

# HUMAN CAPITAL TRAINING AND DEVELOPMENT POLICY

## OVERVIEW

At e.l.f. Beauty, Inc. (“e.l.f.” or the “Company”), our talented employees fuel our business strategy. We place a high priority on attracting, recruiting, developing and retaining diverse global talent.

We believe that a positive and inclusive work environment is critical for both the personal and professional development of our employees. 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.

Our continued investments in our people and culture have positioned us as an employer of choice both in the beauty industry and our local communities. In FY 2023, we were recognized on Newsweek’s list of “America’s 100 Most Loved Workplaces 2022,” as well as Forbes’ list of “America’s Best Midsize Employers 2023.”

## PROGRAMS AND PRACTICES

### *our culture*

Our culture of High Performance Teamwork (HPT) is integral to how our team works together. We seek to create a culture of passionate relationships, healthy conflict and mutual accountability for our teams and employees. All our employees have access to and can work with our dedicated HPT coach. Employees share HPT success stories at our bi-weekly town halls. And, as part of a quarterly HPT awards program, we have recognized over 120 employees in the past two years and paid over \$40,000 to HPT award winners.

### *our values*

Our team of talented superheroes embody, foster and inspire our values in others. As a company, our shared value system motivates us, connects us and fuels our actions. Our ongoing success can be attributed to our values of:

- **DELIGHT OUR COMMUNITY:** Our community inspires and informs everything we do. We include, encourage and celebrate every eye, lip and face.
- **DO THE RIGHT THING:** In our actions and words, we lead with honesty and integrity. We stand up for what we believe and use our platform to make a positive difference.
- **CHAMPION HIGH PERFORMANCE TEAMWORK:** We treat each other with respect and leverage each other’s strengths. We are open, honest and direct in the spirit of helping the team succeed.

- **EXECUTE WITH QUALITY AND SPEED:** Our community knows us by what they see, touch and experience. We are passionate about doing things well and at e.l.f. speed.
- **EMBRACE CHANGE:** Experimentation is fundamental to our growth. We fearlessly and bravely conquer new frontiers because we believe anything is e.l.f.ing possible.

## ***employee rewards & wellness***

e.l.f. Beauty’s compensation and benefit programs are designed to support the total well-being and promote the full potential of our employees. With regard to compensation, we take a “one team” approach. All full-time employees receive a base salary, are bonus eligible under a single bonus plan, and receive an annual equity award in e.l.f. Beauty stock. We are one of the few, if not the only, public beauty companies that grants equity on an annual basis to every single employee—strongly aligning our team with the long-term interests of our shareholders. We believe this approach – which applies across all employee levels and geographies – is unique in the beauty industry and contributes to our success in hiring and retaining top talent and driving business results.

The benefits for our full-time employees include, among other things:

- **Financial benefits** including competitive compensation as well as retirement savings plans and commuter benefits.
- **Healthcare benefits** which begin on Day 1 of employment.
- **Family support and flexibility benefits** including up to 20 weeks of gender-neutral parental leave, as well as fertility and adoption support.
- **Wellness and time off programs** including an employee assistance program, access to a wellness coach and flexible time off.
- **Community impact programs** including employee donation matching programs and paid time off for volunteering.
- **Education and career development programs** including tuition reimbursement, High Performance Teamwork coaching, as well as ongoing learning and training opportunities.
- **Other benefits, such as “Pawternity Leave”** for the adoption of a shelter animal so that our employees can tend to the new pet in their lives.

## ***learning and development***

In last year's engagement survey, our employees told us they were eager for more learning and development opportunities. As part of our commitment to listen to our employees, in FY 2023 we hired our first-ever VP of People Development—with her main focus on designing and implementing a comprehensive learning and development strategy, while also working to increase employee engagement, support career goals, create opportunities for growth, and meet development needs.

We recently celebrated the launch of "E.L.F. U," our first ever employee learning and development platform. E.L.F. U is designed to boost skills and knowledge across a wide range of topics. It offers engaging, customizable content developed both by external experts and e.l.f. employees. Employees can immerse themselves in a diverse range of interactive courses, instructor-led workshops, and on-demand learning experiences – all designed to strengthen their potential.

## **OVERSIGHT**

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

## **MONITORING, AUDITING & VERIFICATION**

We closely monitor the status of our employees' well-being, development, and overall satisfaction. We measure our employee satisfaction and identify opportunities for improvement through an annual employee engagement survey. Engagement is a key factor we look to because it measures our team's connection and commitment to both e.l.f. Beauty and our vision, mission and values.

In 2023, we conducted our third annual engagement survey of all employees. All employees are offered the opportunity to participate and 86% submitted a response. Our employee engagement results this year hit record highs—relative to prior surveys and to consumer industry benchmarks. Our overall engagement score this year was 91% — 19 percentage points above the industry benchmark and two percentage points above our survey the previous year.

Following the survey, our Executive Team members reviewed the data and outcomes with their teams to create action plans on how we can continually enhance our employee experience.

# 91%



**OVERALL ENGAGEMENT**  
+19pp vs industry benchmark

# 97%



**RECOMMEND E.L.F. AS A  
GREAT PLACE TO WORK**  
+14pp vs industry benchmark

## E.L.F. BEAUTY KEY STRENGTHS

vs industry benchmark



**COMPENSATION**

**+30pp**



**COMPANY VISION**

**+27pp**



**JOB SATISFACTION**

**+25pp**

## E.L.F. BEAUTY AREAS OF OPPORTUNITY

vs industry benchmark



**CAREER GROWTH**

**+0pp**



**SYSTEMS/ PROCESSES**

**+1pp**



**IMPACT TO COMPANY**

**+5pp**

Source: Culture Amp. Benchmark based on Culture Amp's Consumer Goods & Services 2023 Benchmark.

Outside of formal surveys, we have an open link for our employees to submit any comments, questions or concerns at any time, which our Executive Team addresses at our bi-weekly, Company-wide Town Hall meetings.

*Last updated: September 2023*