

PACKAGING SUSTAINABILITY POLICY

OVERVIEW

At e.l.f. Beauty, Inc. (“e.l.f.” or the “Company”), we are committed to being responsible stewards of our environment and finding ways to minimize our environmental impact.

Product packaging is central to our brands and goes beyond just holding and protecting our products. Our packaging serves to engage and inspire our community, visually showcase our amazing cruelty free and clean formulas and convey important product information. At the same time, packaging represents a meaningful portion of our environmental footprint, driving our continued focus to further reduce this impact.

PROGRAMS AND PRACTICES

our packaging sustainability strategy is grounded in three principles.

PRINCIPLE	DESCRIPTION
1. PACKAGING FOOTPRINT REDUCTION	Create a smaller, less intensive packaging “footprint.” This includes, where possible, removing secondary cartons, streamlining components to use less material, and eliminating or reducing the use of certain packaging finishes.
2. SUSTAINABLY SOURCED PACKAGING	Increase reliance on packaging materials from sustainable sources. This includes Forest Stewardship Council (FSC)-certified paper cartons and exploring sustainable alternatives to virgin plastics, such as post-consumer recycled (“PCR”) plastics.
3. RECYCLABLE & REUSABLE PACKAGING	Utilize packaging materials and forms that can be recycled or reused to divert from landfills. This includes exploring recyclable and/or refillable components and product cartons and shippers that are recyclable.

we are committed to reducing the amount of packaging that we use.

Our commitment to reducing packaging is a central element of our sustainability journey. Less packaging corresponds to fewer material inputs, fewer transportation ton-miles, and less waste end-of-life, all helping to reduce our carbon footprint.

In FY 2023, we celebrated another significant milestone on our reduction journey – having now eliminated more than 2.5 million pounds of excess packaging since the inception of “Project Unicorn” in 2019. Project Unicorn was designed to elevate our product assortment, presentation, and navigation on-shelf, and resulted in significant streamlining of our packaging footprint. We continue to build on this success, applying our learnings to find new packaging reduction opportunities.

In FY 2023, we established a new goal that reflects this commitment, seeking to achieve a 20% reduction in our packaging intensity by FY 2030.¹ As we continue to further our efforts, we expect to introduce additional packaging goals that reflect our ambitions.

we are increasing the amount of our packaging that is sustainably sourced.

We are increasing the amount of our packaging that is sustainably sourced. A focus area is the use of Forest Stewardship Council (FSC)-certified packaging materials. Forest Stewardship Council™ certification is a globally recognized standard that ensures that products come from responsibly managed forests that provide environmental, social and economic benefits.

We have set a goal for our paper cartons be 100% FSC-certified across all of our brands by the end of our FY 2025, as compared to 75% of our paper cartons being FSC-certified in FY 2023. We also expanded our FSC-certified commitment to include our cosmetic brushes, introducing a new goal for 100% of our wood brush handles to be FSC-certified by the end of FY 2025, as compared to <1% of our wood brush handles being FSC-certified in FY 2023. With e.l.f. Cosmetics' #1 position in brushes in the U.S. mass cosmetics category,^{1,2} we're proud to have a goal of 100% FSC-certification.

By choosing products with the FSC label, consumers can be sure that the items they purchase have not been manufactured at the expense of the forest, or the animals, plants and people who rely on it. When consumers purchase FSC-certified products, they are directly supporting responsible forest management.

we have projects underway to increase the recyclability of our products.

We have projects underway to increase the percentage of our packaging that is recyclable, refillable, reusable, or made from recycled materials. In FY 2022 we teamed up with How2Recycle® to conduct packaging-specific recyclability evaluations. How2Recycle®, a project of the Sustainable Packaging Coalition®, is a standardized labeling system that clearly communicates disposal instructions. We are pleased to introduce How2Recycle® labeling for e.l.f. SKIN products. This new labeling will appear on product packaging and on our product pages, guiding consumers on what elements of our packaging are recyclable and clarifying what not to recycle to reduce contamination in recycling streams.

In conjunction with the introduction of this recyclability labeling, we continue to focus on identifying opportunities to utilize packaging forms and materials that are curbside recyclable. We also have projects underway to utilize post-consumer recycled content in place of virgin plastics and are exploring refillable formats.

¹ Packaging intensity determined as average packaging weight per measure of formula versus a 2019 baseline.

² Source: e.l.f. Cosmetic Brushes are the #1 best-selling cosmetic brush based on highest dollar and unit sales from data reported by NielsenIQ through its Scantrack Service for the Mass Market Color Cosmetics category for the L52 week period ending May 20, 2023, for the US xAOC market. Copyright © 2023, Nielsen Consumer LLC.

Across our brands, our US ecommerce shipping boxes are recyclable and made with a portion of recycled materials.

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 to mitigate 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 strictly 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 2023