proposal because the broker does not have authority to vote on the non-discretionary item and has not received voting instructions from its clients.

Broker non-votes, withheld votes and abstentions by stockholders from voting (including brokers holding their clients' shares of record who cause abstentions to be recorded) will be counted towards determining whether or not a quorum is present. However, because broker non-votes and abstentions are not considered votes "cast" under Delaware law, they will have no effect on the approval of Proposals 1, 2 and 4, except where brokers may exercise their discretion on routine matters, as discussed above.

#### **12. What constitutes a quorum?**

A quorum will be present if holders of a majority of the outstanding voting power of our Class A Common Stock and Series B Preferred Stock entitled to vote and voting together as a single class at the Annual Meeting are present in person or represented by proxy at the Annual Meeting. Abstentions, broker non-votes and votes withheld are included in the count to determine if a quorum is present.

#### **13. What can I do if I change my mind after I vote my shares? Can I revoke my proxy?**

At any time prior to the completion of voting at the Annual Meeting, you may change your vote either by:

- giving written notice to our Corporate Secretary revoking your proxy;
- by submitting a later-dated proxy by telephone or electronically before 11:59 p.m. ET on November 1, 2023;
- by a later-dated mailed proxy received before the close of the Annual Meeting on November 2, 2023; or
- by voting online at the Annual Meeting.

#### **14. Who will count the vote?**

A representative of Broadridge Financial Solutions, Inc. will tabulate the votes and act as inspector of election.

#### **15. May I see a list of stockholders entitled to vote as of the Record Date?**

At least ten calendar days prior to the Annual Meeting, a list of registered stockholders as of the close of business on the Record Date will be available for examination by any stockholder for any purpose germane to the meeting.

#### **16. How do I attend the Annual Meeting virtually?**

We will host the Annual Meeting live online via audio webcast. Any stockholder can attend the Annual Meeting live online at [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023). The webcast will start at 8:30 a.m. ET. Stockholders may vote and submit questions while attending the Annual Meeting online. In order to enter the Annual Meeting, you will need the 16-digit control number included on your Notice, the instructions that accompanied your proxy materials or your proxy card (if you received a printed copy of the proxy materials). Instructions on how to attend and participate online, including how to demonstrate proof of stock ownership, are posted at [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023). We encourage you to access the meeting prior to the start time to allow ample time to complete the online check-in process. If you encounter any difficulties accessing the virtual meeting during the check-in or meeting time, please call the technical support number that will be provided on the log-in page.

#### **17. Why is the Annual Meeting a virtual, online meeting?**

As we have done in prior years, our Annual Meeting will be a virtual meeting of stockholders using cutting edge technology, conducted via live audio webcast. By conducting our annual meeting solely online, we eliminate many of the costs associated with a physical meeting. In addition, we believe that hosting a virtual meeting facilitates stockholder attendance and broader participation by enabling stockholders to participate from any location around the world and improves our ability to communicate more effectively with our stockholders during the meeting. We have designed the virtual meeting to provide the same rights to participate as you would have at an in-person meeting, including providing opportunities to submit questions during the meeting.

**18. Who will pay the cost of solicitation?**

We will pay the cost of soliciting proxies for the Annual Meeting. Proxies may be solicited by our employees and directors, without additional compensation, in person, or by mail, courier, telephone, email or facsimile. We may also make arrangements with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation material to the beneficial owners of shares held of record by such persons. We may reimburse such brokerage houses, custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred by them in connection therewith.

**19. How can I access the Notice, Proxy Statement and Annual Report? How can I sign up for electronic delivery of proxy materials?**

Our Proxy Statement (including the Notice) and Annual Report are available at [materials.proxyvote.com/222070](http://materials.proxyvote.com/222070).

These proxy materials are also available in the “Investor Relations” section of our website: [www.coty.com](http://www.coty.com) within the “Reports & Filings” subsection. Instead of receiving future copies of our Proxy Statement (including the Notice) and Annual Report by mail, stockholders can access these materials online. Opting to receive your proxy materials online will save us the cost of producing and mailing documents to your home or business, and will also give you an electronic link to the proxy voting site.

If you hold your shares in a bank or brokerage account, you also may have the opportunity to receive copies of these documents electronically. Please check the information provided in the proxy materials mailed to you by your bank, broker or other nominee regarding the availability of this service.

**Any stockholder who would like to receive a copy of our Annual Report, including the related financial statements and financial statement schedules, may obtain one, without charge, by addressing a request to the attention of the Corporate Secretary, Coty Inc., 350 Fifth Avenue, New York, New York 10118. Our copying costs will be charged if copies of exhibits to the Annual Report are requested.**

## ENVIRONMENT, SOCIAL and GOVERNANCE (“ESG”)

### Environmental & Social Matters

Coty’s sustainability commitment, Beauty That Lasts, is a multi-pillared strategy which aims to contribute to a more sustainable and inclusive future. With a focus on products, planet and people, we see sustainability as the ultimate driver of innovation.

We report annually on our progress towards our sustainability targets through a separate sustainability report. Our sustainability reports and other information on our sustainability initiatives and achievements are available on our website ([www.coty.com/sustainability](http://www.coty.com/sustainability)). Changing circumstances, including evolving expectations for sustainability, or changes in standards and the way progress is measured, may lead to adjustments in, or the discontinuation of, our pursuit of certain goals, commitments, or initiatives.

On March 31, 2022, the SEC issued a proposed rule on climate-related disclosures by U.S. public companies. The proposed rule is not yet final. We are unable to predict if or when the rule will be finalized and the extent to which a final rule will apply or deviate from the proposal.

#### *The Beauty of Our Product*

Our products have an important role to play in building a sustainable future for the beauty sector. To respond to evolving social and environmental challenges, sustainability is at the heart of our product creation, from design and development through to sourcing of materials.

We are changing the way we design, formulate and manufacture in order to minimize our environmental impact and create innovative products. Since 2020, we have an operational Beauty That Lasts Index in place, which is a qualitative tool for evaluating the social and environmental profile of new product developments.

We have ambition to reduce the amount of packaging we use across our portfolio, while sourcing from more sustainable sources. In fiscal 2023, we introduced refillable packaging solutions into our global portfolio, including Chloé Rose Naturelle Intense Eau de Parfum and Adidas Active Skin and Mind range of shower gels which delivered a packaging weight reduction compared to the original baseline body care range. In addition, we work to reduce the environmental impact of our product formulas and our new products, for example integrating carbon captured alcohol into our fragrances. In fiscal 2023, we launched Gucci, The Alchemist’s Garden, Where My Heart Beats Eau de Parfum, which was the first globally distributed fragrance manufactured using 100% carbon captured alcohol.

We recognize that sustainability efforts require collaboration which goes beyond our own organization. To that end we are members of several industry initiatives, including the Responsible Beauty Initiative and Responsible Mica Initiative, focused on responsible sourcing, and the Sustainable Packaging Initiative for Cosmetics, focused on creating common guidelines and tools for eco-design of packaging. We are also part of the EcoBeautyScore Consortium – a breakthrough initiative which aims to develop an industry-wide environmental scoring system for cosmetics products, with the aim of empowering consumers to make sustainable beauty choices.

We continue to evaluate and modify our processes and activities to further limit our impact on the environment as we implement our sustainability strategy.

#### *The Beauty of Our Planet*

Conserving and protecting the natural environment is a vital part of our responsibility as a business. We are committed to minimizing the environmental impact of our operations and preserving resources for generations to come.

During fiscal year 2023, our greenhouse gas emissions targets were approved by the Science Based Target initiative. The targets cover our Greenhouse gas emissions for scopes 1 and 2, renewable electricity commitment and our greenhouse gas reduction for scope 3. We continue to focus on the implementation of these targets with the development of operational plans. We are currently implementing our climate strategy focusing on three focus areas: our product impact, our transportation and the impact of our own operations.

In fiscal 2023, we have extended existing efforts made on our supply chain sites (factories and distribution centers) to our R&D centers and Corporate Offices. Accordingly, our offices and R&D centers are developing energy reduction and transition plans. For example, our Paris Headquarter has now transitioned to renewable electricity and we have completed an extensive energy audit in our Amsterdam Headquarter with very positive results. In our efforts to reduce our impacts on the environment, none of the waste from our factories and distribution centers was sent to landfill, while most was reused, recycled, or composted. We have implemented several measures to reduce water consumption across our plants and distribution centers.

While certain projects are already in execution phase, other projects are in the early stages as we validate their feasibility and explore new ones to achieve our proposed targets. We continue to evaluate and modify our processes and activities to further limit our impact on the environment and to enable the deployment of our climate-related initiatives to meet our proposed targets.

### *The Beauty of Our People*

We are committed to playing our part in creating a more inclusive business and society. We celebrate diversity in all its forms and continue to work towards building a more inclusive business. We recognize the importance of diversity at a leadership level and throughout our whole organization, including diversity of gender, ethnicity, ability, background, religion, gender identity, and sexual orientation. Our Executive Committee and our Board of Directors are majority female. For associates, we rolled out a new training to broaden knowledge of our sustainability framework, *Beauty That Lasts*. This training introduced the three-pillared framework and included short modules on climate change and DE&I topics such as bias and microaggressions. In July 2022, we implemented a sustainability objective for all employees eligible to the bonus plans, as part of their annual goals. This applies for employees' fiscal 2023 bonuses. The accomplishment of these objectives is considered when assessing eligibility for annual bonuses.

As of October 2022, we were proud to achieve our commitment to pay equity for similar roles and performance, regardless of gender by reducing the gap in every level of our global management categories. To further gender equality within our business, we also launched a gender-neutral Parental Leave Policy. From November 2022, all employees, regardless of gender, have access to the same number of fully paid weeks of parental leave offered in their local region when starting or extending a family.

We also strive to reflect the communities we serve through our brands, which champion the diversity of beauty and beauty of diversity. In fiscal 2023, Sally Hansen & CoverGirl continued their multi-year partnership with LGBTQ advocacy organization GLAAD. Marc Jacobs Fragrance celebrates the third year of its partnerships with US-based NGO The Lesbian, Gay, Bisexual & Transgender Community Center (The Center) and second year with UK-based charity, akt.

We are committed to creating opportunities for our associates to develop skills, advance their careers and nurture their long-term employability. Our associates undergo an annual performance review process, and work with their manager to build customized development plans. We offer our employees a range of development activities, from learning formally through e-learning courses and trainings, and on the job.

Our global Health and Safety Policy governs the management of work-related health and safety risks across all our manufacturing and distribution sites, including corporate offices. The policy, which is complemented by our Code of Conduct, sets out the principles that guide our approach to Health and Safety, as well as outlining responsibilities within the business.

### **Governance**

The Remuneration and Nomination Committee of our Board of Directors provides oversight on certain human capital matters including diversity and inclusion strategy, executive compensation, retention and succession planning and human resources strategies in connection with talent management. In addition, in connection with the *Beauty that Lasts* program, we established a Global Diversity, Equity and Inclusion project team responsible for developing and implementing a three-year roadmap with both global and local strategic objectives relating to our diversity, equity and inclusion initiatives.

In addition, in fiscal 2023, our governance and processes relating to the implementation of our sustainability strategy has continued to evolve. Building on our existing structure, we have enhanced our Sustainability Steering

Committee, led by our Chief Scientific and Sustainability Officer, to comprise relevant Executive Committee and senior leadership team members, supported by a formalized sustainability “champions” organization with cross-functional representation. Through this framework, we are evaluating ESG trends, issues, risks and regulatory changes that could affect our ongoing ESG and sustainability efforts and business operations. Our Board of Directors receives regular updates on progress and has general oversight over our sustainability policies, particularly as they become increasingly integrated into our overall strategy and periodic reporting. In addition, our Audit and Finance Committee provides oversight of ESG disclosure in the context of our SEC periodic reporting and the evolving regulatory focus on climate change disclosures.

For more information about our global sustainability initiatives and strategies, Beauty That Lasts, our most recent sustainability report is available on our website [www.coty.com/sustainability](http://www.coty.com/sustainability). We have also posted our specific policies and statements relating to a number of ESG, sustainability and ethics topics on our website at [www.coty.com/faq/policies](http://www.coty.com/faq/policies). The content of our sustainability reports and information on the Company’s website are not incorporated by reference into this Proxy Statement or in any other report or document we file with the SEC.

## **CORPORATE GOVERNANCE**

We are committed to good governance practices. Our governance practices seek to ensure that we conduct our affairs in a manner that matches the high standards we have set for our people and products. We believe that good governance builds integrity and trust, strengthens the accountability of our Board, management and employees, promotes the long-term interests of stockholders and allows us to be a good corporate citizen in each of the countries where we do business.

### **Principles of Corporate Governance and Code of Business Conduct**

Our Board has developed corporate governance practices to help it fulfill its responsibilities to stockholders in providing general direction and oversight of management. These practices are set forth in our Principles of Corporate Governance. We also have a Code of Business Conduct (the “Code”) applicable to all our employees, officers and directors, including the Chief Executive Officer (“CEO”), the Chief Financial Officer and other senior officers. These documents and any future waivers of provisions of the Code granted to any senior officer or any material amendments to the Code may be found as promptly as practicable, in the “Investor Relations” section of our website: [www.coty.com](http://www.coty.com) within the “Corporate Governance” subsection under the heading “Governance Documents” as may be required under applicable SEC and NYSE rules. The Principles of Corporate Governance and charters for the Audit and Finance Committee (the “AFC”) and the RNC may be found under the heading “Committees” within the “Corporate Governance” subsection. Stockholders may also contact Investor Relations at 350 Fifth Avenue, New York, New York 10118 or call (212) 389-7300 to obtain hard copies of these documents without charge.

### **Controlled Company Status**

As previously disclosed, on April 30, 2019, JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) organized under the laws of the Netherlands (“JAB Beauty”) and a subsidiary of JAB Holdings B.V. (“JAB Holdings”) (collectively with certain of its affiliated entities, “JAB Group”), acquired, pursuant to a tender offer (the “JAB Tender Offer”), 150,000,000 shares of Class A Common Stock at a purchase price of \$11.65 per share, for aggregate consideration of approximately \$1,747,500,000. Following the consummation of the JAB Tender Offer, JAB Group owned approximately 60% of the issued and outstanding Class A Common Stock and related voting power, and, as of September 8, 2023, JAB Group owns approximately 52%. As a result, the Company will be deemed a “controlled company” for purposes of the governance rules of the NYSE for so long as more than 50% of the voting power is held by an individual, a group or another company. As a controlled company, we are not required under those rules to maintain a Board of Directors with a majority of independent directors or a nominating/corporate governance committee or a compensation committee composed entirely of independent directors. The Company has, however, currently decided not to take advantage of these exemptions, and the Board continues to have a majority of independent directors and the RNC continues to be composed entirely of independent directors. In addition, under the terms of the Stockholders Agreement (as defined and discussed below), the parties thereto have agreed, among other things, that, for so long as the Stockholders Agreement is in effect, they will take all necessary actions within their control to maintain no fewer than four directors on the Company’s Board of Directors who are independent and also disinterested as it relates to Cottage Holdco and JAB Group.

## **Series B Preferred Stockholders**

As of the date of this filing, the Company's Series B Preferred Stock totals approximately 146,057 shares, or the equivalent of approximately 23,406,569 shares of Class A Common Stock (excluding accrued dividends), held by HFS Holdings S.à r.l that is beneficially owned by Peter Harf, Chairman of the Company. JAB Beauty remains the Company's largest shareholder, with approximately 52% ownership in the Company as of September 8, 2023.

## **Structure of our Board**

Our Amended and Restated Certificate of Incorporation provides that the number of directors will be fixed from time to time by a resolution adopted by our Board, but must not consist of fewer than five or more than thirteen directors. Our Board is currently composed of eleven directors. In determining the appropriate size and composition of the Board, the Board considers the current and anticipated need for directors with specific qualities, skills, experience and backgrounds (including diversity of ethnicity, gender, nationality and age), the availability of highly qualified candidates, committee workloads and membership needs, and the impact of any anticipated director retirements.

Directors are elected by the stockholders at the annual meeting of stockholders by a plurality of the voting power of the Class A Common Stock and Series B Preferred Stock, voting together, present and voted, which means that the nominees receiving the highest number of affirmative votes will be elected. Unless his or her office is earlier vacated in accordance with our Amended and Restated Bylaws (the "Bylaws"), each director holds office for a one-year term or until his or her successor is duly elected and qualified, or, if earlier, until such director's death, resignation or removal.

Four directors on our Board are directors or partners of JAB Holding Company S.à r.l. and JAB Group companies (which includes JAB Beauty, B.V.). Each of Joachim Creus, Olivier Goudet, Peter Harf and Lubomira Rochet, due to their service as a partner of JAB Holding Company S.à r.l., may be deemed to have an indirect pecuniary interest in a portion of the shares of our outstanding Class A Common Stock beneficially owned by JAB Group, and, together with certain other persons, each exercises voting and investment control over the shares of the Company beneficially owned by JAB Group. Each of these directors receives compensation for the services each provides to JAB Holding Company S.à r.l.

### ***Board Leadership***

While our Board believes it is important for its chairman to have both a stake in and deep understanding of the Company, our Principles of Corporate Governance permit our Board flexibility in determining whether or not to separate the roles of the Chairman and CEO based upon the circumstances. Our Board has determined that, under current circumstances, it is appropriate to separate the roles. In addition, the Principles of Corporate Governance also permit our Board the opportunity periodically to evaluate and make a determination regarding whether to appoint an independent director to serve as the Lead Independent Director. Johannes Huth currently serves as our Lead Independent Director. The duties of the Lead Independent Director include:

- presiding at all meetings of the Board at which the Chairman or Vice Chairman is not present, including executive sessions of the independent directors;
- serving as liaison between the Chairman and the independent directors;
- reviewing and approving meeting agendas, meeting schedules and other information, as appropriate;
- calling meetings of the independent directors;
- ensuring availability for consultation and direct communication if requested by major shareholders, as appropriate; and
- such other duties specified by the Board from time to time.

Our Board believes the present structure provides the Company and the Board with strong leadership, continuity of experience and appropriate independent oversight of management.

### ***Committees of Our Board***

The standing committees of our Board are the AFC and the RNC. From time to time, when appropriate, ad hoc committees may be formed by our Board.

*AFC.* The members of the AFC are Johannes Huth, Isabelle Parize and Robert Singer (Chair). Our Board has determined that Mr. Singer is an audit committee financial expert, as that term is defined under SEC rules. Our Board has also determined that each member of the AFC meets the independence criteria set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and that each member is financially literate as required by NYSE rules. The AFC has adopted a written charter that describes its primary duties and responsibilities, and the AFC and our Board review its charter each year. The AFC’s primary duties and responsibilities include:

- monitoring the integrity of our financial reporting process and systems of internal controls regarding finance, accounting, and compliance with our Code and laws and regulations, and our disclosure controls and procedures;
- being responsible for the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm and assessing and monitoring the independence and performance of our independent registered public accounting firm and internal audit department;
- providing an objective, direct communication between our Board, independent registered public accounting firm, management and the internal audit department;
- reviewing and pre-approving both audit and non-audit services to be provided by our independent registered public accounting firm and establishing policies and procedures for the pre-approval of audit and non-audit services to be provided by the independent registered public accounting firm;
- meeting to review the audited and quarterly financial statements and discussing these statements with management and our independent registered public accounting firm, including reviewing the Company’s specific disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s Annual Report on Form 10-K and based on such review and discussion, recommending to the Board as to the approval of the Company’s audited financial statements and if they should be included in the Company’s Annual Report on Form 10-K;
- establishing procedures for the review, approval and ratification of related person transactions; and
- reviewing and discussing the Company’s practices with respect to risk assessment and risk management, overseeing and evaluating the Company’s risk management policies in light of the Company’s business strategy, capital strength and overall risk tolerance, evaluating hedging and other financial risk management policies and activities and periodically evaluating the Company’s cybersecurity and privacy programs and receiving information on cybersecurity and privacy compliance.

*RNC.* The members of the RNC are Maria Asuncion Aramburuzabala Larregui, Beatrice Ballini (Chair) and Anna Makanju. Our Board has determined that Ms. Aramburuzabala Larregui, Ballini and Makanju each satisfy the independence criteria for RNC members.

The RNC has adopted a written charter that describes its primary duties and responsibilities, and the RNC and our Board review the RNC’s charter each year. The RNC’s primary duties and responsibilities include:

- identifying individuals qualified to become Board members (consistent with criteria recommended by the RNC and approved by the Board) and recommending to our Board nominees for election at the annual meeting of stockholders and nominees for each Board committee;
- reviewing and making recommendations to our Board concerning size, structure, composition and functioning of the Board and its committees;
- discharging our Board’s responsibilities relating to the remuneration of our senior executives, including our Chief Executive Officer;
- approving and evaluating our executive remuneration plans, policies and programs and ensuring that these plans, policies and programs enable us to attract and retain exceptional talents and incentivize them to achieve exceptional performance;
- recommending to our Board the corporate governance principles, annually reviewing them and recommending changes to the Board as appropriate;



- reviewing and making recommendations to our Board with respect to the remuneration of all directors;
- assessing the results of the Company's most recent advisory vote on executive compensation;
- reviewing and discussing with management the Company's compensation discussion and analysis and SEC-required disclosures and recommending to the Board based on that review and discussion whether the compensation discussion and analysis should be included in the Company's Annual Report on Form 10-K and/or proxy statement;
- preparing the compensation committee report required by SEC rules to be included in the Company's Annual Report on Form 10-K and/or proxy statement;
- overseeing the evaluation of the performance of our Board and management; and
- reviewing and assessing the Company's strategies and policies relating to Company culture, human capital and talent management, diversity and inclusion, including appropriate goals and disclosure, and review and monitor strategic initiatives associated with the Company's people and culture.

### **Executive Sessions**

Our Board meets regularly in executive session without management directors or any members of management. In addition, the independent directors on our Board meet annually in executive session. Generally, the Chairman of our Board serves as Chairman in sessions without management directors or any members of management. Generally, the Lead Independent Director will preside at all meetings of the Board at which the Chairman or Vice Chairman is not present, including executive sessions of the independent directors.

### **Board Meetings**

Regular meetings of our Board are held at such times as our Board may determine. In addition, special meetings of our Board may be called by the Chairman of our Board, the Vice Chairman, if any, or by a majority of the directors then in office. In fiscal year 2023, our Board held six meetings, the AFC held nine meetings and the RNC held five meetings. Each director, other than Ms. Aramburuzabala, attended more than 75% of the aggregate of the total number of meetings of the Board (held during the period for which she or he has been a director) and the total number of meetings held by all committees of the Board on which she or he served (during the periods that she or he served). Ms. Aramburuzabala attended 70% of the aggregate of all meetings of the board and committees on which she served during 2023. Ms. Aramburuzabala had scheduling conflicts with certain committee and board meetings during her tenure, reducing her overall level of attendance. We anticipate her attendance to be higher in the future as we schedule the board calendar going forward.

Our Board and its committees also act from time to time by written consent in lieu of meetings.

### **Board Qualifications and Membership Criteria**

The RNC and the Board believe that a board composed of directors who have diverse personal backgrounds and experiences and who bring a fresh perspective is a priority for the Company. We seek to mix a diverse range of skills, backgrounds and experiences such as leadership, consumer products, international and strategic planning experience; financial and accounting expertise; and corporate governance, governmental policy and regulatory experience. We also value and consider broad diversity for our Board, including ethnicity, gender, nationality and age. The Board conducts an annual self-evaluation process and periodically considers its composition and refreshment in order to effectively align the Board's mix of skills, experience and attributes with the Company's business strategy.

## Director Nomination Process

The RNC recommends nominees for our Board consistent with the criteria determined by our Board. The RNC may receive recommendations from other directors and executives and may seek assistance from third-party search firms with respect to identifying and vetting qualified candidates for the Board's consideration. The RNC will also consider nominations from stockholder(s) to the extent the nomination complies with all procedures and includes all information about the candidate(s) required by our Bylaws. Nominations from stockholder(s) that are made in accordance with these procedures and include all required information will be considered by the RNC in accordance with the criteria discussed above and in the same manner as other nominations, and the RNC will present its recommendation to our Board. Recommendations for recent Board refreshment have come from directors and executives.

## Director Independence

We have incorporated in our Principles of Corporate Governance the NYSE's independence standards for evaluating the independence of each director on our Board. These standards are available in the "Investor Relations" section of our website, [www.coty.com](http://www.coty.com) within the "Corporate Governance" subsection under the heading "Governance Documents". Under these standards, a director is considered "independent" if the Board has determined that such director has no material relationship with us or our subsidiaries, either directly or as a partner, stockholder or officer of an organization that has a relationship with us, and will not be considered "independent" if:

- the director is, or has been within the last three years, our employee, or an immediate family member of the director is, or has been within the last three years, our executive officer;
- the director has received, or has an immediate family member who has received, during any 12-month period during the last three years, more than \$120,000 in direct compensation from us (other than Board and committee fees, and pension or other forms of deferred compensation for prior service, provided such compensation is not contingent in any way on continued service). Compensation received by an immediate family member for service as our employee (other than an executive officer) is not considered for purposes of this standard;
- (a) the director, or an immediate family member of the director, is a current partner of our internal or external auditor; (b) the director is a current employee of our internal or external auditor; (c) an immediate family member of the director is a current employee of our internal or external auditor who personally works on our audit; or (d) the director, or an immediate family member of the director, was within the last three years (but is no longer) a partner or employee of our internal or external auditor and personally worked on our audit within that time;
- the director, or an immediate family member of the director, is, or has been within the last three years, employed as an executive officer of another company where any of our present executive officers serves or served at the same time on that company's compensation committee;
- the director is a current employee, or an immediate family member of the director is a current executive officer, of a company that has made payments to, or received payments from, us for property or services in an amount that, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of the other company's consolidated gross revenues; or
- the director, or the director's spouse, is an executive officer of a non-profit organization to which we make, or in the past three years have made, payments that, in any single fiscal year, exceeded the greater of \$1 million or 2% of the non-profit organization's consolidated gross revenues.

Our Board has determined that each of the following directors and nominees for director satisfies our independence standards and the independence standards of the NYSE: Mses. Aramburuzabala Larregui, Ballini, Makanju, Parize and Rochet and Messrs. Creus, Goudet, Harf, Huth and Singer, and that Ms. Nabi does not qualify as independent due to her position as our CEO.

In addition, our Board has determined that each of Ms. Parize and Messrs. Huth and Singer, each of whom are currently a member of the AFC, are independent under Rule 10A-3 under the Exchange Act. The Board has also determined that each of Mses. Aramburuzabala Larregui and Makanju (each currently members of the RNC) and

Singer satisfy the NYSE independence criteria applicable to members of compensation committees, as applicable, and each is considered a “non-employee director” under Rule 16b-3 of the Exchange Act. The Board has also determined that Ms. Ballini (currently a member of the RNC) satisfies the NYSE independence criteria applicable to members of the compensation committee, but are not considered a “non-employee director” under Rule 16b-3.

### **Communications with our Board**

Stockholders, employees and other interested parties may communicate with any or all of our directors, including our non-management directors as a group, by writing to such director(s) at c/o Board of Directors, Coty Inc., 350 Fifth Avenue, New York, New York 10118, Attention: Corporate Secretary. Each communication should specify the applicable director(s) to be contacted, the general topic of the communication, and the number of shares of our Class A Common Stock owned of record (if a record holder) or beneficially. Our Corporate Secretary will initially receive and process communications before forwarding them to the applicable director(s), and generally will not forward a communication that is unrelated to the duties and responsibilities of the director(s), including communications our Corporate Secretary determines to be primarily commercial in nature, is related to an improper or irrelevant topic, or is a request for general information about the Company or our products. In addition, communications that are unduly hostile, threatening, illegal, or similarly unsuitable will be excluded, with the provision that any communication that is so filtered will be made available to any director upon any such director’s request.

### **Our Board’s Role in Risk Oversight**

Our Board oversees, with management, the various risks we face. Our Board and management consider risks in all facets of the Company, our business strategy and our overall business.

Our Board dedicates a portion of one meeting each year to evaluating and discussing risk, risk mitigation strategies and the Company’s internal control environment. At this meeting, our Board considers an enterprise risk management analysis. Topics examined in the enterprise risk management analysis include, but are not limited to, strategic, operational, financial and compliance risks, as well as risks related to sustainability and ESG topics. Our Board’s risk oversight also includes a comprehensive annual review of our strategic plan. Because overseeing risk is an ongoing process and inherent in our strategic decisions, our Board also receives input from senior management and considers risk at other times in the context of specific proposed actions.

In addition to our Board’s risk oversight responsibility, the Board’s committees are also charged with overseeing risks within their areas of responsibility and reviewing with the Board significant risks identified by management and management’s response to those risks. The AFC is responsible for oversight of accounting, auditing and financial-related risks, as well as the Company’s compliance program and its cybersecurity and privacy programs. The RNC is responsible for overseeing the management of legal and regulatory risks as they relate to the Company’s corporate governance structure and processes, as well as risks related to our employee compensation policies and practices. In fiscal year 2023, the RNC reviewed our compensation policies and practices to determine whether they encouraged excessive or inappropriate risk taking. Following such evaluation, the RNC determined that our compensation policies and practices do not encourage excessive or inappropriate risk taking that could result in a material adverse effect on us.

While our Board oversees risk, management is responsible for assessing and managing risk on a day-to-day basis. Certain departments, such as treasury, legal and internal audit, our compliance function, and individuals within other departments, focus on specific risks associated with different aspects of our business, from regulatory, environmental and financial risks to commercial and strategic risks. Senior members of management responsible for risk management report regularly to the AFC or the Board as appropriate. Our Audit and Finance Committee provides oversight of ESG disclosure in the context of our SEC periodic reporting and the evolving regulatory focus on climate change disclosures. Our Board of Directors receives a formal update on the strategy regularly, a minimum of twice a year, and has oversight on all sustainability policies, programs and reporting. In addition, the Board has a dedicated Cybersecurity Special Committee, which is a committee, led by our Chief Information Officer and two members of the Board (including the Chair of the AFC) and consisting of executive members from various corporate functions, including information technology, digital operations, corporate affairs, legal, compliance, human resources and finance. The Cybersecurity Special Committee is empowered to manage the

Company's response to major cybersecurity incidents and enable the integration of crisis management and business continuity processes.

#### **Board Attendance at the Annual Meeting**

We expect directors to attend the Annual Meeting absent unusual circumstances. Eleven of the directors on our Board at the time of the Annual Meeting of Stockholders in 2022 attended the Annual Meeting.

#### **Compensation Committee Interlocks and Insider Participation**

Mr. Huth and Mses. Aramburuzabala Larregui, Makanju and Ballini served on the RNC during fiscal year 2023 and each is considered an independent director, and Mses. Aramburuzabala Larregui and Makanju are also considered "non-employee" directors.

No member of the RNC is an officer or employee of the Company or any of its subsidiaries. In addition, during the last fiscal year, none of our executive officers served on the compensation committee or board of directors of another entity whose executive officer served on our Board or Compensation Committee.

### **CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS**

#### ***Stockholders Agreement***

The Company and JAB Holdings and certain JAB Holdings affiliates are parties to a Stockholders Agreement (the "Original Stockholders Agreement"), dated March 17, 2019, which became effective on April 30, 2019, the date of the consummation of JAB Group's acquisition of 150,000,000 outstanding shares of Class A Common Stock pursuant to the JAB Tender Offer. The Original Stockholders Agreement was negotiated at the direction of a special committee of the Board comprised solely of independent directors in connection with its evaluation of the JAB Tender Offer and was entered into at the recommendation of such special committee and with the approval of the Board. The Original Stockholders Agreement was agreed to by JAB Group as a condition to such special committee's willingness to render its recommendation with respect to the JAB Tender Offer.

On June 16, 2023, the Company, JAB Holdings and JAB Beauty B.V. (together the "JAB Stockholder Parties") entered into an amendment and restatement of the Original Stockholders Agreement dated as of March 17, 2019 (the "Amended and Restated Stockholders Agreement").

The Amended and Restated Stockholders Agreement reflects certain changes as required under the Stipulation and Agreement of Compromise and Settlement (the "Stipulation of Settlement") related to the consolidated purported stockholder class action and derivative complaint concerning the tender offer by Cottage Holdco B.V. (the "Tender Offer") and the Schedule 14D-9 brought in the Delaware Court of Chancery. The Amended and Restated Stockholders Agreement was entered into at the recommendation of a special committee (the "Special Committee") of disinterested, independent directors of the Board, and with approval of the Board, subject to court approval of the settlement. On June 13, 2023, the Delaware Court of Chancery approved the Stipulation of Settlement, which, as previously disclosed, calls for the Company to adopt certain corporate governance changes, including the Amended and Restated Stockholders Agreement.

Such changes include:

(i) during the three-year period from the effective date of the Amended and Restated Stockholders Agreement, the JAB Stockholder Parties shall not, subject to certain exceptions, effect or enter into any agreement to effect any acquisition of additional shares of Class A Common Stock, par value \$0.01 per share, of the Company (the "Shares"), provided that, the JAB Stockholder Parties may acquire shares of capital stock of the Company (including Shares, "Company Securities") on an established securities exchange or through privately negotiated transactions that, after giving effect to such acquisition, does not result in an increase in the JAB Stockholder Parties' and their affiliates' collective beneficial ownership percentage of the voting power of the then issued and outstanding Company Securities to an amount greater than the percentage of the voting power of the issued and

outstanding Company Securities beneficially owned by the JAB Stockholder Parties, collectively, as of the consummation of the Tender Offer, plus 9%;

(ii) the appointment of a new Lead Independent director consistent with the terms of the Stipulation of Settlement;

(iii) during the one-year period following the effective date of the Amended and Restated Stockholders Agreement, the JAB Stockholder Parties shall not, subject to certain exceptions, transfer any Shares to any other person or group (other than an affiliate of any of the JAB Stockholder Parties) if, after giving effect to such transfer, such person or group would become the largest beneficial owner of Shares;

(iv) the Company shall include certain questions specified in the Amended and Restated Stockholders Agreement its annual directors and officers' questionnaire used in the preparation of the Company's Form 10-K, annual report to stockholders and proxy statement; and

(v) the Amended and Restated Stockholders Agreement shall terminate upon the earlier of the mutual consent of the parties to the Stockholders Agreement or such time as the JAB Stockholder Parties and their affiliates cease to beneficially own 25% of the voting power of the Company on a fully diluted basis.

The Amended and Restated Stockholders Agreement also provides, among other things, that:

(i) for so long as the Stockholders Agreement is in effect, JAB Group shall not effect or seek to effect, or announce any intention to effect, any "Rule 13e-3 transaction" as defined in Rule 13e-3 under the Exchange Act unless such transaction is conditioned on both (A) the affirmative approval of a special committee of the Board comprised solely of individuals who are each (1) independent under the requirements of Rule 10A-3 under the Exchange Act, and under the rules of the applicable securities exchange and (2) disinterested as it relates to JAB Group and its affiliates and (B) the affirmative vote of the stockholders of the Company representing at least a majority of the voting power of the Company beneficially owned by stockholders other than JAB Group or its affiliates, (ii) for so long as the Amended and Restated Stockholders Agreement is in effect, material related transactions involving any member of JAB Group and the Company will require the approval of a special committee of the Board comprised solely of independent directors who are disinterested as to the matter under consideration, (iii) JAB Group and the Company have agreed, for so long as the Amended and Restated Stockholders Agreement is in effect, to take all necessary actions within their control to maintain on the Board no fewer than four independent directors who are disinterested as it relates to JAB Group and to cause, no later than September 30, 2019, to be elected to the Board two new independent directors who are disinterested as it relates to JAB Group, and (iv) JAB Group has customary registration rights with respect to their shares of Class A Common Stock.

The Stockholders Agreement will terminate upon the earlier of the mutual consent of the parties to the Stockholders Agreement (including, with respect to the Company, the approval by a special committee comprised solely of independent directors who are disinterested as it relates to JAB Group) or such time as JAB Group and its affiliates cease to beneficially own 40% of the voting power of the Company on a fully diluted basis. This description of the Stockholders Agreement is not complete and is qualified in its entirety by reference to the Stockholders Agreement, which is filed with the SEC.

In connection with the Amended and Restated Stockholders Agreement, the Special Committee recommended, and the Board approved, the appointment of Johannes Huth as Lead Independent Director, effective June 13, 2023.

#### ***Consent Agreement to Tax Matters Agreement***

In connection with the acquisition of the Beauty Business of The Procter & Gamble Company (the "P&G Beauty Business"), we entered into a tax matters agreement, dated as of October 1, 2016, with The Procter and Gamble Company ("P&G") and certain of their and our subsidiaries (the "Tax Matters Agreement"), which, for the two year period ended October 1, 2018, governed the parties' respective rights, responsibilities and obligations with respect to tax liabilities and attributes, efforts to protect the intended tax-free treatment of the P&G Beauty Business transaction and certain other transactions, the preparation and filing of tax returns, the control of audits, reviews, examinations or other tax proceedings and other matters regarding taxes.

We are party to a consent agreement with JAB Holding Company S.à r.l., JABC and P&G whereby P&G has consented under the Tax Matters Agreement to the purchase by JABC of shares of our Class A Common Stock in certain open market transactions and JAB Holding, JABC and the Company have agreed to indemnify P&G for any taxes resulting from such purchases or due to breach of the consent agreement.

#### ***Lease Performance Guarantee***

In connection with the sales of certain businesses, the Company has assigned its rights and obligations under a real estate lease to JAB Partners LLP. The remaining term of this lease is approximately eight years. While the Company is no longer the primary obligor under this lease, the lessor has not completely released the Company from its obligation, and holds it secondarily liable in the event that the assignee defaults on the lease. The maximum potential future payments that the Company could be required to make, if the assignee was to default as of June 30, 2023 would be approximately \$4.1 million.

#### ***Equity Transfer Agreement***

In connection with the RSU award granted to the Company's CEO on June 30, 2021, JAB Beauty B.V., a wholly-owned subsidiary of JAB Holding Company S.a.r.l., has agreed to transfer to her 5,000,000 shares of Class A Common Stock owed to her no later than sixty days following the vesting date of August 31, 2023. Such transfer was completed on September 7, 2023.

#### ***Relationship with KKR***

In June 2020, Rainbow UK Bidco Limited, an affiliate of funds and/or separately managed accounts advised and/or managed by Kohlberg Kravis Roberts & Co. L.P. and/or one or more of its affiliates (collectively, "KKR"), and the Company entered into a separate definitive agreement regarding a strategic transaction ("Wella Transaction") for the sale of the Company's Professional Beauty and retail hair businesses (the "Wella Business"). When the Wella Transaction was completed in late November 2020, KKR owned approximately 60% of this separately managed entity, referred to as the Wella Company, and the Company owned approximately 40%.

In a series of transactions in fiscal year 2022, KKR sold its entire stake in the Company. As a result of such transactions, the Company reduced its total shareholding in the Wella Company to 25.9%.

In 2020, the Company also entered into agreements with KKR for potential consulting and advisory services. No fees were incurred under such agreements in fiscal 2023. From time to time, certain funds managed by KKR may hold the Company's debt instruments. These funds may receive principal and interest payments on the same terms as other investors in these debt instruments.

#### ***Orveda***

The disinterested members of the Board reviewed and approved the entry into a license agreement with Orveda, an ultra-premium skincare brand co-founded by Coty's CEO, Sue Nabi. Ms. Nabi has no continuing formal role at Orveda or economic interest in Orveda as a result of divesting her interests which was settled in cash in December 2021; however her business partner and co-founder, Nicolas Vu, is the sole owner and CEO of Orveda, and Mr. Vu also provides consulting services, related to the skincare category and Orveda positioning, to Coty under the terms of a separate agreement. The initial term of the Orveda license agreement is five years, with two five-year automatic renewals subject to the achievement of certain net revenue milestones. The principal terms of the license agreement are consistent with other Coty prestige licenses and the Board determined that the terms were no more favorable than to an unaffiliated third party.

#### ***Other Arrangements***

Beatrice Ballini, a director, served as a senior member of the Retail Practice and a leader of the Board and CEO Advisory Partners group at Russell Reynolds Associates until July 2023, when she retired from such role. From time to time, the Company has engaged Russell Reynolds Associates, a global leadership and search firm, for recruiting assistance. The amounts of such services provided to the Company for fiscal 2023 were approximately \$900,000.

In 2021, the Company entered into a real estate sublease agreement with Pret A Manager Ltd, an affiliate of JAB, on customary market terms. Aggregate fees received by the Company under these arrangements total approximately \$156,000 in fiscal 2023.

In fiscal 2023, the Company provided corporate sponsorship to Delete Blood Cancer DKMS including pledged charitable giving, gala sponsorship and product donations.

#### ***Review, Approval or Ratification of Transactions with Related Persons***

Our Board has adopted a written policy regarding the approval or ratification of “related person transactions”. A related person transaction is one in which we or any of our subsidiaries participate, in which the amount involved since the beginning of our last completed fiscal year exceeds \$120,000 and in which a “related person” has or will have a direct or indirect interest, other than solely as a result of being a director of, or, together with all other related persons, a less than 10% beneficial owner of an equity interest in another entity, or both. “Related persons” are the following persons and their immediate family members: our directors, director nominees, executive officers and stockholders beneficially owning more than 5% of our outstanding Class A Common Stock. Under this policy, the AFC reviews and approves, disapproves or ratifies related person transactions, other than those in which the chair of the AFC may have an interest, in which case, the Chairman of the Board will review the transaction. In determining whether or not to approve a related person transaction, the AFC takes into account, among other factors it deems appropriate, whether the interested transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related person’s interest in the transaction. If advance approval by the AFC is not possible, then a related person transaction may be considered and subsequently ratified, if appropriate, by the AFC. The chair of the AFC may pre-approve or ratify related person transactions in which the aggregate amount involved is expected to be less than \$1 million. The chair reports to the AFC each transaction so approved or ratified. If a related person transaction will be ongoing, the AFC may establish guidelines for our management to follow in its ongoing dealings with the related person, after which such related person transaction will be reviewed on an annual basis for guideline compliance and ongoing appropriateness.

The related party transaction policy adopted by the AFC pre-approves the following types of related person transactions:

- certain types of executive officer compensation;
- compensation paid to a director if required to be reported under Item 402 of the SEC’s compensation disclosure requirements;
- any transaction with another company to which a related person’s only relationship is as an employee (other than an executive officer) if the amount involved does not exceed the greater of \$1 million or 2% of that company’s total annual revenue;
- any charitable contribution, grant, or endowment by us to a charitable organization, foundation, or university to which a related person’s only relationship is as an employee (other than an executive officer) if the amount involved does not exceed the lesser of \$1 million or 2% of the charitable organization’s total annual receipts;
- any related person transaction where the related person’s interest arises solely from the ownership of our Class A Common Stock and in which all stockholders receive proportional benefits; and
- any related person transaction in which the rates or charges involved are determined by competitive bids.

A director who is a related person with respect to a transaction may not participate in the discussion or approval of the transaction, except that the director will provide all material information concerning the related person transaction to the AFC. Each transaction described above was approved or ratified under our related person transaction policy.

## PROPOSAL NO. 1

### ELECTION OF DIRECTORS

The Board has fixed the number of directors who will be nominated for election by the shareholders at the 2023 Annual Meeting at eleven, each director to hold office, in accordance with our Amended and Restated Certificate of Incorporation and Bylaws, until the next annual meeting or until his or her successor is duly elected and qualified. During the 2023 fiscal year, Lubomira Rochet was appointed to the Board on January 2, 2023 and Erhard Schoewel resigned from the Board on March 8, 2023. The size of the full Board was increased or decreased appropriately upon each change to the Board's composition. All nominees are currently serving as directors of the Company were elected by the stockholders. The nominees are Maria Asucion Aramburuzabala Larregui, Beatrice Ballini, Joachim Creus, Oliver Goudet, Peter Harf, Johannes P. Huth, Anna Adeola Makanju Sue Nabi, Isabelle Parize, Lubomira Rochet, and Robert Singer.

**Proposal:** Election of each nominee for director.

**Recommendation:** The Board recommends a vote **FOR** the election of each nominee for director.

**Vote Required:** Election of each nominee for director requires a plurality of the votes cast by the holder of Class A Common Stock and Series B Preferred Stock (on an as converted basis) voting together.

#### Director Nominees

Name	Age	Director Since
Mariasun Aramburuzabala Larregui	60	2020
Beatrice Ballini	65	2019
Joachim Creus	47	2019
Olivier Goudet	58	2013
Peter Harf	77	1996
Johannes P. Huth	63	2020
Anna Adeola Makanju	47	2020
Sue Nabi	55	2020
Isabelle Parize	66	2020
Lubomira Rochet	46	2023
Robert Singer	71	2010

We believe that each of the director nominees is well-qualified to serve on our Board and offers significant individual attributes and contributions important to our Board's overall composition and functioning. The individuals nominated for election at our 2023 Annual Meeting bring valuable diversity to the Board.

<u>Average Age</u>	<u>Gender</u>	<u>Average Tenure</u>	<u>Refreshment</u>
<b>60</b> years	<b>55%</b> 6/11 are women	<b>~ 7</b> years	<b>55%</b> 6/11 added in the last 3 years

The following biographical summaries provide details of their skills and experience considered by the Board in connection with this year's director nomination process:

**Maria Ausuncion Aramburuzabala Larregui** joined the Board in December 2020. Ms. Aramburuzabala is President of the Board & CEO of Tresalia Capital, a leading global investor with investments and transactional experience throughout Latin America, Asia, Europe and the U.S. Tresalia has a particular expertise in consumer goods companies, with an investment portfolio including Anheuser-Busch InBev (ABI), Tory Burch, Kio Networks, Casper, Multiplan, Kraft-Heinz, Aliat, and Medistik, as well as early-stage investments like Kavak, Kovi, Editas,



Minu, Miroculus, and GAIA. Ms. Aramburuzabala also serves as a Board Director for several global corporations and institutions, including Anheuser-Busch InBev (ABI) and Grupo Modelo. She is one of Latin America's most prominent business leaders and her achievements have been recognized by multiple institutions. Ms. Aramburuzabala graduated from Instituto Tecnológico Autónomo de México.

Ms. Aramburuzabala Larregui brings to our Board significant leadership, management and business experience. Her extensive work experience in the Americas and Europe provides a valuable global perspective.

**Beatrice Ballini** joined the Board in September 2019 and has served as the Chair of the RNC since May 31, 2020. Until June 30, 2023, Ms. Ballini served as a senior member of the Retail Practice at Russell Reynolds Associates, a global leadership advisory and search firm, where she led family business services and was a leader of the Board and CEO Advisory Partners group. Prior to joining Russell Reynolds Associates 21 years ago, Ms. Ballini was the Chief Executive Officer of a prominent men's clothing manufacturer in Milan where she assisted with the company's strategic growth. Prior to that, she held positions at Goldman Sachs & Co. and Bain & Co. Ms. Ballini has also taught in the Master in Marketing program at Sciences Politiques in Paris and is a member of the European and Middle Eastern Executive Board of the MIT Sloan School of Management. She holds a laurea degree in chemical engineering from the Polytechnic of Milan, a Master of Science from the Massachusetts Institute of Technology and an MBA from the MIT Sloan School of Management. Since July 2021, Ms. Ballini is a member of the board of VAM Investments SPAC, BV, a special purpose acquisition company listed on Euronext Amsterdam, where she chairs the audit committee.

Ms. Ballini brings to our Board significant leadership, management and business experience and an understanding of executive skill and training and Board governance.

**Joachim Creus** joined the Board in 2019. Mr. Creus has served as a Senior Partner, Vice Chairman at JAB Holding Company S.à r.l. ("JAB Sarl") since March 2021 and previously served as Partner, General Counsel and Head of Tax at JAB Sarl since October 2010. Mr. Creus has held various executive officer roles at several JAB Group entities from time to time. Prior to joining JAB Sarl, he served as the Tax Director at Siemens from 2007 and held other legal- and tax-related positions from 2000. He is also a director of JDE Peets N.V. Mr. Creus holds several degrees from KU Leuven and an LL.M. in international tax law from Vienna University of Economics and Business.

Mr. Creus brings to our Board more than 18 years of experience in managing complex legal and tax matters and transactions in law firm, corporate and fund environments, including deal structuring, financing, contract negotiation and antitrust matters. His extensive work experience in Europe, Asia and North America provides a global perspective on business, tax and law.

**Olivier Goudet** joined the Board in 2013. Mr. Goudet is a Managing Partner and Chief Executive Officer of JAB Sarl, a position he has held since 2012. He serves as Chairman of the Board of JDE Peet's N.V., Panera Bread Company, Pret A Manger and Krispy Kreme Doughnuts, Inc. He is also a Director of Keurig Dr Pepper Inc. (since July 2018), Caribou Coffee Company, Inc. (being the parent company of Einstein Noah Restaurant Group, Inc.), Espresso House Holding AB and Compassion First. He served as a director of Anheuser-Busch InBev SA/NV from 2011 to April 2019, serving as Chairman of the Board from 2016 to April 2019. He is the former Executive Vice President and Chief Financial Officer of Mars, Incorporated and served as an independent advisor to the Mars, Incorporated Board of Directors. Mr. Goudet began his career at Mars, Incorporated, serving on the finance team of its French business and held several senior executive positions at the VALEO Group, including Group Finance Director. Mr. Goudet holds a Degree in Engineering from l'Ecole Centrale de Paris and graduated from the ESSEC Business School in Paris with a major in Finance.

Mr. Goudet brings to our Board extensive financial expertise and senior executive experience, including experience in strategic planning and leadership of complex organizations, as well as significant governance and oversight experience attained through his tenure as a director of several public companies. In addition, Mr. Goudet has significant experience overseeing transformational mergers and integration.

**Peter Harf** joined the Board in 1996 and has served as Chairman of the Board since November 2018. Mr. Harf served as Chief Executive Officer of the Company from 1993 to 2001, as interim Chief Executive Officer from May 31, 2020 to August 31, 2020, as Chairman of the Board from 2001 to 2011 and Chair of the RNC from 2011 until December 2016. He is a Managing Partner and Chairman of JAB Sarl, having joined JAB Sarl in 1981, and

Managing Director of Lucesca SE and Agnaten SE, privately-owned holding companies affiliated with JAB Group. Mr. Harf is also a Director of Keurig Dr Pepper Inc. (since July 2018), JDE Peet's N.V. and Compassion First. He is also co-founder and Executive Chairman of Delete Blood Cancer DKMS. Previously, he served as Deputy Chairman of Reckitt Benckiser plc and Chairman of Anheuser-Busch InBev SA/NV, Chairman of Espresso House Holding AB and Director of Panera Bread Company, Pret A Manger, Caribou Coffee Company/Einstein Noah and Krispy Kreme Doughnuts Inc. Mr. Harf holds a Master of Business Administration degree from Harvard Business School and a Diploma and a Doctorate in Economics from the University of Cologne in Germany.

As our former Chief Executive Officer, Mr. Harf has intimate knowledge of our business and operations and brings a valuable perspective to the Board. In addition, Mr. Harf brings to our Board more than 30 years of experience in our industry, including executive, operating, strategic planning and international business experience. In light of his background and experience, we believe that Mr. Harf is also well qualified to serve as Chairman of the Board.

**Johannes Huth** joined the Board in May 2020 and serves as Vice Chairman of the Board and as Lead Independent Director since June 13, 2023. Mr. Huth is a Partner of KKR, an investment firm, and Head of KKR's operations in Europe, the Middle East and Africa. He joined KKR in May 1999 and is also a member of KKR's Management Committee and several of its Investment Committees. Prior to joining KKR, Mr. Huth was a member of the Management Committee of Investcorp and jointly responsible for Investcorp's operations in Europe. From 1986 to 1991, he worked at Salomon Brothers, where he was a Vice President in the Mergers and Acquisitions departments in London and New York. Mr. Huth is a member of the Board of Axel Springer SE, a digital publishing company based in Germany and a member of the Board of Northumbrian Water Limited. He is the President of the Musée des Arts Décoratifs, Paris, trustee of the Städel Museum in Frankfurt, Member of Council and Chairman of the Audit Committee, LSE, and a member of the Global Advisory Board of the University of Chicago Booth School of Business. He is a Visiting Fellow of Oxford University and a Fellow of the Royal Society of Arts. Mr. Huth earned a BSc with Highest Honors from the London School of Economics and an MBA from the University of Chicago.

Mr. Huth brings to our Board extensive investment banking, management and leadership experience from his many years at KKR and other investment banking and management firms. His extensive work experience in Europe, the Middle East and Africa provides a valuable global perspective.

**Anna Adeola Makanju** joined the Board in December 2020. Ms. Makanju is a renowned expert in global policy who brings over 15 years of experience across U.S. government and leading private sector companies. Ms. Makanju currently serves as the Head of Public Policy at OpenAI, an artificial intelligence research and deployment company, leading OpenAI's work with policymakers around the world to advance its mission to ensure that artificial intelligence benefits humanity. From 2018 to 2021, Ms. Makanju served in senior policy positions at Facebook, including as Global Policy Manager for content regulation. Ms. Makanju served as a Special Adviser for Europe and Eurasia to then-Vice President, now President Joseph R. Biden, focusing on policy and engagement strategies with 51 countries, including Russia and Turkey. She has also served as a Senior Adviser to the U.S. Ambassador to the United Nations and as Director for Russia on the U.S. National Security Council. As an attorney, Ms. Makanju practiced international law at Cleary Gottlieb Steen & Hamilton LLP and international criminal tribunals in the Hague. Ms. Makanju serves as a director of Panera Brands Inc. Ms. Makanju received her B.A. from Western Washington University and holds a J.D. with Pro Bono Distinction from Stanford Law School.

Ms. Makanju brings to our Board significant policy advisory and legal and regulatory experience, as well as extensive work experience with leading companies in the digital and technology sectors.

**Sue Nabi** joined the Board in September 2020 in connection with her appointment as our Chief Executive Officer. Prior to joining the Company as its Chief Executive Officer, Ms. Nabi was the founder and chief executive officer of the ultra-luxury skincare line, Orveda from 2017. Ms. Nabi began her career at L'Oréal in 1993 and in 2005, she became the Worldwide President of L'Oréal where she helped boost the growth of its makeup brands, and in 2009, she was named the Worldwide President of Lancôme, where she contributed to its revival, including breakthrough product and brand successes, and served until 2013. Ms. Nabi has an Advanced Master's degree in Marketing Management from ESSEC (Paris Business School) and an engineering degree in Agronomy and Environment.

Ms. Nabi brings to our Board her abilities as a global innovator and beauty industry entrepreneur, as well as her 20 years of leadership experience at L’Oreal, including breakthrough product and brand successes, her ability to build and manage diverse, multi-functional global teams and strategic transformations.

**Isabelle Parize** joined the Board in February 2020. Ms. Parize has served as Chief Executive Officer and Chairman of the Board of Directors of DELSEY, SA, a luggage and travel accessories company since September 2018, having served as Chief Executive Officer at DELSEY Paris from November 2018 to July 2021 and then Chairman. Prior to that, she was Chief Executive Officer of Douglas Holding SA, a German fragrance and cosmetics retail company, from 2016 until March 2018 and Chief Executive Officer at Nocibe, a French fragrance and cosmetics retail company, from 2011 to 2016. Ms. Parize is also a director of Carbios, a green biotechnology company focused on plastic recycling, and from 2006 to July 2023 served on the board of Air France-KLM S.A., an airline company, which are both publicly listed outside the United States. Ms. Parize is an MBA graduate from Ecole Supérieure de Commerce de Paris.

Ms. Parize brings to our Board extensive operational and leadership experience in global beauty and cosmetics businesses as well as international retail and brand execution via omni-channel and digital and strategic turnarounds. She also brings governance and advisory experience from serving on the boards of other public companies.

**Lubomira Rochet** joined our Board of Directors in January 2023. Ms. Rochet is a Partner at JAB Holding Company. Previously, she served as Chief Digital Officer and member of the Executive Committee at L’Oréal for seven years (2014-2021), where she was responsible for transforming the cosmetics company to a “digital-first” business across 35 international beauty brands and 120 markets. Before joining L’Oréal, Ms. Rochet also served in management positions at CapGemini and Microsoft. In 2010, she became Deputy CEO of Valtech, a leading digital marketing agency, where she worked across a variety of sectors, including luxury, fashion and FMCG, to accelerate their digital, data and tech transformation. Ms. Rochet has served as a director of Keurig Dr. Pepper since June 2021, and serves as an independent director of Societe General, a leading European bank.

Ms. Rochet has deep expertise in digital marketing, ecommerce, direct-to-consumer selling and the use of data, technology and innovative business models. Ms. Rochet brings to the Board a recognized digital transformation track record, significant knowledge of the beauty industry and unique perspectives on driving growth through digital leadership and consumer engagement.

**Robert Singer** joined the Board in 2010, and currently serves as Chair of the Audit and Finance Committee. From May 31, 2020 to June 13, 2023, he served as Lead Independent Director. From 2006 to 2009 he served as Chief Executive Officer of Barilla Holding S.p.A., an Italian food company, and before that, he served as the President and Chief Operating Officer of Abercrombie and Fitch Co. from 2004 to 2005. He served as Chief Financial Officer of Gucci Group N.V. from 1995 to 2004. Mr. Singer started his career at Coopers & Lybrand in 1977. Mr. Singer also served as a director of Gianni Versace S.p.A. from 2009 to December 2016 and served as a director of Mead Johnson Nutrition from 2009 to June 2017. He has also served as a director and chair of the audit committees of Swarovski International Holding SA since 2021, Tiffany & Co. from 2012 to 2021, Keurig Dr. Pepper Inc. since July 2018, and Panera Bread Company since September 2017 and provides similar services to certain private companies affiliated with JAB Group. From 2019 to 2022, Mr. Singer served as a member of the board of the private fashion company, Acne Studios, and continues to provide consulting services to the company. Mr. Singer has served as an advisor to the private equity firm IDG Capital, a private equity firm, since November 2018, and served as a senior advisor to CCMP Capital Advisors, LLC from 2011 to January 2016. He also served as a director and Chairman of the audit committee of Jimmy Choo PLC from September 2014 to 2017. He received a Bachelor of Arts Humanities degree from Johns Hopkins University, a Master of Arts degree in Comparative Literature from University of California, Irvine and graduated from New York University with a Master of Science in Accounting.

Mr. Singer brings to our Board many years of operating, financial and executive experience, including in the fashion industry. Mr. Singer has significant public company board and audit committee experience and extensive risk management experience.

## Director Compensation

The following summary describes compensation paid to directors in fiscal year 2023.

### *Annual Cash Compensation for Board Service*

For fiscal year 2023, each non-employee director, except the Chairman of our Board (“Chairman”), was entitled to receive a cash retainer fee of \$100,000 annually, payable in November. The Chairman was entitled to receive a cash retainer fee of \$250,000 annually, the Lead Independent Director was entitled to receive an additional annual cash retainer fee of \$30,000 and each of the Chairs of the AFC and RNC was entitled to receive an additional cash retainer fee of \$30,000 annually. The annual cash retainer is prorated based on the anticipated period of each director’s service during the fiscal year at the time of payment. During fiscal year 2023, there were three director changes. Lubomira Rochet was appointed as director effective January 2, 2023. Justine Tan resigned as a director on July 15, 2022, after joining the Board in February of 2020. Erhard Schoewel resigned as a director on March 8, 2023, after joining the Board in 2006.

### *Annual Restricted Stock Unit Grant*

Each non-employee director except the Chairman was entitled to receive an annual grant of 25,000 restricted stock units (“RSUs”) under the amended and restated Coty Inc. 2007 Stock Plan for Directors (“Coty Inc. Stock Plan for Directors”) for fiscal year 2023. The Chairman is entitled to receive an annual grant of 45,000 RSUs. These RSUs vest on the fifth anniversary of the grant date, subject to acceleration upon termination of service due to death or disability or upon a change in control and upon termination of service for any other reason if such termination occurs at least one year after the grant date, with pro rata vesting for RSUs granted within one year of the termination date. Each RSU represents the right to receive one share of the Company’s Class A Common Stock upon vesting.

### *Management Directors*

Directors who are currently our employees generally receive no additional compensation for service on our Board. During fiscal year 2023, Ms. Nabi was the only management director on our Board, and she did not receive additional compensation for her service as director.

### *Reimbursement of Expenses*

Directors are reimbursed for reasonable expenses (including costs of travel, food and lodging) incurred when attending Board, committee and stockholder meetings. Directors are also reimbursed for other reasonable expenses relating to their service on our Board, such as expenses incurred during visits to our offices and facilities.

### *Non-Employee Directors Compensation for Fiscal Year 2023*

The following table sets forth compensation information for our non-employee directors in fiscal year 2023.

Name	Fees Earned or Paid in Cash (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)(3)</sup>	Option Awards (\$)	Total (\$)
Mariasun Aramburuzabala Larregui	100,000	191,250	—	291,250
Beatrice Ballini	130,000	191,250	—	321,250
Joachim Creus	100,000	191,250	—	291,250
Olivier Goudet	100,000	191,250	—	291,250
Peter Harf	250,000	344,250	—	594,250
Johannes Huth	157,808	301,807	—	459,615
Anna Adeola Makanju	100,000	191,250	—	291,250
Isabelle Parize	100,000	191,250	—	291,250
Lubomira Rochet	49,315	107,810	—	157,125
Erhard Schoewel	100,000	191,250	—	291,250
Robert Singer	160,000	191,250	—	351,250

- (1) Amounts represent annual cash compensation for service as a director, Chairman, Lead Independent Director or AFC or RNC Chair, as applicable. Amounts are prorated based on the anticipated period of each director's service during the fiscal year at the time of payment. In November 2022, Mr. Huth was paid a prorated annual cash retainer of \$57,808 for service as a director during fiscal 2022 and was granted prorated annual RSU awards for such service. Ms. Rochet served on the Board from January 2, 2023 through the 2023 annual meeting in November 2023. Her prorated annual RSU awards for service through such annual meeting were granted on January 2, 2023. The prorated annual cash retainer for Ms. Rochet in the amount of \$49,315 for her fiscal year 2023 service will be paid in November 2023.
- (2) Amounts represent the grant date fair value of RSUs issued to non-employee directors on November 15, 2022 (unless otherwise indicated) calculated in accordance with FASB ASC Topic 718. See Note 24, "Share-Based Compensation Plans" in the notes to our Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended June 30, 2023 for certain assumptions used to calculate the valuation. The RSU award to Mr. Schoewel was made on November 15, 2022, and vested pursuant to the terms of the award agreements.
- (3) Presented below are the aggregate number of shares of Class A Common Stock underlying RSUs held by the non-employee directors as of June 30, 2023:

Name	Total Number of Shares of Class A Common Stock Underlying RSUs Outstanding as of June 30, 2023	Total Number of Shares of Class A Common Stock Underlying Stock Options Outstanding as of June 30, 2023
Mariasun Aramburuzabala Larregui	63,287	—
Beatrice Ballini	82,808	—
Joachim Creus	81,547	—
Olivier Goudet	95,000	—
Peter Harf	187,657	—
Johannes Huth	39,452	—
Anna Adeola Makanju	63,287	—
Isabelle Parize	83,468	—
Lubomira Rochet	12,293*	—
Erhard Schoewel	0**	—
Robert Singer	95,000	—
Justine Tan	0***	—

\* Ms. Rochet served on the Board from January 2, 2023 through the 2023 annual meeting in November 2023. Her prorated annual RSU awards for service through such annual meeting were granted on January 2, 2023.

\*\* Erhard Schoewel resigned from the Board on March 8, 2023. Pursuant to the terms of the Coty Inc. Stock Plan for Directors, upon Mr. Schoewel's departure from the Board, a pro rata portion of the RSUs awarded to Mr. Schoewel was entitled to vest in full and the remainder were forfeited.

\*\*\* Justine Tan resigned from the Board on July 15, 2022. Upon Ms. Tan departure from the Board, a pro rata portion of the RSUs awarded to Ms. Tan that were entitled to vest were forfeited.

## EXECUTIVE OFFICERS

### Executive Officers

The following table sets forth certain information concerning our executive officers as of September 21, 2023. Information regarding Ms. Nabi is set forth above under "Proposal No. 1: Election of Directors—Director Nominees".

Name	Age	Position Held
Sue Nabi	55	Chief Executive Officer
Laurent Mercier	53	Chief Financial Officer
Kristin Blazewicz	45	Chief Legal Officer and General Counsel
Anna von Bayern	45	Chief Corporate Affairs Officer
Gordon von Bretten	50	Chief Transformation Officer

**Laurent Mercier** has served as Chief Financial Officer and a member of our Executive Committee since February 2021. Mr. Mercier oversees our finance organization. Prior to his appointment as Chief Financial Officer he served as Coty's Deputy CFO since May 2020 and previously as the CFO of Coty's Luxury business since November 2017. Prior to joining Coty, Mr. Mercier worked in finance at Danone, S.A. a leading global food processing group, for 20 years, including serving in the role of VP of Finance for its European Dairy business from 2014 to 2017, CFO of Evian Volvic Germany and CFO for Asia, Middle East and Africa. Mr. Mercier holds a degree from the École Supérieure des Sciences Economiques et Commerciales (ESSEC).

**Kristin Blazewicz** has served as Chief Legal Officer, General Counsel and Secretary since March 15, 2020 and is a member of our Executive Committee. She is responsible for overseeing the Company's legal and compliance affairs worldwide. Prior to joining the Company, Ms. Blazewicz served most recently as Vice President, Assistant General Counsel at Keurig Dr Pepper Inc., a coffee and beverage company, where she held various positions of increasing responsibility from January 2013, where she was responsible for a number of areas, including securities, corporate governance, finance and mergers and acquisitions. Prior to that, she was an associate at Gibson Dunn & Crutcher, a law firm, from 2006 to January 2013. Ms. Blazewicz brings more than fifteen years of in-house and law firm experience and has lived and worked in several global locations including her native U.S., China and the Netherlands. Ms. Blazewicz received a Juris Doctor and a Master of Laws in International Law and Legal Studies from Duke University School of Law and a Bachelor of Science in Business Administration and Management, *magna cum laude*, from the University of Vermont and studied international business at Wirtschaftsuniversität Wien in Vienna, Austria.

**Anna von Bayern** has served as Chief Corporate Affairs Officer and a member of our Executive Committee since September 1, 2020. Ms. von Bayern is a journalist, moderator and author of two bestselling political biographies. She started and has anchored the first political talk show "Die Richtigen Fragen" on BILD, Germany's most widely followed media brand, since 2016. Through these experiences, she has established a strong reputation among her peers in the press and has gained a strong understanding of both the beauty industry and the communications landscape. She began her career at Publicis Consultants in Paris in 2001 and then attended Journalism School (Axel Springer Akademie) in Berlin. She was a political correspondent for BILD am Sonntag and a member of the Federal Press Conference. She also runs the Lichtblick Children and Youth Foundation, in Munich, for children with special needs. Ms. von Bayern holds a BA in History and Politics, Phi Beta Kappa, from Stanford University, a MA in Creative Writing from the University of East Anglia, and a Master's degree in Politics, Philosophy and Economics from Ludwig-Maximilians-University. She was a Young Leader of Atlantik-Brücke and of the American Council on Germany.

**Gordon von Bretten** has served as Chief Transformation Officer and a member of our Executive Committee since May 2020. Mr. von Bretten has more than 25 years of experience in creating value and performance enhancement. Prior to joining the Company, from 2015, he served as an operating partner at KKR Capstone, a team of operating professionals at KKR, focusing on corporate carve-outs and procurement and supply chain value creation across the KKR private equity portfolio. Prior to that, he was part of the senior management team at KlöcknerPentaplast Group, a plastics manufacturer, where he drove significant performance improvement, and spent 15 years in management consulting, most recently with AlixPartners and A.T. Kearney, where he focused on corporate turnarounds and implementing sustainable cost reductions. Mr. von Bretten holds a Bachelor degree in International Business from IBS, Lippstadt (Germany) and an M.B.A. from Wilfrid Laurier University in Waterloo (Canada).

Each executive officer serves for a one-year term ending at the next meeting of our Board at which executive officers are elected or, if earlier, his or her death, resignation or removal, subject to his or her applicable employment agreement.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows the number of shares of our Class A Common Stock beneficially owned as of September 8, 2023, by (i) each person who is known by us to own beneficially more than 5% of our Class A Common Stock, (ii) each current member of our Board of Directors and Director nominees, (iii) each named executive officer, as identified below, and (iv) all current directors on our Board, nominees and executive officers, as a group. A person is a “beneficial owner” of a security if that person has or shares voting or investment power over the security or if that person has the right to acquire sole or shared voting or investment power over the security within 60 days. Unless otherwise noted, these persons, to our knowledge, have sole voting and investment power over the shares listed.

Applicable percentage ownership is based on 857,827,369 outstanding shares of Class A Common Stock as of September 8, 2023. Accordingly, percentage ownership amounts do not assume the conversion of any outstanding shares of Series B Preferred Stock held by HFS Holdings S.à r.l., and the computations and share amounts used herein do not give effect to any accretion on the Series B Preferred Stock after September 8, 2023.

In computing the number of shares of Class A Common Stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of Class A Common Stock subject to options held by that person that are currently exercisable or exercisable within 60 days of September 8, 2023 and subject to RSUs that are vested but not settled or that are going to vest and are expected to settle within 60 days of September 8, 2023. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

### Class A Common Stock Beneficially Owned (September 8, 2023)

Name of Beneficial Owner	Shares <sup>(1)</sup>	%
JAB Beauty B.V.	448,853,684 <sup>(2)</sup>	52.3 <sup>(3)</sup>
Blackrock, Inc.	53,612,314 <sup>(6)</sup>	6.3 <sup>(6)</sup>
Sue Nabi	30,304,786	3.5 <sup>(3)</sup>
Laurent Mercier	306,856	*
Kristin Blazewicz	847,545	*
Anna von Bayern	1,084,512	*
Gordon von Bretten	929,782	*
Maria Asuncion Aramburuzabala Larregui	925,000	*
Beatrice Ballini	7,000	*
Joachim Creus	—	*
Olivier Goudet	1,049,102 <sup>(5)</sup>	*
Peter Harf	12,350,509 <sup>(4)(5)</sup>	1.4 <sup>(3)</sup>
Johannes Huth	1,000,000	*
Anna Adeola Makanju	—	*
Isabelle Parize	36,225	*
Lubomira Rochet	—	*
Robert Singer	391,482	*
All current Directors, Nominees and current Executive Officers as a Group (17 persons)	49,376,698 <sup>(4)(5)</sup>	5.8 <sup>(3)</sup>

\* Less than one percent

- (1) Includes RSUs that are vested but not settled or that will vest and are expected to settle within 60 days of September 8, 2023 (excluding the impact of any net settlement to cover taxes). The RSUs issued to the non-employee directors as compensation, and shown in footnote 2 to the Non-Employee Directors Compensation for Fiscal Year 2023 table above, represent the right to receive shares of Class A Common Stock after termination of service as a member of the Board and thus may be deemed to be beneficially owned by such non-employee directors. These shares are not included in the “Shares” column.
- (2) Based on a Schedule 13D/A and a Form 4 filed with the SEC on June 20, 2023 and September 11, 2023, respectively. JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), a private limited liability company organized under the laws of the Netherlands, has shared voting power and shared dispositive power over these shares. JAB Beauty B.V., a direct subsidiary of JAB Holdings B.V. and an indirect subsidiary of Lucrezca SE (“Lucrezca”), Agnaten SE (“Agnaten”), each of which is a company with its registered seat in Austria, and JAB Holdings B.V., a Netherlands corporation, Lucrezca and Agnaten indirectly have shared voting and investment control over the shares held by Cottage Holdco B.V. Lucrezca and Agnaten are each controlled by Renate Reimann-Haas, Wolfgang Reimann, Stefan Reimann-Andersen and Matthias Reimann-Andersen, who with Peter Harf and Olivier Goudet exercise voting and investment authority over the shares held by JAB Cosmetics B.V. Lucrezca, Agnaten, JAB Cosmetics B.V. and JAB Holdings B.V. disclaim the existence of a “group” and disclaim beneficial ownership of these securities except to the extent of a pecuniary interest therein. JAB Holdings, Agnaten and Lucrezca, by virtue of their relationships to JAB Beauty, may each be deemed to indirectly beneficially own the Class A Shares which JAB Beauty directly beneficially owns. The address of Lucrezca and Agnaten is 4 Rue Jean Monnet, L-2180 Luxembourg, Luxembourg and the address of JAB Beauty B.V., JAB Cosmetics B.V. and JAB Holdings B.V. is Piet Heinkade 55 1019 GM Amsterdam, the Netherlands.
- (3) HFS Holdings S.à r.l, which is beneficially owned by Peter Harf, beneficially owns all of the outstanding shares of Series B Convertible Preferred Stock as of the date of this filing.  
Assuming the full conversion of the outstanding shares of Series B Convertible Preferred Stock held by HFS Holdings S.à r.l., and no other changes in capitalization, as of the record date the beneficial ownership percentage of Class A Common Stock and related voting power would be approximately:
  - JAB Beauty B.V.: 50.9%;
  - Peter Harf/HFS Holdings: 4.1%
  - Sue Nabi: 3.4%
  - All current Directors, Nominees and current Executive Officers: 5.6%
- (4) Each of Messrs. Creus, Harf and Goudet disclaim beneficial ownership in any shares held by JAB Beauty B.V. except to the extent of a pecuniary interest therein.
- (5) As a result of the beneficial ownership by HFS Holdings S.à r.l (which is beneficially owned by Peter Harf), of 146,047 shares of Series B Preferred Stock, Peter Harf may be deemed to beneficially own an additional 23,807,281 shares of Class A Common Stock (assuming full conversion of the shares of Series B Preferred Stock held by HFS Holdings S.à r.l based on the liquidation preference and dividends accrued through September 8, 2023).
- (6) Based solely on a Schedule 13G filed on February 3, 2023. Represents shares of Class A Common Stock beneficially owned by Blackrock, Inc. (“Blackrock”). Blackrock has sole voting power over 52,526,632 shares and sole dispositive power over 53,612,314 shares. The address for Blackrock is 55 East 52nd Street, New York, NY 10055.

## **DELINQUENT SECTION 16(a) REPORTS**

Section 16(a) of the Exchange Act requires our executive officers, directors, and persons who beneficially own more than 10% of a registered class of our equity securities to file reports of ownership and changes in ownership with the SEC. Based solely on our review of such forms, or written representations from certain reporting persons that no other reports were required for those persons, we believe that all filing requirements applicable to our executive officers, directors, and greater than 10% beneficial owners were complied with during fiscal year 2023, except that, due to an administrative error, Ms. Rochet filed a late Form 4 reporting a RSU grant, each of Mr. von Bretten, Mr. Mercier, and Ms. Zafar filed late a Form 4 reporting the vesting of an RSU grant, and each of Ms. Bayern, Ms. Blazewicz, Ms. Zafar and Mr. Mercier and Mr. von Bretten filed a late Form 4 reporting the corrected taxes related to the vesting of an RSU grant.

## **PROPOSAL NO. 2**

### **APPROVAL OF ADVISORY RESOLUTION ON NAMED EXECUTIVE OFFICER COMPENSATION (SAY-ON-PAY)**

In accordance with Section 14A of the Exchange Act, we are asking stockholders to vote, on a non-binding advisory basis, to approve compensation paid to our named executive officers. Executive compensation is disclosed in our “Compensation Discussion and Analysis” (“CD&A”) and the tables and text following the CD&A.



We believe that our compensation program is competitive, stimulates business growth through long-term incentives, and further aligns the named executive officers' interests with those of the Company's stockholders. We also believe that our compensation program is effectively designed to attract and retain high quality talent.

**Proposal:** In accordance with Section 14A of the Exchange Act, and as a matter of good corporate governance, we are asking stockholders to approve the following advisory resolution at the Annual Meeting:

**RESOLVED**, that the stockholders of the Company approve, on an advisory basis, the compensation of the Company's named executive officers disclosed in the CD&A, the Summary Compensation Table and the related compensation tables, notes and narrative in the Proxy Statement for the Company's 2023 Annual Meeting of Stockholders.

**Recommendation:** The Board recommends voting **FOR** the proposal to approve, on a non-binding advisory basis, the compensation of our named executive officers as described in the CD&A and related compensation tables and discussion in the Proxy Statement.

**Vote Required:** This advisory vote, commonly referred to as "Say-on-Pay", requires the affirmative vote of a majority of the votes cast. The advisory proposal is not binding on our Board. However, our Board values our stockholders' opinions and the RNC will take into account the outcome of the advisory vote when considering future named executive officer compensation. The Board has adopted a policy providing for annual "Say-on-Pay" advisory votes. Unless the Board modifies its policy on the frequency of holding "Say-on-Pay" advisory votes, the next "Say-on-Pay" advisory vote will occur in 2024.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Overview*

This section of the Proxy Statement describes our executive compensation philosophy, objectives and design; our compensation-setting process; our executive compensation program components; and the decisions made for fiscal year 2023 with respect to the compensation of each of our named executive officers ("NEO") for fiscal year 2023. Our NEOs for fiscal year 2023, who are the executive officers who appear in the Summary Compensation Table below, are:

- Sue Nabi, Chief Executive Officer (serving since September 2020);
- Laurent Mercier, Chief Financial Officer (serving since February 2021);
- Kristin Blazewicz, Chief Legal Officer and General Counsel (serving since March 2020);
- Anna von Bayern, Chief Corporate Affairs Officer (serving since September 2020); and
- Gordon von Bretten, Chief Transformation Officer (serving since May 2020).

#### *Overview of Executive Compensation Philosophy & Objectives*

The Company's compensation programs for our NEOs are designed to attract, retain, motivate and reward leaders who create value for the Company and its stockholders. Accordingly, the Company seeks to provide competitive compensation with components that:

- pay for performance by rewarding executives for leadership excellence and financial performance in line with the Company's strategic goals; and
- align executives' interests and risk orientation with the Company's business goals and the interests of the Company's stockholders.

#### *Elements and Design of Executive Compensation*

As we continue to successfully execute on the strategy we laid out 3 years ago and implement our comprehensive transformation agenda, we have focused our compensation program for NEOs on long-term incentives in order to align our executives' interests with stockholder interests and to foster an ownership culture among our Executive Committee members. The RNC believes that this emphasis on equity awards is appropriate as

these officers have the greatest role in establishing the Company's direction and therefore should have the greatest proportion of their compensation aligned with the long-term interests of shareholders.

As previously disclosed, the RNC carefully reviewed the compensation packages for our NEOs at the time of their appointments in 2020 and determined to change certain aspects of the standard NEO compensation program in order to incentivize these key executives during a challenging business transformation. Under this redesign, our NEOs are not eligible for the annual cash incentive awards under our Annual Performance Plan ("APP"), which has historically been a key component of the compensation program for our NEOs and is currently applicable only for our senior leaders who are not on the Executive Committee.

Our standard NEO compensation program consists of base salary and long-term equity awards under our Equity and Long-Term Incentive Plan, as from time to time amended ("ELTIP"). We also provide certain benefits and perquisites in line with general practice in the country in which the NEO resides and certain payments in lieu of pensions. Variable pay under our ELTIP has been and will continue to be the most significant element of our standard NEO compensation program. Excluding the specific arrangements for Ms. Nabi and Mr. von Bretten, annual salary generally accounts for less than 25% of total annual target compensation.

The Company's fiscal year 2023 standard executive compensation program applicable to the NEOs consisted of the following principal elements:

Compensation Element	Method for Establishing its Value	Form of Payment	Who Establishes Objectives and Participation
Base Salary	Compensation Peer Group analysis, adjusted, as applicable, to reflect merit-based increases. <b>FY23:</b> No individual increases except in countries where it is mandatory. Individual increases may apply in case of a promotion or major retention issues.	Cash	Except with respect to their own compensation, the Chief Human Resources Officer ("CHRO") and the CEO recommend, subject to RNC review and approval.
APP: Annual Incentive	<b>FY23:</b> NEOs will not participate in the APP bonus awards as their variable compensation will be comprised entirely of annual equity incentive awards.		
ELTIP: Long-Term Incentive	Compensation Peer Group analysis adjusted to reflect the total pool size and subjective review of NEO individual performance.	RSUs.	Except with respect to their own compensation, the CHRO and the CEO recommend target grant levels for each NEO, subject to RNC approval of: (i) target grant levels and (ii) evaluation of performance against target.

The Company believes that the compensation program plays a key role in providing the appropriate incentives to drive success, which in turn, should help drive improved operating and financial results reflected in improved total stockholder return.

### ***Base Salary and Target Incentive Compensation Determinations***

The RNC annually reviews the structure of the Company's executive compensation program and, within that program, each executive officer's target total direct compensation, which is comprised of annual base salary and target annual equity-based compensation (long-term incentive). These targets are generally based on a percentage of the NEO's annual base salary and level and scope of responsibility and are reviewed regularly.

***Competitive Compensation.*** Our compensation program for our NEOs is designed to compensate our NEOs competitively to ensure that we attract and retain the right talent to deliver stockholder value. We benchmark our compensation against a peer group of companies that includes companies against whom we compete for key talent (the "Compensation Peer Group"), which is described more fully below. We generally target total direct NEO compensation at or around the median of the Compensation Peer Group and provide the NEOs with the opportunity to earn total direct compensation toward the third quartile of the Compensation Peer Group based on exceptional performance.

***Annual Salary Determination.*** We pay base salaries to provide executives with a secure, fixed base of cash compensation in recognition of individual responsibilities and job performance. Consistent with our pay-for-performance philosophy, base salary generally accounts for less than 25% of each NEO's fiscal year 2023 target total direct compensation, subject to exceptions in the case of specific compensation arrangements designed to address particular circumstances. Salary levels are typically set and reviewed by the RNC annually and in connection with the appointment of a new executive. Salaries and any salary increases are approved by the RNC after a comparative analysis of base salaries for similar positions among the Compensation Peer Group. When determining base salaries, the RNC considers external competitive market conditions in addition to total direct compensation targets and personal performance and internal comparisons.

***2023 Decisions Regarding Salary.*** For the fiscal year 2023 compensation review, the RNC determined to keep at current levels for each of the NEOs except in exceptional cases due to alignment needs. On May 25, 2023, the RNC approved a new compensatory arrangement for Mr. Mercier who has served as Coty's Chief Financial Officer since February 2021. Under the terms of the new arrangement (which has been reflected in an updated offer letter), Mr. Mercier will be entitled to an annual base salary in the amount of EUR 825,000 effective June 1, 2023 (an increase from his previous annual base salary of EUR 750,000).

### ***Long-Term Incentive Compensation***

***Annual Equity-Based Compensation Awards.*** We seek to closely align the interests of our NEOs with those of our stockholders through a compensation program in which a significant portion of total compensation is paid through equity-based long-term incentives. We have adopted the ELTIP, which governs all equity awards granted to employees after its adoption in 2013. Long-term equity-based compensation provides direct alignment between our NEOs' and stockholders' interests. Generally, the RNC determines a target value for annual equity-based awards for each NEO generally based on level, job scope and impact. Typically, these annual awards are made in the form of RSUs, with a three-year graded vesting period, under the ELTIP. The RNC believes this structure helps ensure long-term retention of key executive talent and a longer-term strategic perspective. Our equity compensation programs are intended to encourage retention of, and long-term focus by, our NEOs by giving them an ownership stake in our future growth and financial success.

Although we do not tie our long-term incentive awards to specific performance goals, the RSU awards are intended to align the interests of our NEOs with the interests of our shareholders. In particular, as our NEOs are accountable for the successful implementation of our multi-year transformation plan and deleveraging initiatives, as well as the development and execution of our ambitious global business strategy, the RNC considers service-vested equity awards to appropriately incentivize the achievement of long-term business performance goals and sustainable growth.

***Compensation Arrangements for Named Executive Officers.*** In fiscal year 2023, the RNC continued to carefully consider the appropriate levels and mix of compensation to establish incentives that are linked to the Company's goals and align the executives' interests with those of the stockholders and are also consistent with internal and external competitive comparisons. It also continued implementation of more standardized confidentiality, non-competition, and non-solicitation agreements.

*Sue Nabi, Chief Executive Officer.* The RNC made no changes to Ms. Nabi's fiscal 2023 compensation arrangements. Ms. Nabi did not receive any grants pursuant to the ELTIP in fiscal 2023.

#### Unique CEO Compensation Arrangements

Although the RNC made no changes to Ms. Nabi's compensation arrangements for fiscal 2023, on May 4, 2023 the Board and Ms. Nabi did enter into an amendment to that certain employment agreement dated as of October 13, 2020, as amended by the amendment (the "Amendment") to set forth the new compensation arrangements for Ms. Nabi to be effective July 1, 2023. Ms. Nabi's renewed compensation agreement is anchored on a long-term equity program which runs through 2030. The agreement includes a significant portion of performance related shares alongside a performance related bonus, which are intended to further align all stakeholders' interests and incentivize strategic growth, recognizing that the Company has now moved from its transformation agenda to a stable strategic platform.

#### Annual Bonus Plan

Under the terms of the new fiscal 2024 arrangement, in addition to her annual base salary in the amount of €3,000,000, which remains unchanged, effective July 1, 2023 Ms. Nabi will be eligible to participate in the Company's performance-based annual cash bonus plan (the "Annual Bonus Plan"). Ms. Nabi will participate under the Annual Bonus Plan with a target of 100% of her Base Salary, a maximum of 200%, and a minimum of 0% if certain threshold conditions are not achieved. The performance objectives for the Annual Bonus Plan will be determined annually by the Board.

#### Nabi Equity Program

Under the terms of the new arrangement, the Board has designed a long-term equity program for Ms. Nabi (the "Nabi Equity Program") with equity awards vesting through 2030. Pursuant to the terms of the Amendment, on May 4, 2023 the Company granted Ms. Nabi a one-time award of 10,416,667 RSUs (the "RSU Award"), which will vest and settle in shares of the Company's Class A Common Stock over five years on the following vesting schedule: (i) 15% of the RSU Award on September 1, 2024, (ii) 15% of the RSU Award on September 1, 2025, (iii) 20% of the RSU Award on September 1, 2026, (iv) 20% of the RSU Award on September 1, 2027; and (v) 30% of the RSU Award on September 1, 2028, in each case subject to Ms. Nabi's continued employment through the applicable vesting date.

In addition, on May 4, 2023, pursuant to the terms of the new arrangement the Company also granted Ms. Nabi an award of 2,083,333 Performance RSU Awards (the "PRSUs"), which will fully vest on September 1, 2026 subject to the achievement of three-year performance objectives to be determined by the Board and subject to Ms. Nabi's continued employment. The new arrangement also provides for an additional annual performance based RSU award of 2,083,333 PRSUs that the Company will grant to Ms. Nabi on or around each of September 1, 2024, September 1, 2025, September 1, 2026, and September 1, 2027, which will vest on the third-year anniversary of the respective grant date, subject in each case to the achievement of three-year performance objectives to be determined by the Board and Ms. Nabi's continued employment through the applicable vesting date.

#### Reload Options

In the event that Ms. Nabi enters into a "tag along" agreement with the Company's largest stockholder, JAB Beauty B.V. (formerly known as Cottage Holdco B.V.) ("JAB"), and Ms. Nabi participates in a "tag along" sale with JAB whereby JAB and Ms. Nabi sell shares of Common Stock for cash in a privately negotiated transaction (*i.e.*, not a public offering), subject to Board approval the Company will grant Ms. Nabi new options to acquire shares of Common Stock (the "Reload Options") in an amount equal to the number of shares sold by Ms. Nabi in such transaction. The Reload Options will have a strike price equal to the greater of the volume weighted average price for shares at the time of the relevant transaction and the fair market value on the date of grant.

*Laurent Mercier, Chief Financial Officer.* On May 25, 2023, the RNC approved a new compensatory arrangement for Mr. Mercier. Under the terms of the new arrangement, effective June 1, 2023, he is entitled to an annual base salary in the amount of EUR 825,000 (an increase from his previous annual base salary of EUR 750,000). The RNC made no other changes to Mr. Mercier's compensation arrangements during fiscal 2023.

*Ms. Blazewicz, Chief Legal Officer.* The RNC made no changes to Ms. Blazewicz's compensation arrangements during fiscal 2023.

*Ms. von Bayern, Chief Corporate Affairs Officer.* The RNC made no changes to Ms. von Bayern's compensation arrangements during fiscal 2023.

*Mr. von Bretten, Chief Transformation Officer.* The RNC made no changes to Mr. von Bretten's compensation arrangements during fiscal 2023.

### ***Fiscal Year 2023 Long-Term Equity Compensation***

*Annual Awards.* The size of the total pool for equity-based awards to our employees as a whole under the ELTIP (including the NEOs) is based on the total number of employees and their target or notional grants for their respective job levels. The RNC determined that the maximum number of RSU awards available for the annual grant in fiscal year 2023 was a total pool valued at \$52,600,000, based on the total number of employees and their target or notional grants for their respective job levels. When deciding whether to award annual grants, the RNC considers the collective performance of Coty Inc. during the fiscal year on which the awards are based and, where applicable, an employee's individual performance in the fiscal year. All annual long-term equity awards granted to our NEOs in fiscal year 2023 were awarded in the form of RSUs with a three-year graded vesting period tied to continued employment with the Company. The applicable vesting timeline for these annual awards (other than awards for Mr. von Bretten) will be 25% after the 1<sup>st</sup> anniversary, 25% after the 2<sup>nd</sup> anniversary, and 50% after the 3<sup>rd</sup> anniversary.

The RNC considers several factors when determining long-term incentive awards for each NEO. Notional grants or target awards are established for each role. Then, these target awards may be adjusted based on the RNC's determination of the total pool size and, in extraordinary circumstances, its review of the NEO's individual overall performance during the fiscal year. There is no relationship between the timing of the granting of awards and our release of material non-public information.

Annual long-term equity awards granted to NEOs under the ELTIP in fiscal year 2023 continued to reflect the unique compensation program designed to incentivize our key executives during a challenging business transformation at the time of their appointments. The annual awards for Mr. Mercier had a target value of \$1,800,000 and the annual award for each of Ms. Bayern and Blazewicz and Mr. von Bretten had a target value of \$2,900,000. After assessing the individual performance of each NEO, the RNC awarded each NEO his or her full target award. The number of RSUs granted was calculated by dividing the target value by the average Class A Common Stock closing price over the 30-day period prior to the grant date. Pursuant to Mr. von Bretten's employment agreement, the number of RSUs granted in connection with his annual award was calculated based on the closing price on the grant date. As a result, each of Mr. Mercier and Ms. Bayern and Blazewicz were awarded RSUs covering 253,164, 407,876 and 407,876 shares of Class A Common Stock, respectively, and Mr. von Bretten was awarded 438,066. As discussed above, Ms. Nabi did not receive an equity award under the annual grant pool. The specific awards for the NEOs are shown in the table under the heading "Fiscal Year 2023 Grants of Plan-Based Awards". When dividends on our Class A Common Stock are paid, dividend equivalent rights are accrued on the RSUs and are paid in cash upon vesting; the Board suspended the payment of dividends on our Class A Common Stock in April 2020.

### ***Changes to Compensation Philosophy for fiscal year 2024***

To further support our pay for performance philosophy, due to the continued success of the transformation agenda and our strategic objectives, the Board recognized a need to review the compensation program to retain and attract key talent. As a result, the Company plans to revise its compensation structure for fiscal year 2024. The 2024 program will still be based on two components: annual salary and annual incentive awards, with the following highlights:

- **Performance Metrics.** Similar to the new compensation arrangements for the CEO, the Company expects to use performance metrics for a portion of long-term equity compensation, through the use of performance RSU awards. The Company expects to grant a portion of long-term equity compensation in the form of performance RSU awards to senior leaders, including NEOs, that will be subject to (i) the achievement of long-term performance objectives to be determined by the Board, (ii) specified vesting schedules and (iii) the executive's continued employment.
- **APP reinstated.** In order to provide short-term incentives tied to performance measures, members of the executive committee, including the NEOs, are expected to be eligible for APP bonus awards.

### ***Additional Executive Compensation Information***

We believe our NEO compensation program follows best practices with respect to corporate governance and risk management, and includes the following principles:

Stock ownership and retention guidelines. As described above, we strongly believe in encouraging stock ownership by our NEOs and have adopted stock ownership guidelines that apply to our executives and directors for so long as they serve as executives or directors. These guidelines provide that, after a five-year phase-in period, the Chief Executive Officer and the other members of the Executive Committee should invest in our shares in an amount equal to or exceeding a multiple of five and three times their annual base salary, respectively, and, in the case of our non-employee directors, three times his or her annual cash retainer. If a participant fails to achieve initial compliance within the phase-in period, the RNC may decide that the participant is ineligible to receive equity grants until the guidelines are met. Although the phase-in period has not concluded as of fiscal 2023, a majority of executives and directors subject to these guidelines have achieved initial compliance, and for those who have not, there is no reason to believe that they will not be in compliance.

Hedging transactions prohibited. Our insider trading policy prohibits directors, officers and employees from engaging in short sales, derivatives trading and hedging involving our securities.

No tax gross-ups. Any personal income taxes due as a result of compensation and/or perquisites, other than reimbursement for children's schooling fees, are generally the responsibility of the NEOs. We do not provide tax gross-ups for golden parachute excise taxes.

Incentives do not encourage excessive risk taking. We believe that our compensation program does not contain features that could potentially encourage excessive risk taking. In addition, we continue to utilize multiple performance measures under the APP applicable to senior leaders other than Executive Committee members to reduce the risk of over concentration on a single business or financial metric. Our stock options, RSUs and other equity granted to our NEOs generally vest over a three-year graded period tied to continued employment with the Company, and management has sizable unvested stock positions relative to their income, which together encourage focus on the long-term value of our stock, aligns management's and stockholders' interests and discourages excessive risk taking to optimize short-term and non-sustainable performance.

No backdating or repricing of stock options. In fiscal year 2023, the annual equity grants were made in October 2022. Equity awards, including stock options, are never backdated. In addition, our equity incentive plans prohibit repricing of stock options and issuing stock options at below-market exercise prices, unless otherwise approved by our stockholders.

Independent external experts engaged for executive compensation information. Each year since fiscal year 2010, the RNC has engaged an independent external expert to provide information with respect to executive compensation.

Limited perquisites. NEO perquisites are reasonable and generally represent no more than 3.0% of each NEO's total target compensation. See "Other Benefits and Perquisites", below.

Double-trigger equity vesting upon a change in control. All active equity compensation plans and programs that provide for additional or accelerated payment or fully accelerated vesting in connection with a change in the control of the Company, including the ELTIP, require a "double-trigger", which means that accelerated vesting of equity awards issued under the ELTIP will only occur upon a termination of employment in connection with a change in control and not simply as a result of the completion of a change in control transaction. Upon the occurrence of such events, the award vests in full.

Claw-Back Policy. Under our Claw-Back Policy, adopted in fiscal 2020, we may recoup incentive compensation paid to an executive officer in the event an accounting restatement occurs as a result of material non-compliance under any financial reporting requirements. If the restated results would have afforded a lower incentive payout, the Board may, in its discretion, seek reimbursement of the difference for the three-year period preceding the restated period. Recoupment can include cancellation of unvested equity awards. We are reviewing our Claw-Back Policy to conform to the new SEC rules for such policies and expect to adopt appropriate amendments in advance of the effective date for NYSE-listed companies.

### ***Competitive Compensation and Peer Group Rationale***

In establishing compensation for our NEOs, we consider the compensation practices, structures and terms (such as the length and nature of applicable vesting periods and the mix of performance-vested and time-vested awards) of the Compensation Peer Group. We consider these practices to determine the competitiveness of individual compensation elements and total compensation of our NEOs. We seek to structure the forms and mix of our executive compensation program in a manner generally consistent with our peers and so that target total direct NEO compensation is at or around the median of the Compensation Peer Group and provides the NEOs the opportunity to earn higher total direct compensation based on exceptional performance in order to attract and retain talent. Individual pay to NEOs varies in accordance with experience, individual and collective performance and other factors determined by the RNC. Actual total direct compensation reported may also vary due to currency fluctuations.

The Compensation Peer Group consists of companies that compete directly with us for executive talent and compete with us in the marketplace for business and investment opportunities, as well as global footprint and the complexity of the Company's strategic, operational and financial transformation. In light of the Company's ongoing transformation agenda, the RNC believes that comparators based on these characteristics are more meaningful than revenue or market capitalization alone.

The RNC periodically reviews the companies included in the Compensation Peer Group, including in consultation with an independent external compensation expert. Our Compensation Peer Group used for compensation decisions early in fiscal year 2023 included the following companies:

Beiersdorf	L'Oreal
Colgate-Palmolive Company	The Procter and Gamble Company
The Estée Lauder Company, Inc.	Sephora (a subsidiary of LVMH)
Henkel AG & Co. KGaA	Ulta Beauty, Inc.
Johnson & Johnson	Unilever PLC
LVMH Moët Hennessy - Louis Vuitton SE	

The Compensation Peer Group included companies with a broad range of annual revenues, with a median of approximately \$26.3 billion. As a result of the RNC review of the Peer Group in September 2022, Sephora (a private Company) and Ulta Beauty, Inc. have been added to the Peer Group that was used for compensation considerations for the fiscal year ending June 30, 2023, replacing Revlon, Inc. following its delisting from the NYSE.

### ***Benefits and Perquisites***

General. In general, our NEOs participate in the same benefit plans generally available to our employees in the home country in which the NEO resides. These benefit plans include health insurance, life insurance and disability coverage. NEOs receive the same coverage as the rest of our employees, with the exception of healthcare coverage that is provided through a specific international health insurance plan.

Perquisites. We provide NEOs with reasonable perquisites on an individual basis. The perquisites generally include car allowances to the extent deemed necessary for business purposes and relocation assistance. Perquisites generally represented no more than 3.0% of each NEO's total compensation. All perquisites with an aggregate value of at least \$10,000 received by an NEO are detailed in the footnotes to the Summary Compensation Table.

Retirement Plans. We provide retirement benefits to our NEOs in the United States and other relevant countries through our local retirement plans.

Potential Payments upon Termination of Employment. The employment agreements with our NEOs and our compensation plans provide for certain payments and incremental benefits if an NEO's employment is terminated under certain circumstances. There are no tax gross-ups provided in connection with these payments or incremental benefits. These payments and incremental benefits are discussed in "—Potential Payments upon Termination or Change-in-Control".

### ***Employment Agreements***

We have entered into employment agreements with each of our NEOs. The employment agreements are described in “—Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table—Employment Agreements”.

### ***Tax and Accounting Implications***

The exemption excluding certain performance-based compensation from the deductions limits under Section 162(m) of the Internal Revenue Code for compensation paid to the chief executive officer and the three other most highly compensated executive officers (other than the chief financial officer) was eliminated, effective for taxable years beginning after December 31, 2017. Therefore, compensation paid to our covered executive officers in excess of \$1,000,000 would not be deductible unless it is payable pursuant to a legally binding arrangement in place as of November 2, 2017 under which, prior to the change in tax law, the compensation would have been deductible.

Our compensation programs are intended to maximize the deductibility of the compensation paid to our NEOs to the extent that we determine deductions are available, particularly in the United States, and in our best interests and to further advance organizational growth while providing competitive compensation.

While the RNC is mindful of the potential benefit to the Company of the full deductibility of compensation, the committee believes that the Company should maintain the flexibility to compensate our NEOs in a manner that can best promote the Company’s objectives. The RNC intends to continue to compensate our executive officers in a manner consistent with the best interests of the Company and its stockholders.

### ***Independent External Experts Engaged by the Remuneration and Nomination Committee***

The RNC has engaged independent external experts to provide information with respect to our executive compensation.

The independent external expert reports directly to the RNC, with input from certain members of senior management. All decisions with respect to the amount and form of NEO compensation under our executive compensation programs are made solely by the RNC and may reflect factors and considerations other than the information provided by the independent external expert.

In fiscal year 2023, the RNC engaged Willis Towers Watson to provide information regarding competitive compensation peer group and compensation benchmarking data for NEO’s and executive-level positions, as well as information about market practices for equity compensation and plan governance. The RNC assessed the independence of Willis Towers Watson and concluded that Willis Towers Watson is independent and no conflict of interest exists that would prevent Willis Towers Watson from providing this information to the RNC.

### ***Role of “Say-on-Pay” Advisory Vote on Executive Compensation***

We provided stockholders a “Say-on-Pay” advisory vote on the compensation of our NEOs in 2021 under Section 14A of the Exchange Act. At our 2022 Annual Meeting of Stockholders, approximately 77.8% of the votes cast for approval of the “Say-on-Pay” advisory vote. Our Say on Pay votes have averaged 87.8% support for the last nine years. We believe these results indicate that our shareholders are generally supportive of our compensation program.

The RNC carefully evaluated the results of the 2022 advisory vote. The RNC also considers many other factors in evaluating our executive compensation programs as discussed in this CD&A, including the RNC’s assessment of the interaction of our compensation programs with our corporate business objectives, evaluations of our programs by external consultants, and review of peer group and survey data, each of which is evaluated in the context of the RNC’s fiduciary duty to act in stockholders’ best interests. After weighing these factors, the RNC did not make significant changes to our 2023 executive compensation program and policies as a result of the 2022 “Say-on-Pay” advisory vote, and instead we undertook a comprehensive re-assessment of our executive compensation principles for future implementation, with a focus on introducing performance-based metrics for both short-term and long-term incentives for our executive officers. As discussed above in “--Changes to Compensation Philosophy for 2024”, the new compensation arrangement for our CEO, entered into in May of 2023, reflects this approach.



It has been our long-standing practice to engage with our stockholders throughout the year so that management and the Board can better understand stockholder perspectives on topics like executive compensation, diversity and sustainability, among others. As reflected in the say-on-pay results, some shareholders have expressed concerns regarding the alignment of pay and performance, targets applicable to our long-term incentive awards, as well as executive severance practices. We were particularly focused on feedback relating to performance-based metrics, and we sought input from stockholders regarding potential structures and metrics, including the use of performance measures linked to “ESG” or other sustainability-related activities. We will continue to reach out to investors and to consider the outcome of say-on-pay votes when making future compensation decisions for our executives and as we implement our 2021 executive compensation program.

## REMUNERATION AND NOMINATION COMMITTEE REPORT

The Remuneration and Nomination Committee has reviewed and discussed the foregoing Compensation Discussion and Analysis (this “CD&A”) with management and based on such review and discussions has recommended to the Board of Directors of the Company that this CD&A be included in the Company’s Proxy Statement on Schedule 14A for the 2023 Annual Meeting of Stockholders.

### *The Remuneration and Nomination Committee*

Beatrice Ballini, Chair

Maria Asuncion Aramburuzabala Larregui

Anna Adeola Makanju

### Summary Compensation Table

The following table sets forth information regarding fiscal year 2021, 2022 and 2023 compensation for our NEOs. Columns otherwise required by SEC rules are omitted where there is no amount to report.

Name & Title*	Fiscal Year	Salary (\$) <sup>(1)</sup>	Bonus (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$) <sup>(1)</sup>	All Other Compensation (\$) <sup>(1)(3)</sup>	Total Compensation (\$) <sup>(1)</sup>
Sue Nabi, Chief Executive Officer	2023	3,549,000	—	145,875,000	—	—	5,486	149,429,486
	2022	3,506,260	—	—	—	—	51,494	3,557,753
	2021	3,549,000	—	280,200,000	—	—	42,455	283,791,455
Laurent Mercier, Chief Financial Officer	2023	790,264	—	1,675,946	—	—	117,008	2,583,217
	2022	603,842	340,370	1,601,522	—	—	117,445	2,663,179
	2021	495,982	95,583	499,999	—	—	74,744	1,178,725
Kristin Blazewicz, Chief Legal Officer	2023	750,000	—	2,700,139	—	—	33,849	3,483,988
	2022	750,000	—	2,665,886	—	—	35,068	3,450,954
	2021	752,792	120,000	2,899,997	—	—	55,289	3,828,079
Anna von Bayern, Chief Corporate Affairs Officer	2023	784,213	—	2,700,139	—	—	22,885	3,507,237
	2022	850,925	—	2,665,886	—	—	26,882	3,543,693
	2021	567,684	136,547	2,899,997	—	—	13,370	3,617,599
Gordon von Bretten, Chief Trans-formation Officer	2023	1,342,021	—	2,899,997	—	—	62,940	4,304,958
	2022	1,456,186	234,406	2,899,996	—	—	73,902	4,664,489
	2021	1,641,643	953,990	—	—	—	72,656	2,668,289

- (1) The salary for each of Messrs. Mercier and von Bretten and Meses. Nabi, Blazewicz and von Bayern reflects the amount of their annual salary paid in fiscal year 2023 during their periods of service to the Company. The salary paid to Mr. Mercier reflects salary increases during the course of the year due to his role as CFO. Meses. Nabi and von Bayern and Messrs. Mercier and von Bretten were paid in Euros. Ms. Blazewicz was paid in U.S. dollars. Exchange rates for fiscal year 2023 compensation are calculated using the average monthly exchange rate during the fiscal year.
- (2) Amounts represent the grant date fair value of the RSUs granted in each year, in each case calculated in accordance with FASB ASC Topic 718. See Note 24, "Share-Based Compensation Plans" in the notes to our Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended June 30, 2023 for certain assumptions used to calculate the valuation.
- (3) Amounts shown in the All Other Compensation column for fiscal year 2023 include the following:
  - (a) For Ms. Nabi, employer contributions to the international healthcare plan for executives in the amount of \$5,486;
  - (b) For Mr. Mercier, a mobility allowance in the Netherlands in the amount of \$25,094, employer contributions to the international healthcare plan for executives in the amount of \$3,577; cash payments in the amount of \$59,707 reflecting employer contributions exceeding the Dutch defined contribution plan "annual allowance"; and reimbursement for tax services in the amount of \$28,629;
  - (c) For Ms. Blazewicz, employer contributions of \$31,317 under the Company's 401(k) Savings Plan, a defined contribution plan, and reimbursement for tax services in the amount of \$2,532;
  - (d) For Ms. von Bayern, a car allowance in the amount of \$22,585 and reimbursement for tax services of \$300; and
  - (e) For Mr. von Bretten, cash payments in the amount of \$56,217 reflecting employer contributions exceeding the Dutch defined contribution plan "annual allowance"; and reimbursement for tax services in the amount of \$6,723.

## Fiscal Year 2023 Grants of Plan-Based Awards

The following table and footnotes provide information on all grants of plan-based compensation under the Company's plans made to NEOs during fiscal year 2023.

Name	Grant Date	Estimated Future Payments under Non-Equity Incentive Plan Awards <sup>(1)</sup>			All Other Stock Awards: Number of Shares of Stock or Units <sup>(2)</sup> (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)
		Minimum	Target	Maximum				
Sue Nabi	5/4/2023	—	—	—	12,500,000	—	—	145,875,000
Laurent Mercier	10/19/2022	—	—	—	253,164	—	—	1,675,946
Kristin Blazewicz	10/19/2022	—	—	—	407,876	—	—	2,700,139
Anna von Bayern	10/19/2022	—	—	—	407,876	—	—	2,700,139
Gordon von Bretten	10/19/2022	—	—	—	438,066	—	—	2,899,997

- (1) None of the NEOs are eligible for awards under the APP, our annual cash incentive program.
- (2) Represents (a) the annual long-term incentive compensation awards of RSUs under the ELTIP on October 19, 2022, with graded vesting over three years, subject to certain vesting conditions and exceptions; and (b) an award for Ms. Nabi on May 4, 2023 of 10,416,667 RSUs, with graded vesting over five years, subject to certain vesting conditions and exceptions, and an award of 2,083,333 of PRSUs which will fully vest on September 1, 2026 subject to the achievement of three-year performance objectives to be determined by the Board and subject to Ms. Nabi's continued employment. Performance objectives for such PRSUs are expected to be determined by the Board in the first quarter of fiscal 2024. See "Compensation Discussion and Analysis — Fiscal Year 2023 Compensation Decisions and Structure — Fiscal Year 2023 Long-Term Equity Compensation".

### Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

#### Employment Agreements

The material terms of each NEO's current employment arrangements are described below and under "Potential Payments upon Termination or Change-in-Control—Certain Additional Payments", below:

Sue Nabi. Under her employment agreement, Ms. Nabi is our Chief Executive Officer. The employment agreement provides that her base salary, bonus opportunities and long-term incentive awards would be reviewed and set by the Board or a committee thereof. Ms. Nabi is entitled to participate in benefits programs generally made available to similarly-situated senior officers as set forth in her employment agreement. Ms. Nabi did not receive any additional compensation for her service as a director. Ms. Nabi agreed to be bound by certain restrictive covenants for the benefit of the Company, including non-competition and non-solicitation restrictions that will continue in effect for 12 months following her employment with the Company.

Laurent Mercier. Under his employment agreement, Mr. Mercier has been our Chief Financial Officer since February 15, 2021. The employment agreement provides that his base salary, bonus opportunities and long-term incentive awards are reviewed and set by the Board or a committee thereof. Mr. Mercier is entitled to participate in benefits programs generally made available to similarly-situated senior officers as set forth in his employment agreement. Mr. Mercier agreed to be bound by certain restrictive covenants for the benefit of the Company, including non-competition and non-solicitation restrictions that will continue in effect for six months following his employment with the Company.

Kristin Blazewicz. Under her employment agreement, Ms. Blazewicz is our Chief Legal Officer and General Counsel. The employment agreement provided that her base salary, bonus opportunities and long-term incentive awards would be reviewed and set by the Board or a committee thereof. Ms. Blazewicz is entitled to participate in benefits programs generally made available to similarly-situated senior officers as set forth in her employment agreement. Ms. Blazewicz agreed to be bound by certain restrictive covenants for the benefit of the Company,

including non-competition and non-solicitation restrictions that continue in effect for six months following her employment with the Company.

Anna von Bayern. Under her employment agreement, Ms. von Bayern is our Chief Corporate Affairs Officer. The employment agreement provided that her base salary, bonus opportunities and long-term incentive awards would be reviewed and set by the Board or a committee thereof. Ms. von Bayern is entitled to participate in benefits programs generally made available to similarly-situated senior officers as set forth in her employment agreement. Ms. von Bayern agreed to be bound by certain restrictive covenants for the benefit of the Company, including non-competition and non-solicitation restrictions that continue in effect for 12 months following her employment with the Company.

Gordon von Bretten. Under his employment agreement, Mr. von Bretten is our Chief Transformation Officer. The employment agreement provided that his base salary, bonus opportunities and long-term incentive awards would be reviewed and set by the Board or a committee thereof. Mr. von Bretten was entitled to participate in benefits programs generally made available to similarly-situated senior officers as set forth in his employment agreement. Mr. von Bretten agreed to be bound by certain restrictive covenants for the benefit of the Company, including non-competition and non-solicitation restrictions that continue in effect for 12 months following his employment with the Company.

*Grants of Plan-Based Awards: Annual Equity Awards*

Annual equity awards are described and calculated as set forth above in “Compensation Discussion and Analysis—Fiscal Year 2023 Long-Term Equity Compensation”.

## Outstanding Equity Awards at 2023 Fiscal Year End

The following table shows outstanding equity awards held by the NEOs as of June 30, 2023, the last day of our fiscal year. The market value of the shares of unvested RSUs is determined by multiplying the number of outstanding awards by \$12.29, which was the closing price of our Class A Common Stock on June 30, 2023, the last trading day of our fiscal year. The market value does not reflect, nor in any way assures, that the amounts will correspond to the actual value that will be recognized by the NEOs upon vesting.

NEO	Option Awards					Stock Awards	
	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)
<b>Sue Nabi</b>						10,416,667 (1)	128,020,837
						2,083,333 (2)	25,604,163
						10,000,000 (3)	122,900,000
<b>Laurent Mercier</b>						253,164 (4)	3,111,386
						124,600 (5)	1,531,334
						51,921 (6)	638,109
						10,667 (7)	131,097
						4,699 (8)	57,751
<b>Kristin Blazewicz</b>						407,876 (4)	5,012,796
						267,660 (5)	3,289,541
						301,142 (6)	3,701,035
<b>Anna von Bayern</b>						407,876 (4)	5,012,796
						267,660 (5)	3,289,541
						301,142 (6)	3,701,035
<b>Gordon von Bretten</b>						438,066 (9)	5,383,831
						258,812 (10)	3,180,799

- (1) Represents RSUs granted under the ELTIP to Ms. Nabi on May 4, 2023 with graded vesting over five years on the following vesting schedule: (i) 15% of the RSU Award on September 1, 2024, (ii) 15% of the RSU Award on September 1, 2025, (iii) 20% of the RSU Award on September 1, 2026, (iv) 20% of the RSU Award on September 1, 2027; and (v) 30% of the RSU Award on September 1, 2028, in each case subject to Ms. Nabi's continued employment through the applicable vesting date.
- (2) Represents PRSUs granted under the ELTIP to Ms. Nabi on May 4, 2023 that will fully vest on September 1, 2026 subject to the achievement of three-year performance objectives to be determined by the Board and subject to Ms. Nabi's continued employment.
- (3) Represents RSUs granted under the ELTIP to Ms. Nabi on June 30, 2020 that vest in three equal installments on August 31, 2021, August 31, 2022 and August 31, 2023, subject to certain vesting conditions.

- (4) Represents RSUs granted under the ELTIP on October 19, 2022, 25% of which on the first anniversary of the date of grant, 25% vest on the second anniversary of the date of grant, and 50% vest on the third anniversary of the date of grant, subject to certain vesting conditions.
- (5) Represents RSUs granted under the ELTIP on November 26, 2021, 25% of which on the first anniversary of the date of grant, 25% vest on the second anniversary of the date of grant, and 50% vest on the third anniversary of the date of grant, subject to certain vesting conditions.
- (6) Represents RSUs granted under the ELTIP on October 19, 2020 that vest in three equal annual installments on the first, second and third anniversary of the grant date, subject to certain vesting conditions.
- (7) Represents RSUs granted under the ELTIP on November 14, 2019 60% of which vest on the third anniversary of the date of grant and 20% of which vest on each of the fourth and fifth anniversaries of the date of grant, subject to certain vesting conditions.
- (8) Represents RSUs granted under the ELTIP on September 4, 2018 60% of which vest on the third anniversary of the date of grant and 20% of which vest on each of the fourth and fifth anniversaries of the date of grant, subject to certain vesting conditions.
- (9) Represents RSUs granted under the ELTIP on October 19, 2021, 25% of which on the first anniversary of the date of grant, 25% vest on the second anniversary of the date of grant, and 50% vest on the third anniversary of the date of grant, subject to certain vesting conditions.
- (10) Represents RSUs granted under the ELTIP on October 19, 2022, that vest in three equal annual installments from the date of grant, subject to Mr. von Bretten's continued employment through each such vesting date, and certain other restrictions and vesting conditions.
- (11) Represents RSUs granted under the ELTIP on October 19, 2021, that vest in three equal annual installments from the date of grant, subject to Mr. von Bretten's continued employment through each such vesting date, and certain other restrictions and vesting conditions.

### Fiscal Year 2023 Option Exercises and Stock Vested

The following table provides information about the NEO's stock awards that vested during fiscal year 2023. During fiscal year 2023, our NEOs did not exercise any stock options.

Name	Stock Awards	
	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Sue Nabi	10,000,000	75,100,000
Laurent Mercier	117,372	798,360
Kristin Blazewicz	390,361	2,584,190
Anna von Bayern	390,361	2,584,190
Gordon von Bretten	360,391	3,471,413

### Pension Benefits

We do not administer any pension programs that provide our NEOs with additional benefits from those offered to our other employees.

### Potential Payments upon Termination or Change-in-Control

We have entered into employment agreements and related Confidentiality, Non-Competition, and Non-Solicitation Agreements with each of our NEOs, and maintain certain incentive, equity and benefit plans in which our NEOs participate. These agreements and plans provide for certain payments and incremental benefits if an NEO's employment is terminated under certain circumstances. These payments and benefits are described below.

#### Equity Awards under the ELTIP: RSUs, Restricted Stock, Options.

*Treatment upon termination due to death, disability or retirement.* A pro rata portion of all unvested Stock Options, unvested RSUs, unvested Stock Options or unvested Restricted Stock will vest on a pro rata basis in the event that the NEO's employment is terminated due to death, disability or retirement. The pro rata amount is based on the number of days that have passed since the applicable award was granted. In the case of awards with the graded vesting schedule discussed above, the pro rata portion of the unvested award will equal the number of

unvested RSUs (or other award) that would have become vested at the next scheduled vesting date multiplied by a fraction, the numerator of which is the number of days elapsed from the grant date, or the most recent vesting date, as applicable, to the date employment terminated, and the denominator of which is the number of days between the grant date or the most recent vesting date, as applicable, and the next scheduled vesting date for such portion of the award.

*Treatment upon termination for any reason other than retirement, death or disability (not following a change in control).* All unvested Stock Options and unvested RSUs will be forfeited and canceled pursuant to their terms.

*Treatment upon a change in control.* All active equity compensation plans and programs that provide for additional or accelerated payment or accelerated vesting in connection with a change in the control of the Company, including the ELTIP, require a “double-trigger”. Upon the occurrence of such events, the equity award vests in full.

#### Certain Additional Payments

Unless specified below, each NEO would not be entitled to any additional payments upon termination of his or her employment for any reason or a change in control, except for accelerated vesting under the ELTIP.

- Ms. Nabi is entitled to six months’ notice of a termination of her employment agreement by the Company, or payment in lieu of such notice in an amount equal to the base salary to which she would have been entitled during the notice period, and monthly payments equal to her base salary for a period of six months in consideration of her non-competition and non-solicitation obligations in the event of the termination of her employment agreement.
- Mr. Mercier is entitled to six months’ notice of a termination of his employment agreement by the Company, or payment in lieu of such notice in an amount equal to the base salary to which he would have been entitled during the notice period, and monthly payments equal to his base salary for a period of six months in consideration of his non-competition and non-solicitation obligations in the event of the termination of his employment agreement.
- Ms. Blazewicz is entitled to three months’ notice of a termination of her employment agreement by the Company, or payment in lieu of such notice in an amount equal to the base salary to which she would have been entitled during the notice period, monthly payments equal to her base salary for a period of six months in consideration of her non-competition and non-solicitation obligations in the event of the termination of her employment agreement, and a severance payment equal to her base salary for a period of 12 months.
- Ms. von Bayern is entitled to six months’ notice of a termination of her employment agreement by the Company, or payment in lieu of such notice in an amount equal to the base salary to which she would have been entitled during the notice period, and monthly payments equal to her base salary for a period of 12 months in consideration of her non-competition and non-solicitation obligations in the event of the termination of her employment agreement.
- Mr. von Bretten is entitled to six months’ notice of a termination of his employment agreement by the Company, or payment in lieu of such notice in an amount equal to the base salary to which he would have been entitled during the notice period, and monthly payments equal to his base salary for a period of 12 months in consideration of his non-competition and non-solicitation obligations in the event of the termination of his employment agreement.

#### Effect of Section 409A on Timing of Payments and Equity Awards

Any amounts that are not exempt from Section 409A are subject to the required six-month delay in payment after termination of service if the NEO is a “specified employee” for purposes of Section 409A at the time of termination of employment. Amounts that otherwise would have been paid during the six-month delay will be paid in a lump sum on the first day after the delay period expires.

## Potential Payments in the Event of Termination of Employment at the End of Our Last Fiscal Year

The following table sets forth the estimated incremental payments and benefits that would have been received by each NEO if employment had been terminated or upon a change in control on June 30, 2023. Amounts received due to accelerated vesting of equity awards were calculated using the closing price of our Class A Common Stock as of June 30, 2023, the last trading day of the fiscal year, which was \$12.29. Exchange rates are calculated using the average monthly exchange rate during the fiscal year.

Name		Resignation with Good Reason	Termination without Cause	Termination for Cause	Resignation without Good Reason	Disability, Retirement or Death	Change in Control	Resignation with Good Reason or Termination without Cause after Change in Control <sup>(1)</sup>
<b>Sue Nabi</b>	(2)	\$ 169,583,244	\$ 169,583,244	\$ —	\$ —	\$ 166,034,244	\$ —	\$ 169,583,244
<b>Laurent Mercier</b>	(3)	\$ 790,748	\$ 790,748	\$ —	\$ —	\$ 1,428,786	\$ —	\$ 6,260,424
<b>Kristin Blazewicz</b>	(4)	\$ 1,312,500	\$ 1,312,500	\$ —	\$ —	\$ 5,523,140	\$ —	\$ 13,315,873
<b>Anna von Bayern</b>	(5)	\$ 1,176,319	\$ 1,176,319	\$ —	\$ —	\$ 5,386,959	\$ —	\$ 13,179,691
<b>Gordon von Bretten</b>	(6)	\$ 2,100,000	\$ 2,100,000	\$ —	\$ —	\$ 2,355,587	\$ —	\$ 10,664,631

- (1) Incremental payments represented in this column do not include any payments reported in the column labeled “Change in Control” that the NEO is entitled to receive pursuant to such change in control.
- (2) Reflects Ms. Nabi’s entitlement, in the event that her employment agreement is terminated, (a) to monthly payments equal to her base salary for a period of 12 months in consideration of her non-competition obligations thereunder; (b) an applicable statutory advance notice period (or payment in lieu thereof) and (c) applicable vesting of her unvested equity awards pursuant to the terms of the awards.
- (3) Reflects Mr. Mercier’s entitlement, in the event that his employment agreement is terminated, (a) to monthly payments equal to his base salary for a period of six months in consideration of his non-competition obligations thereunder; (b) an applicable statutory advance notice period (or payment in lieu thereof) and (c) applicable vesting of his unvested equity awards pursuant to the terms of the awards.
- (4) Reflects Ms. Blazewicz’s entitlement, in the event that her employment agreement is terminated, (a) to monthly payments equal to her base salary for a period of six months in consideration of her non-competition obligations thereunder; (b) a severance payment pursuant to her employment agreement equal to her salary for a period of 12 months; (c) an applicable notice period of three months (or payment in lieu thereof) and (d) applicable vesting of her unvested equity awards pursuant to the terms of the awards.
- (5) Reflects Ms. von Bayern’s entitlement, in the event that her employment agreement is terminated, (a) to monthly payments equal to her base salary for a period of 12 months in consideration of her non-competition obligations thereunder; (b) an applicable statutory advance notice period (or payment in lieu thereof) and (c) applicable vesting of her unvested equity awards pursuant to the terms of the awards.
- (6) Reflects Mr. von Bretten’s entitlement, in the event that his employment agreement is terminated, (a) to monthly payments equal to his base salary for a period of 12 months in consideration of his non-competition obligations thereunder; (b) an applicable statutory advance notice period (or payment in lieu thereof) and (c) applicable vesting of his unvested equity awards pursuant to the terms of the awards.

## Chief Executive Officer Pay Ratio

The fiscal year 2023 total compensation of Sue Nabi, who serves as our Chief Executive Officer was \$149,429,486. The fiscal year 2023 total compensation of the Company’s median employee, based on compensation of all our U.S. and non-U.S. employees who were employed as of April 6, 2023, other than Ms. Nabi, was \$39,643. The ratio of the CEO’s total compensation to the median employee’s total compensation (our “Pay Ratio”) in fiscal year 2023 was 3,769 to 1. Excluding the equity awards granted in May 2023, including RSUs that vest over five years, Ms. Nabi’s fiscal year 2023 annualized total compensation would be \$3,554,486 and the pay ratio would be 90 to 1.



To identify our median employee for fiscal year 2023, we used the same approach and methodology we used in 2022, 2021 and 2020 to identify the Company's median employee. We included all full-time, part-time, temporary and seasonal employees in 36 countries globally and did not rely on any of the permitted exemptions under the SEC rules. We utilized annualized total cash received as compiled from our payroll records to identify the median employee. The median employee identified is a different employee from the one identified for fiscal year 2022. The SEC's rules for identifying the median employee and calculating the pay ratio based on that employee's annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions, and to make reasonable estimates and assumptions that reflect their employee populations and compensation practices. As a result, the pay ratio reported by other companies may not be comparable to the Pay Ratio reported above, as other companies have different employee populations and compensation practices and may utilize different methodologies, exclusions, estimates and assumptions in calculating their own pay ratios.

### Pay Versus Performance

The following table and accompanying descriptions set forth information concerning the compensation of our Chief Executive Officer (CEO) and our non-CEO Named Executive Officers (collectively, the "Other NEOs") for each of the fiscal years ending June 30, 2021, 2022 and 2023 and our financial performance of each such fiscal year. For all periods, Sue Nabi served as Chief Executive Officer, and the other NEOs were, Laurent Mercier, Chief Financial Officer; Kristin Blazewicz, Chief Legal Officer, General Counsel; Anna von Bayern, Chief Corporate Affairs Officer; and Gordon von Bretten, Chief Transformation Officer, except that in 2021, Pierre-Andre Terisse also served as Chief Financial Officer for a portion of the year.

As discussed in the Compensation Discussion and Analysis section above, the variable portion of our executive compensation program is tied to long-term stockholder returns through stock-based compensation that vests over many years and changes in the value of these restricted stock awards during a particular fiscal year are driven by stockholder returns in that fiscal year. The Company did not use financial performance measures in setting executive compensation for our CEO and other NEOs during the periods presented.

### Pay Versus Performance Table

Year <sup>(1)</sup>	Summary Compensation Table Total for CEO (\$)	Compensation Actually Paid to CEO (\$) <sup>(2)(3)</sup>	Summary Compensation Table Total for non-CEO NEOs (\$)	Average Compensation Actually Paid to non-CEO NEOs (\$)	Value of Initial Fixed \$100 Investment Based on:		
					Total Stockholder Return (\$) <sup>(5)</sup>	Peer Group Total Stockholder Return (\$) <sup>(6)</sup>	Net Income (\$) <sup>(7)</sup>
Year 1 (Fiscal 2021)	283,791,455 (8)	283,791,455	2,823,173	12,131,881	72.40	174.10	(166,300,000)
Year 2 (Fiscal 2022)	3,557,753	(18,742,247)	3,580,579	2,314,036	63.00	136.70	55,500,000
Year 3 (Fiscal 2023)	149,429,486 (9)	194,979,486	3,469,850	7,144,903	93.40	161.80	495,000,000

(1) The following table shows the CEO and Non-CEO NEOs for each of fiscal 2021, 2022 and 2023:

Year	CEO	Non-CEO NEOs
2021	Sue Nabi	Laurent Mercier, Kristin Blazewicz, Anna von Bayern, Gordon von Bretten, Pierre-Andre Terisse
2022	Sue Nabi	Laurent Mercier, Kristin Blazewicz, Anna von Bayern, Gordon von Bretten
2023	Sue Nabi	Laurent Mercier, Kristin Blazewicz, Anna von Bayern, Gordon von Bretten

(2) The dollar amounts reported represent the amount of "compensation actually paid," as calculated in accordance with SEC rules. The dollar amounts do not reflect the actual amounts of compensation paid to our executives during the applicable year. In accordance with SEC rules, certain adjustments were made to the Summary Compensation Table total compensation to determine the amount of "compensation actually paid," including adding (i) the year-end value of equity awards granted during the reported year, and (ii) the change in the value of equity awards that were unvested at the end of the prior year, measured through the date the awards vested or were forfeited, or through the end of the reported fiscal year. For purposes of calculating "compensation actually paid," the fair value of equity awards is calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (FASB ASC Topic 718) using the same assumption methodologies used to calculate the grant date fair value of awards for purposes of the Summary Compensation Table.

(3) The following table shows the amounts deducted from and added to the Summary Compensation Table total compensation to calculate “compensation actually paid” to Ms. Nabi.

<b>CEO Compensation Actually Paid</b>	2021	2022	2023
Summary Compensation Table Total Compensation	\$ 283,791,455	\$ 3,557,753	\$ 149,429,486
(Minus) Grant Date Fair Value of Awards Granted During the Year	\$ (280,200,000)	\$ —	\$ (145,875,000)
Plus Fair Value as of Year-End or (if applicable) Vest Date of Equity Awards Granted during the Year	\$ 280,200,000	\$ —	\$ 153,625,000
Plus (Minus) Change from Prior Year-End in Fair Value of Awards That Vested During the Year	\$ —	\$ 4,300,000	\$ (5,000,000)
Plus (Minus) Year-over-Year Change in Fair Value of Unvested Awards Granted in Prior Years	\$ —	\$ (26,600,000)	\$ 42,800,000
<b>Compensation Actually Paid</b>	<b>\$ 283,791,455</b>	<b>\$ (18,742,247)</b>	<b>\$ 194,979,486</b>

(4) The following table shows the amounts deducted from and added to the average Summary Compensation Table total compensation to calculate the average “compensation actually paid” to our Non-CEO NEOs.

<b>Non-CEO NEO Compensation Actually Paid</b>	2021	2022	2023
Summary Compensation Table Total Compensation	\$ 2,823,173	\$ 3,580,579	\$ 3,469,850
(Minus) Grant Date Fair Value of Awards Granted During the Year	\$ (2,099,998)	\$ (2,458,323)	\$ (2,494,055)
Plus Fair Value as of Year-End or (if applicable) Vest Date of Equity Awards Granted during the Year	\$ 6,110,275	\$ 2,539,390	\$ 4,630,202
Plus (Minus) Change from Prior Year-End in Fair Value of Awards That Vested During the Year	\$ 874,799	\$ (401,054)	\$ 160,578
Plus (Minus) Year-over-Year Change in Fair Value of Unvested Awards Granted in Prior Years	\$ 4,423,632	\$ (946,557)	\$ 1,699,484
<b>Compensation Actually Paid</b>	<b>\$ 12,131,881</b>	<b>\$ 2,314,036</b>	<b>\$ 7,144,903</b>

(5) Pursuant to SEC Rules, the total shareholder return (TSR) figures assume an initial investment of \$100. The TSR is cumulative for the measurement periods beginning on June 30, 2020 and ending on each of June 30, 2021, 2022 and 2023, respectively, calculated in accordance with Item 201(e) of Regulation S-K. and the TSR of the S&P 500 Index over the same periods.

(6) The peer TSR reflects the TSR of the S&P 500 Index and the peer group reported in the Company’s Stock Performance Graph in the 2023 Annual Report on Form 10-K. The Peer Group includes L’Oréal S.A., Inc., Estée Lauder Companies, Inc., Beiersdorf AG, Shiseido Company, Limited and Inter Parfums Inc. (the “Peer Group”). We added Beiersdorf AG to our Form 10-K peer group to replace Revlon, Inc. following its delisting from the New York Stock Exchange. The returns of each company in the Peer Group have been weighted according to their respective stock market capitalization at the beginning of the measurement period for purposes of arriving at a Peer Group average.

(7) Consistent with SEC guidance, no additional performance measures are shown because, as discussed in the Compensation Discussion and Analysis, the Company does not use any financial performance measures to link executive compensation to company performance since our executives’ compensation is tied directly to the creation of shareholder value, as reflected by changes in our total shareholder return.

(8) On June 30, 2021, Ms. Nabi was granted a one-time sign-on award of 30,000,000 RSUs under the Company’s ELTIP. The award vests and settled in 10,000,000 shares of the Company’s Class A Common Stock on each vesting date of August 31, 2021, August 31, 2022 and August 31, 2023.

(9) On May 4, 2023 the Company granted Ms. Nabi a one-time award of 10,416,667 RSUs, which will vest and settle in shares of the Company’s Class A Common Stock over five years on the following vesting schedule: (i) 15% of the RSU Award on September 1, 2024, (ii) 15% of the RSU Award on September 1, 2025, (iii) 20% of the RSU Award on September 1, 2026, (iv) 20% of the RSU Award on September 1, 2027; and (v) 30% of the RSU Award on September 1, 2028, in each case subject to Ms. Nabi’s continued employment through the applicable vesting date. In addition, on May 4, 2023, pursuant to the terms of the new arrangement the Company also granted Ms. Nabi an award of 2,083,333 PRSUs, which will fully vest on September 1, 2026 subject to the achievement of three-year performance objectives to be determined by the Board and subject to Ms. Nabi’s continued employment.

### **Total Compensation Actually Paid**

The fair value of all equity awards is based on the closing price of our common stock on the vesting or valuation date (or the preceding trading day if such date was not a trading day). The dollar amounts in the total column of the Summary Compensation Table and the Pay Versus Performance Table reflect the grant date fair values with respect

restricted stock awards granted during the respective fiscal year. Those amounts may vary significantly year over year due to factors such as stock price volatility, as was the case for the years presented here.

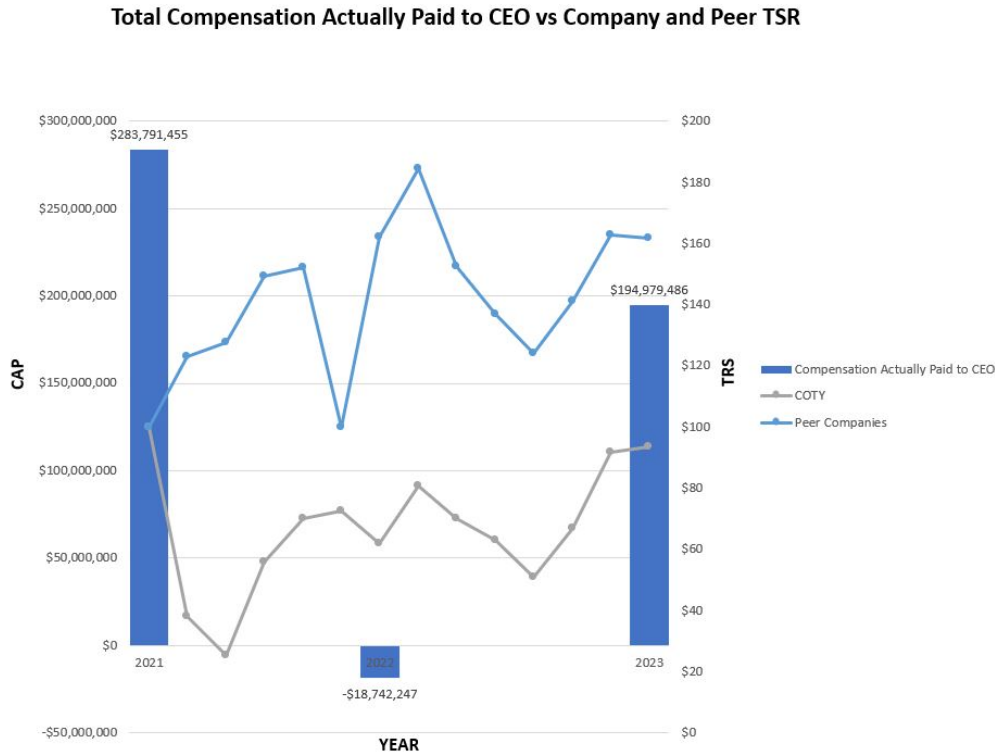
Most Important Financial Measures

As noted above, the variable portion of our executive compensation program is tied to long-term stockholder returns through stock-based compensation that vests over many years. The Company believes that this emphasis on stock-based compensation is appropriate as the NEOs have the greatest role in establishing the Company’s direction and therefore should have the greatest proportion of their compensation aligned with the long-term interests of stockholders. Changes in the value of these restricted stock awards during a particular fiscal year are driven by stockholder returns in that fiscal year. Our executives’ compensation is negatively impacted if our stock price is flat or declines and is favorably impacted if the stock price increases and performs favorably. As a result, our share price performance significantly affects Compensation Actually Paid. The amounts actually realized under these awards will depend on and align directly with our future stock price performance over the terms of the awards. Since our executives’ compensation is tied directly to the creation of shareholder value, we did not use financial performance measures in setting executive compensation for our CEO and other NEOs during the periods presented.

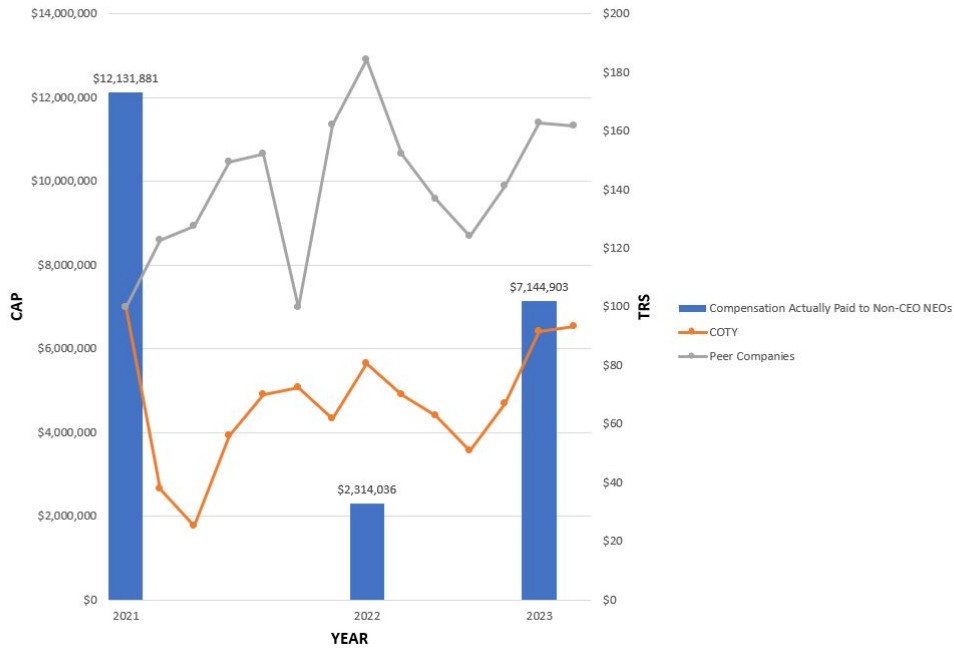
Relationship Between Pay and Performance

Similarly, as shown in the graphic below, the change in the fair value of restricted stock unit awards held by our NEOs closely aligns with year-over-year changes in our TSR. Restricted stock unit awards that are granted during the year based on considerations described in each year’s Compensation Discussion and Analysis are the other primary element affecting Compensation Actually Paid. The amounts actually realized under these awards will depend on and align directly with our future stock price performance over the terms of the awards.

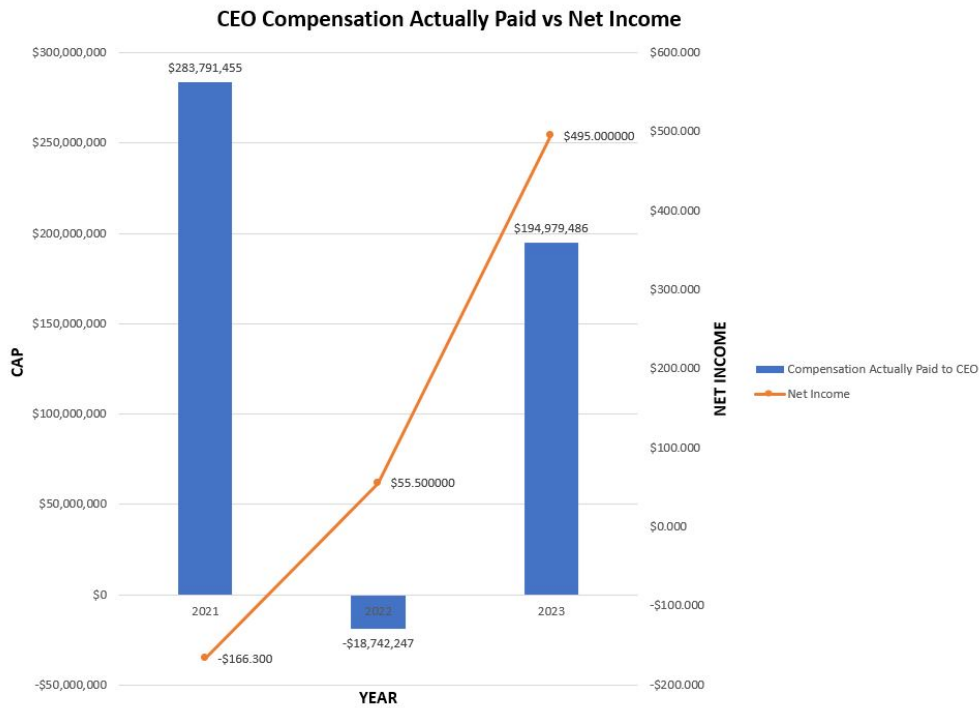
CAP vs. Total Shareholder Return



**Total Compensation Actually Paid to Non-CEO NEO's vs Company and Peer TSR**



**CEO CAP vs. Net Income**



### PROPOSAL NO. 3

#### RATIFICATION OF APPOINTMENT OF DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The AFC has the sole authority to appoint, retain or terminate our independent registered public accounting firm and to approve the compensation of our independent registered public accounting firm. The AFC has retained Deloitte to serve as our independent registered public accounting firm for the fiscal year ending June 30, 2024 to audit our consolidated financial statements. Deloitte has audited our financial statements each fiscal year since 1995.

The AFC monitors the independence and performance of our independent registered public accounting firm and internal audit department. By engaging in this process, the AFC is able to evaluate the quality and efficiency of the services provided by the auditor, in addition to the auditor's technical expertise and knowledge of our operations and industry. The AFC and management consider Deloitte to be well qualified and strongly believe the continued retention of Deloitte is in our best interest and the best interests of our stockholders.

As a matter of corporate governance, the AFC submits its selection of Deloitte as our independent registered public accounting firm for the year ending June 30, 2024 to the stockholders for ratification. In the event that the stockholders should not ratify the appointment of Deloitte, the AFC will reconsider the appointment.

One or more representatives of Deloitte will be present at the Annual Meeting. The representatives will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

**Proposal:** Ratification of the appointment of Deloitte as our independent registered public accounting firm for the fiscal year ending June 30, 2024.

**Recommendation:** The Board recommends a vote **FOR** the proposal to ratify the appointment of Deloitte as our independent registered public accounting firm for the fiscal year ending June 30, 2024.

**Vote Required:** Ratification of the appointment of our independent registered public accounting firm requires the affirmative vote of a majority of the votes cast.

#### AUDIT FEES AND OTHER FEES

The following table shows the fees we paid (or will pay) for audit and other services provided by Deloitte for fiscal year 2023 and 2022:

Fee Type	Fiscal Year 2023 (in thousands)	Fiscal Year 2022 (in thousands)
Audit Fees <sup>(1)</sup>	\$ 8,480	\$ 8,913
Audit-Related Fees <sup>(2)</sup>	226	157
Tax Fees <sup>(3)</sup>	1,393	1,201
All Other Fees <sup>(4)</sup>	79	—
<b>Total</b>	<b>\$ 10,178</b>	<b>\$ 10,271</b>

(1) This category represents the fees associated with the annual audit, the audit of internal control over financial reporting, international statutory audit requirements and regulatory filings.

(2) This category includes fees paid for professional services associated with support related to certifications performed for statutory requirements.

(3) For 2023 and 2022, this category represents the fees for tax compliance and compliance related advisory services.

(4) This category represents all other fees that are not included in the above categories, and represents fees paid for an assessment of marketing spending effectiveness.

#### Pre-Approval Policies and Procedures

In accordance with the rules promulgated by the Sarbanes-Oxley Act of 2002 and the Public Company Accounting Oversight Board, the AFC pre-approves all services, audit and non-audit, provided to the Company by its independent registered public accounting firm.

The AFC has adopted a policy for the pre-approval of services provided by Deloitte. For each proposed service, Deloitte is required to provide detailed supporting documentation in advance of the pre-approval to permit the AFC to make an appropriate determination as to whether the provision of such services would impair auditor independence. Pursuant to this policy, the AFC has delegated to the AFC chair pre-approval authority subject to specified limits.

All services performed by Deloitte as our independent registered public accounting firm for fiscal year 2023 and 2022 were pre-approved by the AFC.

#### **AUDIT AND FINANCE COMMITTEE REPORT**

The following report summarizes the AFC's actions during fiscal year 2023. This report shall not be deemed to be incorporated by reference by any general statement incorporating the Proxy Statement by reference into any filing under the Exchange Act or the Securities Act, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such acts.

In accordance with its written charter, the AFC assists the Board by overseeing and monitoring:

1. the integrity of the Company's financial statements;
2. the Company's compliance with legal and regulatory requirements;
3. the independent registered public accounting firm's qualifications, independence and performance; and
4. the performance of the Company's internal control function and its system of internal and disclosure controls.

The members of the AFC meet the applicable independence and experience requirements of the SEC and the NYSE and the standards for determining a director's independence adopted by the Board.

During fiscal year 2023, the AFC met nine times.

The AFC reviewed and discussed the audited financial statements of the Company as of and for the fiscal year ended June 30, 2023 with management and Deloitte, the Company's independent registered public accounting firm. Management is responsible for the preparation of the Company's financial statements, and the independent registered public accounting firm is responsible for conducting an audit of such financial statements.

The AFC has received from the independent registered public accounting firm the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the AFC concerning independence, has discussed the independence of the independent registered public accounting firm with the independent registered public accounting firm and has satisfied itself as to the independent registered public accounting firm's independence.

The AFC reviewed with the independent registered public accounting firm its audit plans, audit scope and identification of audit risks. The AFC also discussed with management and the independent registered public accounting firm the quality and adequacy of the Company's internal control function and its system of internal and disclosure controls.

The AFC discussed and reviewed with the independent registered public accounting firm all communications required by SEC regulations and by the standards of the Public Company Accounting Oversight Board and, with and without management present, discussed and reviewed the results of the independent registered public accounting firm's examination of the financial statements. The AFC discussed, reviewed and monitored the Company's plans and activities related to compliance with Section 404 of the Sarbanes-Oxley Act of 2002 on a regular basis.

Based on the above-mentioned reviews and discussions with management and the independent registered public accounting firm, the AFC recommended to the Board that the Company's audited financial statements be included

in its Annual Report on Form 10-K for the fiscal year ended June 30, 2023 for filing with the SEC. The AFC also recommended the appointment of the independent registered public accounting firm.

*The Audit and Finance Committee of the Board of Directors*

Robert Singer, Chair

Isabelle Parize

Johannes Huth

**Proposal No. 4: Stockholder Proposal Regarding a Report on Plastic Packaging Reduction**

We have been advised that As You Sow on behalf of the Warren Wilson College or an appointed representative, will present the following proposal for consideration during the 2023 Annual Shareholders' Meeting. This proposal and supporting statement are quoted verbatim below and Coty Inc. is not responsible for any inaccuracies contained in them. We will promptly provide the shareholder proponent's name, address, and, to our knowledge, share ownership upon a shareholder's oral or written request given to our Corporate Secretary at Coty Inc., 350 Fifth Avenue, New York, New York 10118.

**“WHEREAS:** The growing plastic pollution crisis poses increasing risks to Coty Inc. Corporations could face an annual financial risk of approximately \$100 billion should governments require them to cover the waste management costs of the packaging they produce.<sup>1</sup> New laws to this effect were recently passed in Maine, Oregon, Colorado, and California,<sup>2</sup> while the European Union has enacted a \$1 per kilogram tax on all non-recycled plastic packaging waste.<sup>3</sup>

The Pew Charitable Trusts' groundbreaking *Breaking the Plastic Wave* report (“Pew Report”) concludes that improved recycling is insufficient; at least one-third of overall plastic use must be eliminated to stem the global plastic pollution crisis. It finds that plastic use reduction is the most viable solution from environmental, economic, and social perspectives. Without immediate and sustained new commitments, annual flows of plastics into oceans could nearly triple by 2040.<sup>4</sup>

Coty has fallen behind its peers in plastic packaging reductions, earning an “F” in a 2021 Corporate Plastic Pollution Scorecard.<sup>5</sup> Coty is also notably absent from the Ellen MacArthur Foundation's Global Commitment to reduce plastic pollution. Signatories have committed to reduce their virgin plastic use by an average of 20% by 2025.<sup>6</sup> While our Company has some packaging sustainability goals, none focus directly on plastic and its specific risks.<sup>7</sup>

Competitors L'Oreal and L'Occitane are Global Commitment signatories and have set goals to reduce virgin plastic packaging use by 33% and 15%, respectively.<sup>8</sup> At least sixty other consumer goods and retail companies have adopted goals to reduce use of virgin plastic packaging, and the majority have already reduced their use of plastic packaging over a 2018 baseline.<sup>9</sup>

Further, all Global Commitment signatories have committed to move towards reusable packaging. L'Occitane uses more than 16% reusable packaging and will implement reuse models at 95% of its retail stores by 2025.<sup>10</sup> Coty does not have a quantifiable, timebound goal to substitute its single-use packages for reusables, nor a plastic reduction goal.

Coty could avoid regulatory, environmental, and financial risks by undertaking new commitments to reduce its plastic use.

**RESOLVED:** Shareholders request that the Board issue a report, at reasonable expense and excluding proprietary information, describing how the Company could reduce its plastics use in alignment with the one-third reduction findings of the Pew Report, or other authoritative sources, to reduce its contribution to ocean plastic pollution.

**SUPPORTING STATEMENT:** The report should, at Board discretion:

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<sup>1</sup> [https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave\\_report.pdf](https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf)

2 <https://www.packworld.com/news/sustainability/article/22419036/four-states-enact-packaging-epr-laws>  
3 [https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/2021-2027/revenue/ownresources/plastics-own-resource\\_en](https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/2021-2027/revenue/ownresources/plastics-own-resource_en)  
4 [https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave\\_report.pdf](https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf)  
5 <https://www.asyousow.org/report-page/plastic-pollution-scorecard-2021/>  
6 <https://emf.thirdlight.com/link/f6oxost9xeso-nsjoqe/@/#id=>  
7 <https://assets.contentstack.io/v3/assets/blted39bd312054daca/blt3750dde78a818f79/637374c32f1aba10d25a6552/COTYSustainabilityReport FY22-Final.pdf>  
8 [https://gc-22.emf.org/ppu/?\\_gl=1\\*1dfyllj\\*\\_ga\\*MzM0MDA1MDk0LjE2Nzk0MzMxNTk.\\*\\_ga\\_V32N675KJX\\*MTY4MzgXNjU2Mi45LjAuMTY4MzgXNjU2Mi42MC4wLjA](https://gc-22.emf.org/ppu/?_gl=1*1dfyllj*_ga*MzM0MDA1MDk0LjE2Nzk0MzMxNTk.*_ga_V32N675KJX*MTY4MzgXNjU2Mi45LjAuMTY4MzgXNjU2Mi42MC4wLjA)  
9 <https://emf.thirdlight.com/link/f6oxost9xeso-nsjoqe/@/#id=2>  
10 <https://gc-22.emf.org/detail-ppu?cid=L%27OCCITANE+>

- Assess the reputational, financial, and operational risks associated with continuing to use substantial amounts of single-use plastic packaging while plastic pollution grows;
- Evaluate dramatically reducing the amount of plastic used in our packaging through transitioning to reusables; and
- Describe how the Company can further reduce single-use packaging, including any planned reduction strategies or goals, materials redesign, substitution, or reductions in virgin plastic use”

### Statement in Opposition to Stockholder Proposal

Our Board of Directors unanimously recommends that stockholders vote **AGAINST** this proposal. We recognize that conserving and protecting the natural environment is a vital part of our responsibility as a business. We are committed to minimizing the environmental impact of our operations and preserving resources for generations to come.

Our packaging is key to transporting our products, protecting our formulas, and engaging with and informing consumers at the point of sale. Importantly, it is also a significant contributor to our environmental footprint, accounting for approximately a third of our total carbon footprint. Reducing the amount of packaging we use across our portfolio is a major lever to targets lowering our environmental impact.

In fiscal 2022, we made considerable progress towards our environmental impact goals by developing our new packaging strategy and associated targets, following our environmental footprint study completed in 2021, which is now being implemented across our business and brands.

As part of this packaging strategy, Coty has launched new packaging targets as a key driver in reducing the company’s carbon footprint:

- Across Coty, an average of a 20% reduction in packaging by 2030, measured by gram per milliliter of product manufactured.
  - Target is set against Coty’s 2019 calendar year baseline.
  - Decreasing the weight of packaging and reduce unnecessary packaging, whilst ensuring that safety and performance is not compromised.
- 30% post-consumer recycled materials (PCR) by 2030
  - Increasing our use of recycled content, including plastic and other materials we use such as glass and carton.
- 100% FSC or PEFC-certified folding box boards by 2025
  - Preserving forest resources through purchasing certified materials.

These targets will be a key driver in reducing our carbon footprint. Given our diverse packaging mix, plastics are not necessarily our biggest impact here. However, we recognize the need to and actively investigate many options to reduce all environmental impacts. Therefore, Coty’s sustainable packaging commitments include the following components:

- Reusable or refillable packaging
  - Increasing the proportion of reusable solutions versus single-use across our packaging portfolio.
  - Prioritizing the development of refillable options for our fragrance and body care products.
  - The ambition to ultimately develop reusable solutions for each product category.



- In fiscal year 2022, we introduced our first refillable body care solutions (Adidas Active Skin & Mind shower gels) featuring more than an 18% packaging weight reduction vs. the brand's original baseline body care range. The bottle is made from 99.8% PCR, and the cap is 48% PCR.
- Recyclability
  - Improving the recycling profile of our packaging by reducing the presence of disruptors.
  - Using existing recycling streams wherever possible.
- Partnership with Sustainable Packaging Initiative for Cosmetics (SPICE)
  - Since 2020, Coty has deployed the SPICE Life Cycle Assessment Tool for embedding sustainability into the packaging design process and supporting decision-making.

Across our facilities we are continuously looking for opportunities to reduce the waste we produce. This includes not only reducing wasted raw materials, but also eliminating unnecessary packaging.

- Waste Commitments
  - In fiscal year 2022, we reached our goal of sending zero waste to landfill from our factories and distribution centers.
  - Recycling goal of 80% by 2030. In fiscal year 2022, we achieved a recycling rate of over 70%.
  - Introducing new packaging methods for inbound materials that use bulk, rather than individual packaging, that minimizes unnecessary plastic, cardboard and foam, with the potential to prevent approximately 45 metric tons of waste each year.

We continue to evaluate and implement opportunities to reduce plastic use in our product packaging. Given the above progress of our sustainable packaging strategy including detailed reporting available in Coty's 2022 Sustainability Report ([www.coty.com/sustainability](http://www.coty.com/sustainability)), we don't believe additional reporting on packaging and plastics use is necessary at this time. Additional information about Coty's packaging and waste strategy can be found on Coty's website at [coty.com/sustainability](http://coty.com/sustainability).

**For the foregoing reasons, we recommend you vote AGAINST this proposal.**

#### **STOCKHOLDER PROPOSALS AND DIRECTOR NOMINATIONS AND DIRECTOR NOMINATIONS FOR THE 2024 ANNUAL MEETING**

In accordance with Rule 14a-8 under the Exchange Act, as amended ("Rule 14a-8"), proposals to be considered for inclusion in our proxy statement for the 2024 Annual Meeting of Stockholders pursuant to Rule 14a-8 must be received by us at our principal executive offices on or before May 24, 2024. Proposals must comply with the procedures and requirements set forth in Rule 14a-8 and will not be effective otherwise.

In accordance with our Bylaws, director nominations and other business to be brought before the 2024 Annual Meeting by a stockholder, other than proposals pursuant to Rule 14a-8, must be received in writing by us at our principal executive offices located at 350 Fifth Avenue, New York, New York 10118, no earlier than the close of business on July 6, 2024 and no later than the close of business on August 4, 2024. Proposals must comply with the procedures and requirements set forth in our Bylaws. In addition, if a stockholder submits a proposal outside of Rule 14a-8 for the 2024 Annual Meeting of Stockholders and the proposal fails to comply with the advance notice procedures set forth in our Bylaws, our proxy confers discretionary authority on the persons being appointed as proxies on behalf of our Board to vote on the proposal.

In addition to satisfying the foregoing requirements under our Bylaws, to comply with the universal proxy rules, stockholders who intend to solicit proxies in support of director nominees other than management's nominees must provide notice by the same deadlines as disclosed above which are set forth in our Bylaws and such notice must include the information in the notice required by our Bylaws and by Rule 14a-19 under the Exchange Act.

Proposals should be submitted in writing to Corporate Secretary, Coty Inc., 350 Fifth Avenue, New York, New York 10118.

#### **OTHER MATTERS**

As of the date of this Proxy Statement, we do not know of any other matters that may be presented for consideration at the Annual Meeting other than the items set forth in the notice of Annual Meeting above. If any other matter is properly brought before the Annual Meeting for action by stockholders, proxies in the enclosed form returned to us will be voted in accordance with the recommendation of our Board, in absence of such a recommendation, in accordance with the judgment of the proxy holder.

By order of the Board of Directors,

A handwritten signature in black ink, appearing to read "Kristin Blazewicz", with a stylized, flowing script.

Kristin Blazewicz  
Chief Legal Officer, General Counsel and Secretary

# COTY

COTY INC.  
350 FIFTH AVENUE  
NEW YORK, NY 10118



**SCAN TO**  
VIEW MATERIALS & VOTE



#### VOTE BY INTERNET

*Before The Meeting* - Go to [www.proxyvote.com](http://www.proxyvote.com) or scan the QR Barcode above

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

*During The Meeting* - Go to [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023)

You may attend the meeting via the Internet and vote during the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

#### VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

#### VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

V22939-P96898

KEEP THIS PORTION FOR YOUR RECORDS

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

DETACH AND RETURN THIS PORTION ONLY

#### COTY INC.

The Board of Directors recommends a vote **FOR** all nominees, **FOR** proposals 2 and 3, and **AGAINST** proposal 4.

##### 1. Election of Directors

###### Nominees:

1a. Beatrice Ballini

For

Withhold

☐

☐

1b. Joachim Creus

☐

☐

1c. Olivier Goudet

☐

☐

1d. Peter Harf

☐

☐

1e. Johannes P. Huth

☐

☐

1f. Mariasun Aramburuzabala Larregui

☐

☐

1g. Anna Adeola Makanju

☐

☐

1h. Sue Y. Nabi

☐

☐

1i. Isabelle Parize

☐

☐

1j. Lubomira Rochet

☐

☐

1k. Robert Singer

☐

☐

2. Approval, on an advisory (non-binding) basis, of the compensation of Coty Inc.'s named executive officers, as disclosed in the proxy statement

For

Against

Abstain

☐

☐

☐

3. Ratification of the appointment of Deloitte & Touche LLP to serve as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2024

☐

☐

☐

4. Stockholder proposal regarding a report on plastic packaging reduction

☐

☐

☐

**NOTE:** Such other business as may properly come before the meeting or any adjournment thereof.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX] Date

Signature (Joint Owners) Date

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:**  
The Notice and Proxy Statement, Form 10-K and the Proxy Card are available at [www.proxyvote.com](http://www.proxyvote.com).

V22940-P96898

**COTY INC.  
Annual Meeting of Stockholders  
November 2, 2023 8:30 A.M., ET  
This proxy is solicited by the Board of Directors**

The stockholder(s) hereby appoint(s) Kristin Blazewicz and Sue Y. Nabi, or either of them, as proxies, each with the power to appoint her substitute, and hereby authorize(s) them to represent and to vote, as designated on the reverse side of this ballot, all of the shares of Class A Common Stock including shares of Series B Convertible Preferred Stock as-converted into Class A Common Stock of COTY INC. that the stockholder(s) is/are entitled to vote at the Annual Meeting of Stockholders to be held at 8:30 A.M., ET on November 2, 2023, at [www.virtualshareholdermeeting.com/coty2023](http://www.virtualshareholdermeeting.com/coty2023), and any adjournment or postponement thereof.

**THIS PROXY WILL BE VOTED FOR EACH OF THE ELEVEN DIRECTOR NOMINEES FOR ELECTION, FOR PROPOSALS 2 AND 3, AND AGAINST PROPOSAL 4, AND IN THE SOLE DISCRETION OF THE PROXIES ON SUCH MATTERS AS MAY PROPERLY COME BEFORE THE ANNUAL MEETING OF STOCKHOLDERS.**

Continued and to be signed on reverse side

## THE COMPANY

**Coty Inc.**  
350 Fifth Avenue  
New York, New York, 10118  
U.S.A.

## LISTING AGENTS IN CONNECTION WITH THE ADMISSION TO LISTING AND TRADING OF THE CLASS A COMMON STOCK ON THE PROFESSIONAL SEGMENT OF Euronext Paris

**Banco Santander, S.A.**  
Paseo de Pereda 9-12  
39004 Santander  
Spain

**BNP Paribas**  
16 Boulevard des Italiens  
75009 Paris  
France

**Citigroup Global Markets  
Europe AG**  
Reuterweg 16, 60323  
Frankfurt am Main,  
Germany

**Crédit Agricole CIB**  
12 Place des États Unis  
92547 Montrouge  
France

## JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS IN THE GLOBAL OFFERING

**Banco  
Santander, S.A.**  
Paseo de Pereda  
9-12  
39004 Santander  
Spain

**BNP Paribas**  
16 Boulevard  
des Italiens  
75009 Paris  
France

**Citigroup Global  
Markets Europe AG**  
Reuterweg 16,  
60323  
Frankfurt am Main,  
Germany

**Citigroup Global  
Markets Inc.**  
388 Greenwich  
Street,  
New York, New York  
10013

**Crédit Agricole CIB**  
12 Place des États  
Unis  
92547 Montrouge  
France

## LEGAL ADVISORS TO THE COMPANY

*as to French law*  
BDGS Associés A.A.R.P.I.  
51 rue François 1<sup>er</sup>  
75008 Paris  
France

*as to Swiss law*  
Bär & Karrer AG  
Brandschenkestrasse 90  
Zurich  
Switzerland

*as to U.S. and English law*  
Skadden, Arps, Slate, Meagher & Flom LLP  
One Manhattan West  
395 9th Ave, New York, New York  
U.S.A.

*as to Canadian law*  
Borden Ladner Gervais LLP  
1000, rue De La Gauchetière Ouest  
Suite 900  
H3B 5H4 Montréal, Québec,  
Canada

**LEGAL ADVISORS TO THE LISTING AGENTS, THE JOINT GLOBAL COORDINATORS AND THE  
JOINT BOOKRUNNERS**

*As to French and U.S. law*  
Cleary Gottlieb Steen & Hamilton LLP  
12, rue de Tilsitt  
75008 Paris  
France

**STATUTORY AUDITOR OF THE COMPANY**

Deloitte & Touche LLP  
30 Rockefeller Plaza  
New York, New York, 10112  
U.S.A.