

RESPONSIBLE SOURCING POLICY

OVERVIEW

At e.l.f. Beauty, Inc. ("e.l.f." or the "Company"), all of our products are manufactured by third-party suppliers, primarily in China. We are committed to ethical sourcing practices and being responsible stewards of our environment. By standing with every eye, lip, face and paw, we are committed to creating a culture internally—and in the world around us—where all individuals are encouraged to express their truest selves, are empowered to succeed, and where we strive to do the right thing for people, the planet and our furry friends. We expect our suppliers to uphold our principles and values when providing products and services to our Company.

PROGRAMS AND PRACTICES

we evaluate the sustainability performance of our third-party suppliers.

In FY 2022, we launched the EcoVadis certification program to evaluate and monitor the sustainability performance of our third-party suppliers. EcoVadis 360° ESG assessments evaluate environmental and social performance of our suppliers based on four key areas:

- Environment,
- Labor and Human Rights,
- Ethics, and
- Sustainable Procurement.

Over 40 of our suppliers have completed assessments, covering over 90% of our annual spending on finished goods and packaging. Our suppliers' average score was approximately 10% higher than the overall EcoVadis average (across 95,000 global suppliers). Based on these assessments, we are partnering with our suppliers to prioritize actions and processes to ensure continuous improvement.

we are the first beauty brand to have a third-party manufacturing facility Fair Trade Certified.

In September 2022, we announced that we were the first beauty brand to have a third-party manufacturing facility Fair Trade Certified™.

Fair Trade USA® is a nonprofit organization that offers award-winning, rigorous, and globally recognized sustainable sourcing certification programs. The Fair Trade Factory Certified seal on a product signifies that it was made in a factory according to rigorous fair-trade standards that promote sustainable livelihoods and safe working conditions for factory employees, protection of the environment, and strong, transparent supply chains.

Our first third-party manufacturing facility in China was Fair Trade Certified in mid 2022, and we are currently in the process of seeking certification for additional factories. In order to achieve Fair Trade Factory certification, each factory is required to pass an audit which includes adherence to criteria across social responsibility, environmental responsibility, empowerment and economic development. Factories must pass a re-certification annually, which includes plans for continuous improvement.

Each time a consumer buys a Fair Trade Certified product, e.l.f. Beauty will make a contribution directly back to the factory workers who made the product for use in improving their communities. By shopping Fair Trade Factory Certified products, consumers can further e.l.f. Beauty's commitment to do the right thing for all people, the planet and our furry friends.

we require that any palm oil derivatives be sustainably sourced.

We do not use palm oil in our products. We require that any palm derivatives in new product formulations be certified by the RSPO (Roundtable on Sustainable Palm Oil), a global standard for sustainable palm oil.

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

We have published a [Supplier Code of Conduct](#) that details compliance expectations for suppliers with, among other things, paying fair wages, maintaining a safe and healthy workplace environment, prohibiting the use of child or forced labor, prohibiting discrimination and observing principles of human rights in the workplace. We conduct periodic onsite audits to ensure adherence.

Last updated: September 2022