

HUMAN RIGHTS POLICY

OVERVIEW

e.l.f. Beauty, Inc. (“e.l.f.” or the “Company”) proudly supports human rights and individual expression and freedom. As such, we ensure our employees have their rights respected, regardless of age, gender, ethnicity, or sexual orientation. e.l.f. Beauty also expects its suppliers and partners to observe these principles when providing products and services to the Company.

PROGRAMS AND PRACTICES

human rights principles

At e.l.f. Beauty, we are committed to the following Human Rights principles:

- Recognizing human rights in all parts of the world and opposing discrimination based on race, ethnicity, color, gender, pregnancy, sexual orientation, gender identity, age, religion, creed, national origin, disability, legally protected leave or veteran status, political opinion, and other categories protected by applicable law.
- Supporting human rights practices as outlined by the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the International Labor Organization (ILO) Core Labor Standards.
- Ensuring our partners and suppliers respect internationally recognized human rights, adhere to the Company’s [Code of Business Conduct and Ethics](#), and support human rights practices as outlined in this Human Rights policy, the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Core Labor Standards and any other best practices related to human and labor rights.
- Banning the practice of recruiting children and exploiting child labor, as well as ceasing partnership with any third party involved in such practices.
- Prohibiting any form of physical or mental abuse of employees such as disciplinary punishment, as well as prohibiting the use of all forms of forced labor, including forced prison labor, indentured labor, bonded labor, or slave labor and the human trafficking associated with such abuses.

human rights strategies

e.l.f. Beauty has identified aspects of our business that require special attention to human rights standards. The Company set guidelines in those areas that should be followed by our employees, partners, and suppliers in order to adhere

to human rights best practices across all operations and monitor potential threats and risks to those rights. The following policies and actions represent e.l.f. Beauty's current strategy on human rights:

- **Code of Business Conduct and Ethics:** All of our employees are expected to be familiar with the Company's [Code of Business Conduct and Ethics](#), ensuring they will conduct themselves in an honest and ethical manner, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Our employees should be aware that the Company is obligated to comply with all applicable laws, rules, and regulations. It is the employees' personal responsibility to adhere to the standards and restrictions of such rules. Similarly, our partners and suppliers are obligated to observe our Code of Business Conduct and Ethics.
- **Forced and Child Labor:** None of e.l.f. Beauty's operations allow the use forced labor and we are committed to cease involvement with any party that allows such practice. Also, we will not, under any circumstance, hire, engage professionally or knowingly employ anyone younger than sixteen (16) years of age.
- **Employee Compensation:** At e.l.f. Beauty, we take a "one team" approach with regard to compensation. 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 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. We support the full development of the professional and personal goals of our employees and believe their compensation, to the greatest extent possible, should be sufficient to cover at least their basic needs, in compliance with relevant legislation and legally mandated work hours and overtime compensation. The same principles should be followed by all our suppliers and third parties engaged with e.l.f. Beauty.
- **Diversity, Equity & Inclusion:** We are deeply committed to diversity, equity and inclusion. We are committed to providing equal opportunity for all employees at all levels regardless of race, color, religion, sex, national origin, citizenship, ethnicity, age, disability, marital status, veteran status, sexual orientation, gender identity or any other characteristic protected by law in the terms or conditions of employment. This includes but is not limited to recruitment, hiring, promotion, transfer, compensation, training, demotion, or layoff.

TRAINING

All of our salaried employees are required to review and sign our [Code of Business Conduct and Ethics](#). Certain e.l.f. Beauty employees will be required to become familiar with this Human Rights policy and polices related to labor practices and protection of the environment.

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.

MONITORING, AUDITING & VERIFICATION

internal reporting channels

The Company promotes ethical behavior and encourages covered parties to talk to managers and other appropriate personnel when in doubt about the best course of action in a particular situation. e.l.f. Beauty ensures no adverse action will be taken against any employee, former employee, agent or third party for complaining about, reporting, participating in or assisting in the investigation of a suspected violation of the Company's [Code of Business Conduct and Ethics](#), Company policy or applicable law.

We created the following channels for employees and external parties to obtain guidance, ask questions and report any alleged violation of the Company's Code of Business Conduct and Ethics or applicable laws/policies:

- **Telephone Hotline:** Any person may call 1-844-240-0005 (from the United States) or 10-811, then 800-603-2869 (from Shanghai, China) to report an incident. The phone call will be received by an independent third-party service provider specifically engaged to identify improper activity.
- **Internet:** Any e.l.f. Beauty employee may go to www.lighthouse-services.com/elfcosmetics to report an incident. The link opens an Incident Form text box in which an employee may submit an incident report. The Incident Forms are managed by an independent third-party service provider specifically engaged to identify improper activity. Employee anonymity will be protected.

e.l.f. Beauty will conduct a thorough investigation on every suspected violation of our guidelines or applicable law within our facilities and operations. The Executive Team member of the department where the alleged violation occurred shall ensure that a prompt and thorough investigation is conducted, with notification to Human Resources and Legal as appropriate.

monitoring of suppliers

e.l.f. Beauty maintains the following procedures to monitor and seek external verification in our own locations and our suppliers' facilities regarding workplace conditions and human rights practices:

- **Supplier Code of Conduct:** We require all third-party suppliers to adhere to our published [Supplier Code of Conduct](#) that confirms compliance, among other things, with 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.

- **Periodic On-Site Audits:** We periodically conduct on-site visits to our third-party suppliers to assess, among other things, compliance with our [Supplier Code of Conduct](#).
- **Risk Assessments:** Risk factors considered in the selection of our suppliers where we conduct in person facility audits and the frequency thereof include geographic risks, industry-associated risks, and the volume of business we do with said supplier. We have not, to date, assessed a supplier as high risk in the area of human rights. To the extent we were to do so in the future, we would either terminate our relationship with said supplier or work on a remediation plan, which may include a third-party audit.
- **EcoVadis Sustainability Assessments:** We use the EcoVadis certification program to evaluate and monitor the sustainability performance of our third-party suppliers. EcoVadis 360° ESG assessments evaluate the environmental and social performance of our suppliers based on four key areas: Environment, Labor and Human Rights, Ethics, and Sustainable Procurement. As of FY 2023, 45 of our suppliers have completed assessments, covering 95% of our annual direct spending on finished goods and packaging. Our suppliers average score in FY 2023 was approximately 17% higher than the overall Ecovadis average (across 100,000 global suppliers), and we saw a 4% year-over-year improvement in our suppliers’ average score relative to last year. Based on these assessments, we are partnering with our suppliers to prioritize actions and processes to ensure continuous improvement.
- **Third Party Certifications:** Many of our Tier 1 third-party suppliers are certified by independent third parties, which require periodic surveillance audits in order to maintain certification.

CERTIFICATION	DESCRIPTION	% OF TIER-1 SUPPLIER FACILITIES CERTIFIED ¹
		FY 2023
ISO 9001:2015	<ul style="list-style-type: none"> • An internationally recognized standard for Quality Management Systems (QMS) • Certified by independent third parties • Certification is maintained through a program of annual surveillance audits, as well as recertification audits every three years 	100%
ISO 14001:2015	<ul style="list-style-type: none"> • An internationally recognized standard for environmental management systems (EMS) • Certified by independent third parties • Certification is maintained through a program of annual surveillance audits, as well as recertification audits every three years 	83%
SA8000	<ul style="list-style-type: none"> • An internationally recognized social certification standard that encourages organizations to develop, maintain and apply socially acceptable practices in the workplace • Certified by independent third parties • Certification is maintained through a series of required surveillance audits in the 3-year certification cycle, as well as recertification audits every three 	17%

¹ Tier 1 supplier facilities include 12 “Strategic” or “Preferred” suppliers.

SEDEX (THE SUPPLIER ETHICAL DATA EXCHANGE)	<ul style="list-style-type: none"> • A non-profit organization for businesses committed to continuous improvement of the ethical performance of their supply chains • Certified by independent third parties • Certification is maintained through a series of required surveillance audits in the 3-year certification cycle, as well as recertification audits every three years 	58%
FAIR TRADE CERTIFIED	<ul style="list-style-type: none"> • Fair Trade USA® TM is a nonprofit organization that offers award-winning, rigorous, and globally recognized sustainable sourcing certification programs • A 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 • To achieve certification, facilities are required to pass thorough audits and demonstrate adherence to over 100 compliance criteria that cover social responsibility, environmental responsibility, empowerment and economic development • Facilities must pass a stringent annual re-certification, which includes plans for continuous improvement 	42%

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