



DIGITAL AND E-COMMERCE

Jean Denis Mariani, Chief Digital Officer

COTY

THERE IS NO DIGITAL STRATEGY ANYMORE, JUST STRATEGY IN A DIGITAL WORLD

“SOCIAL COMMERCE

is the new e-commerce”

“EXPERIENCE

is the key differentiator”

“AUTHENTICITY

is the core value’

“SERVICES

are the new cookies’

“VIDEO

is over passing picture’

“DATA

is a strategic asset”

“ADVOCACY

is a growth engine”

“DISRUPTION

is everywhere”

“SELF EXPRESSION

is the new creative’

“DISTINCTIVENESS

is the winning recipe”

PUT THE CUSTOMER FIRST AND AT THE CENTER OF EVERYTHING

COTY'S CUSTOMER-CENTRICITY IS AS MUCH A STRATEGY AS A CULTURE

1

A FULLY **CONSUMER & DATA CENTRIC ORGANIZATION**

2

A STRONG FOCUS PUT ON **AGILITY AND TEST & LEARN METHODS**

3

THE CHANCE TO WORK WITH **PARTNERS & ICONIC FASHION HOUSES** THAT CONSTITUTE STRONG ASSETS TO **CREATE FUTURE VALUE**



A woman with dark hair and a tattoo on her left forearm is leaning on a black surface, looking directly at the camera. She is wearing a dark, strapless top. In the background, a person with blonde hair is visible, looking down. The scene is dimly lit with warm, golden light.

IN LESS THAN
1 YEAR...

COTY

WE BUILT A DIGITAL ORGANIZATION WITH 8 CENTERS OF EXCELLENCE

8 CENTERS OF EXPERTISE TO ACCELERATE OUR TRANSFORMATION

CONNECTED MULTIFUNCTIONALLY ON
GLOBAL, REGIONAL & LOCAL LEVEL

**CONTENT
PRODUCTION**

**DIRECT
ECOMMERCE**

**INDIRECT
ECOMMERCE**

**DIGITAL
N. AMERICA**

**INNOVATION
& BEAUTY TECH**

**MEDIA &
PERFORMANCE**

**SOCIAL COMMERCE,
CRM & ADVOCACY**

**DIGITAL
IT FACTORY**

COLLABORATING CLOSELY WITH PARTNERS:
FASHION HOUSES, RETAILERS, AGENCIES

WE KICKED OFF A ROBUST AND AGILE TRANSFORMATION PROGRAM

THROUGH 5 FAMILIES OF PRIORITIES TO FULLY UNLEASH OUR POTENTIAL

Lead **digital acceleration as a change agent**, injecting new ways of working & digital upskilling for all our employees

Capitalizing on etail & pure players partnerships, unique D2C brands, social commerce and China potential



Put Data at the **core of our marketing strategy** to build more personalized interactions and achieve better media efficiency

Thanks to better consumer knowledge, best in class content, innovative experiences and advocacy strategy

To fully improve our **consumer experience** and support our **omnichannel & Data ambition**

WE DELIVERED AGAINST ALL PRIORITIES & SECURED OUR TURN AROUND

ESTABLISHED SOLID CAPABILITIES TO ACCELERATE DRASTICALLY IN THE 3 COMING YEARS

GROWTH DRIVERS		FY22/23	FY24/25
E-BUSINESS POTENTIAL UNLOCKING	Anchor our strong e-position in US	●	●
	Boost our China ecommerce presence and growth	●	●
	Maximize the potential of Kylie & Kim D2C brands	●	●
	Expand D2C footprint, focusing on skincare brands	●	●
	Embrace Social Commerce & Live streaming	●	●
LOVE BRAND BUILDING	Build strong consumer knowledge	●	●
	Put Innovative Content at the core of our model	●	●
	Build advocacy program	●	●
	Launch differentiating innovative services	●	●
BEST IN CLASS DIGITAL TECHNOLOGIES	Build a best-in-class omnichannel IT eco-system	●	●
	Set-up advanced Data capabilities	●	●
DATA DRIVEN MARKETING	Deploy a data driven marketing model	●	●
	Build a single view group data platform	●	●
DIGITAL TRANSFORMATION MOMENTUM	Inject new ways of working and ideation process	●	●
	Secure the digital upskilling of our employees	●	●

DEMONSTRATED IN OUR FY21 & 1Q22 RESULTS

A TOP PRIORITY FOR NEW LEADERSHIP TEAM

E-commerce margins are **nicely accretive**

	Q1 FY22 YoY	Q1 FY22 % OF REVENUES	PENETRATION VS. FY20
PRESTIGE	+21% YoY	21%	1.5X
CONSUMER BEAUTY	+27% YoY	9%	2.3X
COTY	+23% YoY	16%	1.7X

FUELED BY OUR GROWTH PILLARS, US & CHINA

STRONG RESULTS IN BOTH DIVISIONS & TOP VOLUME MARKETS

PRESTIGE

Q1 FY22 E-COM
MARKET
GROWTH

Q1 FY22 E-COM
PENETRATION
RATE



>70%

~40%



>25%

~20%

CONSUMER BEAUTY

Q1 FY22 E-COM
MARKET
GROWTH

Q1 FY22 E-COM
PENETRATION
RATE



>45%

~60%



>25%

~10%

CHINA: ACCELERATED WITH TMALL FLAGSHIP, JD & DOUYIN

TMALL 天猫 GUCCI beauty
FEBRUARY 2021



TOP 10 Fragrance brand during period 618

COTY

TMALL 天猫 BURBERRY
JULY 2020



No 1 Cushion & No 3 Lips on 618 day
No 3 Men Fragrance CN V-day

京东 ADIDAS
MARCH 2018



TOP 8 Brand shower gel category Q1

抖音 MAX FACTOR
JUNE 2021



TOP 6 Brand face compact pressed powder category Sep

COVERGIRL DESIRABILITY EVIDENT ACROSS ONLINE PLATFORMS

LAST MILE EXPANSION

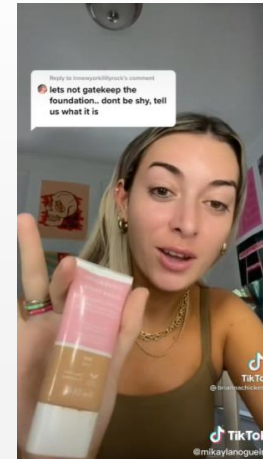
**#1 category lead & top 5
in all brands (Gopuff)**



VIRAL SOCIAL COMMERCE

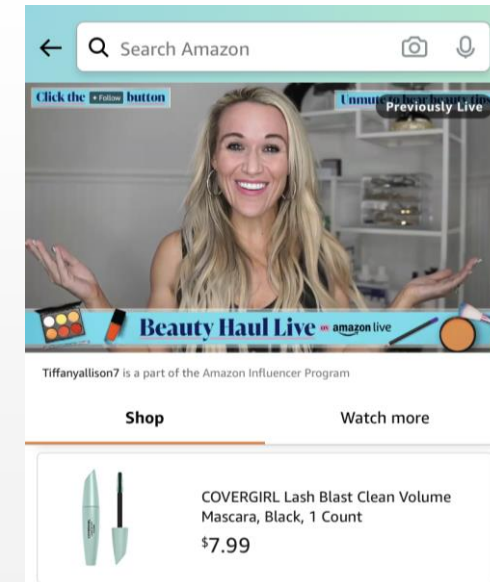
**3x sales growth in
omni channel**

A CoverGirl foundation is selling out after sales skyrocketed 269% in a single week, and Wall Street analysts say 2 TikTok videos are driving its popularity



AMAZON SHARE GAINS

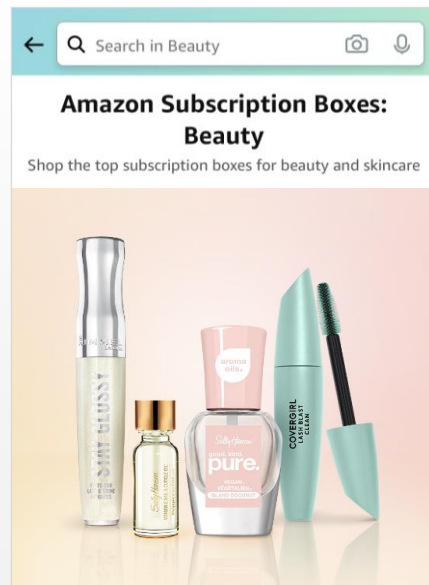
**Consistent share gain L26W,
outperforming key peers**



WE ARE LEADING ON KEY DIGITAL TRENDS OF THE MARKET

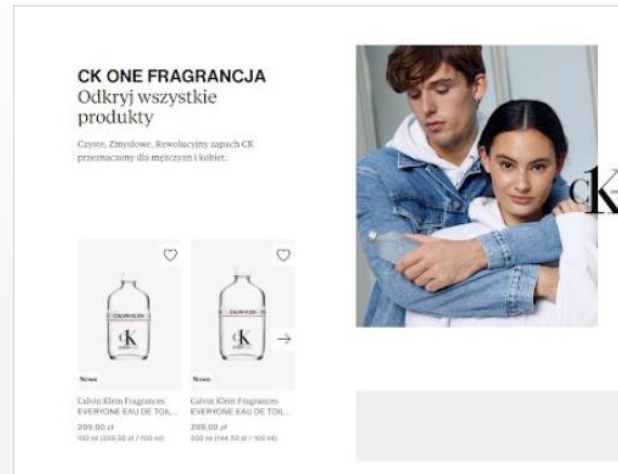
CLEAN BEAUTY

**1st in category to launch
Subscription Box with
Clean Beauty**



FASHION INTEGRATIONS

**Unique 'Shop The Look'
concepts to cross sell
in fashion & beauty**



TRAVEL RETAIL DATA

**Connecting all touchpoints
via Customer Data Platform**





**A UNIQUE
POSITIONING TO
BUILD KEY
DIFFERENTIATORS**

COTY

ACT AS INDUSTRY CAPTAIN & BUILD OUR BRANDS IN 4 STRATEGIC AREAS

1

**INNOVATIVE SERVICES
& CONTENT** TO
IMPROVE CONSUMER
EXPERIENCE & COLLECT
VALUABLE DATA

2

**SOCIAL COMMERCE
& LIVE STREAMING**
THE NEW COMMERCE
ENRICHING THE
OMNICHANNEL
JOURNEY

3

UNIQUE D2C BRANDS
KYLIE & KIM TO PAVE
PATH FOR OUR NEXT
D2C BRANDS

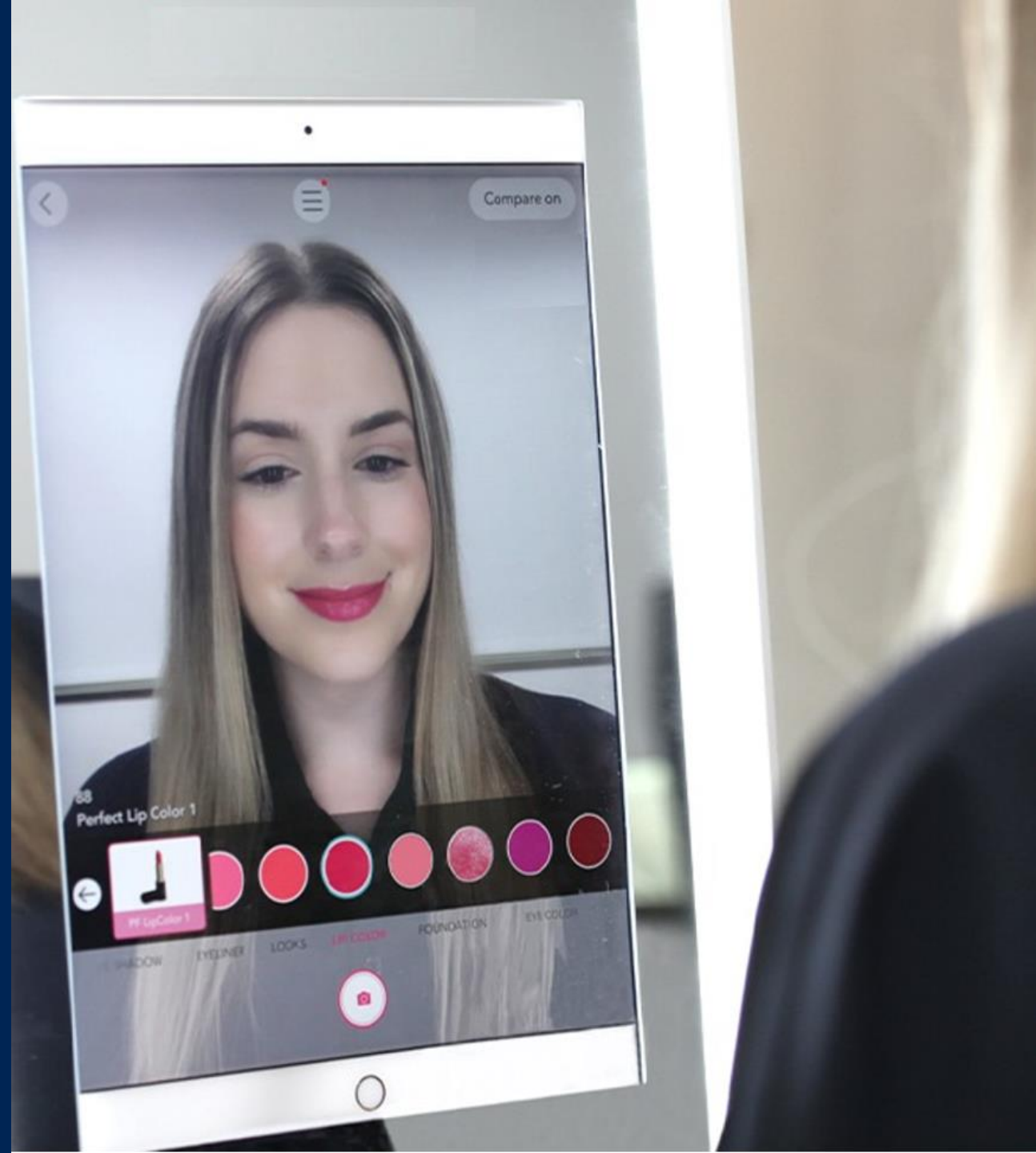
4

ADVOCACY
POWER &
VIRALITY
AMPLIFICATION

1

**INNOVATIVE SERVICES
& CONTENT** TO
IMPROVE CONSUMER
EXPERIENCE & COLLECT
VALUABLE DATA

COTY



GAME-CHANGING PARTNERSHIP WITH PERFECT CORP

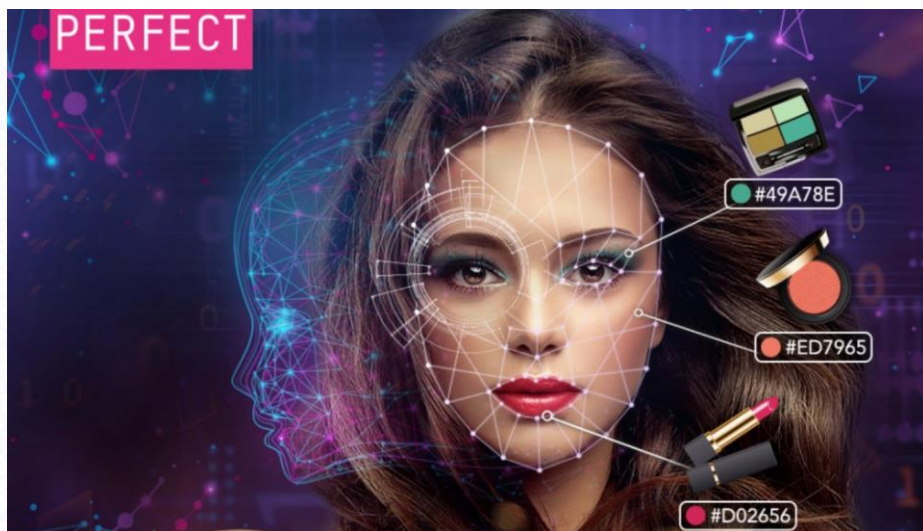
PERFECT

A DIGITECH AR/AI LEADER

Award winning, over 30 patents

Over 950M downloads globally

Advanced footprint in China



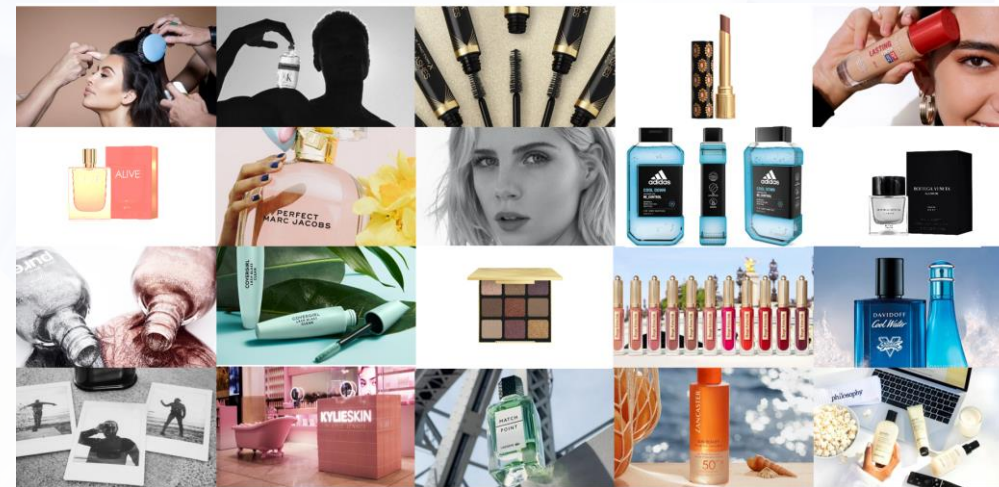
COTY

A WORLD LEADER IN BEAUTY

Iconic brands

Comprehensive portfolio

Ambitious 2-year roll starting in Q2



COTY

INNOVATIVE SERVICES TO PROVIDE A MEMORABLE EXPERIENCE

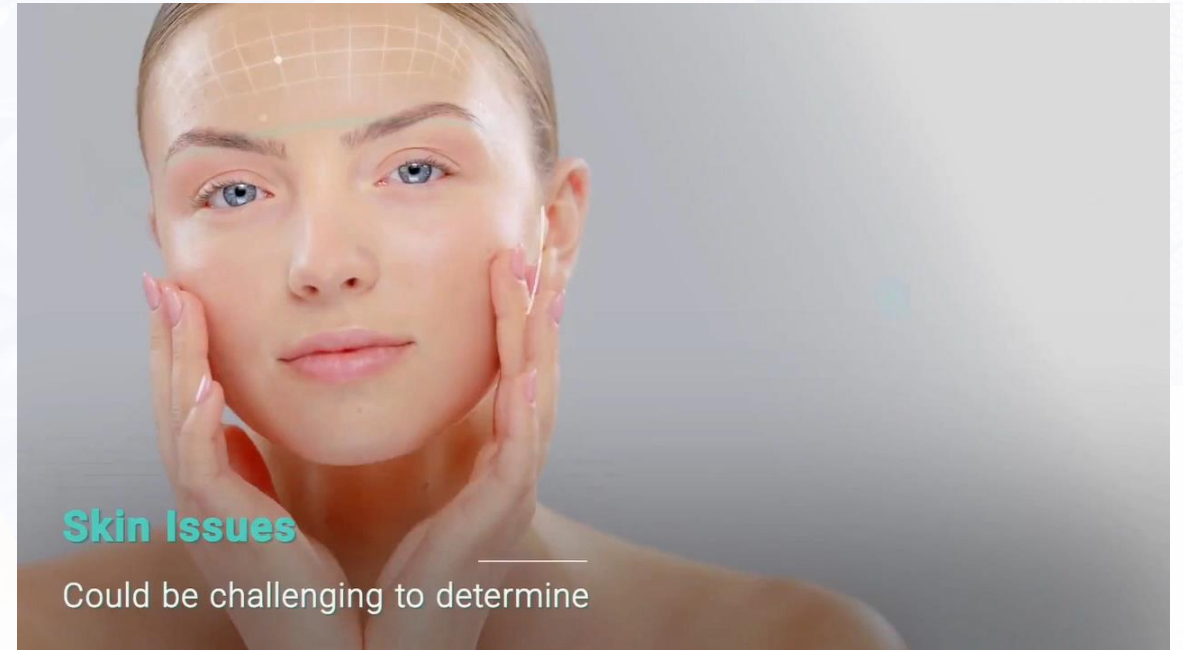
Enables Coty to collect valuable Consumer data

**VIRTUAL
LIPSITCK
TRY-ON**

MAKEUP VIRTUAL TRY-ON & SHADE FINDER

3D facial modeling & true-to-life VTO.
Analyze skin tones to find shades

COTY



Skin Issues

Could be challenging to determine

SKINCARE DIAGNOSIS

Identify various skin conditions + product
recommendations

MEASURABLE BENEFITS FROM THIS TECHNOLOGY

Online Conversion
INCREASE OF UP TO

4x

Average Basket Value
INCREASE OF UP TO

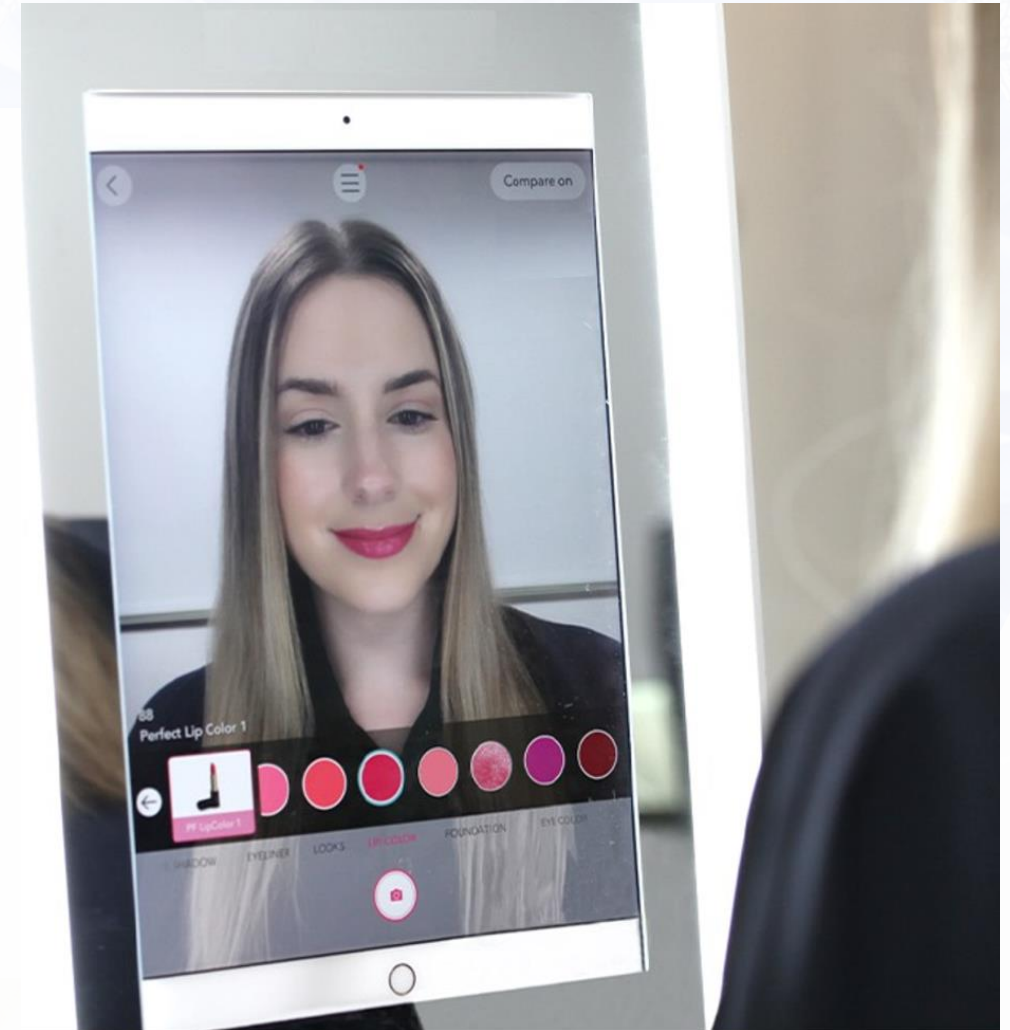
40%

Instore Conversion
INCREASE OF UP TO

2x

Return Rate Decrease
DECREASE OF UP TO

8x



BUILDING REAL-TIME SOCIAL LISTENING CAPABILITIES GLOBALLY

LEVERAGING SOCIAL LISTENING TO STRENGTHEN OUR CONSUMER KNOWLEDGE

Full suite of capabilities to inform the business in real time on:

BRAND SENTIMENT & REPUTATION	Measure brand equity and perception
PRODUCTS CONSUMER FEEDBACK	Measure product evaluation in comments and Ratings & Reviews
TRENDS	Identify opportunities and trends in real time
CONSUMER TRIBES	Identify tribes of consumer that match with our brands DNA and activate them
ADVOCATES & INFLUENCERS	Identify, vet and involve the key natural advocates that would amplify brand love
CONSUMER EXPERIENCE	Analyze and Measure Customer Experience



DIFFERENTIATING CREATIVE CONTENT @COTY

TO PRODUCE AND ORCHESTRATE: INNOVATIVE, HIGHLY CREATIVE & RELEVANT CONTENT EXPERIENCES ON ALL TOUCHPOINTS



Super creative 'digital 1st' content

Content that sells (real time testing)

Ahead of the game, cutting edge campaigns

A data-driven & ROI-focused model

Re-balance organic & paid performance

Content to grow the U.S.A., To soar in China

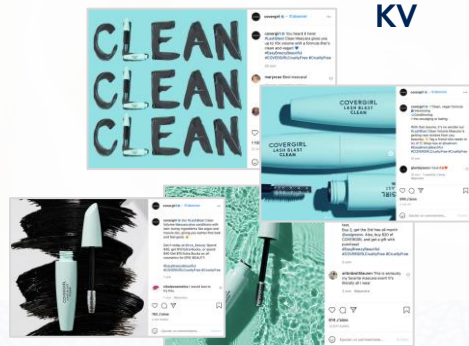
Edutainment for gen z & young millennials

Diversity, inclusivity, sustainability

COVERGIRL PAVING THE WAY

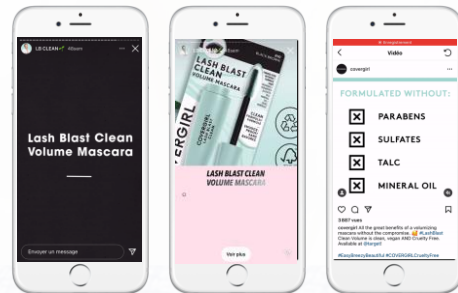
WITH A STRONG FOCUS ON THE PRODUCTION OF FULL CONTENT PACK FOR ERETAILERS & PURE PLAYERS

AWARENESS



KV

GIF ANIMATION

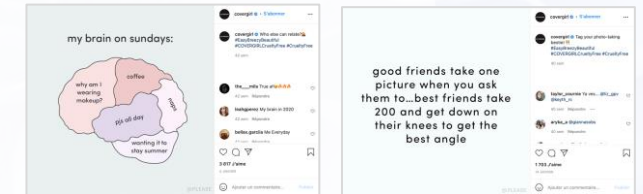


UGC



ENGAGEMENT

RELATABLE CONTENT



LASH BLAST CLEAN MASCARA

PRODUCT SHOTS



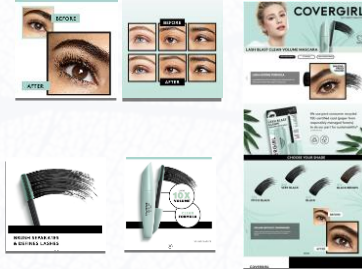
BENEFITS & INGREDIENTS

CAMPAIGN



BENEFITS

BEFORE/AFTER



AMAZON A+ CONTENT



SWATCH

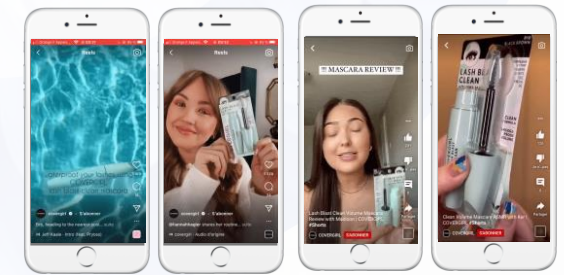


CUSTOMER REVIEW



KOL PRODUCT DEMO

KOL POSTS



INFLUENCE MARKETING



CONSIDERATION

CONVERSION

GUCCI DEPLOYING MORE STORYELLING CONTENT

EXAMPLE OF FULL PACK

AWARENESS

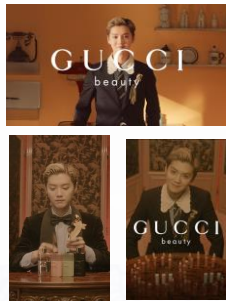
KOL



KV



CELEBRITY



WECHA



RED



WEIBO



TMALL LAUNCH LU HAN X ALL STAR PLAN



TMALL IP (All Star Plan)

CONVERSION

PRODUCT LIST



OFFER



BUNDLE



SOCIAL SHOTS



TMALL DRIVERS

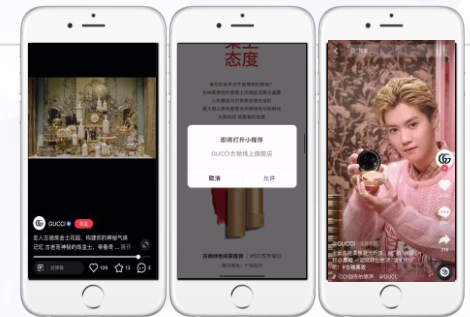


ENGAGEMENT

LIVE-STREAMING



DOUYIN (with CTA to Tmall flagship)



WEITAO NEWS FEED



CONSIDERATION

2

SOCIAL COMMERCE & LIVE STREAMING AS THE NEW COMMERCE



PIONEERING INNOVATION ON SOCIAL COMMERCE PLATFORMS

TESTING & LEARNING ON TECH TO HELP OUR BRANDS & CREATORS SELL BETTER ON SOCIAL

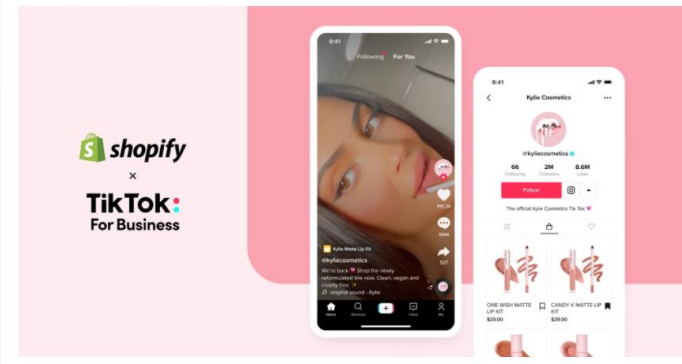
KYLIE + TIKTOK FOR BUSINESS

One of the first brands to shop directly on TikTok in US, UK & CA

TikTok expands Shopify partnership, pilots TikTok Shopping in US, UK and Canada

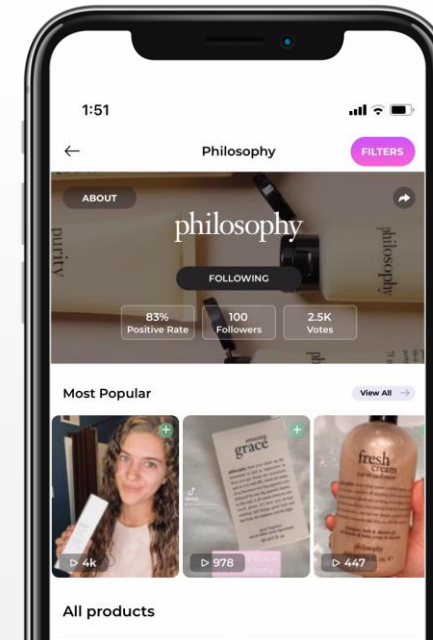
Sarah Perez @sarahintampa / 3:41 PM GMT+2 • August 24, 2021

Comment



PHILOSOPHY/COVERGIRL + FLIP

Early joiner for livestream + social selling + customer review platform

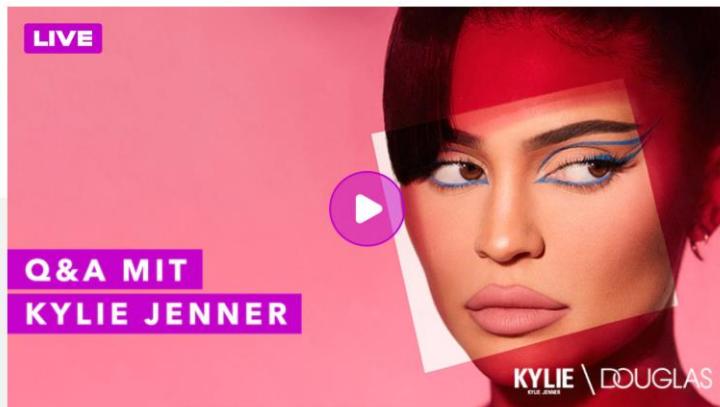


LIVE STREAMING ACCELERATION BEYOND CHINA

ON OUR WAY TO BUILD LONG TERM PROGRAMS WITH E-RETAILERS AND DEFINE LIVESTREAMING BEST IN CLASS USE CASES

KYLIE X DOUGLAS GERMANY

DOUGLAS LIVE



COVERGIRL LIVESTREAMING PURPOSE AND MULTICHANNEL STRATEGY

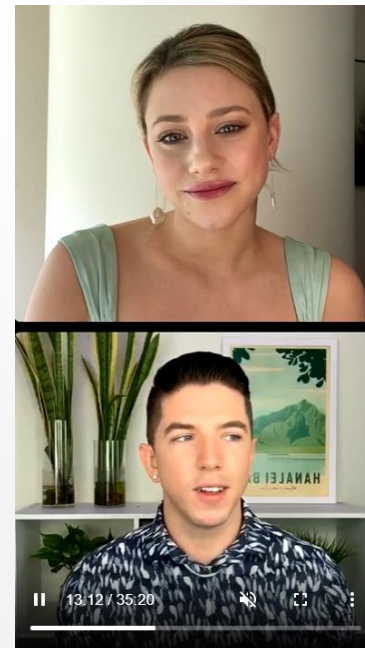
"Covergirl to be the US livestreaming brand of tomorrow"



Live content by content creators, who disclose outdoor spaces



Beauty tutorials: simply replicate sophisticated looks



Live content by content creators, who disclose outdoor spaces

E-Retail Partners

Coupons: livestreaming with creators with buy in store to benefit from it

3

UNIQUE D2C BRANDS

KYLIE & KIM TO PAVE
PATH FOR OUR NEXT
D2C BRANDS



PIONEERING D2C AND LEARNING FOR NEXT STEPS



Successful Cosmetics re-launch in July with new clean & vegan formulas

- Cosmetics LFL revenue more than doubled YOY
- Cosmetics sales per SKU +149% LFL YOY
- Kylie's iconic lip kits remain the Number 1 reference



Strong balance of both new and existing customers driving sales

- Strong repeat customers
- 44% new customer acquisition in Q1
- Average order value increased +13% YOY



Kylie's Collections & Baby launch drove major excitement and sales for DTC sites

- Birthday Collection drove +20K orders in first 20 minutes
- Birthday recruited 41% new customers
- Baby exceeded sales targets and recruited 44% new customers

4

ADVOCACY POWER
& VIRALITY
AMPLIFICATION

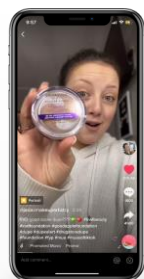
COTY



TRANSFORMING NATURAL ADVOCACY TO VIRALITY IN 3 STEPS

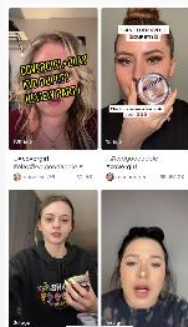
FLYWHEEL OF SOCIAL LISTENING, ENGAGING & AMPLIFYING TO GENERATE MORE ADVOCATES

1. IDENTIFY BEST ADVOCATES



**2.2 M organic
TikTok views in
1st 18 hours**

Detected high engagement
advocacy content



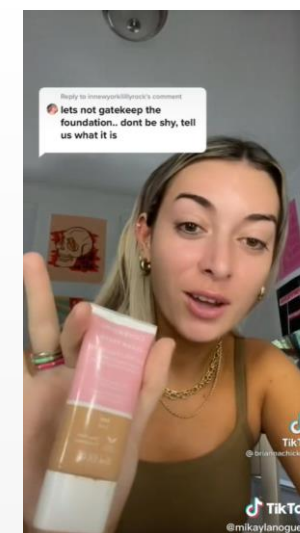
Evaluated content strength & virality

2. ENGAGE & AMPLIFY



Amplified creator video with paid media

3. CALIBRATE IMPACT



After 1 week viral
Omnichannel sales
(vs. previous 4 wk avg):

Walmart	+360%
Amazon	+40%
Ulta	+30%
Target	+120%
CVS	+95%
Walgreens	+115%

+200% 5 star reviews 1 week post viral

+50 videos from other natural advocates

KEY TAKEAWAYS

1

In less than a year, we set up the right organization, a relevant framework and solid capabilities to maximize our performance and we already demonstrated it in FY21 and Q1FY22

2

Coty x Perfect Corp a win-win partnership, leading in innovative services & data collection in a post-cookie world

3

We are operating two of the most powerful DTC brands, which are sources of both business & learnings

4

E-commerce margins are nicely accretive and e-commerce penetration should rise to mid-20% by FY25

COTY DIGITAL TRANSFORMATION

A TOP PRIORITY UNDER THE IMPULSION OF THE NEW LEADERSHIP TEAM

DISCLAIMER

Forward-Looking Statements

Certain statements in this presentation are forward-looking statements. These forward-looking statements reflect the Company's current views with respect to, among other things, the impact of COVID-19 and potential recovery scenarios, strategic planning, targets, segment reporting and outlook for future reporting periods (including the extent, timing and concentration of revenue, expense and profit trends, changes in operating cash flows and cash flows from operating activities and investing activities, and expected drivers of sales and profitability in future periods), the impact of the sale of the Wella business and the related transition services (the "Wella TSA"), the Company's future operations and strategy including the expected implementation and related impact of its strategic priorities), allocation and amount of advertising and consumer promotion costs, expected shelf space trends, allocation and amount of research and development investments, investments, licenses and portfolio changes, product launches and relaunches or rebranding (including their expected timing and impact), ongoing and future cost efficiency, optimization and restructuring initiatives and programs, strategic transactions (including their expected timing and impact), plans with respect to opportunities to leverage assets including through public offerings, plans with respect to joint ventures (including Wella), 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 continue to pay cash dividends on preferred stock), synergies, savings, performance, cost, timing and integration of acquisitions and investments, including the strategic partnerships with Kylie Jenner and Kim Kardashian West, future cash flows, liquidity and borrowing capacity (including any debt refinancing activities), timing and size of cash outflows and debt deleveraging, the timing and extent of any future impairments, synergies, savings, impact, cost, timing and implementation of the Company's comprehensive transformation agenda (the "Transformation Plan") (including operational and organizational structure changes, operational execution and simplification initiatives, cost reductions and supply chain changes), e-commerce, digital and direct-to-consumer initiatives, sustainability initiatives, management changes, the priorities of senior management, the expected impact of global supply chain challenges or inflationary pressures, and the Company's ability to support its planned business operations in the near-term and long-term basis. 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 the control of the Company, which could cause actual results to differ materially from such statements. Such risks and uncertainties are identified in the periodic reports Coty has filed and may file with the Securities and Exchange Commission (the "SEC") including, but not limited to: 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, the availability and widespread distribution of a safe and effective vaccine, related impact on the Company's ability to meet customer needs and on the ability of third parties on which the Company relies, including its suppliers, customers, contract manufacturers, distributors, contractors, commercial bank and joint-venture partners, to meet their obligations to the Company, in particular, collections from customers, the extent that government funding and reimbursement programs in connection with COVID-19 are available to the Company, and the ability to successfully implement measures to respond to such impacts; the Company's ability successfully implement its multi-year Transformation Plan and to develop and achieve its global business strategies and strategic priorities, compete effectively in the beauty industry and achieve the benefits contemplated by its strategic initiatives within the expected time frame or at all; the timing, costs and impacts of future divestitures (and the amount and use of proceeds from any such transactions); the integration of acquisitions with the Company's business, operations, systems, financial data and culture and the ability to realize synergies, avoid future supply chain and other business disruptions, reduce costs and realize other potential efficiencies and benefits (including through its restructuring initiatives) at the levels and at the costs and within the time frames contemplated or at all; and managerial, integration, operational, regulatory, legal and financial risks, including diversion of management attention to and management of cash flows, expenses and costs associated with the Company's response to COVID-19 and multiple ongoing and future strategic initiatives (including the Wella TSA), internal reorganizations and restructuring activities, including the Transformation Plan, any unanticipated problems, liabilities or integration or other challenges associated with a past or future acquired business, joint ventures or strategic partnerships (including with Kylie Jenner and Kim Kardashian West) 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 litigation or investigations by governmental authorities; the Company's ability to retain and attract key personnel and the impact of senior management transitions and organizational structure changes.

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included elsewhere. More information about potential risks and uncertainties that could affect Coty's business and financial results is included under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Coty's Annual Report on Form 10-K for the fiscal year ended June 30, 2021, and other periodic reports Coty has filed and may file with the SEC from time to time. Any forward-looking statements made in this presentation are qualified in their entirety by these cautionary statements. All forward-looking statements are made only as of the date of this presentation, and, Coty undertakes no obligation, other than as may be required by applicable law, 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.

Non-GAAP Financial Measures

In this presentation, Coty presents certain non-GAAP financial measures that we believe enable management and investors to analyze and compare the underlying business results from period to period, including constant currency, organic like-for-like (LFL) and adjusted metrics, adjusted operating income, adjusted gross margin, as well as adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), adjusted EPS, net debt or financial net debt, economic net debt, free cash flow and immediate liquidity. Constant currency information compares results between periods as if exchange rates had remained constant period-over-period, with the current period's results calculated at the prior-year period's rates. The term "like-for-like" describes the Coty's core operating performance, excluding the financial impact of (i) acquired brands or businesses in the current year period until Coty has twelve months of comparable financial results, (ii) divested brands or businesses or early terminated brands, generally, in the prior year non-comparable periods, to maintain comparable financial results with the current fiscal year period and (iii) foreign currency exchange translations to the extent applicable. Adjusted metrics exclude nonrecurring items, purchase price accounting-related amortization, acquisition-related costs, restructuring costs, stock-based compensation, and certain other information as noted within this presentation. Free cash flow is defined as net cash provided by operating activities, less capital expenditures, and net debt is defined as total debt less cash and cash equivalents. "Immediate liquidity" is defined as the sum of available cash and cash equivalents and available borrowings under Coty's Revolving Credit Facility. These non-GAAP financial measures should not be considered in isolation, or as a substitute for, or superior to, financial measures calculated in accordance with GAAP. To the extent that Coty provides guidance, it does so only on a non-GAAP basis and does not provide reconciliations of such forward-looking non-GAAP measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that could be made for restructuring, integration and acquisition-related expenses, amortization expenses, adjustments to inventory, and other charges reflected in our reconciliation of historic numbers, the amount of which, based on historical experience, could be significant. Reconciliation of these non-GAAP financial measures to the nearest comparable GAAP financial measures are contained in the press release attached as Exhibit 99.1 to the Form 8-K filed with the SEC on November 8, 2021.

Outlook Information

In this presentation, Coty presents certain outlook information as of November 18, 2021