

# COTY

September 2020

Dear Valued Supplier,

On June 1<sup>st</sup> this year, we announced the signing of a definitive agreement with KKR for Coty's Professional and Retail Hair businesses, including the Wella, Clairol, OPI and ghd brands (the "Wella Company"), which provides for the creation of our new Wella Company. Completion of the transaction is expected between 1<sup>st</sup> of December 2020 and end of February 2021 ("Closing").

Thank you for your help thus far as we prepare to establish the Wella Company under a new corporate structure. To that end, the following information will enable the transfer of relevant commercial agreement(s) related to the Wella Company.

- 1. Transition Service Agreement:** Although Coty will transfer the Wella business to the new Wella Company at Closing, Coty will continue to support the Wella Company through a combination of Transitional Service Agreements (TSAs) and the establishment of operating models for a period of up to 27 months after Closing to ensure business continuity and momentum.
- 2. Legal Entity Change:** Depending on whether the contracting party you supply exclusively work for the Wella Company business, there might be a change in legal entities. In some cases, these changes will not occur immediately, but instead occur at the end of the transition period to minimize disruption.

Further information related to the specific legal entity in our relationship, such as proposed dealings under our legal agreement, tax registration and invoicing instructions, will be provided shortly. Due to authorities' lead times, in some cases this information will be available close to Closing. You will find the latest updates, including legal entity structure for the Wella Company after Closing, on the Coty Supplier Portal at <https://supplier.coty.com>.

- 3. Transition Details:** To facilitate the transition of the Wella Company, we will replace existing Purchase Orders ("POs") where legal entities have changed, or where other significant changes make it necessary. PO migration details will be shared in a future communication. As we move through this transition period, please pay close attention to the Bill To address and the Payment Terms comments, which will appear on the PO issued by the Wella Company business after Closing.

**Please note the following regarding invoicing changes:**

- We will not process any goods receipts or invoice receipts [one week before Closing] in order to execute the PO migration.
  - Business as usual - All invoices related to deliveries or service performances UNTIL [one week before Closing] MUST be invoiced to the same legal entities.
  - The anticipated date of Closing will be provided to you in a future communication and will give you advance notice to prepare for these invoice changes.
- 4. Invoice Details:** Post Office Boxes and physical addresses for paper invoice submissions and email addresses for PDF invoices will be shared in a future communication.
  - 5. Proof of Delivery/Performance:** In order to ensure smooth processing of your invoices and payments, we strongly recommend that you include a proof of delivery and/or performance with your invoice.
  - 6. Supplier Website:** We encourage you to visit our Supplier Portal at <https://supplier.coty.com> to find the latest news and detailed information on maintaining a successful partnership with Coty. The most up to date legal entities information will also be posted on the Supplier website.
  - 7. Confidentiality:** We would like to remind you that until Closing, Coty continues to own and operate all the Wella Company business as usual. As we work together to transition with excellence, please continue to maintain the confidentiality commitments of your Coty relationship by ensuring that no Coty documents / information / pricing etc. are shared or discussed with KKR or any third party without Coty's written consent.

Once again, thank you for your support of the Wella Company transition. We look forward to our continued relationship on this and other Coty brands or businesses you may serve.

Yours faithfully,



Stephanie Gemmell  
Chief Procurement Officer Wella Company