



The power of beauty.

EXPANDING OUR ENVIRONMENTAL AND SOCIAL IMPACT
2023 ESG REPORT



We use the **power of beauty** to make a positive impact on our world.

As the originator of All Things Beauty. All In One Place[®], Ulta Beauty is uniquely positioned to help drive the beauty industry to deliver more positive environmental and social impact for our guests, associates, stakeholders and the world.



About this report

Ulta Beauty's 2023 environmental, social and governance (ESG) report captures our areas of progress and impact during fiscal year 2023 in our key focus areas of People, Product, Environment and Community. Please contact our General Counsel, Chief Risk & Compliance Officer, Jodi Caro, at InvestorRelations@ulta.com with any questions about this report.

As we reflect on 2023, we have a lot to be proud of at Ulta Beauty: **strong financial results, engaged guests and passionate associates.** We are particularly proud of how we continue to use the power of beauty for good in a **uniquely Ulta Beauty way.**



Dave Kimbell
Chief Executive Officer

Expanding our environmental and social impact is an important part of the strategic framework that guides our company. Expectations of businesses continue to evolve—many of our guests, associates and stakeholders expect us to go beyond selling products or offering services and be part of the solution to environmental and social issues. As the largest U.S. specialty beauty retailer, we have the power to drive positive change, and we take this responsibility seriously. However, we cannot do this alone, and our strong partnerships and collaborative approach will allow us to influence our vendors and brand partners to join us in taking steps to improve the beauty industry as a whole.

We focus our efforts on areas where we believe we can have the greatest impact and that make sense for our guests, our associates and our business. I'm proud to share just a few highlights of the progress we made in 2023 across each of our ESG pillars.

People

We are proud to serve a broad, diverse population of guests who span all ages, ethnicities and walks of life, and remain focused on enhancing and evolving our assortment and service offerings to ensure all guests feel connected and reflected at Ulta Beauty. Representing beauty at its most diverse and inclusive helps our guests feel welcome and allows us to

best meet their needs. Our **engaged associates and winning culture** are key drivers of our success. With an associate population that is 91% female and 54% people of color, we are making great progress but know we have more work to do. In 2023, we remained focused on helping our associates achieve their full potential by offering a wide array of training and development opportunities contributing to our strong retention rate—proof of the culture of belonging we're creating.

Product

Many of our guests are making lifestyle choices to reduce their environmental impact, including **choosing products** made with sustainable packaging. In 2023, over 300 brands were certified to one or more pillars of Conscious Beauty at Ulta Beauty®. We're making progress toward our sustainable packaging goal and are further addressing the beauty industry's packaging footprint with the launch of The Beauty Dropoff™ nationwide in 2024. This initiative offers our guests a convenient, responsible means to dispose of hard-to-recycle beauty packaging at Ulta Beauty stores, which are then recycled or converted into energy by a specialty recycling partner. We also welcomed our second cohort of the MUSE program, designed to help BIPOC brands become retail ready.

Environment

In 2023, we announced emissions reduction goals approved by the Science Based Targets initiative. These targets include our commitment to reduce emissions from the products we sell and engage suppliers to set reduction targets of their own. Together, in partnership with our brands and suppliers, we are confident we can achieve our commitments. As an example of steps we are already taking, we recently announced that we will provide free guidance to all brand partners to support them on their climate journeys. This is good for them, good for us and **good for the planet.** We also made meaningful improvements on energy efficiency and will continue looking for ways to reduce the impact of our business on the environment.

Community

Our **Ulta Beauty Charitable Foundation** continues to play a key role in our ability to use the power of beauty to make a positive impact. In 2023, we raised \$6.8 million dollars for our long-time partner, the Breast Cancer Research Foundation, advancing research and continuing our search for a cure. This is just one of the many non-profit partners we supported in 2023, making a real difference in the lives of women and their families across the country. We also provided much-needed support during natural disasters and expanded the impact of our Ulta Beauty associate relief program. We are grateful for the generosity of our guests, associates and the many partners who support our charitable efforts, and look forward to doing even more in 2024.

Ulta Beauty believes in the power of beauty to do good and we look forward to showing the world just how much good we can do when we all work together. We hope you will continue to join us on this journey and encourage you to share your feedback along the way.

ESG at Ulta Beauty

As the largest U.S. specialty beauty retailer, our focus is to make beauty accessible and inclusive for all. To realize that potential, we have incorporated our intention to expand our environmental and social impact as part of the strategic framework that guides our business. As we continue our journey, we are excited about our potential to shape how the world experiences beauty.

Ulta Beauty Strategic Framework



Drive breakthrough and disruptive growth through an expanded definition of **ALL THINGS BEAUTY**



Evolve the omnichannel experience through connected physical and digital ecosystems **ALL IN YOUR WORLD**



Expand and deepen our presence across the beauty journey, solidifying Ulta Beauty at the **HEART OF THE BEAUTY COMMUNITY**



Drive **OPERATIONAL EXCELLENCE AND OPTIMIZATION**



Protect and cultivate our **WORLD-CLASS CULTURE AND TALENT**



Expand our **ENVIRONMENTAL AND SOCIAL IMPACT**

ESG Strategic Framework



WE USE THE POWER OF BEAUTY FOR GOOD



WE PURSUE ESG AS A VALUE DRIVER



WE TAKE A TARGETED APPROACH



WE BALANCE LEADING AND LEARNING



WE STAY TRUE TO WHO WE ARE

Where positive impact meets business results

Expanding our environmental and social impact is a part of our strategic framework for a reason. We cannot become the most loved beauty destination without being intentional about how we care for our guests and associates, minimize our impact on the environment and support the communities in which we live and work. Being intentional about how we operate our business every day drives results and is part of what makes us successful.



People



Product



Environment



Community

How we make a positive impact

We champion inclusion and opportunity in beauty for all.

We empower guests to make informed choices about the products that we offer.

We strive to maintain the beauty of our environment and minimize our impact on the world around us.

We support well-being in women and teens, so they can unleash their possibilities.

Why it matters to our business

Our associates are key to helping guests find what they’re looking for, inspiring joy and driving loyalty. We keep our associates at the center of everything we do so they can stay focused on delivering great guest experiences.

And we know that turnover is costly. Employees who feel valued are more productive, and more diverse companies tend to outperform their less diverse peers.^{1,2}

Beauty is an inherently personal category, and it knows no bounds. To deliver a great experience to every guest, we must have something for everyone, for every stage of their lifelong beauty journey.

Guests also increasingly want to understand and feel good about the products they purchase. Our efforts to provide education and transparency about the products we carry can drive sales and brand loyalty.

Working with others to reduce our collective impact builds strong partnerships, helps mitigate risks associated with climate change and enhances business resiliency.

And efficient operations and facilities reduce costs associated with operating our stores and distribution centers.

Approximately 91% of our associates and the majority of our guests are women and their well-being, as well as the well-being of our youth, is critical to their ability to succeed. That’s why we view philanthropic donations and volunteerism as investments that benefit our associates, guests and communities whose strength all contribute to our success.

Turnover can cost up to 2X an employee’s salary³

More than 85% of beauty shoppers are interested in clean beauty products⁴

Energy efficiency can tie directly to operational expense savings

Charitable giving affects 73% of Americans’ spending decisions⁵

¹ [Forbes](#), ‘Why Employee Recognition is More Crucial than Ever’, 2022

² [McKinsey](#), ‘Diversity matters even more: The case for holistic impact’, 2023

³ [Gallup](#), ‘This Fixable Problem Costs U.S. Businesses \$1 Trillion’, 2019

⁴ Ulta Beauty consumer insights, January 2023

⁵ [MIT Sloan Management Review](#), ‘Boosting Charitable Giving Can Also Boost Profits’, 2021

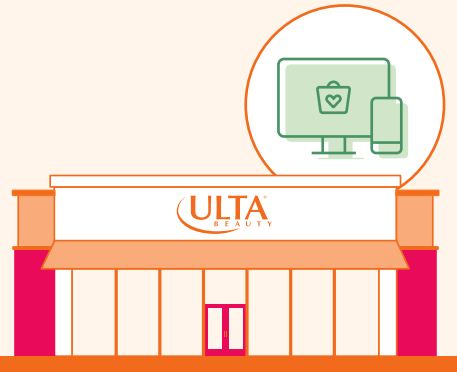
Our inclusive value chain

Diversity, equity and inclusion (DEI) are catalysts for all we do at Ulta Beauty. By embedding a DEI mindset into all aspects of our business—not only our workplace practices, but also the suppliers we work with, products we offer and nonprofits we support—we can think more innovatively, retain world-class talent and become the most loved beauty destination for guests.



Suppliers

We believe sourcing from a diverse base of suppliers ensures we benefit from a wide variety of expertise and perspectives. We actively seek businesses with supplier diversity certifications and share information with qualified businesses about the benefits of certification. [Learn more](#)



Stores and e-commerce

We meet the needs of our diverse guests wherever they shop—in our stores and online. We train our beauty-loving associates to make all guests feel welcome and help them find the products and services they are looking for. [Learn more](#)



Products

We’re proud to support beauty entrepreneurs with specific programs designed to ensure inclusivity through support of founders who identify as Black, Hispanic, Asian American/ Pacific Islander and members of the LGBTQ+ community. Supporting up-and-coming businesses provides our guests with more choice and allows them to also support entrepreneurial spirit. [Learn more](#)



Workplace

Champion diversity is a core value—one that all associates strive to infuse into their daily work. We ensure oversight and leadership of DEI at the highest levels of the company, including in our corporate offices, distribution centers and stores. Our aspiration is to create an inclusive, safe and equitable environment for all—so that we can maintain high levels of associate engagement while focusing on our guests. [Learn more](#)



Community

The Ulta Beauty Charitable Foundation’s aspiration is for all women and teens to have access to the resources and support they need to support healthy minds, strong bodies and deep connections with others. Together with leading nonprofits, our foundation reaches women and teens across the U.S. [Learn more](#)

Progress against our commitments

Ulta Beauty uses the power of beauty to make a positive impact on our industry and the world.

As we work to influence change in our industry, many of the outcomes of our efforts will be qualitative, far-reaching and long term. At the same time, we have made several quantitative and time-bound commitments across various areas of our business. These include our science-based emissions reduction target, which was approved by the Science Based Targets initiative (SBTi) in 2023.

The information in the table below represents the progress we made toward our goals in 2023. New goals we set for 2024 can be found throughout this report. We will continue reporting progress towards our goals in future ESG Reports.



People

Goal	Progress
Conduct quarterly, in-store training to reinforce inclusivity and address unconscious bias for all DC and corporate associates, and conduct a third year of curriculum for salon and store associates in 2023	Complete
Invest to further DEI efforts through brand amplification, assortment growth and equitable guest and associate experience in 2023	Complete
Acknowledge and celebrate lived experiences with always on DEI internal programming in 2023	Complete



Product

Goal	Progress
Dedicate 15% of total brand assortment to Black-owned, Black-founded and Black-led brands	~9% of brand assortment is from Black-owned, -founded or -led brands
Ensure that 50% of the consumer-level packaging, by weight, will be recyclable, refillable or made from recycled or bio-sourced materials for products sold by 2025	25% of packaging meets these requirements
Double our spending with diverse suppliers (over 2022 levels, targeting 5.4% of total spend) by 2027	3.3% of spend is with diverse suppliers



Environment

Goal	Progress
Set a near-term science-based emissions reductions target with the SBTi by 2023	Complete
Continue improving operational efficiency of stores in 2023 via 100 LED lighting retrofits, 30 HVAC retrofits and 50 Energy Management System (EMS) upgrades	Effectively complete⁶



Community

Goal	Progress
Fund one million hours of breast cancer research by 2024, equivalent to \$50M in funding	Complete—\$55 million+ donated

⁶ Completed 200 lighting retrofits; some EMS upgrades and HVAC retrofits pushed to early 2024.



People

We champion **inclusion and opportunity** in beauty for all.

1 in 3

Gen Z job seekers want to work for employers who prioritize diversity and inclusion⁷



⁷ Sensu Insight, 'What Do Gen Z Want from Employers?', 2022

Protecting and enriching our culture

To be at the heart of the beauty community we need talented people at the heart of our company. We’re proud of the world-class culture we’ve built over the past 33 years and believe it’s one of the biggest drivers of our continued success.

Insights from associates bear this out: during our annual culture survey, we continue to meet or exceed industry benchmarks for associate engagement. During our most recent survey, we learned that our people feel united by a sense of purpose and are comfortable being themselves at work. For the first time in 2023, we also conducted a survey specifically for job candidates who receive offers to work at Ulta Beauty. Survey findings, particularly from prospective associates just beginning to learn about our company, confirm that our caring culture is a magnet for talent.

GOAL FOR 2024:

Strive to maintain overall retention

We are proud of our historically high levels of associate retention. In 2024, we set a goal to strive to maintain this level of performance (for all except seasonal and temporary associates). We will do this through continued focus on associate engagement, development, competitive pay and strong benefits offerings.



Mission

Every day, we use the power of beauty to bring to life the possibilities that lie within each of us—inspiring every guest and enabling each associate to build a fulfilling career.

Vision

To be the most loved beauty destination of our guests and the most admired retailer by our Ulta Beauty associates, communities, partners and investors.

Values





How we manage and engage talent

We continue to invest in our People Success function to support all associates and to remain an employer of choice. This means helping individual associates grow their careers, with a refreshed competency model to drive consistency in our talent management processes and give us clear ways to measure success. It also means continuing to think about our workforce as one team, and identifying the talent today who will lead our business into the future. A major focus in 2023 was developing succession plans for key roles to improve our bench depth and readiness, as well as offering intentional development opportunities.

Through inclusive recruiting strategies, equitable talent management processes and bespoke career development opportunities, we're cultivating a workforce that is representative of our guests' diverse lived experiences and the communities in which we operate. Our inclusive recruiting strategy focuses on talent acquisition, development, training and associate engagement and retention. Within our early-career recruiting workstream, we conduct outreach to students from under-resourced communities—just one example of our dynamic recruiting approach.

Keeping associates safe amid organized retail crime

Nothing is more important than associate and guest safety. Ulta Beauty is deeply committed to investing in ways we can address organized retail crime (ORC), theft and enhance overall safety in our stores. While this widespread problem is not unique to Ulta Beauty and one we cannot solve alone, we've taken a range of actions to move the needle in the right direction and mitigate the impacts of these incidents.

- > **Partnerships**—Ulta Beauty is working with industry peers, as well as community leaders, landlords, retailers, district attorney offices, law enforcement, ORC alliances and government at all levels to push for legislative and law enforcement action to disrupt ORC efforts.
- > **Staffing**—We strategically added resources and people to our Field Loss Prevention and ORC teams to provide more support to our stores. ORC managers conduct in-store visits to raise awareness about how to respond to and report ORC issues and conduct events with law enforcement.
- > **Training**—We created an **Introduction to ORC** training course for all in-store associates and provide reference guides to reinforce learning.
- > **Protective Measures**—To protect merchandise most frequently targeted by ORC and shoplifting, such as fragrances, we have installed secure fixtures to the majority of our stores, with added staffing to ensure an elevated guest experience.
- > **Strategic Support**—EPICenter, our 24/7 strategic support center, operates as a single point of contact for associates to report safety incidents. It also performs remote monitoring and keeps stores informed about local safety incidents that could impact them and other business disruptions.



Creating pathways for success

Our industry is constantly changing, so our team is always learning.

Opportunities for development begin early in careers, starting with a robust summer internship program. The program is designed for young professionals seeking their first post-graduate jobs—as well as in-store associates looking to make the switch to a distribution center or corporate office-based career. In 2023, we hosted 43 interns, 6 of whom had prior experience as Ulta Beauty store associates. Interns worked on projects including devising strategies for Ulta Beauty to gain market share among underrepresented customers and proposing innovative ways to engage guests.

In early 2024, we implemented a new learning management system that is available to all associates. With this new system, associates will be able to find everything they need to upskill and reskill. This investment in our talented associates enables us to advance and refresh our approach to learning and development at Ulta Beauty, introducing features such as self-directed leadership learning opportunities within our wide catalogue of trainings.



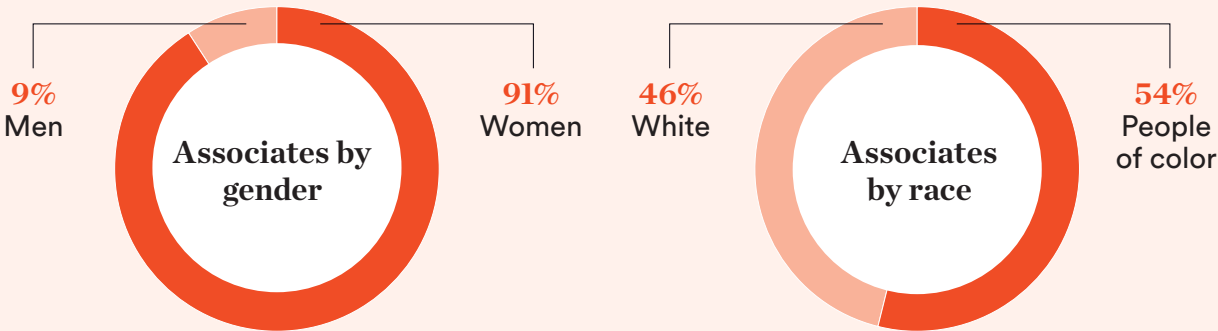
GOAL FOR 2024: Continue inclusivity training

Ulta Beauty offers training to reinforce inclusivity and address unconscious bias to all store, distribution center and corporate associates. We will continue to offer this training quarterly.⁸

Inclusion in Action, our quarterly training on inclusivity and unconscious bias, is mandatory for all Ulta Beauty associates.⁸ What began exclusively as in-store training has been extended to our distribution centers and corporate workforce, with training topics customized for each group. Participating associates underwent three-and-a-half hours of training in 2023, with sessions focused on being an active bystander, authenticity in the workplace, collaborating across generations and providing equitable and unbiased environments for guests.

We also added two new training programs in 2023 for established and aspiring leaders to deepen their skillsets. These included a leadership development series for store general managers, which covered optimizing teams, coaching for high performance and collaborating to achieve results. Recognizing that leadership is a skill, not a title, we introduced the Aspire Program to develop leadership skills for those without direct reports. The program focused on influencing others, managing up and making time for one’s leadership development journey. We also held another cohort of our Diverse Leaders program, through which high-potential managers and directors can gain career support from Ulta officers, outside coaches and a peer mentoring circle.

The Ulta Beauty workforce



In 2023:

59%

of new hires, enterprise-wide, were people of color

19%

of new hires, director level and above, were people of color

31%

of people promoted at the director level and above were people of color, enterprise-wide

65%

women in leadership roles⁹

26%

people of color in leadership roles⁹

See more data in our [EEO-1 summary](#).



⁸ Where allowed by law

⁹ Leadership roles are defined as director level and above



Helping associates stay safe and well

Associates’ safety in the workplace—as well as their physical and mental well-being—is our top priority. Ulta Beauty is proud to offer comprehensive and competitive benefits to our associates designed for whole-person support.

We consider well-being across eight dimensions and strive to offer benefits to help associates meet their needs in each area. By offering a wide variety of benefits that are important to associates and their loved ones, we enhance our ability to recruit and retain top talent. Members of our benefits team are available at any time to answer associates’ questions about their benefits.

Caring for associates’ health

Associates who work more than 30 hours a week for Ulta Beauty, in any position, are eligible for health care coverage, including medical, dental and vision. Coverage extends to dependents, including spouses, same-sex partners and children under the age of 26. Our medical plans provide better levels of coverage, with less cost share placed on associates, compared to many other retailers. We offer comprehensive medical plans that empower associates to choose the coverage that best suits them, including a new health savings account option added in 2023. Associates can receive both virtual and in-person care, as well as urgent and scheduled care options.

Health care benefits are designed to be inclusive and include coverage for some gender-affirming services and travel expense assistance for eligible reproductive health services where access to care is restricted.

All full-time associates are eligible for paid sick time, regardless of their location. We follow state-level mandates regarding paid sick time for part-time associates.

Benefits across every dimension of well-being

We help associates plan for the future and for the unexpected with company-provided life insurance and options for disability coverage. Associates ages 21 and older are eligible to contribute to Ulta Beauty’s 401(k) plan with company match. We added a Roth 401(k) option to our offerings in 2023.

We recently introduced Convenience Care, a service that helps associates locate resources for childcare, elder care and other services. Other benefits include financial wellness planning and guidance resources, annual memberships to a meditation tool (for corporate associates) and training on wellness, mindfulness and inclusion. In addition, all associates have access to an Associate Assistance Program that provides access to a range of well-being resources, [Associate Relief Fund](#) and an Ulta Beauty discount of 25% off retail products and 50% off salon services.

Dimensions of well-being



Emotional



Occupational



Physical



Social



Spiritual



Environmental



Intellectual



Financial

Resources for parents

Approximately 91% of our associates are women, and our associates’ well-being is one of our highest priorities. We are proud of the holistic support and comprehensive benefits related to family planning and parenting. To support associates who wish to become parents, are parents-to-be or are already parents, Ulta Beauty offers benefits and resources for all stages of the process:

Family planning

- > Fertility benefits and resources that address the needs of all associates, including our single, LGBTQ+, adoptive and surrogacy associates
- > Access to telemedicine/virtual care¹⁰
- > Health care plans that integrate the services of delivery professional services/midwives¹⁰
- > On-demand access to training, online tools and other resources for pregnancy and childbirth, including live informational sessions to help associates understand the benefits, resources and leave options available to them
- > Pregnancy accommodations aligned with the Pregnant Workers Fairness Act



Parental leave

- > At least 12 weeks of leave for childbirth and/or bonding with a new child through Ulta Beauty’s Maternity Leave Policy, which complies with the Family Medical Leave Act and also incorporates additional leaves provided by the company¹¹
- > At least six weeks of leave for non-childbearing parents to bond, following birth or placement of a child
- > A bereavement leave policy that covers leave for parents grieving losses caused by miscarriage or stillbirth

Returning to work and family life

- > Access to the Ulta Beauty Associate Assistance Program: a company-sponsored, confidential platform to support associates with well-being, mental health and life in general (including resources for parents on topics like sleep routines, postpartum depression, family financial planning, step-parenting, navigating teen years and work-life balance)
- > A lactation policy that complies with federal and state regulations, including ensuring associates have the time and space required to collect and store breast milk
- > Discounted childcare services with select partners
- > Associate scheduling practices that comply with state and local regulations, including communicating work schedules at least two weeks in advance, and no “on-call” shifts, to allow associates to plan family life accordingly



Making space for associates to connect

Another way we’re strengthening culture is by operationalizing the work of our business resource groups (BRGs). Ulta Beauty has BRGs for associates who identify as a member or ally of a particular shared background or community, including:

- > Asian American/Pacific Islander
- > LGBTQ+
- > Black
- > Women
- > Hispanic
- > Veterans

The mission of our BRGs is to cultivate an environment where all associates are valued, empowered and provided opportunities to develop and contribute to Ulta Beauty’s DEI journey and business. Each BRG has an executive sponsor providing guidance and ensuring they have the support needed to succeed. In 2023, we trained BRGs how to organize volunteer events, engage associates and interact with communities, improving their effectiveness. We also encourage store general managers to join educational events organized by BRGs, so they can use lessons learned to help build a more inclusive culture within their stores.

Some of the events BRGs organized in 2023 included fireside chats for key moments like Black History Month, Asian Pacific American Heritage Month, Hispanic Heritage Month, Pride Month, Women’s History Month and Veterans Day. We were also excited to host a panel of women founders of beauty brands, who gathered to discuss how they empower other women in the beauty industry.

¹⁰ For associates enrolled in our medical plan
¹¹ Short-term disability coverage is available for all associates (at no cost for full-time associates and for purchase for part-time associates)



We **empower guests** to make informed choices about the products that we offer.

86%

of beauty shoppers—and 90% of Gen Z/younger Millennials—are interested in purchasing clean beauty products¹²

¹² Ulta Beauty consumer insights, January 2023

Operating at the heart of the beauty community

Ulta Beauty was founded more than 30 years ago with a clear vision: to be the most loved destination for guests to find all things beauty.

Since our beginnings outside the city of Chicago, we’ve expanded through our leading omnichannel offering, with stores in all 50 states, a strong online presence and “shop-in-shop” stores through our partnership with Target.

We are the nation’s largest specialty beauty retailer, putting us at the intersection of consumer trends, product innovations and industry evolution. With this position comes a great responsibility to help move our industry forward sustainably and responsibly.

Offering products from approximately 600 brands in our stores and online, we help connect both established and emerging brands with our beauty-loving guests. We’ve gathered insights that tell us what really matters to today’s consumers—so we know that they care more than ever about product ingredients, production practices and waste. Some of the greatest opportunities for impact in this area exist at the brand level. Ulta Beauty is driving progress by engaging with brand partners on important issues like carbon emissions, sustainable packaging and supply chain diversity.

Guests come to Ulta Beauty stores looking to discover beauty on their own terms, explore the latest trends and to engage in self-care. Our guests are more diverse than ever in terms of ethnicity, gender identity and age. We strive to meet them where they are and offer products aligned with their needs and values, whether they’re looking for clean beauty products, diverse-owned brands, recyclable packaging or all of the above. We’re finding opportunities to educate and shape behavior by providing clear information about the products we offer and enable guests to reduce their own environmental impact through [in-store packaging recycling](#).

We’re also cementing our role as a leader in the beauty industry with key cross-category initiatives, including:



[Conscious Beauty at Ulta Beauty®](#), which helps guests identify clean ingredients; cruelty-free, vegan and sustainably packaged brands and products; and brands that give back to communities and the planet

[The Wellness Shop](#), which celebrates self-care by offering supplements, home spa goods and intimate wellness products



[SPARKED](#) at Ulta Beauty, our launch platform, which offers guests the opportunity to discover the newest emerging brands

[Beauty Without Limits](#), which uplifts underrepresented voices across retail and beauty



The Ulta Beauty portfolio

~25,000 products

~600 brands

Making clean beauty accessible through assortment, transparency and education

The data is clear: guests care about what’s in the products they use.

A recent study by McKinsey and NielsenIQ found that products positioned as good for people and the planet have experienced greater cumulative growth over the past five years than those that do not make such claims.¹³ While sustainability claims vary widely by categories, in the beauty space they generally relate to ingredients and packaging materials that are considered more sustainable than alternatives. For the past three years, Ulta Beauty has helped educate and inform our guests through Conscious Beauty at Ulta Beauty®. We not only identify brands that are at the forefront of clean, vegan and cruelty-free beauty, sustainable packaging and giving back as we define it—we also share information with guests about why these areas of impact matter.



As the demand for clean and sustainable beauty products grows, we remain focused on Ulta Beauty’s differentiated experience.

As this space grows, here are a few factors that we believe set Conscious Beauty at Ulta Beauty® apart from the rest:

Educate, guide and simplify.

“Clean.” “Sustainable.” We recognize that there is a lack of consensus around many words often used to describe beauty products. Conscious Beauty at Ulta Beauty® is designed to provide transparency to help our guests make informed beauty and personal care product choices. Our approach has been to develop clear, guest-friendly pillar standards defining what Conscious Beauty means at Ulta Beauty.

Choices for you and your world.

Through Conscious Beauty at Ulta Beauty® we give our guests access to more choices, guide them along their journey and celebrate the brands and products that are aligned with their values. Within Conscious Beauty at Ulta Beauty® we certify products and brands to one or more of five pillars:



Clean
Ingredients



Cruelty
Free



Vegan



Sustainable
Packaging



Give
Back

In 2023, we renamed the Positive Impact pillar to Give Back. The pillar continues to highlight brands that have charitable giving at their core. Give Back now certifies brands that provide ongoing financial support to environmental and/or social causes.



300+
brands certified to
one or more pillars

Guest, associate and brand partner education.

An important aspect of Conscious Beauty at Ulta Beauty® is education. We work to inform guests on all that we offer, both in-store and online. In an effort to provide more transparency and educate through multiple touchpoints, guests can now scan QR codes in-store to see exactly what’s on Ulta Beauty’s [Made Without List](#). We also train associates so they can confidently engage guests and share information with brands so they can make changes to their products and packaging.

Industry engagement and partnerships.

To maximize our ability to move the industry forward, we partner with retail peers, brand partners and nongovernmental organizations like the Environmental Defense Fund. Ulta Beauty also plays an active role in industry groups tied to ingredients and packaging, including Change Chemistry, Personal Care Products Council, ChemFORWARD, Beyond the Bag (in partnership with Closed Loop Partners), Sustainable Packaging Coalition, Pact Collective, The Sustainability Consortium and Sustainable Brands. The Conscious Beauty at Ulta Beauty® Advisory Council is made up of experts in product development, sustainability and brand leadership who act as our trusted advisors.

¹³ McKinsey, ‘Consumers care about sustainability—and back it up with their wallets’, 2023



How we use our influence to shape the industry

We have established ourselves as the retailer best known for clean beauty.¹⁴ Now, we're bringing our brand partners along on the journey to maximize our positive impact.

¹⁴ Ulta Beauty Proprietary Research, 2023

¹⁵ McKinsey, 'Consumers care about sustainability—and back it up with their wallets', 2023



Conscious Beauty at Ulta Beauty® is designed to reflect the needs of today's consumers and uplift the good work being done by our brands. A successful program depends on both guest understanding and brand partner participation. Our role is to act as the connector between these two groups, providing resources, encouragement and education along the way.

Here are a few best practices we've learned in three years of Conscious Beauty at Ulta Beauty®:

Share the business case.

We communicate to brand partners the benefits of becoming certified for the pillars of Conscious Beauty at Ulta Beauty®, given growing interest in clean and sustainable beauty products.¹⁵ There are clear incentives for brands to participate and continuously improve, and we're committed to raising the profiles of products that achieve certification.

Provide resources to drive progress.

Brands don't have to go it alone. In fiscal 2023, we brought on Novi Connect as a third-party enrollment partner for Conscious Beauty at Ulta Beauty®. Novi Connect will help brands engage suppliers on improved packaging and ingredients and make progress on their own sustainability journeys.

Meet brands where they are.

Many brands we offer are one-of-a-kind, so aspects of Conscious Beauty at Ulta Beauty® must be too. When we launched our Give Back pillar, formerly known as Positive Impact, we set a requirement that brands make an ongoing financial donation to one or more environmental or social causes each year, but did not specify a donation amount. This approach allows businesses of all sizes to participate and be recognized.

Be willing to evolve.

We have continued to evolve by listening to and learning from sources such as industry experts, our Conscious Beauty at Ulta Beauty® Advisory Council and our brand partners to understand what matters most to our guests. Over the past year, we refined **how we think about sustainable packaging** to be more transparent. We also began offering certifications at the SKU level for products made with clean and vegan ingredients to allow for greater choice and participation.

Bring consumers along for the journey.

Take a look at our website, social channels, advertising and store shelves, and you'll see that communicating about Conscious Beauty at Ulta Beauty® is a priority. We continue to learn more about what messages resonate with our guests through pilots to reduce single-use bags and encouraging recycling of empty product packaging.





How do we think about sustainable packaging?

Imagine the empty bottles, tubes, jars and vials that hold every product sold by Ulta Beauty over the course of a year. If you were to place all those containers on a scale, at least half of that total weight will come from containers that are at least one of the following:



Recyclable
(according to U.S. Federal Trade Commission guidelines)



Refillable



Made from recycled material



Made from bio-sourced material

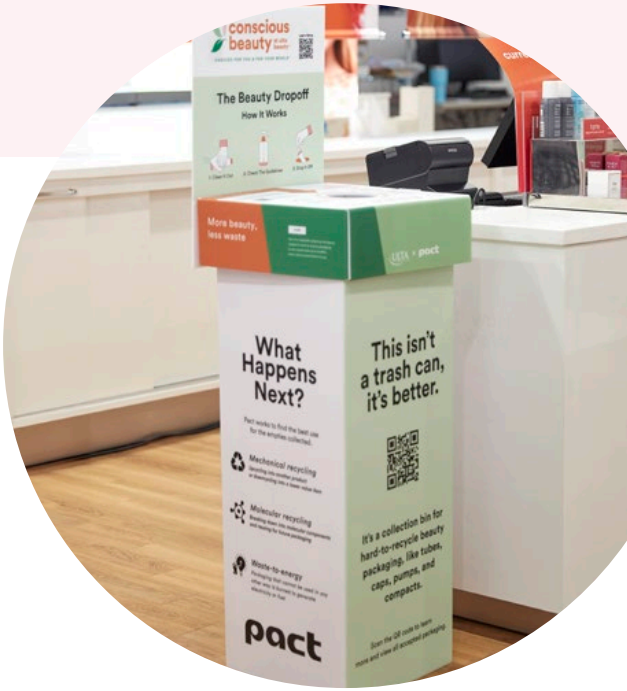
Progress on sustainable packaging

Of all the Conscious Beauty at Ulta Beauty® pillars, we have put a special focus on Sustainable Packaging, as we believe that this is one of the areas where we can make a meaningful and measurable impact. **The beauty industry generates 120 billion units of plastic packaging waste every year, 90% of which is not recycled.**¹⁶ We’re attacking this problem across the product life-cycle—the use of recycled/recyclable content in packaging and the collection of packaging at the end of its use. Our goal is that by 2025, 50% of the packaging we sell by weight in our total assortment, including Ulta Beauty Collection®, will be recyclable, refillable, made from recycled or bio-sourced materials or a combination of these attributes.

As of the end of fiscal 2023, we’re on our way to achieving our goal, with ~25%¹⁷ of packaging meeting our definition of sustainable. We’re making progress despite recycling infrastructure limitations, material shortages and an ongoing need to encourage more brands and consumers to embrace refills and reuse. In addition, the brands we carry include companies of all sizes, from many parts of the world and with different levels of capacity to gather the data we seek to verify their progress. Data will fluctuate as our brand and product assortment evolves.

In addition, there is limited standardization in how brands track and share packaging information. We are using our strong partnerships and collaborative approach to educate and influence brands as we make progress on this complex journey together.

In March 2024, we launched the Beauty Dropoff™ program at all stores. Through this program, guests can bring back their empty hard-to-recycle beauty packaging and deposit them in collection boxes provided by Ulta Beauty in partnership with Pact Collective. Pact will seek to find the best uses for collected items, including recycling and turning waste into energy.



The Beauty Dropoff™

¹⁶ [Forbes](#), ‘Why Is Eliminating Plastics From Beauty Products So Critical? Superzero Founder Explains’, 2022
¹⁷ Data is rounded to the nearest whole number. The data used for calculated progress towards our targets includes numbers reported to Ulta Beauty by brand partners that has not been validated by third parties. Calculation for percentage of sustainable packaging weight is calculated by dividing the sum of total sustainable packaging weight of items purchased by total packaging weight (total product weight, minus net weight of usable product weight) of items purchased.

A closer look at what's in our products

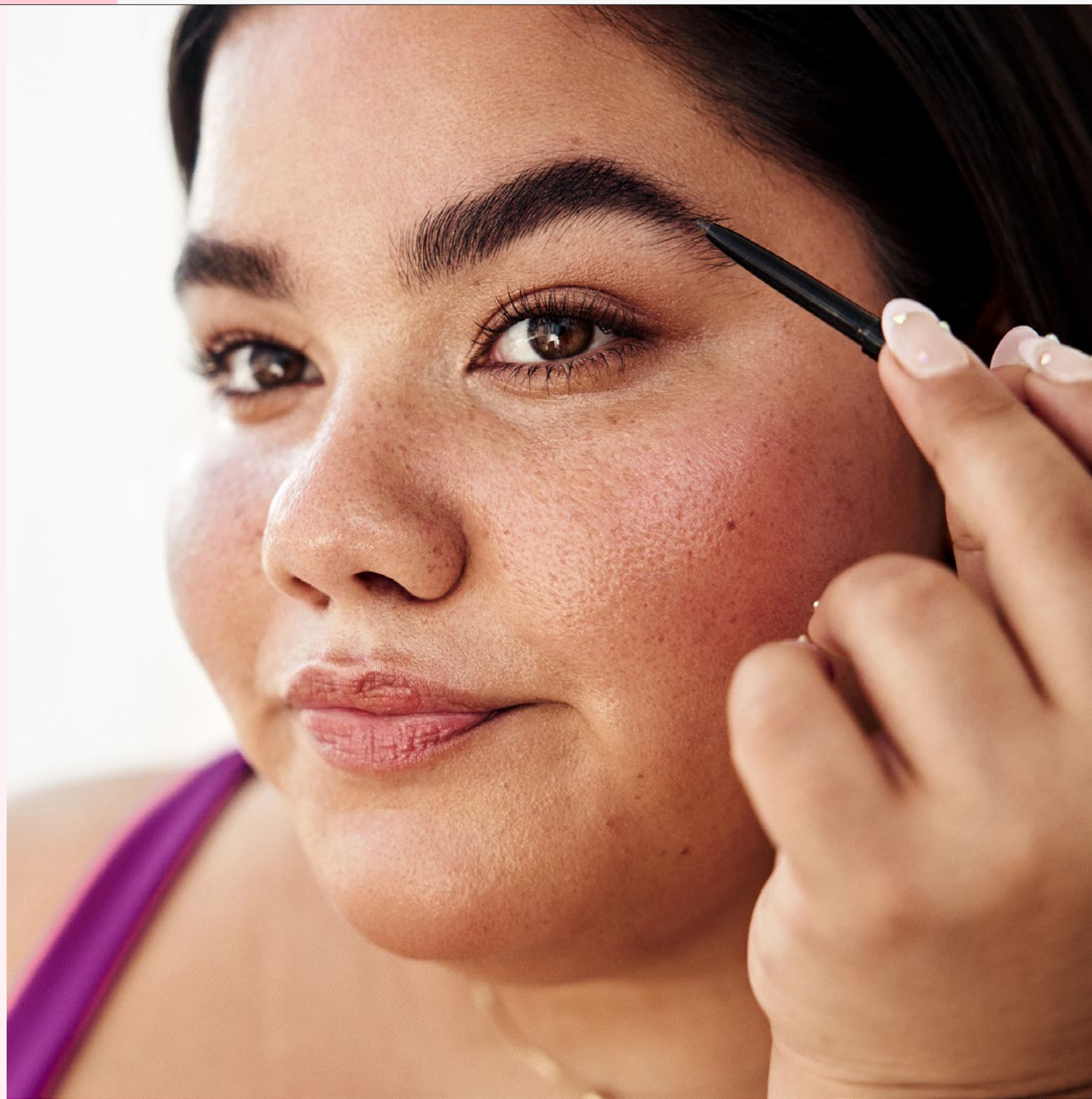
The beauty industry uses chemicals to give products their unique benefits, including moisturizing, sun protection, color, all-day wear and more.

Transparency about the ingredients and formulations in the products we offer is a matter not only of consumer interest, but also safety and health.

We maintain a **Made Without List**, which specifies ingredients that are not found in products badged for the Clean Ingredients pillar of Conscious Beauty at Ulta Beauty®. And while indicating what ingredients not to use is a critical first move, we're taking it a step further by working collectively with our retail peers and ingredient suppliers to identify safer alternatives to move the industry forward.

In 2023, we joined ChemFORWARD's "Know Better, Do Better" collaboration, which brings leading beauty companies together to improve chemical hazard data for beauty products. Through this collaboration, Ulta Beauty and other industry leaders are sponsoring ChemFORWARD in conducting chemical hazard assessments of ingredients commonly found in cosmetics products. ChemFORWARD will then make this data available to brands and consumers, so they can make more informed choices.

The Modernization of Cosmetics Regulation Act (MoCRA), passed in 2022, expands the Food and Drug Administration's authority to regulate cosmetics and ensure their safety. All facilities that manufacture products that are a part of Ulta Beauty Collection® will register to comply with MoCRA.



Furthering beauty for all

We want every guest who shops at Ulta Beauty to find products that celebrate what makes them unique.

It's why we work to curate a diverse product assortment, not only in terms of brands and categories but also for all ages, skin tones and hair types. In 2023, we worked to further increase the inclusivity of our assortment.

Many Black and Hispanic beauty enthusiasts are looking for brands that truly understand their needs, which is one reason supporting Black, Indigenous and People of Color (BIPOC)-owned brands is a priority for Ulta Beauty. We have a support ecosystem across merchandising, supply chain, finance and other areas to assist our BIPOC brand partners achieve long-term success. This included two virtual summits in 2023 to give these brand partners the tools and resources needed to grow their businesses.

We also welcomed the second cohort of our MUSE Accelerator program, a 10-week program designed to prepare early-stage BIPOC-owned and -founded brands for retail readiness. The program combines financial support with networking opportunities—and is leading to real results for participants: Pound Cake Cosmetics, an award-winning lipstick brand and a participant in the first MUSE Accelerator cohort, launched in Ulta Beauty stores and online in the fall of 2023.

Ulta Beauty is also a proud signatory of the Fifteen Percent Pledge, through which we commit to devote 15% of our total brand assortment to Black-owned, Black-founded and Black-led brands. We have already achieved this goal within our hair care category. As of the end of fiscal 2023, Black-owned, -founded and -led brands made up ~9% of our brand assortment store-wide.

But supporting BIPOC-owned brands is about more than reaching diverse guests. Many consumers agree that it's an important step toward equity. In a study by McKinsey¹⁸, 45% of Americans—across genders, ethnic backgrounds and age groups—said they believe that retailers should actively support Black-owned businesses and brands. We strive to place these brands in prime locations in our stores, advertising and email marketing. During Black History Month in 2023, we created a product discovery kit—which was both sold online and distributed at conferences—to create awareness for 11 emerging Black-owned and -founded brands. The kits were targeted to all guests, and 100% of the purchase price was donated to Big Brothers Big Sisters of America, a nonprofit that supports youth in under-resourced communities.

¹⁸ McKinsey, 'The rise of the inclusive consumer', 2022



Octavia Morgan
Founder, OCTAVIA MORGAN Los Angeles



Johnny Velazquez and Camille Bell
Founders, Pound Cake



Advancing supplier diversity

Embracing DEI within our procurement practices helps make our supply chain strong and resilient.

One of many aspects of our robust procurement process includes extending competitive bidding opportunities to certified businesses that fall within one or more of the following categories:

- > Minority-owned
- > Woman-owned
- > Lesbian, gay, bisexual, transgender-owned
- > Disability-owned
- > Veteran-owned
- > Service-disabled veteran-owned
- > Small and disadvantaged-owned

We are on track to achieve our goal of doubling our spend with certified diverse-owned businesses from 2.7% in fiscal 2022 to 5.4% in fiscal 2027. Our spending with certified diverse suppliers reached 3.3% of our total spend in 2023, marking a 22% increase from 2022. From 2022 to 2023, our retention rate with certified diverse vendors stood at 94%, showcasing not just engagement but sustained partnerships.

We discovered many of our new vendors at conferences organized by advocacy agencies with whom we maintain corporate memberships. In 2023, we exhibited at conferences hosted by:

- > National Gay & Lesbian Chamber of Commerce (NGLCC)
- > National Minority Supplier Development Council (NMSDC)
- > Women’s Business Enterprise National Council (WBENC)



Kitsch
Certified Minority-Owned and Woman-Owned



Julissa Prado,
Founder and CEO
Rizos Curls
Certified Minority-Owned Business

Spent
\$193M
with certified minority-owned businesses



Cindy Pasky,
President and CEO
Strategic Staffing Solutions
Certified Woman-Owned Business

Spent
\$92M
with certified woman-owned businesses



Sasha Gulish,
Founder
Be Rad, Inc.
Certified Woman-Owned Small Business

Spent
\$168M
with small businesses



Environment

We strive to maintain the **beauty of our environment** and minimize our impact on the world around us.

78%

of beauty consumers think it's the responsibility of companies to protect the environment¹⁹

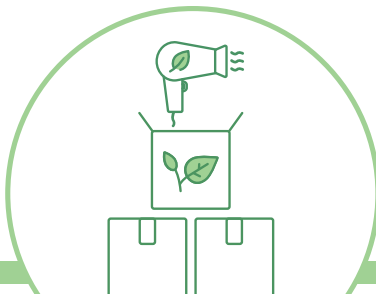
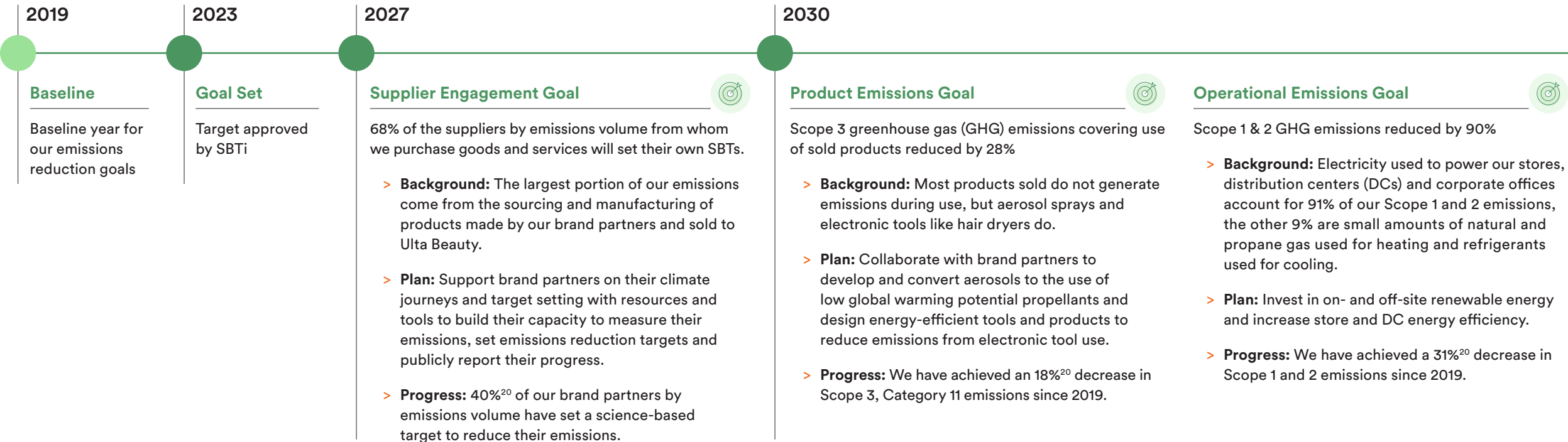
¹⁹ Ulta Beauty consumer insights, January 2023



Our climate commitments

Roadmap to achieving our science-based target

Being an industry leader means setting an example for others to follow. In 2023, we were proud to set our first science-based target (SBT) for carbon emissions, which was approved by the Science Based Targets initiative (SBTi). Our target has three main components, each of which we will address in distinct ways. It is designed to take responsibility for areas where we have control, and influence where we do not. Here’s the roadmap we plan to follow between now and 2030:



²⁰ Data was supplied by EcoAct Inc. as of fiscal 2023 end. Data has not been verified by a third party and will fluctuate as our brand and product assortment evolves.

Our path forward

Transforming our operations—Scope 1 and 2

- 1 **Continue implementing energy efficiency initiatives.** Equip new facilities with the latest technology, while pursuing solutions to lower our energy demand like retrofitting lighting, HVAC systems and energy management systems in existing stores and distribution centers.
- 2 **Pursue more on-site renewable energy.** Partner with landlords to support the installation of on-site solar photovoltaic systems. While we don't own the panels themselves, we purchase and use the renewable electricity generated on site (including the environmental attributes associated with that electricity).
- 3 **Scale up investment in renewable energy credits (RECs).** Invest in unbundled RECs, which can be purchased and used anywhere in the U.S., and purchase bundled RECs that support renewable energy projects in the same utility territories in which we operate.
- 4 **Adopt low-carbon refrigerants.** Replace high-global warming potential (GWP) refrigerants with low-carbon alternatives in our cooling systems.
- 5 **Support efforts to make clean energy accessible for all through Community Solar and other projects.** Seek opportunities to sign Community Solar Agreements. For these agreements, Ulta subscribes to a share of a local, off-site solar project, for which we pay a subscription fee in exchange for dollar credits on our electric utility bills.

Improving the sustainability of our products—Scope 3

- 6 **Reduce emissions from consumer use.** Influence and engage with brand partners to develop more energy-efficient tools such as hair dryers, drive guest adoption of more efficient tools and educate guests about the impact of usage habits and products on emissions.
- 7 **Support the industry in adopting low-GWP propellants in aerosol sprays.** Collaborate with aerosol value chain including brand partners and their ingredient and packaging suppliers to design and convert aerosols to the use of low-GWP propellants.
- 8 **Engage brand partners on climate topics.** Partner with the [Supplier Leadership on Climate Transition](#) program and invite brand partners to participate in an online climate school to measure their emissions, set a science-based target, create a plan to reduce emissions and report their progress on their climate journeys. In early 2024, we released our first Sustainability Guide for brand partners with resources to help them make progress on their packaging and climate journeys.

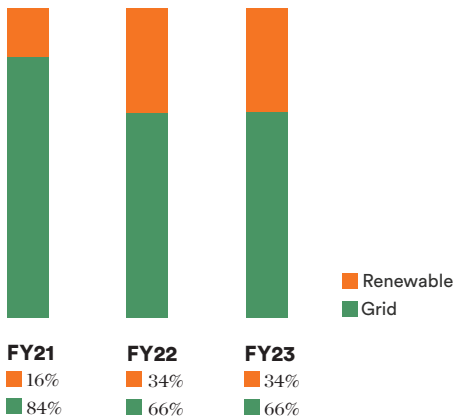


Our carbon footprint

Our business continued to grow in 2023, with 30 net new stores, new and updated distribution centers and expanded e-commerce offerings.

In 2023, newly opened stores and a market fulfillment center (a type of distribution center) increased our physical footprint by ~3.5% (by square feet). Our overall electricity consumption increased as a result of this growth, and overall natural gas consumption decreased due to warmer winter weather across the country. At the same time, our sales were strong in 2023, and we sold more products than in fiscal 2022. Expanded facilities and increased sales increased our overall emissions slightly.²¹ To begin reducing these emissions, we are implementing the emissions reduction roadmap outlined on the prior pages.

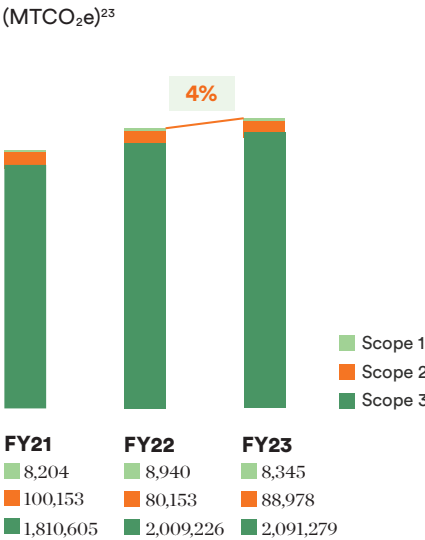
Grid vs. Renewable Energy Consumption



Absolute Electricity Consumption²²



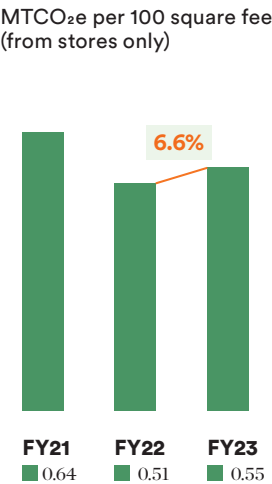
Absolute Emissions



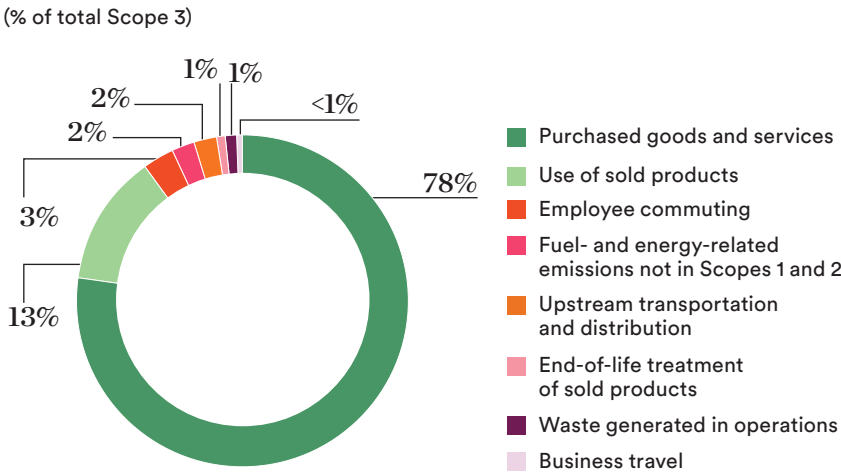
Same-Store Emissions²⁴



Emissions Intensity²⁵



Scope 3 Emissions by Category²⁶



²¹ Data was supplied by EcoAct Inc. and has not been verified by a third party. The GHG Inventory reporting period is aligned with financial reporting year.

²² These values represent raw electricity consumption for all buildings for which we have utility data (stores, offices and DCs). No adjustments for weather, site count or other factors have been made. Fiscal 2021 data includes 1,303 stores, two offices and six DCs; fiscal 2022 data includes 1,329 stores, two offices and six DCs; fiscal 2023 data includes 1,347 stores, four offices and six DCs.

²³ MTCO₂e = Metric tons of carbon dioxide equivalent

²⁴ Reflects total Scope 1 and market-based Scope 2 emissions for all locations that were operational for the entirety of both fiscal 2022 and fiscal 2023. This excludes any locations that opened or closed mid-year (includes 1,347 stores, four offices and six DCs).

²⁵ Reflects total Scope 1 and market-based Scope 2 emissions per 100 square feet for all locations that were operational for the entirety of the corresponding fiscal year. This excludes any locations that opened or closed mid-year (2021 data includes 1,267 stores, four offices and six DCs; 2022 data includes 1,291 stores, four offices and six DCs; 2023 data includes 1,347 stores, four offices and six DCs).

²⁶ In fiscal 2023 the methodology used to calculate Scope 3, Category 11 emissions was updated and also applied to recalculate the emissions for this category from fiscal 2019-fiscal 2022, based on feedback received from SBTi. Totals may not add up to 100% due to rounding.



Decreasing emissions from transportation and distribution

While transportation of products to our distribution centers, stores and guests represents a small fraction of our total emissions, they are another important area where we seek to reduce our carbon footprint.

A new market fulfillment center is helping us reduce the emissions associated with e-commerce orders. This center's East Coast location is closer to major population centers, which means fewer delivery miles traveled. We also brought the total number of stores offering "ship from store" capabilities to 414. Using this model, products are shipped to a guest from whatever location is closest. This approach not only allows orders to reach guests faster—it cuts down on transportation miles and therefore emissions. These stores now fulfill between 15% and 20% of e-commerce demand.

In partnership with L'Oréal Groupe and The Estée Lauder Companies, two of our largest brand partners, we are currently on a schedule to consolidate shipments between brand partner facilities and distribution centers, reducing the number of shipments moved each week. We've also added intermodal transportation, shifting away from trucks and toward rail transport for longer-distance shipments. This move is not only more efficient from an environmental standpoint—it also allows us to get product to guests more reliably.

Transforming our DCs for the future

We are looking for ways to fulfill increased guest demand, especially for e-commerce orders, within our existing distribution network. Two facilities in our network are a model of what's possible. In 2023, we retrofitted a DC in Greenwood, Indiana, and opened a new market fulfillment center in Greer, South Carolina, equipping both locations with the latest in fulfillment technology.

While this new technology increases energy demand, it makes our operations more efficient by simplifying transportation and keeping products safe. As our energy needs grow, we will continue to find ways to increase our energy efficiency and use renewable energy to stay on track toward our emissions reduction targets. Innovations in these facilities include:

- > An automated storage and retrieval system significantly increases the density of our distribution centers, allowing us to store 12 times the amount of product in the same amount of space. Other technologies, including automated receiving and a residual shuttle, limit the number of touches on each product.
- > The Sure Sort system simplifies manual processes of scanning and sorting individual orders, thereby reducing the potential for errors and damage to products.
- > Autonomous mobile robots work alongside associates in our South Carolina market fulfillment center to complete guest orders. The robots can communicate with associates in one of eight languages, automatically detecting each person's preferred language based on information on their badge.



Ulta Beauty autonomous mobile robots

Protecting the beauty of the environment

We strive to conserve precious resources like water, forests and the raw materials used to make our products and packaging.

As part of our efforts to create a more efficient e-commerce supply chain, we are exploring ways to use more sustainable packaging materials and less packaging overall. Where possible, we are removing plastic bubble wrap and testing smaller box sizes to fit more orders into trucks. Guests will notice new Sustainable Forestry Initiative labels on cardboard boxes, indicating that boxes are made with paper from responsibly managed forests and How2Recycle labels encouraging them to recycle boxes in curbside bins.

Reducing product waste

A retail industry-wide challenge is managing products with different expiration dates and varying specifications on whether they can be discounted or donated. We’re addressing these dynamics and minimizing waste in a variety of ways. For example, we are improving our forecasting capabilities and working with partners to design packaging that minimizes the risk of product damage and determine more sustainable approaches for handling unsold products. For example, many products can be donated rather than being sent to a landfill. Improved sortation technologies at our distribution centers are also reducing the risk of accidental product damage.

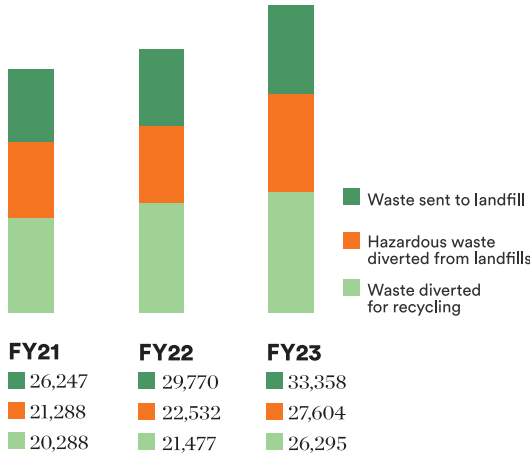


Using water with care

While Ulta Beauty’s operations are not water-intensive, we work to conserve where we can. To manage our stores’ water footprint, we use instant water heaters and work to identify malfunctioning equipment as quickly as possible.

Total Waste²⁷

(Tons)



Water Consumption²⁸

(Gallons/square feet)



²⁷ Data correlates to Scope 3, Category 5 emissions accounting. Waste diverted from landfills includes all types of waste produced by Ulta Beauty that are recycled or combusted rather than being landfilled.

²⁸ Water intensity is defined as the total usage (in gallons) per square foot; represents same-store usage from 428 stores that were operational throughout the 2021, 2022 and 2023 fiscal years.



We **support well-being** in women and teens, so they can unleash their possibilities.

67%

of beauty consumers think brands should donate monthly or more often to charitable causes²⁹

²⁹ Ulta Beauty consumer insights, January 2023

Helping women and teens unleash their possibilities

The Ulta Beauty Charitable Foundation expands our social impact by strategically and intentionally selecting giving opportunities and partners that align with our mission and values.

As Ulta Beauty grows and evolves, our charitable foundation must also grow and evolve. We are intentional about where we are uniquely positioned to make a positive impact and change lives. And given the connections between beauty and well-being, we believe **supporting well-being in women and teens** allows us to empower those who need it most and have a positive impact on their lives along the way.

75%

of women lack professional development opportunities³⁰

63%

of women have never had a mentor³¹

60%

of teen girls report feelings of persistent sadness or hopelessness³²

We know that having a positive sense of self affects many aspects of well-being. Our view of well-being is holistic, encompassing mind, body and community.

GOALS FOR 2024:

Support mental well-being

The Ulta Beauty Charitable Foundation is developing long-term, outcome-driven goals to advance our well-being mission. We will make tangible progress by donating \$1 million in 2024 to national nonprofit partners focused on supporting mental health and well-being.

Invest in under-resourced communities

The Ulta Beauty Charitable Foundation will again donate \$2 million in 2024 to nonprofit partners focused on BIPOC and LGBTQ+ communities.



Mind

We support individuals learning how to cope with life's challenges and become more resilient and confident.



Body

We provide experiences and resources to build strong and healthy bodies.



Community

We create opportunities to form positive relationships and develop a sense of connection.

³⁰ Dress for Success, 2021

³¹ Development Dimensions International, 2013

³² U.S. CDC, 2023

Healthy minds—creating connections

To maximize its impact, the Ulta Beauty Charitable Foundation focuses on a small number of partners whose work aligns with our mission. In 2024, we look forward to expanding our relationships with other partners, including Big Brothers Big Sisters, which creates mentoring connections between adult volunteers and youth; and The Jed Foundation, a national nonprofit that works to promote mental health and prevent suicide in teens and young adults. In line with our focus on well-being, we will introduce new opportunities for our associates who are passionate about giving back to their communities to engage with our partners to amplify our mission and expand our impact.

Healthy bodies

Our largest partner is the Breast Cancer Research Foundation (BCRF), which funds cancer research worldwide. We support this signature partner with a combination of monetary and in-kind donations, an in-store fundraising program and volunteer service. In 2023, we were thrilled to achieve our goal of donating \$50 million to BCRF between 2009 and 2023, raising more than \$6.8 million in 2023 alone. During one of our giving programs, associates who had been touched by breast cancer shared their stories to raise awareness about the importance of screening and early detection. We will continue to support BCRF, and plan to target our investments toward continuing to search for a cure so all individuals impacted by breast cancer can have healthy outcomes.



What does our research funding make possible?

Ulta Beauty’s fundraising over the past year allowed us to support 15 annual research grants through BCRF, as well as its critical grants program focused on providing seed funding to researchers early in their careers. One recent grantee team included Dezheng Huo, PhD, and Olufunmilayo I. Olopade, MD, BS, FACP, both professors at the University of Chicago. Huo and Olopade are working to develop better options for prevention and treatment of breast cancer in under-resourced and understudied populations, particularly young women of African ancestry.

Says Olopade, “None of my accomplishments to eliminate disparities in breast cancer outcomes would have been possible were it not for BCRF. With BCRF’s support, we broke new scientific ground and came to realize how little we knew about breast cancer in non-white women. Through it all, I have been inspired by all in the breast cancer community who have come together to co-create a vision for a better future, where the translation of scientific advances and access to life-saving medicines reach all, including the most vulnerable among us.”



Dezheng Huo, PhD



Olufunmilayo I. Olopade, MD, BS, FACP



“As a child of an Army Veteran, I am forever grateful for the opportunity to have been in the presence of such a powerhouse of women empowering one another at our Suit and Salute event. This event allowed us to show our appreciation for all the women that have served and continue to serve this country.”

-Brenda Gonzalez,
Operations Manager

Assistance when associates need it most

Beyond giving back to the communities we serve, our foundation manages our Associate Relief Fund, which provides monetary grants to Ulta Beauty associates facing a range of personal hardships, including illness, intimate partner violence, military deployment of a family member and natural disasters. In 2023, we gave grants to 237 associates coping with challenges including domestic violence, serious illness or injury or damage to their home. Our Ulta Beauty Charitable Foundation enables associates to help fellow associates in need.

Dress for Success

Another partner is Dress for Success®, a leading global nonprofit employment resource for unemployed and underemployed women. Dress for Success provides a network of support, development tools and professional attire, as needed, to help women thrive in work and in life, which is central to well-being. The Ulta Beauty Charitable Foundation is proud to support more Dress for Success affiliates nationwide than any other corporate partner.

In 2023, we joined The Adecco Group US Foundation, Dress for Success and Wounded Warrior Project to help over 100 women veterans prepare for post-military careers during five “Suit and Salute” events across the country. These half-day workshops focused on personal branding and career readiness, equipping participants to market their skills to potential future employers. Clients worked with recruiters to update their resumes and chose new wardrobes with help from Dress for Success. After attending an event, 17 women reported that they had been hired for new jobs. To help women prepare for job interviews, Ulta Beauty store leaders also gathered at their annual conference to pack 2,000 interview kits, which included office essentials like flash drives, portfolio folders, on-the-go beauty products and links to a downloadable cover letter template.

345+

Dress for Success
volunteers

1,200+

volunteer hours

65

events

Save the Children

Save the Children (STC) helps to ensure all children in rural America have a healthy, strong foundation to thrive as learners and in life. The Ulta Beauty Charitable Foundation raised more than \$3 million for STC in 2023 through a point-of-sale donation program and associate fundraisers, which provided 1 million meals for hungry children and families across the U.S. Access to adequate nutrition is key to well-being for all.

For Mother’s Day, associates at our Jacksonville distribution center assembled self-care gift bags to bring joy to caregivers of children in STC’s programs. Face masks were also distributed to STC’s programs at the southern U.S. border to promote health and safety in these communities. Since 2019, we have raised over \$10 million for STC. In 2024, the Ulta Beauty Charitable Foundation will support STC’s disaster relief efforts.

Jacksonville DC associates packing Mother’s Day gift bags for caregivers of kids in Save the Children’s programs.



Giving back in our backyards

Ulta Beauty’s community impact spans the locations where we operate. While we have a special focus on the Chicago area, where our corporate headquarters is located, as we have grown, we have expanded our impact across the U.S. and beyond, amplifying our positive impact.

We continue to partner with youth-serving organizations, including After School Matters, Step Up and Youth Guidance. Following the success of our “Pretty Empowered” program, in partnership with YWCA Metropolitan Chicago, we expanded the event to four cities in 2023. During this day-long event, 340 girls ages 9 to 14 learned about the scientific aspects of making cosmetics, as well as leadership, wellness and self-confidence, from 75 Ulta Beauty volunteers. Empowering young girls contributes to their well-being.

Ulta Beauty associates are passionate about giving back. In 2023, our associates self-reported nearly 4,000 hours of volunteer work with nonprofit organizations. We provided in-person and virtual volunteer opportunities throughout the year and organized school supply drives and mentoring events for our annual Martin Luther King Jr. Day Week of Service. In addition, our digital innovation team has members who reside in Uruguay, and we recently launched partnerships with two nonprofits there. Ceprodih supports vulnerable families, particularly mothers experiencing unemployment, domestic violence and other hardships. TECHO helps build housing and community infrastructure throughout Latin America, including providing emergency housing after natural disasters. Ulta Beauty has provided grants and volunteer time to these two nonprofit partners, making a positive impact far from home.

Our people also joined forces in a major way in 2023 by relaunching Associates Coming Together to Support (ACTS), an associate-led philanthropic group. ACTS is open to all associates and is overseen by an executive sponsor. During its first year, ACTS grew to more than 200 members and raised nearly \$800,000 for charities.



“What a company stands for and how it gives back to the community have become more important to me as I’ve progressed in my career. Getting involved with the philanthropic side of the business and meeting coworkers I don’t typically interact with helps me feel more fulfilled and engaged.”

-Michelle LaBounty, ACTS Member



Governance

A foundation of good corporate governance—and commitment to our mission, vision and values—sets the tone and guides ESG at Ulta Beauty.

80%

of consumers support companies that are transparent about their environmental and social data³³



Lorna E. Nagler
Chair of the Board of Directors



Michelle L. Collins
Director



Kelly E. Garcia
Director



Catherine A. Halligan
Director



Dave Kimbell
Chief Executive Officer



Patricia A. Little
Director



Michael R. MacDonald
Director



George R. Mrkonic
Director



Heidi G. Petz
Director



Gisell Ruiz
Director



Mike C. Smith
Director

³³ JUST Capital, 'SURVEY ANALYSIS: Americans Want to See Greater Transparency on ESG Issues and View Federal Requirements as a Key Lever for Increasing Disclosure', 2022

Executing on our mission

Ulta Beauty’s Board of Directors brings a wide variety of expertise and leadership to help guide our CEO and our management team.

In 2023, we proactively declassified our Board, meaning that all Board members stand for reelection annually. This structure keeps all members accountable to shareholders each year and supports Board refreshment.

Our Board of Directors and Executive Team have overall oversight and accountability for environmental, social and governance issues. Each of the Board’s three committees touches these topics in a different way:

- > **Nominating & Corporate Governance Committee**—Responsible for developing a diverse Board and periodically reviewing company policies related to ESG
- > **Compensation Committee**—Oversees human capital risks and periodically reviews the company’s diversity, equity and inclusion policies and practices
- > **Audit Committee**—Monitors technology and cyber risks, enterprise risk management and overall risk management

Our full Board discusses and provides guidance on our strategy to expand our environmental and social impact topics multiple times throughout the year, and we regularly update Board members on emerging topics. For example, the Board has oversight of Ulta Beauty’s use of artificial intelligence (AI) and provides input on its responsible use. Board members have ongoing access to an ESG Resource Center, which includes valuable data and information on emerging trends.

We share our ESG Scorecard with our Board quarterly, which includes:

- > Progress toward goals within our four ESG pillars (People, Product, Environment, Community)
- > Updates on investor engagement
- > Updates on ratings and rankings

At least once a year and up to quarterly, Board members also receive updates on the regulatory environment; shareholder advisories, policies and communications of note; risk assessment and risk policies; and cybersecurity matters.

Risk management

To assess risks, we proactively seek input from associates at all levels of the company, with special emphasis on the in-store and distribution center associates who know our guests and operations best. Our risk management insights team conducts research, surveys, workshops and ongoing discussions with cross-functional groups across the company to gain insights on enterprise level risks and risk mitigation efforts.

Our Board provides guidance and oversight on enterprise risk management (ERM) activities and processes across the company. To ensure understanding of the risks we face as an enterprise, the Board receives regular management updates on our business operations, financial results and strategy. Our leadership team also keeps the Board informed about emerging or evolving risks as they arise.

Ulta Beauty Ethics & Compliance policies

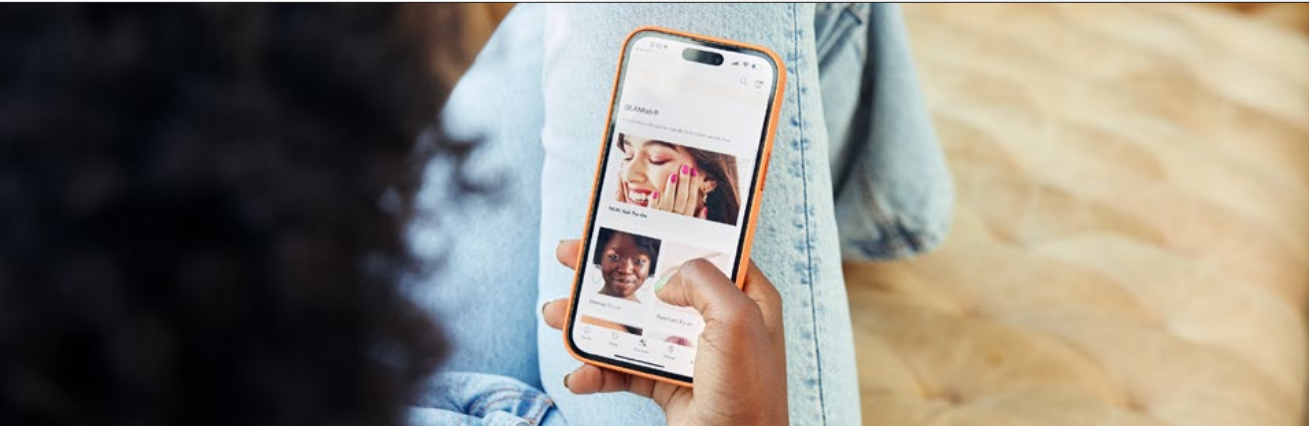
Below is a list of our Ethics & Compliance and IT policies. You can find an overview of our Ethics & Compliance policies in our [Code of Business Conduct](#).

- | | |
|---|---|
| > Acceptable Use Policy | > IT Risk Management Policy |
| > Americans with Disabilities Act Policy | > Network Security Policy |
| > Confidentiality Policy | > Open Door Policy |
| > Employment Policy | > Privacy Notice and Policy (CA) |
| > Harassment and Discrimination Prevention Policy | > Records and Information Management Policy |
| > Identity and Access Management Policy | > Relationships in the Workplace Policy |
| > Information Security Management Policy | > Gratis & Gift Policy |
| > Insider Trading Policy | > Vendor Risk Management Policy |

Ulta Beauty Board composition



11 directors	55% women	55% joined within the last five years
36% people of color	45% men	60 average age



Protecting business and guest data

We continued executing our digital transformation building on our strong foundation and improving how we run our business, gather insights and deliver guest experiences.

At all times, and particularly during this time of transformation, safeguarding data and complying with privacy and consumer protection laws remain top priorities. While we do not sell guest data, we do share aggregated and anonymized data with our brand partners and third-party vendors, and we inform our guests of our practices. Our Security and Network Operations Center constantly and proactively monitors our network and application landscape for threats and anomalies, and we have established processes for performing third-party risk assessments and ensuring secure sharing of data.

We manage data security and privacy at the highest levels. Our CEO keeps the Board informed on cybersecurity and privacy matters including regular reports to the Audit Committee and full Board discussions throughout the year. Our Chief Technology and Information Officer oversees core elements of our IT functions, including IT infrastructure, systems and security, as well as our technology strategy. Ulta Beauty's General Counsel, Chief Risk & Compliance Officer also serves as our Chief Privacy Officer and works closely with our internal data governance team, including our Vice President of IT Risk Management, our Data Enterprise Officer and our IT Risk Management team, to ensure we take a holistic approach to caring for guest, associate, financial and other proprietary data.

Keeping our organization secure requires everyone's help, and we regularly train associates on how to keep data safe and recognize potential phishing, scams and threats. In October 2023, we observed National Cybersecurity Awareness Month with multiple events and training programs designed to reinforce associates' skills for preventing cybercrime. Ulta Beauty is also prepared for the SEC's new cybersecurity disclosure rules and other emerging state privacy and data protection laws. In the last three fiscal years, Ulta Beauty has not experienced any material cybersecurity incidents and expenses incurred from cybersecurity incidents were immaterial.

Operating with integrity

The Ulta Beauty Code of Business Conduct represents our commitment to conducting business ethically.

It provides an overview of the laws, policies and regulations that apply to our work. It is included in new-hire materials for all associates, who must read and acknowledge this policy each year. In addition, all store managers and above in the field, distribution center managers and corporate associates take an annual course on the Code of Business Conduct and are expected to act in accordance with the Code at all times. Our Board of Directors completes training on our Code of Business Conduct bi-annually and oversees material changes to the Code.

We continually strive to improve our approach to compliance through the Ulta Compliance Network, a cross-functional group of associates who regularly focus on compliance and share best practices to report on compliance. In 2023, the Ulta Compliance Network introduced a quarterly scorecard on trends that is shared with our Board and Executive Leadership Team, which keeps our leaders informed about key compliance metrics and issues.

Ulta Beauty Vendor Standards outline our expectations of company vendors. These cover the ethical conduct and social and environmental compliance standards required of a responsible workplace.

Sharing concerns

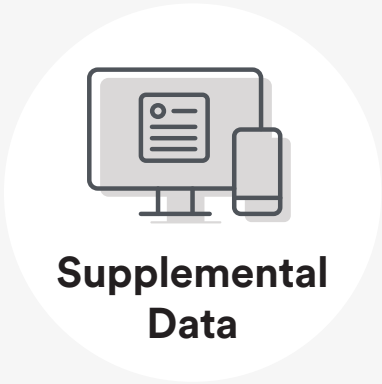
We encourage associates to report any violations of the Code of Business Conduct. There are several ways to report a concern, all of which are proactively communicated to associates in many ways, including training, postings and the UltaNet.

- > Speaking with one's own manager or another manager
- > Speaking to a People Success Business Partner
- > Using the We Care! Let's Talk line to reach the Associate Care and Support Team
Email: AssociateCareandSupport@Ulta.com
Phone: 855-HR-ULTA-1 (855-478-5821)
- > Contacting our third-party Ethics Hotline anonymously by phone or online
 - > Website: reportlineweb.com/Ulta
 - > Phone: 1-888-673-9271
- > Contacting our General Counsel, Chief Risk Compliance Officer

ESG program structure

Our ESG priorities are aligned with and are part of our overall business strategy. This work is focused on four key pillars, which contribute to our positive impact through the people we employ and guests we serve, the products we offer and the impact we have on the environment and on communities. From our Board of Directors to associates at every level of the company, we work to drive progress against these pillars in ways that make sense for our business.





Supplemental
Data

Learn more through our latest environmental, social and governance data, framework disclosures and additional information on our programs and policies.

Note: Except as otherwise noted, all data reflects the fiscal year ended February 3, 2024.

Sustainability Accounting Standards Board (SASB) Index

Accounting Metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	Response/Comment																																																																		
Energy Management in Retail & Distribution	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	kWh and therms, Percentage (%)	CG-MR-130a.1	(1) Electricity: 336,882,087 kWh, Natural Gas: 1,391,267 therms 2023 ESG Report > Environment > Our carbon footprint																																																																		
Data Security	Description of approach to identifying and addressing data security risks	Discussion and analysis	n/a	CG-MR-230a.1	2023 ESG Report > Governance > Protecting business and guest data																																																																		
	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Quantitative	Number, Percentage (%)	CG-MR-230a.2	In the last three fiscal years, Ulta Beauty has not experienced any material cybersecurity incidents and expenses incurred from cybersecurity incidents were immaterial.																																																																		
Labor Practices	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	Quantitative	Reporting currency, Percentage (%)	CG-MR-310a.1	<div>(1) The median hourly wage of in-store, full-time regular employees (excluding seasonal, temporary and commissioned employees as determined by employment class) was \$24.00</div> <div>(2) Percentage of in-store employees earning minimum wage, by region:</div> <table><tr><th>Region</th><th>Total Associates</th><th>Associates Above Minimum Wage</th><th>Total % Above Minimum Wage within Region</th><th>Total at Minimum Wage within Region</th><th>Total % at Minimum Wage within Region</th></tr><tr><td>Central</td><td>4,650</td><td>4,649</td><td>100.0%</td><td>1</td><td>0.0%</td></tr><tr><td>Mid Atlantic</td><td>4,014</td><td>3,933</td><td>98.0%</td><td>81</td><td>2.0%</td></tr><tr><td>Mid East</td><td>3,667</td><td>3,512</td><td>95.8%</td><td>155</td><td>4.2%</td></tr><tr><td>Mountain West Plains</td><td>3,650</td><td>3,578</td><td>98.0%</td><td>72</td><td>2.0%</td></tr><tr><td>No Cal PNW</td><td>4,064</td><td>3,548</td><td>87.3%</td><td>516</td><td>12.7%</td></tr><tr><td>Northeast</td><td>4,397</td><td>4,329</td><td>98.5%</td><td>68</td><td>1.5%</td></tr><tr><td>So Cal Arizona</td><td>4,529</td><td>4,189</td><td>92.5%</td><td>340</td><td>7.5%</td></tr><tr><td>South</td><td>4,936</td><td>4,935</td><td>100.0%</td><td>1</td><td>0.0%</td></tr><tr><td>South Central</td><td>4,300</td><td>4,300</td><td>100.0%</td><td>0</td><td>0.0%</td></tr><tr><td>Southwest</td><td>4,449</td><td>4,447</td><td>100.0%</td><td>2</td><td>0.0%</td></tr></table>	Region	Total Associates	Associates Above Minimum Wage	Total % Above Minimum Wage within Region	Total at Minimum Wage within Region	Total % at Minimum Wage within Region	Central	4,650	4,649	100.0%	1	0.0%	Mid Atlantic	4,014	3,933	98.0%	81	2.0%	Mid East	3,667	3,512	95.8%	155	4.2%	Mountain West Plains	3,650	3,578	98.0%	72	2.0%	No Cal PNW	4,064	3,548	87.3%	516	12.7%	Northeast	4,397	4,329	98.5%	68	1.5%	So Cal Arizona	4,529	4,189	92.5%	340	7.5%	South	4,936	4,935	100.0%	1	0.0%	South Central	4,300	4,300	100.0%	0	0.0%	Southwest	4,449	4,447	100.0%	2	0.0%
Region	Total Associates	Associates Above Minimum Wage	Total % Above Minimum Wage within Region	Total at Minimum Wage within Region	Total % at Minimum Wage within Region																																																																		
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SASB Index (continued)

Accounting Metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	Response/Comment
Labor Practices (continued)	(1) Voluntary and (2) involuntary turnover rate for in-store employees	Quantitative	Rate	CG-MR-310a.2	Full-time regular employees (excluding seasonal, temporary and commissioned employees as determined by employment class) Annualized Turnover—All Types: 35.5% Annualized Turnover—Voluntary: 30.1%
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative	Reporting currency	CG-MR-310a.3	No material monetary losses resulted from legal proceedings associated with labor law violations during 2023.
Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Quantitative	Percentage (%)	CG-MR-330a.1	(1) Management Executive Team: 10% people of color 70% women 30% men Ulta Beauty Leadership (director-level associates and above): 26% people of color 65% women 35% men Management Director-Level Associates: 25% people of color 68% women 32% men (2) All other employees Ulta Associates (below director level): 55% people of color 91% women 9% men See Supplemental Data > Standard EEO-1 racial and ethnic group categories (U.S. Operations only) for regular managerial and non-managerial employees in operations.
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Quantitative	Reporting currency	CG-MR-330a.2	No material monetary losses resulted from legal proceedings associated with employment discrimination in 2023.

SASB Index (continued)

Accounting Metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	Response/Comment
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	Reporting currency	CG-MR-410a.1	Data unavailable for 2023. We are evaluating potential disclosure on this topic in the future.
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and analysis	n/a	CG-MR-410a.2	<p>We train associates who handle hazardous materials so they can do so safely and in compliance with applicable laws, rules and regulations. Additionally, we maintain safe indoor air for all guests including during the use of hairsprays, dyes and other products in our salons.</p> <p>Learn more about the Clean Ingredients pillar of our Conscious Beauty at Ulta Beauty® program in the Product section of this report.</p>
	Discussion of strategies to reduce the environmental impact of packaging	Discussion and analysis	n/a	CG-MR-410a.3	<p>We have set a sustainable packaging target that by 2025, 50% of packaging sold at Ulta Beauty will be recyclable, refillable or made from recycled or bio-sourced materials.</p> <p>2023 ESG Report > Introduction > Progress against our commitments</p> <p>2023 ESG Report > Product > Progress on sustainable packaging</p>
Activity Metric					
	Number of: (1) retail locations and (2) distribution centers	Quantitative	Number	CG-MR-000.A	(1) 1,385 stores (2) 7 distribution centers
	Total area of: (1) retail space and (2) distribution centers	Quantitative	Square feet	CG-MR-000.B	(1) ~14.5M total store square feet (2) 3.3M square feet in distribution centers

Task Force on Climate-related Financial Disclosures (TCFD)

Disclosure Focus Area	Recommended Disclosure	Response/Reference
Governance		
Disclose the organization’s governance around climate-related risks and opportunities.	a) Describe the board’s oversight of climate-related risks and opportunities.	<p>2023 ESG Report > Governance > Executing on our mission</p> <p>2023 ESG Report > Governance > ESG program structure</p> <p>2023 Proxy Statement > Corporate Governance > Board Role in Risk Oversight</p>
	b) Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>Our General Counsel, Chief Risk & Compliance Officer, who reports to the Chief Executive Officer, is the executive sponsor of our ESG program and works with a cross-functional team of experts, including representatives from Growth and Development/Energy Management, Supply Chain and Procurement, Finance, Corporate Strategy, People Success/Human Resources and Legal Risk & Governance.</p> <p>2023 ESG Report > Governance > ESG program structure</p>
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>2023 CDP Climate Change, C2.2, C2.2a, C2.3a, C2.4a</p> <p>Learn More: 2023 ESG Report > Product > Making clean beauty accessible through assortment, transparency and education</p>
	b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	<p>2023 ESG Report > Environment > Our path forward</p> <p>2023 ESG Report > Environment > Protecting the beauty of our environment</p>
	c) Describe the potential impact of different scenarios, including a 2°C scenario, on the organization’s businesses, strategy, and financial planning.	<p>2023 ESG Report > Environment > Our path forward</p>

TCFD (continued)

Disclosure Focus Area	Recommended Disclosure	Response/Reference
Risk Management		
Disclose how the organization identifies, assesses and manages climate-related risks.	a) Describe the organization’s processes for identifying and assessing climate-related risks.	
	b) Describe the organization’s processes for managing climate-related risks.	2023 ESG Report > Environment 2023 Proxy Statement > Corporate Governance > Board Role in Risk Oversight
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	> Comparable store annual energy consumption > Grid vs. renewable energy consumption > Scope 1, 2 and 3 emissions > Percentage of packaging sold that is recyclable, refillable or made from recycled or bio-based sources
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2023 ESG Report > Environment > Our carbon footprint
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2023 ESG Report > Environment > Our path forward; Our climate commitments

Ulta Beauty ESG fact sheet

	2021 Reported	2022 Reported	Fiscal 2023
OUR FOOTPRINT			
Stores	1,300+	1,355	1,385
Distribution centers (including fast fulfillment and market fulfillment centers)	6	6	7
States operated in	50	50	50
Associates	40,000+	53,000	56,000
CORPORATE GOVERNANCE: BOARD DIVERSITY			
People of color	31%	36%	36%
Women	54%	55%	55%
Men	46%	45%	45%
Identify as lesbian, gay, bisexual, transgender, queer and/or questioning (LGBTQ+)	10%	9%	9%
DIVERSITY			
% of people of color hired at the director level and above	50%	51%	19%
Ulta Beauty Associates			
People of color	49%	53%	54%
Women	90%	91%	91%
Men	10%	9%	9%
Executive Team			
People of color	Did not report	20%	10%
Women	67%	70%	70%
Men	33%	30%	30%
Ulta Beauty Leadership (director level and above)			
People of color	25%	27%	26%
Women	65%	66%	65%
Men	35%	34%	35%



Ulta Beauty ESG fact sheet (continued)

	2021 Reported	2022 Reported	Fiscal 2023
PRODUCTS			
Products	25,000	25,000	~25,000
Brands	600	600	~600
Brands certified to one or more of the Conscious Beauty at Ulta Beauty® pillars	270	300	300+
COMMUNITY			
Dollars raised for Save the Children	\$2.4 million	\$2.3 million	\$3 million+
Dollars raised for Breast Cancer Research Foundation (cumulative since 2009)	\$42 million	\$47 million	\$55 million+
Dollars raised for Dress for Success (cumulative since 2017)	\$1 million	\$1.3 million	\$1.7 million+
ENVIRONMENT			
EMISSIONS ³⁴			
Total Scope 1 (MTCO ₂ e)	8,204	8,349	8,345
Total Scope 2 (MTCO ₂ e)	100,153	80,153	88,978
Scopes 1 & 2 (percent of total emissions)	5%	4%	4%
Total Scope 3 (MTCO ₂ e)	1,810,605	2,009,226	2,091,279
Scope 3 (percent of total scope emissions)	95%	96%	96%
WASTE			
Tons of waste diverted for recycling	20,288	21,477	26,295
Tons of hazardous waste diverted from landfills ³⁵	21,288	22,532	27,604
Tons of waste sent to landfill	26,247	29,770	33,358

³⁴**Organizational Boundary:** The GHG Inventory organizational boundary follows the operational control approach. As defined by The GHG Protocol Corporate Accounting and Reporting Standard, “a company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.” Scope 1 and 2 emissions are calculated for all leased or subleased sites within Ulta’s operational control. Emissions not within Ulta’s operational control are accounted for in Scope 3 emissions.
Operational Boundary: During the reporting period, the organizational boundary includes Stores, Offices, distribution centers (DCs) (including fast fulfillment centers and market fulfillment centers) that are fully or partially in operation during the reporting period. All sites operated by Ulta are leased or subleased. Financial reporting (10-K) reports operational boundary in terms of Stores, Offices and DCs as of end of the reporting period, i.e., sites in operation by end of the reporting period. GHG Inventory differs from financial reporting quantifying Scope 1 and 2 emissions of additional sites (e.g., sites that were closed or relocated throughout the reporting period).

³⁵ Waste diverted from landfills includes all types of waste produced by Ulta Beauty that are recycled or combusted rather than being landfilled.

Standard EEO-1 racial and ethnic group categories (U.S. Operations only)

Regular Managerial Employees by Ethnicity & Gender (less seasonal and temporary employees)

Topic	Female		Male		Unknown		Total ³⁶	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
American Indian/Alaskan Native	41	0.7%	2	0.0%	0	0.0%	43	0.7%
Asian	126	2.1%	13	0.2%	0	0.0%	139	2.3%
Black or African American	490	8.3%	58	1.0%	0	0.0%	548	9.3%
Hispanic or Latino	1,271	21.5%	132	2.2%	0	0.0%	1,403	23.7%
Native Hawaiian or Other Pacific Island	21	0.4%	3	0.1%	0	0.0%	24	0.4%
Two or More Races	203	3.4%	26	0.4%	0	0.0%	229	3.9%
White	3,259	55.1%	272	4.6%	0	0.0%	3,531	59.7%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
I do not wish to provide	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Grand Total ³⁶	5,411	91.5%	506	8.6%	0	0.0%	5,917	100.0%

Regular Non-Managerial Employees by Ethnicity & Gender (less seasonal and temporary employees)

Topic	Female		Male		Unknown		Total ³⁶	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
American Indian/Alaskan Native	379	0.9%	28	0.1%	0	0.0%	407	0.9%
Asian	1,540	3.5%	84	0.2%	0	0.0%	1,624	3.7%
Black or African American	5,526	12.5%	307	0.7%	0	0.0%	5,833	13.2%
Hispanic or Latino	13,200	29.9%	869	2.0%	0	0.0%	14,069	31.9%
Native Hawaiian or Other Pacific Island	189	0.4%	15	0.0%	0	0.0%	204	0.5%
Two or More Races	2,068	4.7%	122	0.3%	0	0.0%	2,190	5.0%
White	18,700	42.4%	1,040	2.4%	0	0.0%	19,740	44.8%
Unknown	6	0.0%	0	0.0%	1	0.0%	7	0.0%
I do not wish to provide	1	0.0%	0	0.0%	0	0.0%	1	0.0%
Grand Total ³⁶	41,609	94.4%	2,465	5.6%	1	0.0%	44,075	100.0%

Total Regular Employees (less seasonal and temporary employees)

Topic	Female		Male		Unknown		Grand Total ³⁶	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
Grand Total ³⁶	47,020	94%	2,971	6%	1	0%	49,992	100%

Ulta Beauty reports all EEO-1 data about our associates to the federal government as required by law; our 2023 report can be found [here](#).

³⁶ Totals may vary from summation due to rounding

2023 Ulta Beauty Awards & Recognition

Beacon Awards

- > Brand Booster
- > Industry Icon

Bloomberg 2023

- > Gender-Equality Index

EPA Green Power Partner

- > Top 30 Retail

Forbes

- > America’s Best-in-State Employers
- > America’s Best Large Employers
- > Best Brands for Social Impact
- > Best Employers for Diversity
- > Global 2000—World’s Largest Public Companies

Fortune

- > America’s Most Innovative Companies

Newsweek

- > America’s Best Loyalty Programs
- > America’s Best Retailers
- > America’s Greatest Workplaces for Diversity
- > America’s Greatest Workplaces for Job Starters
- > America’s Greatest Workplaces for LGBTQ+
- > America’s Greatest Workplaces for Parents & Families
- > America’s Greatest Workplaces for Remote Work
- > America’s Greatest Workplaces for Women
- > Most Trustworthy Companies in America

Green Lease Leaders

- > Gold Tenant

Latino Corporate Directors Association

- > Corporate Visionary Award

OnConferences Icon Awards

- > Top 10 Information Security Team



Rankings & Ratings

We understand and support enhanced ESG disclosures and have worked over the past several years to expand our efforts. Below are our scores as of fiscal 2023 end (unless otherwise noted).

Rating Agency	Score
Morgan Stanley Capital International (MSCI) ESG Indexes	AA
S&P Global Corporate Sustainability Assessment/Dow Jones Sustainability Indices ³⁷	89th percentile
Bloomberg Gender-Equality Index	Included on 2023 Index
Sustainalytics	15.9 (Rating is “low risk”; range is 0-40+; in Retail, Ulta Beauty is in top 25%)
ISS QualityScore	E = 2; S = 4; G = 4 (1 = Best/Low Risk; 10 = Worst/High Risk)
ISS ESG Corporate Rating	C-
CDP	C (indicates ‘awareness-level’ on environmental factors)
Glass Lewis	FOR Recommendation on all proposals
Institutional Shareholder Services (ISS)	FOR Recommendation on all proposals

³⁷ As of October 27, 2023 score date



Thank you for your interest in Ulta Beauty. If you have any questions about this report, please contact our General Counsel, Chief Risk & Compliance Officer, Jodi Caro, at InvestorRelations@ulta.com.

Forward-Looking Statements

This report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, which reflect our current views with respect to, among other things, future events and performance. You can identify these forward-looking statements by the use of forward-looking words such as “outlook,” “believes,” “expects,” “plans,” “estimates,” “targets,” “strategies” or other comparable words. Any forward-looking statements contained in this report are based upon our historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates, targets, strategies or expectations contemplated by us will be achieved.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. For a list of factors that could cause actual results to differ materially from those discussed or implied, please see our public filings with the Securities and Exchange Commission, including risk factors contained in Item 1A, “Risk Factors” of our Annual Report on Form 10-K for the year ended February 3, 2024, as such may be amended or supplemented in our subsequently filed Quarterly Reports on Form 10-Q.

Except to the extent required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.