

CLIMATE CHANGE AND EMISSIONS POLICY

OVERVIEW

At e.l.f. Beauty, Inc. ("e.l.f." or the "Company"), we are committed to being responsible stewards of our environment. With climate change presenting one of the biggest challenges of our time, we are working to reduce our carbon footprint.

PROGRAMS AND PRACTICES

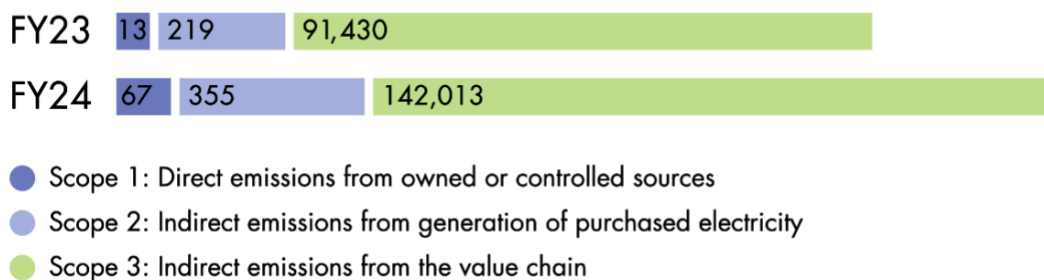
we are committed to reducing our carbon footprint.

In FY 2022, we completed our first measurement of greenhouse gas (GHG) emissions, establishing a baseline from which to develop our carbon reduction approach and establish corresponding targets. Since then, we have continued our progress, including in FY 2024:

- We continued to meet our science-based target for Scope 1 and 2 emissions' set in FY 2023 through the Science Based Targets initiative for a 42% reduction by 2030.
- We expanded our HG measurement methodology to include the ingredients used in our products and additional purchased services, including related to marketing. This ensures that we fully capture key value chain activities to inform our strategies and target setting.
- We rolled out the Sustainable Packaging Initiative for Cosmetics (SPICE) tool to quantify and evaluate the carbon footprint of our packaging
- As part of our transparency and reporting efforts, we plan to continue our participation in CD's disclosure framework, following our first annual disclosure in July 2023

We recognize this is a journey – we plan to continue to focus our efforts, evaluate our progress and expand into additional opportunities to meet the challenge.

GHG Emissions by scope MTCO₂e



In FY 2024, while GHG emissions increased on an absolute basis relative to FY 2023, they continued to decrease on a revenue intensity basis.

our carbon reduction approach focuses on four key areas.

Following our first measurement of our GHG emissions in FY 2022, we have since defined and started acting on the key areas that we believe will drive reductions in our Scope 1, 2 and 3 emissions: Operations, Product, Supplier Engagement, and Transportation & Distribution.

SCOPE	AREA	ACTIONS
SCOPE 1 & 2 EMISSIONS: DIRECT EMISSIONS <i>ENERGY USED IN OWN OPERATIONS: INCLUDES ELECTRICITY AND NATURAL GAS USED IN OUR LEASED BUILDINGS</i>	Operations	In FY 2023, we set near term GHG emissions targets for Scopes 1 and 2 through the Science Based Target initiative (SBTi) following a 1.5 °C scenario. Concurrently, we transitioned to 100% renewable electricity at all our offices and US retail distribution center through a combination of utility-provided renewables and Renewable Energy Certificates. We achieved our reduction targets in FY 2023 and continued to meet them in FY 2024.
	Product	With the products we make as a leading contributor to our total carbon footprint, we have taken steps to gain visibility to product-level carbon impact during product development. In FY 2024, we expanded our GHG accounting methodology to include our product ingredients, providing a more holistic view of product GHG impact. In FY 2024, we also rolled out the Sustainable Packaging Initiative for Cosmetics (SPICE) tool to quantify and evaluate sustainability in packaging design, and implemented lightweighting strategies to drive carbon reduction.
	Supplier Engagement	As we engage with our suppliers on sustainability, GHG emissions is a key topic. We work with suppliers representing 95% of our direct spend to measure their Scope 1 & 2 emissions. Beyond reporting, in FY 2024 we collaborated with our strategic suppliers to have them set emission reduction targets, with plans to extend this to additional suppliers in the future. And, recognizing the value of shared learnings, we have instituted "supplier roundtables" centered on sustainability as a key element of our supplier management program.
SCOPE 3 EMISSIONS: INDIRECT EMISSIONS IN OUR VALUE CHAIN <i>THIS INCLUDES OUR TWO LARGEST CATEGORIES: PURCHASED GOODS & SERVICES (CATEGORY 1) AND UPSTREAM AND DOWNSTREAM TRANSPORTATION (CATEGORIES 4 & 9).</i>	Transportation & Distribution	Most of our product is transported from our suppliers to our distribution centers by ocean. As the least emissions-intensive mode of transport, we prioritize ocean freight and seek to minimize reliance on air freight. Other areas of focus to include improved efficiency through light-weighting shipping materials, optimizing container loading and identifying transportation options that reduce reliance on fossil fuels. In FY 2024, we introduced biofuels for drayage activities from port to our Southern California distribution center, significantly reducing emissions associated with these transfers.

OVERSIGHT

This Policy applies worldwide to all employees and partners of e.l.f. Beauty. These guidelines were approved by the Board of Directors and Executive Team of the Company.

Although every one of our teammates has the responsibility of mitigating our environmental impact, the primary oversight authority on such issues lies with our Board of Directors, through the Nominating and Corporate Governance Committee. In partnership with senior management, members of the Committee provide guidance on our overall ESG programs, including our environmental strategy and setting goals on environmental-related topics.

MONITORING, AUDITING & VERIFICATION

e.l.f. Beauty adheres to all local, state, and federal environmental-related legislation and guidelines. We expect our partners and third-party providers to comply with all relevant environmental legislation.

Last updated: September 2024