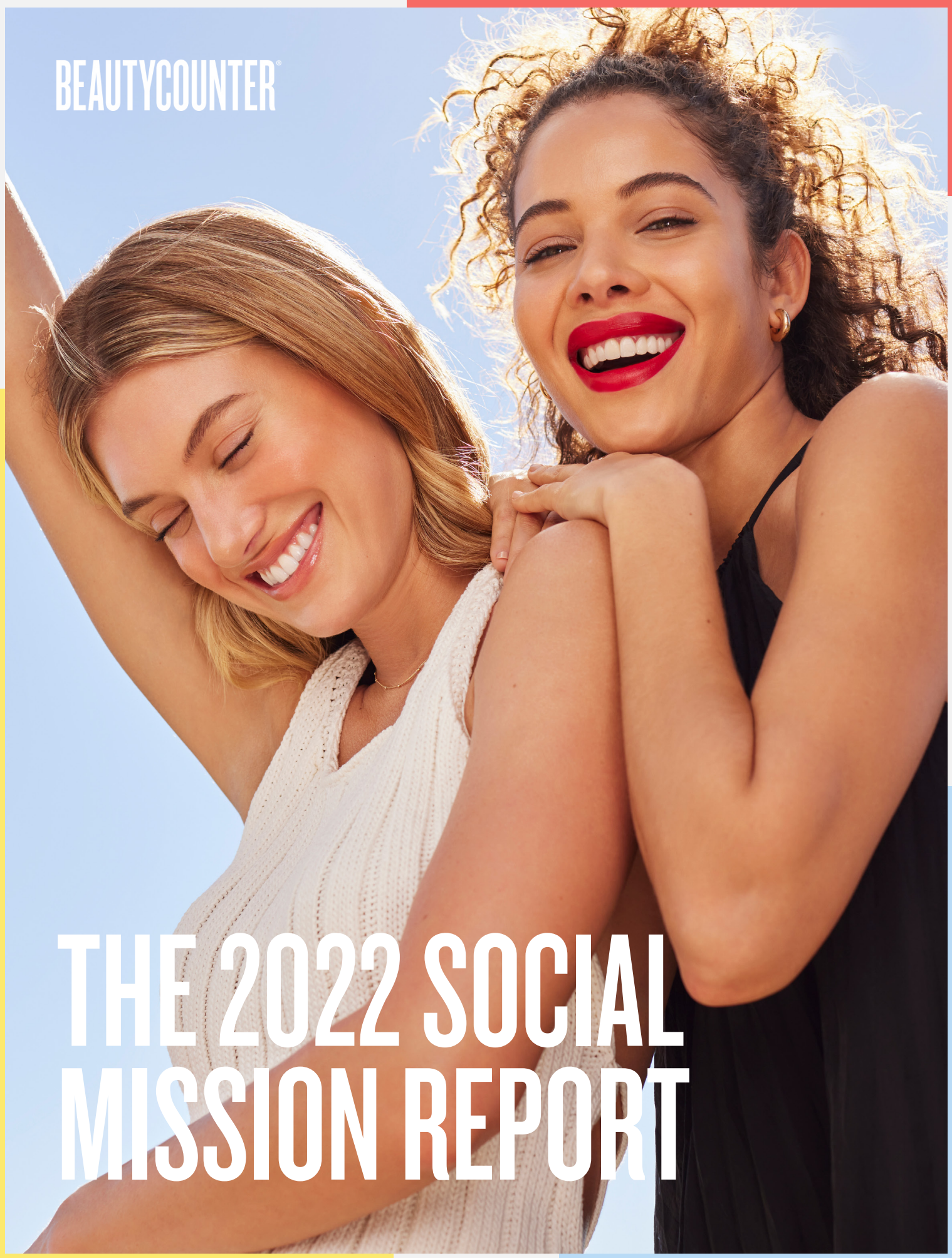


BEAUTYCOUNTER®

THE 2022 SOCIAL MISSION REPORT



OUR COMMITMENT TO RAISING UP BEAUTY

AT BEAUTYCOUNTER, WE'VE BEEN COMMITTED TO FORMULATING CLEAN BEAUTY PRODUCTS THAT PROTECT BOTH PEOPLE AND THE PLANET SINCE 2011.

As leaders in clean, we're doing our part to advocate for human rights and climate justice, collaborating with like-minded brands to change the industry for the better, and committing to climate solutions that reduce our environmental impact. We know the window to act is small, and we're committed to being a part of the solution.

As we continue our decarbonization journey, we pledge to be transparent about our progress and to always

hold ourselves accountable. In 2022, we appointed our first-ever Chief Impact Officer to strengthen and drive Beautycounter's strategy when it comes to all areas of Social Mission (Safety, Sustainability, and Advocacy). We know our mission to get safer products into the hands of everyone is now more important than ever. We owe it to you and our planet. This is hard work, but we are committed to holding ourselves accountable to do better.

THIS IS BEAUTY THAT MAKES A STATEMENT. AND AN IMPACT.

A LOT CAN HAPPEN IN A YEAR. HERE'S THE HIGHLIGHT REEL:

- We hired our first-ever Chief Impact Officer.
- We achieved our highest Chemical Footprint score yet—97.25.
- We helped pass the Modernization of Cosmetics Regulation Act of 2022, marking the first meaningful update to federal cosmetics laws in over 84 years.
- We're 70% of the way toward our 2025 packaging goal.
- We launched a brand-new Packaging Collection Program in partnership with the Pact Collective.

AWARD-WINNING SAFETY

WE'RE PROUD TO HAVE UNMATCHED INGREDIENT SAFETY—HERE'S HOW WE RAISED THE BAR EVEN HIGHER IN 2022.



OUR WORK WITH PFAS

In response to a peer-reviewed paper that found "forever chemicals" widespread in beauty products, we took a deep dive and educated the world on the dangers of toxic "forever chemicals"—called PFAS.

Our "Truth About PFAS" documentary was given an honorable mention by *Fast Company*. Watch it [here](#).

THE CHEMICAL FOOTPRINT PROJECT

We're all about the data, which is why we work with CFP, a third-party organization that analyzes how businesses use safer chemicals. Results are publicly shared so that consumers can evaluate and hold companies accountable. We've been a top-scoring company since the assessment launched in 2014—and in 2021, we achieved our highest-ever score: 97.25.





EWG VERIFIED™

EWG is the leading third-party certification that independently reviews our products against the strictest safety standards. 125 of our products are EWG VERIFIED™, and 28 of those products were added this past year. Want to shop those items? Just look for the mark.



SCIENCE SYMPOSIUMS

On two separate occasions, during Bc Takes DC and at LEAD, we assembled a panel of leading experts to discuss and educate the science-backed research that shapes clean beauty as well as the need for legislation and equity within the personal-care industry.

In DC, we hosted a live conversation between Beautycounter Founder Gregg Renfrew and Dr. Jennifer McPartland (Director of Safety and Stewardship), who were accompanied by world-leading experts Dr. Leo Trasande, Dr. Lora

Shahine, Dr. Kim Harley, and Ms. Boma Brown-West for a discussion on the science behind clean beauty. Watch our recap video [here](#).

At LEAD 2022 in Austin, we hosted a live conversation with Dr. McPartland and guest experts Dr. Shahine (Reproductive Endocrinologist at Pacific NW Fertility), and Dr. Lariah Edwards (Research Scientist at Columbia University) for a discussion on hot scientific topics relevant to clean beauty.

120+

years of experience

OUR LEAD CHEMISTS

With 120 combined years of experience, our nine in-house scientists work from our very own research and development lab inside our Santa Monica HQ.

This team brings deep expertise in applied toxicology, chemical hazard, risk assessment, polymer science, material interface work, the science of chemical exposures, and health impacts including working with brands on their chemical management and safety policies. Members of the team worked for and with highly respected organizations such as the Environmental Defense Fund (EDF), Scivera (a well-known consulting firm), the Environmental Protection Agency (EPA), plus a range of NGOs known for leadership in the field of safer chemicals and products.

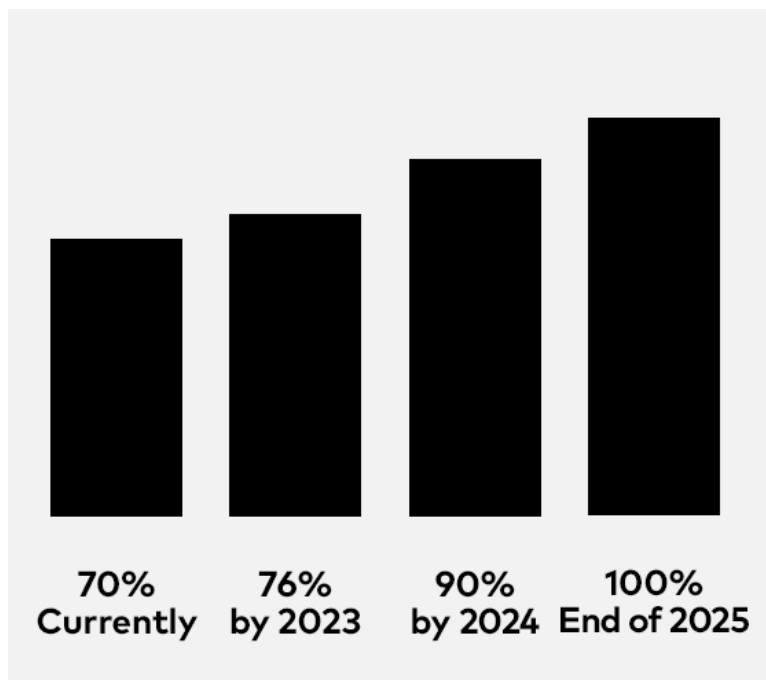
AMI ZOTA JOINS OUR SCIENCE ADVISORY COUNCIL

Dr. Zota is the founder and director of the Agents of Change initiative as well as an associate professor in the Environmental Health Sciences department at Columbia University Mailman School of Public Health. She received her masters and doctorate in environmental health at the Harvard School of Public Health. Most notably, her work seeks to secure environmental justice and improve health equity through advancements in science, policy, and clinical practice.



RAISING THE BAR FOR SUSTAINABILITY

WE'RE TAKING SUSTAINABILITY SERIOUSLY, AND WE'VE SET BOLD GOALS TO HOLD OURSELVES ACCOUNTABLE.



OUR PACKAGING GOAL

By 2025, 100% of our packaging will be recycled, recyclable, refillable, reusable, or compostable. Currently, we're at 70% completion toward our 2025 goal. 100% of our core launches in 2022 are sustainable and meet our packaging goal requirements.

RETHINKING PACKAGING

There is not a one-size-fits-all approach when it comes to the materials we use or formats we choose, but we are always committed to choosing safe and environmentally preferred materials, designing for circularity, and reducing our footprint.



THE CLEAN DEO PCR REPACK

We launched The Clean Deo in January 2021—a hardworking deodorant made without the use of aluminum—that is refillable and made of recycled packaging materials. Due to popular demand, we repackaged the product to feature refillable, recycled, and recyclable materials. (Note: Recyclability is dependent on where you live, so check with your local provider. If not recyclable in your area, please utilize our Packaging Collection Program.) The deo is composed of approximately 90% post-consumer recycled (PCR) resin.

Most deodorant packaging is made with mixed materials, which is impossible to recycle. However, our packaging is made of recycled mono material, and the insert can be tossed straight into the recycling bin. Afterwards, you can easily snap a refill into the outer packaging. By making The Clean Deo refillable, we reduced its water use, fossil fuel use, and greenhouse gas emissions by an estimated 47%.*

*Relative performance estimated by Eco Impact® COMPASS version 1.0.20.



LIFE CYCLE ASSESSMENT (LCA)

At Beautycounter, we use the LCA tool to evaluate the environmental impacts associated with the various stages of a material or product's life cycle. This information, combined with other data, is employed to make better decisions, refine existing approaches, and enhance

the environmental performance of our packaging materials. Making use of life cycle assessments to make wiser design choices and select more suitable materials is critical for us to move to a more circular packaging system.

HOW2RECYCLE

Unfortunately, there are many complexities when it comes to effective curbside recycling of some beauty packaging because of material composition or size. We clearly label all of our packaging with H2R logos so you know exactly where they should go when you're finished using them.



OUR PACKAGING COLLECTION PROGRAM

In 2022, Beautycounter launched a new partnership with the Pact Collective, a non-profit collective focused on enhancing the circularity of the beauty industry, to provide a solution for the hard-to-recycle packaging in our portfolio—and help avoid it ending up in landfills or waterways.

Less than 14% of plastic is recycled globally, and hard-to-recycle packaging (think: small beauty products) is even less likely to be recycled. This is a challenge our entire industry is up against, and

which is why our partnership with Pact Collective is so important.

So, how does it work? Simply mail in your empty hard-to-recycle beauty products (or drop them off at one of our Bc flagship stores or partnering Pact member location), and we'll dispose of them properly, giving them new life and preventing them from going into a landfill. Since our launch in July 2022, our collection program diverted ~770 pounds of packaging.



SAFETY FROM THE INSIDE OUT

Safety extends beyond our formulations—we also take a deep look at the safety and environmental impacts of all our packaging materials. The last thing we want is for packaging to be a source of hazardous chemicals that can migrate into our clean formulas. We examine each packaging component for potential effects on human health and the environment, and aim to reduce packaging materials whenever possible.





RESPONSIBLY SOURCED INGREDIENTS

WE ARE COMMITTED TO PROTECTING THE PEOPLE WHO HELP BRING OUR PRODUCTS TO MARKET, AND THE WAY INGREDIENTS ARE FARMED, HARVESTED, OR MINED CAN HAVE A MAJOR IMPACT.

MICA

We continue to work with key mica suppliers to implement blockchain technology to help brands understand who has mined, processed, and shipped their mica—creating first-of-its-kind transparency in the industry.

VANILLA

Harvesting vanilla is an extremely labor-intensive process, and the industry is historically notorious for human rights issues. We're continuing to work with a women-owned supplier to source not only the highest quality of vanilla, but also to improve the quality of life for their community of farmers. Similarly to how we source mica, we work with a third-party auditor to ensure our suppliers comply with our standards, which are among the highest in the industry.

PALM

Commonly used in the beauty industry for its skin-smoothing benefits, palm oil's harvest can be damaging to the environment and its supply chain can be less than transparent. This year, we underwent a rigorous audit to become supply chain-certified through the Round Table on Sustainable Palm Oil (RSPO). Check out our dedicated landing page to educate our community on the palm oil industry and how we are using the power of our supply chain to have a positive impact. Beautycounter is a member of the Roundtable on Sustainable Palm Oil, which helps businesses source more socially and environmentally friendly palm oil.

CLIMATE ACTION

The time to act on climate change is limited, and we are dedicated to being a part of the solution. This is why we have been devoted to climate action and minimizing our environmental impact from the very beginning.

PROGRESS ON OUR CLIMATE JOURNEY

As a mission-driven company, we feel it's not only the right thing to do but it's our responsibility to ensure that our business is not negatively impacting the climate. We will use our voice to support public

policies that lead to real, rapid action on climate and ensure a just transition to a low-carbon economy. Here's a look at our progress to date:



2018

We pledged to annually measure our greenhouse gas emissions because we know how important it is to plan, set targets, and act—the stakes are too high not to. Such a small window of time requires us to take urgent action in order to make a difference, and we are committed to doing our part.



2019

Beautycounter purchased 100% green power for our Santa Monica HQ.



2020

We committed to achieving carbon neutrality by 2030.



2021

We caught the attention of The Carlyle Group, leading to the second-largest beauty acquisition in history. Together, we shared a vision for taking responsibility for the carbon we are putting into the atmosphere.



2022

We determined that it was necessary to adjust our climate goal to be in line with scientific data and to have it externally verified by a third party.

We calculated our annual carbon footprint for all scopes across our business in alignment with the GHG Protocol Corporate Standard.

We also committed to sharing our Scope 1 & 2 emissions publicly (Scope 1: 4.22 tCO₂e, Scope 2: 105.73 tCO₂e).

B Beauty

B Corp™ Beauty Coalition

We're actively participating in the B Corp Beauty Coalition, a coalition of more than 40+ beauty B Corps around the world who unite to share best practices, pioneer responsible innovation, and create transparency around outcomes in hopes of changing the beauty industry for the better.



#planetA

We're a proud member of the Planet A Coalition—for the second year in a row, we've joined @ItsPlanetA and over 100 brand allies to pledge our continued commitment to climate action.

CARLYLE

We're working closely with our investors, Carlyle, to help scale our work to develop decarbonization initiatives that can solve industry-specific challenges.

ALWAYS ADVOCATING

ALONG WITH MAKING CLEAN BEAUTY THAT DOESN'T COMPROMISE, ADVOCACY IS AT THE HEART OF OUR MISSION—AND THAT MEANS BANDING TOGETHER AS A COMMUNITY TO CHANGE THE LAWS.

- 1) The Modernization of Cosmetics Regulation Act of 2022: Because no major federal cosmetics law had passed in over 84 years
- 2) Toxic-Free Cosmetics Act (CA): Because the biggest toxic offenders need to go
- 3) The Cosmetic Fragrance and Flavor Ingredient Right to Know Act (CA): Because secrets are no fun
- 4) Toxic-Free Cosmetic Act (MD): Because ingredients shouldn't cause harm
- 5) Pollution Prevention for Our Future Act (WA): Because hormone health matters
- 6) The Safer Sunscreen Bill (HI): Because beauty should be good for us—and the planet
- 7) Safer Salon Bill (CA): Because knowledge is everything
- 8) Cleaning Product Right to Know Act (CA): Because cleaning products should actually be clean
- 9) Toxic-Free Kids Act (OR): Because harmful chemicals have no place in children's products
- 10) Microbead-Free Waters Act: Because plastic doesn't belong in personal care
- 11) Sustainable Chemistry Research and Development Act: Because products are only as good as the ingredients that go in them



WE PASSED THE FIRST MAJOR FEDERAL COSMETICS BILL IN OVER 84 YEARS

We helped pass the Modernization of Cosmetics Regulation Act (MoCRA) of 2022, marking the first meaningful update to federal cosmetics laws in over 84 years. Key provisions of the bill include mandatory recall authority for the FDA, safety substantiation requirements, and adverse event reporting requirements.

WE TOOK OVER 230 CONSULTANTS TO D.C. TO LOBBY FOR COSMETICS REFORM

We held our Bc Takes DC lobby day in Washington, D.C., where 230 Brand Advocates held over 50 meetings with lawmakers to advocate in support of health-protective legislation and reform of the beauty industry.



WE AWARDED OUR FIRST-EVER CLEAN BEAUTY CHAMPION

As the lead legislator on the Safer Beauty Bill Package, we honored Representative Jan Schakowsky at the Library of Congress with Beautycounter's first-ever Clean Beauty Champion Award.

WE SAW PFAS LEGISLATION PASS

After spending years advocating to ban per- and polyfluoroalkyl substances (PFAS) from cosmetics, California passed the PFAS-Free Beauty Act in 2022 which prohibits intentionally added PFAS from all cosmetics sold in California.



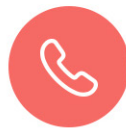
WE SHOWED UP TO VOTE

We educated on the importance of voting in the midterm elections, designated Election Day as a paid company holiday, and encouraged our community to participate in the democratic process by signing up to be poll workers through Power the Polls.

WE COULDN'T DO ADVOCACY WITHOUT YOU. YOU'VE COLLECTIVELY SENT OVER 236,000 EMAILS, MADE OVER 16,000 CALLS, AND HELD OVER 2,200 MEETINGS.



236,000+
emails



16,000+
calls



2,200+
meetings

GIVING BACK

Giving back has always been central to our mission. We've donated over \$4.1 million in cash and product donations to mission-aligned non-profits since 2013.



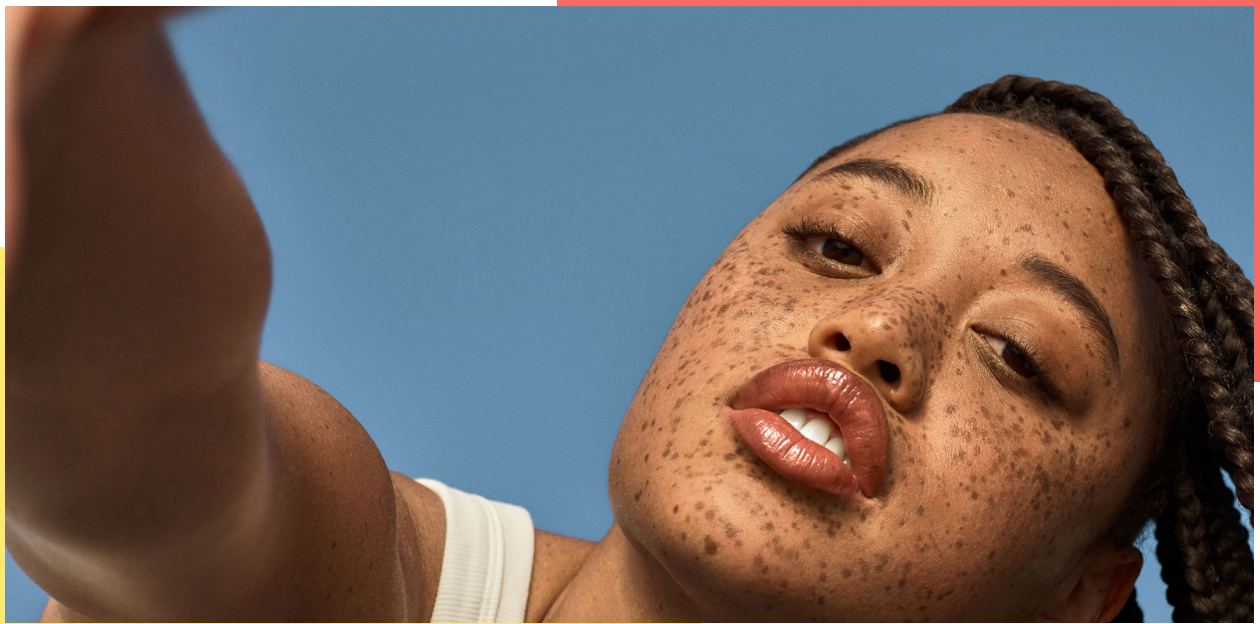
ASSOCIATE DAY OF SERVICE

This year, Beautycounter's Diversity, Equity, and Inclusion (DE&I) and Sustainability teams hosted an Associate Day of Service in partnership with [TreePeople](#). TreePeople is an organization on a mission to combat climate change and social justice issues by inspiring,

engaging, and supporting people to take personal responsibility for the urban environment. Beautycounter Associates spent the day in the South Los Angeles community of Lynwood planting trees to help build cooling canopies.

DIVERSITY, EQUITY, AND INCLUSION IN ACTION

2022 WAS ABOUT CONTINUING TO BUILD THE FOUNDATION TO CREATE LONG-LASTING DE&I PROGRESS. LET'S TAKE A CLOSER LOOK.



FIGHTING UNEQUAL TOXIC EXPOSURES

Beautycounter uses its advocacy work to help address disparate impacts to communities of color, since harmful ingredients in personal-care products disproportionately impact BIPOC communities. Beautycounter is working to change the status quo. That's why over the past few years, we have held Congressional briefings with 654 Members of Congress and their staff, along with leading researchers studying

this issue, to urge Congress to pass legislation protecting those of increased impact as quickly as possible. At the state level, we publicly advocate for legislation that will protect communities of color from harmful chemical exposure in personal-care products, including lobbying for legislation that bans some of the worst offenders, like mercury and formaldehyde, from products.

DE&I IS CENTRAL TO OUR MISSION

At Beautycounter, we strive to have diversity, equity, and inclusion practices at the center of our daily work to get safer products into the hands of everyone.

In 2022, we brought our Associates together to learn more about what an inclusive environment truly looks like and how to mitigate exclusion. We ensured a diverse slate of candidates was presented for all Director+ level openings. We relaunched our Associate Resource Groups (ARGs) with a focus on creating a structure to support the ARGs so they can continue to foster a culture of inclusion and belonging through activities, advocacy, and education. There are currently five ARGs at Beautycounter representing diverse communities: Pride@Bc ARG, VOCES Latinx ARG, Black ARG, Asian ARG, and Women in Tech ARG.

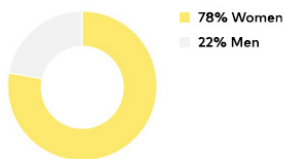


In 2023, we will offer ongoing training to our Associates to create a stronger diversity, equity, and inclusion foundation including inclusive interviewer training and psychological safety training. We will be establishing partnerships with platforms and organizations that promote diversity and inclusion in the workplace with the intent to continue to increase and grow our diverse communities.

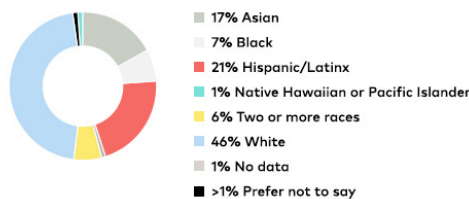
FOSTERING AN INCLUSIVE WORKPLACE

Females represent at least 68% of our Vice President and above population, and at the Vice President level and above, our Asian and Hispanic Female populations have doubled. Here's a closer look at our Associate representation data:

GENDER DIVERSITY



ETHNICITY DIVERSITY



ALL ASSOCIATES

	2021	2022
GENDER		
Women	73%	78%
Men	26%	22%
Non-Binary	1%	0%
ETHNICITY		
White	51%	46%
BIPOC	46%	52%
Asian	16%	17%
Black	8%	7%
Hispanic/Latinx	16%	21%
Two or more races	5%	6%
Native Hawaiian or Pacific Islander	0%	1%



SOCIAL MISSION REPORTS FROM PREVIOUS YEARS

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