leaving a positive legacy for our world

2020 ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT
We use the power of beauty to improve lives, strengthen communities and enhance the world around us.
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.

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

**Vision**
We work toward our mission and vision with our values at the heart of everything we do.

- Give wow experiences
- Improve always
- Win together
- Love what you do, own what you do
- Do what's right
- Champion diversity

**Values**

- **OUR FOOTPRINT (as of 10/31/2020)**
  - 1,262 stores
  - 6 distribution centers
  - 13.2 million total store square footage
  - 25,000+ products in store
  - 50 states
  - 35,000+ associates

- **FISCAL 2019 NET SALES BY CATEGORY**
  - Cosmetics 50%
  - Skincare, bath and fragrance 22%
  - Haircare products and styling tools 19%
  - Services 5%
  - Other 4%

the possibilities are beautiful™
What a positive legacy means to us

Over the past 30 years, Ulta Beauty has earned our reputation as the most admired beauty retailer by our guests, associates and investors. And after a year like 2020, it’s worth reflecting on our company’s role at this moment in history. While our lives have been disrupted in so many ways, we believe in the power and possibility of beauty more than ever before. During this uncertain time, beauty provides happiness, hope and renewal, helping us feel a little bit like ourselves again.

But Ulta Beauty aspires to be known not only for providing all things beauty to our guests. We also want to leave a positive legacy on our world through environmental and social impacts. Though we are in the early stages of our sustainability journey and environmental, social and governance (ESG) disclosure, operating our business in a responsible manner and doing the right thing for one another has always been part of who we are as an organization. Over the past year, we have worked to bring together our ongoing efforts and track our achievements across four focus areas—People, Product, Community and the Environment—so we can more formally share our ESG strategy with you. We are pleased to share our progress in each of these areas in this inaugural ESG report.

One of the accomplishments we are extremely proud of is the launch of Conscious Beauty at Ulta Beauty™, a first-of-its-kind initiative that will inspire more informed, conscious product choices for guests, their loved ones and the environment. Through this program, we will provide transparency around brands that use clean ingredients in their products, as well as whose products are cruelty free, vegan, use sustainable packaging and have a positive impact in communities—all practices that we know matter to our guests. With the introduction of Conscious Beauty at Ulta Beauty™, we also announced a sustainable packaging commitment that will align with other company initiatives to conserve resources and protect the environment.

Another point of pride is our long tradition of being a diversity-forward company. In my seven years as CEO, we’ve worked hard to represent the wonderful diversity of our communities in everything we do, from our marketing communications to our brand partnerships and our team of associates. As the events of 2020 showed us, systemic racism is pervasive in so many aspects of our society. While we have long been aware of and worked to counteract this harmful legacy, broader awareness and calls to action in 2020 have sharpened our focus on these issues. Now, we’re working to accelerate our actions in this space and continue to be an authentic leader of diversity and inclusion in corporate America.

Improving the lives of women and families in our communities is another enduring focus. Reflecting this commitment, as of the end of October 2020, we raised more than $37 million to benefit life-changing research at the Breast Cancer Research Foundation®, which we have supported for more than a decade, and donated more than $1 million to support the efforts of Save the Children® in rural communities.

The COVID-19 pandemic has brought challenges and tragedies unlike any we’ve ever faced. Throughout this crisis, Ulta Beauty associates, especially in our stores and distribution centers, have continued to show incredible agility, creativity and commitment to the health and safety of our guests and one another. I want to thank my leadership team and all of our associates for not only caring for themselves and each other this year, but also helping shape the positive legacy that Ulta Beauty will leave on the world well into the future. We look forward to continuing to update you on our progress.

Mary Dillon
Chief Executive Officer
ESG at Ulta Beauty

We believe beauty makes the world a better place. That’s why the strategic focus of our ESG work is leaving a positive legacy for our world.

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 a positive legacy through the people we employ and guests we serve, the products we offer and the impact we have on the environment and on communities.

**PEOPLE**
We want all associates to feel that they belong at Ulta Beauty and can be their true, authentic selves

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

**COMMUNITY**
We improve the lives of women and families in our communities

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

**Board oversight**
Ulta Beauty’s Board of Directors and Executive Team have overall oversight and accountability for sustainability within the organization. The Board has three committees—Nominating & Corporate Governance, Compensation and Audit—each of which touches ESG issues in its own way. The Nominating & Corporate Governance Committee has primary responsibility for our ESG policies and practices, as well as associated risks. Our Compensation Committee has oversight of diversity and inclusion, and the Audit Committee oversees issues of cybersecurity and data privacy.

Our General Counsel is the executive sponsor of our ESG program and works with a cross-functional team of experts, including representatives from human resources, growth and development, supply chain, merchandising and store operations, who drive ESG strategy across the four pillars. In addition, we have many associates who are passionate about ESG topics.
Corporate governance

Strong corporate governance allows us to deliver value for shareholders. We do this with a diverse and engaged Board of Directors and leadership team who contribute a variety of experiences and perspectives.

Our Board is composed of independent directors who bring a wide variety of expertise and leadership to help guide our CEO, who is also a director, and our management team.

Board diversity
One of the things that makes the Ulta Beauty Board of Directors uniquely effective is its diversity, particularly gender diversity—55% of our Board members are women. We are also proud to have Board members who are racially diverse and one member who identifies as LGBTQ+. Regular refreshment of our Board helps us incorporate new ideas and perspectives, and 36% of our directors joined the Board within the last five years.

Risk management
Our Board provides guidance and oversight on risk management 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. The Board then discusses and provides guidance with respect to risks related to those topics. Since relaunching an enhanced enterprise risk management (ERM) program in 2016, we have successfully raised and improved risk awareness across the organization.

In addition to sharing ERM results with our Board and leadership, we also share feedback with participating associates, who appreciate knowing their input is making a difference. We take a practical approach that incorporates the input of 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. Through this process, we engage approximately 150 associates per year. We are increasingly using technology to improve our approach, such as facilitating live voting and real-time data analysis of results.

Learn more about our business and governance:
> Overview for Investors
> Board of Directors listing
> Board Committee composition
> Governance documents
> Investor FAQs
We value our guests and associates and the data they entrust to us, and treat their information and other financial data with care and respect.

We manage data security and privacy at the highest levels. Our Board of Directors has always actively engaged in oversight of cybersecurity, and we recently highlighted this formal oversight role in the charter of our Audit Committee. Our CEO keeps the Board informed on a wide variety of cybersecurity and privacy matters via monthly reporting, regular reports in the Audit Committee and full Board discussions throughout the year.

Ulta Beauty’s General Counsel also serves as our Chief Privacy Officer, and works closely with our internal data stewardship committee, including our Chief Information Officer and our IT Risk Management team, to ensure we take a holistic approach to caring for guest, associate and financial data. Data stewardship includes three primary focus areas:

**Personalization and privacy**
As a retailer, we use data to drive demand via targeted marketing, develop merchandise insights and strategies, support member recognition through our loyalty program and provide guest insights to drive business objectives across our company. We safeguard this data by monitoring and complying with all privacy laws. In addition, we don’t sell guest data, and we share aggregated and anonymized data with our brand partners and third-party vendors for our own use.

**Oversight and enablement**
Our Security and Network Operations Center (SNOC) constantly and proactively monitors our network and application landscape for threats and anomalies. We have established processes for sharing data and performing third-party risk assessment. Other recent improvements include disaster recovery planning and testing.

**Security**
All Ulta Beauty associates have a role as stewards of company data, and it’s essential that we educate them on how to keep data safe. As part of our annual Code of Business Conduct training, we train associates on how to keep devices and data safe in public places; how to avoid security threats and phishing scams; how to maintain a secure workplace; and everyday practices that help maintain the security of corporate digital devices, data and systems. Our security approach also includes multiple layers of defense and testing of controls.
Ethics & compliance

It’s not only our products and services that make us the most loved beauty destination—it’s also the way we conduct business. Integrity inspires our actions and strengthens our reputation with guests, associates, communities, partners and investors.

The Ulta Beauty Code of Business Conduct helps us work ethically and transparently in support of our mission, vision and values. All associates, officers and members of our Board of Directors are expected to act in accordance with the Code of Business Conduct. It is included in new hire materials for all associates, who must read and acknowledge this policy each year. We also maintain Ulta Vendor Standards, which are shared with, and outline our expectations of, all Ulta Beauty vendors. These cover the ethical conduct and social and environmental compliance standards that are required of a responsible workplace.

The Code of Business Conduct provides guidance on topics including diversity and inclusion, employee relations, fair competition, human rights, community involvement, environmental protection and more. We encourage associates to speak up to report any violations of the Code of Business Conduct. There are several ways to report a concern:

> Speaking with one’s own manager or another manager
> Speaking to a Human Resources (HR) Business Partner
> Contacting the We Care! Let’s Talk line, by email or phone
> Calling our third-party Ethics Hotline anonymously online or by phone
> Emailing Legal Services to reach our Chief Compliance Officer

Our Ethics Hotline is managed by HR, but our General Counsel and Chief Compliance Officer also reviews all concerns. Each quarter, a cross-functional team meets to discuss reporting trends and share status of investigations and outcomes. The most commonly reported concerns are general HR-related matters.

We continually improve our approach to compliance through the Ulta Compliance Network (UCN). UCN is a group of associates who regularly focus on compliance. The group meets quarterly and provides a way for these associates to share best practices, discuss challenges and identify useful tools or resources.

Ulta Beauty Ethics & Compliance Policies

> Americans with Disabilities Act Policy
> Anti-Harassment Discrimination Policy
> Confidentiality Policy
> Employment-At-Will Policy
> Ethics and Business in Business Transactions Policy
> Inappropriate Relationship Policy
> Insider Trading Policy
> Official Government Inspections Policy and Procedure
> Open Door Policy
> Privacy Policy
> Ulta Beauty Gift & Gratis Policy
We want all associates to feel that they belong at Ulta Beauty and can be their true, authentic selves.

Inclusive teams.  
82% of associates say their teams create a diverse and inclusive working environment

A place to learn and grow.  
A majority of promotions are internal

Being exactly who you are.  
6,000+ women elevated to management roles in the past five years
Beauty from the inside out
Our Ulta Beauty Culture

There’s no place quite like Ulta Beauty. We’re on a mission to use the power of beauty to bring out the possibilities within every person, and that work begins with our associates. While we are diverse in so many ways, our people share a passion for redefining beauty and retail—and a desire to build fulfilling careers.

The associate experience is grounded in our mission, vision and values. We work as a team to give “wow” experiences to our guests, in service of our vision of becoming the most loved beauty destination and the most admired retailer.

We don’t take our strong culture for granted. As a guest-centric company, we put a special focus on the experiences and feedback of our in-store associates—those who know our guests the best. We regularly conduct an associate engagement survey to take the pulse of associates’ satisfaction with their role, their leader and the company as a whole.

Annually, we receive feedback from the majority of our associate base (approximately 78%) and follow a specific process to make changes based on those insights. Our results often put us in the top global quartile of companies surveyed for associate engagement globally. We also hold roundtable sessions to dive deeper on specific topics. In 2020, the survey and roundtables zeroed in on our COVID-19 response and diversity and inclusion work. We were pleased to discover that 75% of associates surveyed feel supported at Ulta Beauty, even amid the shifts and challenges of the past year.

We build upon and reinforce our culture at every level. Our CEO Mary Dillon and other executives regularly make themselves available for open dialogue in a variety of forums, including Town Halls, store and distribution center visits, special small group gatherings and more.

“Without question, 2020 has reinforced the power of building a highly engaged, diverse culture. Our long-term commitment to creating an environment where all associates feel they belong and all perspectives are valued is a focus for us as we do what’s right—for our people and our business. Diversity is a cornerstone of Ulta Beauty and will continue to set the tone for how we operate, grow and collaborate, in good times and challenging times alike.”

Dave Kimbell, President, Ulta Beauty
Growing with us

Training & development

Ulta Beauty offers inspiring career paths for professionals at every level. We provide opportunities to gain new expertise not only through traditional training programs, but also through participation in cross-functional projects.

We find new associates by meeting them where they are. Many associates learn about Ulta Beauty through word of mouth, but we also recruit through job postings, on campuses and online. For associates working in salon services, we often connect through professional platforms and licensing programs. While scaled back in 2020, our corporate internship program is typically another source of promising talent.

We waste no time welcoming new associates to the Ulta Beauty team. Orientation takes a variety of forms across our stores, distribution centers and corporate office. For corporate associates, we organize a one-day event called the Ultamate Foundation, during which all new hires learn about the company and responsibilities of each department and engage with the Executive Team. Our CEO and Executive Team participate in this event.

In-store associates take part in a structured onboarding program during which they engage in learning on specific tracks based on their role. All new store managers participate in a customized, role-based training program known as Ultamate Pathways. Topics covered include store operations, guest service expectations and inventory control processes. Managers also get a full introduction to Ulta Beauty’s mission, vision and values, along with our commitment to diversity and inclusion.

Given our value of Improve Always, ongoing training is an important part of the associate experience. And there’s always something new to learn. For example, in-store associates use a digital workplace tool for microtraining on new product lines, sales skills and, this past year, COVID-19 safety practices.

The Ulta Beauty work experience is challenging, rewarding and fun. Associates have the opportunity to build individual development plans to help them work toward career goals, and to use a learning management system that houses training on role-specific skills, interpersonal skills and more. In 2020, even more training was delivered virtually, which had the unexpected benefit of allowing us to reach more associates than ever before.

Our leadership development programs prepare promising future leaders for new levels of responsibility. Each year, we organize a training program that focuses on high-potential talent at the director level and above. In 2019, we rolled out a new program through which officers mentor high-potential directors, with a specific focus on diverse talent. Across the company, the majority of our promotions are internal. As we continue to promote and develop from within, we’re building a bench of associates and leaders who know our company inside and out.
Changing how the world sees beauty

Diversity & Inclusion

As a leader in the beauty industry, we have a responsibility to shape how the world sees and experiences beauty. Beauty can be fun, approachable and empowering, and we’re committed to using the power of beauty to create a more inclusive world.

While diversity and inclusion (D&I) have always been part of Ulta Beauty’s DNA, these beliefs informed purposeful work on our formal D&I program, which began in 2018. The program’s goal is to create an inclusive environment where every associate feels they can fully contribute and every guest is optimally served, regardless of differences. Throughout 2020, we took specific actions to embed D&I for associates and guests, through a journey to learn and develop awareness, understanding and celebration.

Leveraging the power of diverse perspectives
Celebrating diversity everywhere starts with a diverse workforce. With fifty percent of our Executive Team made up of women, we’re proud to be a place where women aren’t only in the room; they’re at the head of the table. We know we have an opportunity to increase representation of people of color across Ulta Beauty, particularly in leadership positions. Together, we’re building a workforce that reflects the available talent where we work, live and do business and one that mirrors our guest community.

D&I is more than representation. It’s also about creating an environment where associates feel they belong and can be their authentic selves. A critical way we achieve this is by educating all associates on the lived experiences of their peers and key moments in time that have cultural or heritage significance—as well as the unconscious beliefs and biases that shape our behavior today. During fiscal year 2019, we welcomed the Check Your Blind Spots unconscious bias tour, hosted by the CEO Action for Diversity & Inclusion®, that provided associates with an opportunity to learn about and explore ways to mitigate unconscious bias in their everyday lives. In 2020, we leaned into the national conversation on race through the Race Matters series. The series featured Ulta Beauty leaders and included sessions on being Black in America, white privilege and allyship. Participation was required of our 8,800+ leaders, who had the option of attending a live session or completing the training on their own. We concluded the experience by encouraging each associate to take ownership of their role to be an inclusive leader and colleague. To transform these lessons into action, attendees received support materials to promote open dialogue, awareness and greater understanding.
Our D&I Champions Network also helps us promote D&I across our daily work and experiences. This team of enthusiastic associates has committed to promoting the value and practice of a diverse and inclusive workplace by creating interactive educational experiences for their peers. They also identify opportunities for Ulta Beauty to engage with communities on D&I-related work. Launched in October 2019, the network has approximately 100 members and has organized numerous initiatives, including our celebrations of special days including:

- Martin Luther King, Jr. Day
- Lunar New Year
- Black History Month
- International Women’s Day
- Asian Pacific American Heritage Month
- Pride Month
- Juneteenth
- Latinx Heritage Month
- National Disabilities Employment Awareness Month
- Coming Out Day
- Veterans Day
- Transgender Day of Remembrance

**Offering beauty at its most inclusive**
From the products and services we offer, to the people who appear in our marketing and advertising, we’re in a powerful position to shape society’s

**meeting the moment**

While Ulta Beauty’s D&I program has been underway for some time, growing calls for action against racism and police brutality in 2020 gave this work a special urgency. As a society, we began confronting racism and its presence in everyday systems, and stakeholders demanded more than statements of support from businesses. When UOMA Beauty CEO Sharon Chuter launched **Pull Up or Shut Up**, challenging beauty brands to share posts on social media disclosing the number of Black employees they have in leadership roles, we responded quickly. Eighteen percent of Ulta’s Board of Directors, and 13% of our Executive Team leaders, identify as Black.

Knowing that our associates were also looking for ways to support the movement, we announced Double Up for Justice, a special gift-matching opportunity where the Ulta Beauty Charitable Foundation matched associate donations to organizations dedicated to racial equality. The program ran for two months and supported the Equal Justice Initiative, YWCA® USA, Chicago Area Urban League and Skills for Chicagoland’s Future.
standards of beauty. Ulta Beauty’s goal is to respect and represent every guest through our words and our actions.

Services training is one way we’re putting our commitments into action. In 2021, we plan to equip all stylists with foundational technical skills to support future plans in certifying our stylists in the art of textured hair. Externally, we are enhancing our multicultural marketing and communications strategies, such as amplifying BIPOC (or Black, Indigenous and people of color)-owned brands, founders, creatives and artists.

In addition, we aim to ensure that all in-store experiences are equitable, fair and unbiased. We’re taking action to support this goal by conducting mandatory trainings for in-store associates and providing weekly bite-sized learning opportunities to focus on guest perspectives and reinforce key takeaways. We are offering similar training across the organization to help key decision-makers and associates in their own learning journeys and support our Champion Diversity value and inclusion competency.

Exploring the possibilities
We can’t do it all on our own. Ulta Beauty aspires to be recognized as a D&I leader both inside and outside the retail industry, and is engaging with communities and external partners to scale up our impact. We’re increasing our investments in organizations focused on addressing inequality and creating opportunity, such as YWCA’s Until Justice campaign as a founding member of the Racial Justice League. Other opportunities we’re exploring include increasing our spend with diverse suppliers and forming partnerships with influencers and brands who share our mission and values.

This work is a journey, and we have a plan to hold ourselves accountable. Our D&I program is supported by a strong governance structure that keeps our work moving forward. Working groups lead our efforts to create more diverse and inclusive recruiting and development practices, in-store experiences and external partnerships. Next, we are localizing this work, incorporating D&I Councils at stores and distribution centers.
Taking care of each other

Safety, wellness & benefits

Our commitment to our associates and their well-being—inside and outside of work—is one of our highest priorities. Ulta Beauty has carefully assembled a suite of benefits that affirms and supports all that our associates contribute each and every day.

Well-being begins with health care for all eligible associates, which includes those who work more than 30 hours a week for Ulta Beauty in any position. Coverage extends to eligible dependents, including spouses, same-sex partners and children under 26. Our healthcare plans are above market for retailers and other service industry companies. Our medical plans provide above-average levels of health care coverage, with less cost share placed on associates, compared to many other retailers. We offer comprehensive medical plans that empower employees to choose the coverage that best suits them. Other key benefits include:

- 401(k) plan with up to a 4% company match
- Disability and life insurance
- Company-paid short-term disability pay at 80% of pay
- Additional insurance options, including legal, pet, home and auto
- Tuition reimbursement program
- Paid time off, including an extended illness bank
- Discounts on retail products and salon services

And because wellness, like beauty, is more than skin deep, we offer mental health resources, such as counseling services and access to apps; financial wellness planning and guidance; and health apps and educational resources for soon-to-be parents.

These and other benefits helped ease some of the hardships created by COVID-19. The Ulta Beauty Charitable Foundation maintains an Associate Relief Program through which we provide grants to associates facing unforeseen financial setbacks. For associates who care for children who are learning from home, due to the COVID-19 pandemic, we also provided access to discounts for online educational resources.

Across all locations, associates receive instruction on how to keep themselves and guests safe. Many associates receive training that is specific to their roles—for example, salon professionals are trained in the safe handling of chemicals.

The Ulta Beauty family is always growing. At any given time across our workforce, we typically have about 250 associates who are expecting a child. We help associates celebrate and prepare for this joyful milestone with information and resources. We also offer adoption assistance for associates seeking to grow their families by adopting a child.
We empower guests to make informed choices about the products we offer.

Limitless assortment.
25,000+ SKUs across 500+ brands

The power of choice.
Transparent information about product ingredients—so guests can choose what’s right for them

A clean-beauty destination.
200+ brands certified by the Conscious Beauty at Ulta Beauty™ platform
All Things Beauty. All In One Place.

We have been visionaries since day one. When Ulta Beauty was founded in 1990, prestige, mass and salon beauty products were sold through distinct channels. There was no single place that beauty lovers could go to meet all of their needs. We envisioned a new specialty retail concept that brought together a wide range of products, styles and price points: offering All Things Beauty. All in One Place®.

Today, our assortment continues to reflect the diversity of our guests. At our stores and at ulta.com, you’ll find more than 25,000 products across all categories and price points, including our private label, Ulta Beauty Collection®.

Product stewardship

Our breadth of products is made possible by more than 500 brand partnerships. We work closely with these partners to understand, not just their products, but also their businesses, so that we can curate an assortment that meets the needs of our guests and helps brand partners succeed.

A copy of our Ulta Vendor Standards is provided to all suppliers. This document outlines our expectations for ethical business conduct, worker safety, environmental protection and product standards. Our supplier relations team onboards new brands and vendors, using webinars and other tools to educate them on how to succeed with us. This level of engagement allows us to work successfully with beauty brands that have well-established supply chain infrastructures, as well as up-and-coming brands that may need extra guidance.

Our products and services

PRODUCTS
- Cosmetics
- Fragrance
- Haircare
- Skincare
- Bath and body products
- Salon styling tools

SALON SERVICES
- Hair cut, color, treatment and styling
- Lash applications
- Makeup
- Brow and wax services
Ulta Beauty Collection®

Beyond our brand partners' products, we're proud to offer the Ulta Beauty Collection®, our private label. This collection offers essential products in key categories such as cosmetics, skincare and bath. We market the collection in an engaging and approachable way to connect with our guests and help strengthen their perception of Ulta Beauty as a contemporary beauty destination and authority on all things beauty. These on-trend products appeal to guests of all ages, particularly those who may not be beauty experts but are looking for high-quality products for everyday use.

We manage the full development cycle of these products in partnership with a network of approximately 60 suppliers worldwide. The process begins with product briefs that we develop based on our research into emerging trends and guests' needs. We present a product brief to a vendor, who then develops a unique formulation based on our specifications for color, fragrance and performance. The Ulta Beauty Collection® team then evaluates and provides feedback on products and packaging, from confirming that mascara brushes resist clumps to ensuring that pump bottles dispense just the right amount of product. Our formulas and packaging are thoroughly tested to validate the product concept and ensure it meets safety standards.

We hold our vendors to the highest of industry standards. We expect all suppliers to sign a manufacturing agreement as well as a social compliance agreement. In addition, factory visits and third-party audits are conducted to evaluate work practices as appropriate. Ulta Beauty Collection® is currently a part of the Clean Ingredients and Cruelty Free pillars within the Conscious Beauty at Ulta Beauty™ program, with goals of being added to the Sustainable Packaging pillar by 2025 (learn more about Conscious Beauty at Ulta Beauty™).

helping guests shop safely in unprecedented times

To create safer shopping environments in stores following the outbreak of COVID-19, we followed government and health guidance and were recognized for our industry leadership in keeping guests safe.

In addition, we allowed guests to make purchases online for in-store pickup and curbside pickup as a contactless and convenient option for guests to meet their beauty needs. As a result of these and other practices, Ulta Beauty was named one of the top retailers in NAPCO Research’s new report, Retailer Readiness: COVID-19 In-Store Safety Index.

We collaborated with the Retail Industry Leaders Association (RILA) to share best practices across the industry. The resulting practices are known as our Shop Safe Standards, and include:

- **Mandatory face coverings for associates and guests**
- **Suspension of product testers**
- **Visual cues to reinforce social distancing**
- **Increased protocols for cleaning and disinfecting**
- **Added safety measures for salon services**
- **Daily wellness checks for associates**
- **Hand sanitizer throughout the store**
A clean beauty evolution

Today’s consumers are more interested than ever in choosing products that will support their overall health and wellness. They are also paying attention to the connection between their personal well-being and the well-being of workers, animals, communities and the environment. And they are increasingly supporting brands whose actions align with their own values.

In the beauty space, this translates into a desire for “clean beauty,” which can refer to products that have fewer ingredients and are free from potentially harmful substances. While there is clear consumer demand for cleaner products, there is no broadly agreed-upon definition of what clean beauty really means. Nor has there been a good way to evaluate clean ingredients alongside other priorities, such as animal welfare or environmental sustainability.

As the premier destination for all things beauty, Ulta Beauty is stepping into this opportunity. We have long offered products that incorporate clean ingredients, ethical practices and environmental benefits. Now, we are creating a holistic solution that will educate, guide and simplify this complex landscape for guests as they choose the beauty products that meet their needs and align to their personal values.

**BASED ON ULTA BEAUTY CONSUMER RESEARCH:**

- **63%** of those who seek out clean beauty products say “safer for the planet” options are important to them
- **90%** of Gen Z’ers intend to buy clean beauty products over the next 12 months
- **75%** of customers wish it were easier to know which products are truly clean
Introducing Conscious Beauty at Ulta Beauty™

**CLEAN INGREDIENTS**
Brands whose products exclude parabens, phthalates and other ingredients on our Made Without List, which was developed with consideration for the human and environmental health impact of ingredients. We will evolve the Made Without List over time with input from experts and brand partners.

**CRUELTY FREE**
Brands that do not conduct animal testing. Our definition will be tied to existing cruelty-free certifications, including PETA, Leaping Bunny or Choose Cruelty Free. Many of our brand partners already possess these designations.

**VEGAN**
Vegan is an area of importance for many consumers today. We have adopted the standard definition of vegan: products that are free of animal products, animal byproducts and animal derivatives.

**SUSTAINABLE PACKAGING**
Product packaging is one of the most tangible and obvious aspects of Conscious Beauty at Ulta Beauty™ for guests. At least 50% of the packaging from certified brands must be made from recycled or biosourced materials or be recyclable or refillable.

**POSITIVE IMPACT**
Beauty brands give back in so many ways, and we will use this pillar to highlight brands whose philanthropic efforts are critical to their DNA.
How we bring Conscious Beauty at Ulta Beauty™ to life

Certification
Brands are certified to the Conscious Beauty at Ulta Beauty™ pillars through an online portal powered by ClearForMe, our strategic partner. ClearForMe is a leader in the clean beauty space that manages the most comprehensive ingredient database on the market, and will both onboard brands into the Conscious Beauty at Ulta Beauty™ program and support us in bringing ingredient transparency to life for our guests. To date, over 200 brands have been certified in one or more pillars.

Education
The program launched in stores and on ulta.com in October 2020, with more than 200 certified brands. We celebrated and began to educate guests, influencers and the press with virtual events and in-store endcaps made with sustainable and recyclable materials. Training for in-store associates will allow them to help guests make informed choices about clean beauty products.

Partnership
Strong partnerships through Conscious Beauty at Ulta Beauty™ will allow us to evolve the program with leading experts across the space. In tandem with the Conscious Beauty at Ulta Beauty™ launch, we are collaborating with clean beauty pioneer Credo® to introduce the Credo Collection at Ulta Beauty. This curated collection will feature a rotation of clean beauty brands, available in select stores and online, that will allow us to continuously introduce customers to new brands.

Conscious Beauty Advisory Council
We are also planning and expect to convene a Conscious Beauty Advisory Council made up of a diverse set of leaders at the forefront of product development, packaging sustainability, trends and insights. This forum of leading beauty brands and experts will collectively evolve Conscious Beauty at Ulta Beauty™.

the beauty of giving back

Brands that do good deserve a special spotlight. That’s the purpose of our Positive Impact pillar, which many of our brand partners, including Kreyòl Essence, embody perfectly. The Kreyòl Essence team began working with Haitian farmers and cooperatives in 2014 to plant 100,000 castor trees, which help reduce deforestation, soil erosion and greenhouse gases. Kreyòl Essence has a goal of supporting 30,000 families in the next five years and cultivating over 1,000 hectares of land.
Our sustainable packaging commitment

Sending less to the landfill means good things for the planet. According to Zero Waste Week, the global cosmetics industry produces 120 billion units of packaging annually. Much of that packaging is plastic, and the majority of it is not recycled. That's why Sustainable Packaging is a key pillar of Conscious Beauty at Ulta Beauty™.

To qualify for our Sustainable Packaging pillar, at least 50% of a brand’s product packaging must be made from recycled or biosourced materials or be recyclable or refillable. To date, more than 90 brands have already qualified. These leaders will help us meet our goal of 50% of owned and non-owned brand packaging being made from recycled or biosourced materials, recyclable or refillable by 2025. This goal aligns with targets being set by other brands and retailers, and has the potential to make a major impact on our industry’s waste challenge. Several key partnerships and memberships will allow us to amplify our Sustainable Packaging work:

Loop
Loop, a reusable packaging pioneer owned by TerraCycle®, eliminates waste by delivering consumer products in durable, reusable containers rather than single-use disposables. In early 2021, we will give guests the opportunity to order their favorite products for home delivery in Loop’s waste-free containers.

How2Recycle
Standardized labels on Ulta Beauty Collection® products and select Ulta Beauty print materials will educate guests on how best to recycle. How2Recycle’s clear labels take the guesswork out of recycling, and allow us to track and measure recyclability across our portfolio.

Sustainable Packaging Coalition® (SPC)
We support the SPC’s mission of making actionable improvements to packaging systems. Through our membership, we will have the opportunity to learn from fellow retailers and other leaders in the sustainable packaging space.
We improve the lives of women and families in our communities.

Life-changing research.
Support for 25 researchers affiliated with the Breast Cancer Research Foundation®

Surpassing our goals.
$1.2 million raised for Save the Children® in just two weeks in 2020

Caring for people.
Helping 750 associates dealing with COVID-19-related hardship through our Associate Relief Program
We strive to make a positive difference in the communities where we live and work. That’s why, in 2016, we created the Ulta Beauty Charitable Foundation (UBCF) to enhance the well-being and education of women and families. Women make up the majority of our guests and our associates, and our donations help women across the country live to their fullest potential.

Our philanthropic efforts began in 2009, when we began our partnership with the Breast Cancer Research Foundation. Since then, we have broadened our focus to support other organizations that help women and families thrive. We have since added two more national partners, Save the Children® and Dress for Success® Worldwide, who we support each year with monetary and in-kind donations, board leadership and volunteer service. UBCF has its own board made up of Ulta Beauty executives who help set policy and direction for the Foundation.

### Meet Our National Partners

| WHAT THEY DO | PARTNER SINCE 2009 | Works to prevent and cure breast cancer by supporting clinical and translational research at medical institutions across the world. |
| PARTNER SINCE 2016 | Works to give vulnerable children in the U.S. and around the world a healthy start in life and the opportunity to learn. |
| PARTNER SINCE 2017 | Empowers women to achieve economic independence by providing a network of support, professional attire and the tools to help them thrive in work and in life. |

| HOW WE HELP | PARTNER SINCE 2009 | Our donations fund the work of a diverse group of researchers. This support covers the entire spectrum of breast cancer research—from understanding metastatic disease to identifying new targets and treatments. |
| PARTNER SINCE 2016 | We implement a program once a year at the in-store point of sale. Associates also wore red in 2020 to raise awareness with guests, and associates had the opportunity to write letters to children in vulnerable communities. |
| PARTNER SINCE 2017 | UBCF provides Dress for Success® Worldwide with financial support, products and associate volunteer time. We adjusted to provide services virtually in 2020. |

| OUR IMPACT | PARTNER SINCE 2009 | $37 million+ raised since 2009 |
| PARTNER SINCE 2016 | $2.3 million raised since 2016 for education and emergency response programs |
| PARTNER SINCE 2017 | $500,000 donated since 2017 |

| PARTNER SINCE 2009 | $5.5 million raised in 2019, supporting 110,000 research hours for 25 researchers |
| PARTNER SINCE 2016 | $1.2 million raised in two weeks in 2020, impacting 750,000 kids |
| PARTNER SINCE 2017 | 22,000+ women impacted in 35 U.S. cities |
Wherever possible, we engage associates and guests in programs for giving back. During a typical year, associates will donate their time and talents to, for example, create hair and makeup styles for women looking to find employment or undergoing treatment for breast cancer, organize donation drives or participate in fundraising races. Meanwhile, guests can make contributions to our national partners at the register or online, and participate in Cut for a Cause®, where the cost of a service is donated to the Breast Cancer Research Foundation®. Due to COVID-19, many of these in-person events have been temporarily suspended, and, as a result, we have shifted to focus on matching gifts for associates and reaching guests and our nonprofit partners’ clients online.

In late 2020, we organized Beauty on the Move, a virtual fitness event benefiting BCRF® and open to all associates. Associates pledged to get moving by running, walking, swimming or biking, and raised funds through donations from family and friends. More than 450 associates took part in the event and collectively raised nearly $110,000 for BCRF®.

funding research that matters

While we review our BCRF® funding portfolio annually, we try to fund projects and investigators whom we can support in growing their research programs over time. One of our grantees is Dr. William Kaelin, who works to rapidly apply knowledge gained from studying other cancers to the treatment of breast cancer. This work earned him the 2019 Nobel Prize in Physiology or Medicine.

There are so many angles from which we’re helping researchers get closer to ending this disease. Ulta Beauty’s support is helping the research community with grants in a range of areas:

- Tumor Biology 38%
- Treatment 38%
- Metastasis 14%
- Heredity & Ethnicity 7%
- Lifestyle & Prevention 3%

In 2019, we featured Steph Aiello, a makeup artist, influencer and wheelchair user, in one of our advertisements. The ad caught the eye of young Maren Anderson, whose mother, Carolyn, captured this photo and posted it on Facebook along with this caption: “Well Ulta, you absolutely stopped my girl in her tracks this evening. It was mesmerizing to watch her stop, turn and gaze at this poster.”
Hometown giving

Ulta Beauty’s corporate headquarters are located just outside the city of Chicago, and supporting organizations that support the area is one of our priorities. We’re also building partnerships with nonprofits that empower underserved individuals in Chicago and beyond.

For the past few years, we have developed relationships with the Chicago Area Urban League, which works to achieve equity for Black families and communities through social and economic empowerment; and Skills for Chicagoland’s Future, which helps unemployed job-seekers re-enter the workforce. Our support takes the form of donations, board service, volunteer time and even hands-on training on topics like interview skills. We increased our support for both of these organizations in 2020. We have hired more than 170 Chicagoans since we formed our partnership with Skills for Chicagoland’s Future, and the organization named us the 2020 Champion for the Unemployed for our efforts to hire the underserved and empower even more individuals to use their talents and skills to build a better future.

Other Chicago-based organizations with which Ulta Beauty supports through cash, products, volunteerism and/or board leadership include:

- Communities in Schools of Chicago
- After School Matters
- Big Brothers Big Sisters of Metropolitan Chicago
- Metropolitan Family Services
- Youth Guidance
- Start Early (formerly known as Ounce of Prevention)
- Step Up

We’re also proud to partner with organizations that are helping women and girls find the beauty within. Project Glimmer helps young women, particularly women of color, grow personal confidence and build their professional networks. And GLAM4GOOD is on a mission to create “social change through style,” providing makeovers and gifts to everyday heroes and people in need. Over the past year, we have supported both of these organizations with in-kind donations of product.

Standing up for justice

Systemic racism, unfortunately, affects every community we serve. Ulta Beauty has responded in meaningful ways to growing calls to address racial inequities in the U.S., including donating nearly $150,000 to organizations focused on racial justice and equality. Read more about how we’re championing diversity inside and outside our company.
Comfort in an uncertain time

With the ongoing physical, social and economic toll of COVID-19, many of us have needed a little extra care. Ulta Beauty has given back where we can throughout this challenging time.

Our support began early in the pandemic with products for front-line workers. We donated 450,000 medical gloves, as well as products like moisturizers, sanitizers and balms needed by health care professionals putting in long, difficult hours, whose skin often got chafed from personal protective equipment. In total, we donated $1.2 million worth of product to 25 organizations. To further show our appreciation for health care heroes’ tireless efforts, we offered a half price haircut and style for health care workers with ID during the first month that their local Ulta Beauty store reopened. Connecting COVID-19 relief with support for our national partners, we began selling a branded face mask in stores and online to raise funds for Dress for Success® Worldwide toward their pandemic response efforts. Given the unique challenges presented by COVID-19, we have given all of our community partners greater flexibility to spend planned financial support from Ulta Beauty as they see fit.

We also reimagined the way we care for associates. Since 2017, the Associate Relief Fund has provided monetary grants to associates facing personal hardship. We expanded the criteria for receiving funding to include those in need of extra assistance as a result of COVID-19. Thanks to the generosity of our senior management team, Board of Directors and associates across the company, we raised $750,000 for the fund, allowing us to support 750 associates.
We want to maintain the beauty of our environment and minimize our impact on the world around us.

Industry leadership.
#16 among the U.S. EPA’s top Retail Green Power Partners

Doing more with less.
An estimated 486 tons of plastic saved, thanks to new, smaller shopping bags

Getting better all the time.
Comparable store electricity consumption reduced by over 5 million kWh in the last four years
How we manage our footprint

Ulta Beauty strives to operate in an environmentally responsible manner. We have been implementing sustainability initiatives in our stores, distribution centers and corporate offices for years. We have a dedicated Corporate Energy & Sustainability Team that focuses on managing our energy use and conserving resources across millions of square feet of real estate. The average Ulta Beauty store is approximately 10,000 square feet, with roughly 950 square feet devoted to full-service salon space. Like many companies, we face the challenge of minimizing our environmental footprint as our business grows. As we open new stores, increase foot traffic and expand salon services, we incorporate efficient technology and apply best practices for continuous improvement.

Some sustainability challenges we face are uniquely tied to our business model—a comprehensive beauty destination with salon stations in close proximity to shopping areas. Here are a few of the factors we consider as we manage our stores’ footprint:

**FRESH INDOOR AIR**
Our salons make use of a range of products, including hairsprays, dyes and more. We run exhaust fans continuously during business hours to ensure safe management of any volatile organic compounds (VOCs) that could enter the air.

**GLAM-WORTHY LIGHTING**
To ensure products look their best, we use more lighting per square foot than most retailers. Over the past several years, we’ve undertaken a gradual transition to highly efficient LED lighting.

**TEMPERATURE MANAGEMENT**
We use state-of-the-art HVAC systems to maintain a comfortable temperature for guests throughout the year—taking into account changing weather, open-concept store designs, and guests who may have wet hair or have removed layers for salon treatments.

**MANAGING WATER USE**
Water is an essential part of many salon services. We are committed to using efficient practices in our salons where feasible.
Minimizing our impact on the world

Energy & emissions

Our retail stores are the focus of our energy reduction efforts. Up to 99% of stores make use of an energy management system (EMS), which helps us actively conserve energy while saving on annual operating costs.

The EMS precisely controls temperature and ensures minimal lighting is in use outside of retail hours. The system also detects malfunctioning equipment before it impacts the store environment and wastes energy. An EMS allows Ulta Beauty stores to participate in automated demand response programs by shifting or reducing electricity usage during peak periods, helping to stabilize the electric grid. We also utilize peak load management, or demand-limiting, strategies to reduce peak demand and save on utility bills.

Since 2018, Ulta Beauty has earned recognition as a Green Lease Leader, a voluntary program led by the Institute for Market Transformation and the U.S. Department of Energy Better Buildings Alliance that recognizes landlords and tenants for following practices that promote high-performance, healthy buildings. We earned Gold status in 2020 (up from Silver in 2018), making us the first small-box retail tenant to earn this designation. Our green lease option tracks energy and water usage, requests whole-building Energy Star scores, implements energy management best practices and accepts a cost recovery clause for energy efficiency upgrades.

5 million* kWh of electricity usage reduced since 2016
Equivalent to avoiding 3,600 metric tons* of GHG emissions

*This data has not been assured.
Supporting clean energy
Ulta Beauty is a proud user of renewable energy, purchasing more than 22,000 megawatt-hours of wind energy through renewable energy credits in 2019. This represented 7% of our total company annual electricity usage, more than double our purchases in 2018.

These efforts have earned us recognition as a Green Power Partner by the U.S. Environmental Protection Agency (EPA). The Green Power Partnership is a voluntary program that encourages organizations to use green power as a way to reduce the environmental impacts associated with conventional electricity use. We ranked #16 among the EPA’s Top 30 Retail Partners in 2020, three spots up from our 2019 ranking. Ulta Beauty continues to explore additional renewable energy opportunities to strengthen our overall portfolio.

Balancing comfort and efficiency
High-efficiency HVAC systems are critical to providing a consistent environment to accommodate the range of shopping and experiences that typically happen in-store. All new stores are equipped with HVAC units that exceed industry efficiency standards, and we identify opportunities for early retirement of aging and inefficient equipment at existing stores on an annual basis. We were recognized with the 2017 Advanced RTU Campaign Award by the U.S. Department of Energy for having the highest percentage of our portfolio upgraded with high-efficiency RTU installations in a four-year period.

Beauty on the move
Reducing the overall energy and emissions impact of our business goes beyond what happens in our stores. We are beginning to explore ways to decrease the impact of transporting products among our distribution centers, fast fulfillment centers and retail stores. Solutions could include consolidating deliveries into fewer shipments and sourcing our transportation needs from sustainable carriers.

**FY18 SCOPE 1, 2 AND 3 (LIMITED) EMISSIONS**

<table>
<thead>
<tr>
<th>tCO₂e</th>
<th>FY16</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Emissions (Scope 1):</td>
<td>7,385.9</td>
<td>7,384.2</td>
</tr>
<tr>
<td>Indirect Emissions (Scope 2):</td>
<td>143,618.8</td>
<td>143,618.8</td>
</tr>
<tr>
<td>Indirect Other Emissions (Scope 3):</td>
<td>5,809.2</td>
<td>5,809.2</td>
</tr>
</tbody>
</table>

*Electricity consumption in comparable stores. This compares annual electricity consumption against the same store’s prior performance (i.e., increased consumption from additional store openings is removed from this comparison).

**For 2018, we completed our first emissions report covering Scope 1, 2, and limited Scope 3 categories. This data is not assured. 2019 emissions reporting is not yet complete at this time but will expand to all relevant Scope 3 categories.
Maintaining the beauty of our environment

Water & waste

We are continually improving and looking for new ways to reduce our impact as our business grows. This includes recognizing our responsibility to conserve water and minimize waste where possible.

Making water go further
While retailing is generally not a water-intensive business, our demand for water has increased in recent years as our salon services have grown. We continue to seek out ways to manage our stores’ footprint, such as by installing efficient motion-activated toilets and bathroom sinks. Ulta Beauty also engages a vendor that proactively identifies potential leaks or malfunctioning equipment by comparing water consumption year over year, enabling us to identify issues and make repairs more quickly.

Sending less to landfill
All Ulta Beauty stores have the ability to dispose general waste and recycle cardboard. While plastic recycling capabilities vary across the country, 110 stores are currently participating in a single-stream recycling pilot that allows them to recycle certain types of plastic. We estimate that about 40% of our waste is diverted for recycling, and in 2018, our stores and distribution centers recycled more than 13,200 tons of cardboard and plastic shrink wrap. A unique waste stream we must manage is beauty products that, for a variety of reasons, cannot be sold and must be disposed. Certain products are considered hazardous waste, due to the possibility of chemicals mixing and potentially creating a harmful substance. Ulta Beauty complies with all local, state and federal environmental laws for the responsible management of these materials. Items that are regulated as hazardous waste are not sent to a landfill. In 2019, stores and distribution centers diverted 1,649,466 pounds of hazardous waste from landfills.

We’ve decreased our demand for materials—and by extension, the waste we generate—by reducing the size of our plastic shopping bags, leading to an estimated avoidance of 486 tons of plastic across our system. As of early 2020, 76 of our stores use only paper bags due to local regulations. Given the focus on Sustainable Packaging as part of the Conscious Beauty at Ulta Beauty™ program, we continue to evaluate other environmentally friendly bag options, such as a reusable bag. Other future improvements may include transitioning to more sustainable and recyclable packaging for e-commerce orders.

The Ulta Beauty Green Group

Our associates are passionate about much more than beauty. The Ulta Beauty Green Group is an opportunity for corporate associate volunteers to connect and help us all be better environmental stewards across our stores, distribution centers and the corporate office. Initiatives the group has undertaken include replacing disposable coffee cups with reusable mugs in offices, hosting electronics recycling drives, encouraging paperless work practices, improving recycling systems and sharing monthly tips with fellow associates about how to live more sustainably.
Sustainability Accounting Standards Board (SASB) Index

Below is Ulta Beauty’s response to the SASB Index, an industry-specific reporting framework that allows investors to more easily compare ESG performance across industry peers. Ulta Beauty reports under the Multiline and Specialty Retailers & Distributors industry, Consumer Goods sector. Responses in the far-right column of this table indicate where you can find more information about each of these topics.

<table>
<thead>
<tr>
<th>ACCOUNTING METRICS</th>
<th>METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>RESPONSE/COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENERGY MANAGEMENT IN RETAIL &amp; DISTRIBUTION</td>
<td>(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable</td>
<td>Quantitative</td>
<td>Gigajoules (GJ), Percentage (%)</td>
<td>CG-MR-130a.1</td>
<td>(1) Environment/Minimizing our impact on the world/Energy Consumption FY16-FY19 (2) 93% (3) 7%</td>
</tr>
<tr>
<td>DATA SECURITY</td>
<td>Description of approach to identifying and addressing data security risks</td>
<td>Discussion and analysis</td>
<td>n/a</td>
<td>CG-MR-230a.1</td>
<td>Introduction/Data stewardship</td>
</tr>
<tr>
<td></td>
<td>(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected</td>
<td>Quantitative</td>
<td>Number, Percentage (%)</td>
<td>CG-MR-230a.2</td>
<td>Ulta Beauty experienced no data breaches in the past year and has not had a data breach since the company’s founding in 1990.</td>
</tr>
</tbody>
</table>
## Sustainability Accounting Standards Board (SASB) Index

<table>
<thead>
<tr>
<th>ACCOUNTING METRICS</th>
<th>METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>RESPONSE/COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>LABOR PRACTICES</td>
<td>(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region</td>
<td>Quantitative</td>
<td>Reporting currency, Percentage (%)</td>
<td>CG-MR-310a.1</td>
<td>(1) The median hourly wage of in-store, full-time regular employees (excluding seasonal, temporary and commissioned employees as determined by employment class) as of December 2, 2020 was $18.42. (2) Percentage of in-store employees earning minimum wage, by region</td>
</tr>
<tr>
<td></td>
<td>(1) Voluntary and (2) involuntary turnover rate for in-store employees</td>
<td>Quantitative</td>
<td>Rate</td>
<td>CG-MR-310a.2</td>
<td>Full-time regular employees (excluding seasonal, temporary and commissioned employees as determined by employment class) as of December 2, 2020 Annualized Turnover—All Types: 29.2% Annualized Turnover—Voluntary: 25.0%</td>
</tr>
<tr>
<td></td>
<td>Total amount of monetary losses as a result of legal proceedings associated with labor law violations</td>
<td>Quantitative</td>
<td>Reporting currency</td>
<td>CG-MR-310a.3</td>
<td>No material monetary losses have resulted from legal proceedings associated with labor law violations in 2019 or 2020.</td>
</tr>
</tbody>
</table>
## Sustainability Accounting Standards Board (SASB) Index

### Workforce Diversity & Inclusion

<table>
<thead>
<tr>
<th>ACCOUNTING METRICS</th>
<th>METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>RESPONSE/COMMENT</th>
</tr>
</thead>
</table>
|                    | Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees | Quantitative | Percentage (%)  | CG-MR-330a.1 | (1) Management Directors: 82% White, 18% Black, 55% Women, 45% Men  
Executive Team: 50% Women, 50% Men  
Ulta Leadership: 64% Women, 36% Men, 18% People of Color  
(2) All other employees  
Ulta Associates: 92% Women, 8% Men |
|                    | 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 have resulted from legal proceedings associated with employment discrimination in 2019 or 2020. |
### Sustainability Accounting Standards Board (SASB) Index

#### ACCOUNTING METRICS

<table>
<thead>
<tr>
<th>METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>RESPONSE/COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from products third-party certified to environmental and/or social sustainability standards</td>
<td>Quantitative</td>
<td>Reporting currency</td>
<td>CG-MR-410a.1</td>
<td>Data unavailable for 2019 and 2020. We are evaluating potential disclosure on this topic in the future.</td>
</tr>
<tr>
<td>Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products</td>
<td>Discussion and analysis</td>
<td>n/a</td>
<td>CG-MR-410a.2</td>
<td>We train associates who handle hazardous materials so they can do so safely and in compliance with applicable laws, rules and regulations.</td>
</tr>
<tr>
<td>Discussion of strategies to reduce the environmental impact of packaging</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>CG-MR-410a.3</td>
<td>Products/Introducing Conscious Beauty at Ulta Beauty™, Our sustainable packaging commitment</td>
</tr>
</tbody>
</table>

#### ACTIVITY METRIC

<table>
<thead>
<tr>
<th>METRIC</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>RESPONSE/COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of: (1) retail locations and (2) distribution centers</td>
<td>Number</td>
<td>CG-MR-000.A</td>
<td>(1) 1,262 stores (2) 6 distribution centers</td>
</tr>
<tr>
<td>Total area of: (1) retail space and (2) distribution centers</td>
<td>Square meters (m2)</td>
<td>CG-MR-000.B</td>
<td>(1) 13,193,076 square feet (2) 3,000,000 square feet</td>
</tr>
</tbody>
</table>
Appendix

THE PERCENTAGE OF EACH GENDER CATEGORY FOR U.S. OPERATIONS
U.S. Operations, Regular Employees by Gender
(less seasonal and temporary employees) as of Dec 2, 2020

<table>
<thead>
<tr>
<th>GENDER</th>
<th>COUNT</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>28,635</td>
<td>94.0%</td>
</tr>
<tr>
<td>Male</td>
<td>1,823</td>
<td>6.0%</td>
</tr>
<tr>
<td>Unknown</td>
<td>2</td>
<td>0.0%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>30,460</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

STANDARD EEO-1 RACIAL AND ETHNIC GROUP CATEGORIES FOR U.S. OPERATIONS FOR MANAGEMENT
U.S. Operations, Regular Managerial Employees by Ethnicity & Gender
(less seasonal and temporary employees) as of Dec 2, 2020

<table>
<thead>
<tr>
<th>ETHNICITY</th>
<th>FEMALE</th>
<th></th>
<th>MALE</th>
<th></th>
<th>UNKNOWN</th>
<th></th>
<th>TOTAL</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Percentage</td>
<td>Count</td>
<td>Percentage</td>
<td>Count</td>
<td>Percentage</td>
<td>Count</td>
<td>Percentage</td>
</tr>
<tr>
<td>American Indian/Alaskan Native</td>
<td>44</td>
<td>0.7%</td>
<td>1</td>
<td>0.02%</td>
<td>45</td>
<td>0.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>127</td>
<td>1.9%</td>
<td>12</td>
<td>0.2%</td>
<td>139</td>
<td>2.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black or African American</td>
<td>458</td>
<td>6.9%</td>
<td>32</td>
<td>0.5%</td>
<td>490</td>
<td>7.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>1,305</td>
<td>19.7%</td>
<td>117</td>
<td>1.8%</td>
<td>1,422</td>
<td>21.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Native Hawaiian or Other Pacific Island</td>
<td>23</td>
<td>0.3%</td>
<td>3</td>
<td>0.05%</td>
<td>26</td>
<td>0.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two or More Races</td>
<td>218</td>
<td>3.3%</td>
<td>16</td>
<td>0.2%</td>
<td>234</td>
<td>3.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>3,960</td>
<td>59.8%</td>
<td>268</td>
<td>4.0%</td>
<td>4,228</td>
<td>63.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unknown</td>
<td>2</td>
<td>0.03%</td>
<td>2</td>
<td>0.03%</td>
<td>4</td>
<td>0.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I do not wish to provide</td>
<td>26</td>
<td>0.4%</td>
<td>5</td>
<td>0.1%</td>
<td>31</td>
<td>0.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td>6,163</td>
<td>93.1%</td>
<td>454</td>
<td>6.9%</td>
<td>2</td>
<td>0.03%</td>
<td>6,619</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
# Appendix

STANDARD EEO-1 RACIAL AND ETHNIC GROUP CATEGORIES FOR U.S. OPERATIONS FOR NON-MANAGEMENT
U.S. Operations, Regular Non-Managerial Employees by Ethnicity & Gender
(less seasonal and temporary employees) as of Dec 2, 2020

<table>
<thead>
<tr>
<th>ETHNICITY</th>
<th>FEMALE</th>
<th>MALE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Percentage</td>
<td>Count</td>
</tr>
<tr>
<td>American Indian/Alaskan Native</td>
<td>177</td>
<td>0.7%</td>
<td>11</td>
</tr>
<tr>
<td>Asian</td>
<td>685</td>
<td>2.9%</td>
<td>45</td>
</tr>
<tr>
<td>Black or African American</td>
<td>2,316</td>
<td>9.7%</td>
<td>122</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>6,238</td>
<td>26.2%</td>
<td>469</td>
</tr>
<tr>
<td>Native Hawaiian or Other Pacific Island</td>
<td>84</td>
<td>0.4%</td>
<td>11</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>952</td>
<td>4.0%</td>
<td>62</td>
</tr>
<tr>
<td>White</td>
<td>11,928</td>
<td>50.0%</td>
<td>645</td>
</tr>
<tr>
<td>Unknown</td>
<td>11</td>
<td>0.05%</td>
<td></td>
</tr>
<tr>
<td>I do not wish to provide</td>
<td>81</td>
<td>0.3%</td>
<td>4</td>
</tr>
<tr>
<td>Grand Total</td>
<td>22,472</td>
<td>94.3%</td>
<td>1,369</td>
</tr>
</tbody>
</table>
Thank you for your interest in Ulta Beauty. If you have any questions about this report, please contact our General Counsel, Chief Compliance Officer & Corporate Secretary, Jodi Caro, at jcaro@ulta.com