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Ulta Beauty Announces 2022 Diversity, Equity and Inclusion Commitments

Retailer Works to Drive Meaningful Impact, Leadership

BOLINGBROOK, Ill.--(BUSINESS WIRE)-- Ulta Beauty, the nation's largest beauty retailer, today announced its latest diversity, equity, and inclusion commitments with a focus on brand amplification, assortment growth and equitable guest and associate experiences. After successfully establishing and delivering on its 2021 commitments, the omnichannel retailer revealed new initiatives to bolster efforts and continue its purposeful work within the beauty and retail industries. This year's efforts span four categories totaling a planned investment of \$50 million, doubling 2021's commitments.

"As a values-driven company, we believe we have a responsibility to drive diversity, equity and inclusion in our company, industry and world," said Dave Kimbell, chief executive officer, Ulta Beauty. "Looking back at 2021, I'm proud of the work we did to meaningfully grow our assortment, elevate and celebrate underrepresented voices, invest in our associates and create equitable experiences. Our forward-looking 2022 DE&I commitments ensure that we remain energized, creative and extremely dedicated to leading in this critical space."

Ulta Beauty has long prioritized DE&I within its business strategy, mission and values. The 2022 commitments build upon the holistic, tangible efforts established in 2021 to ensure guests, associates, partners and communities feel connected to and reflected at Ulta Beauty.

"After formally working together for a year, I'm hopeful that Ulta Beauty's commitment to diversity, equity and inclusion has been a catalyst for other organizations to examine how they plan for and create foundational change," said Tracee Ellis Ross, Ulta Beauty's DE&I advisor. "Ensuring employees can thrive and that customers are seen, heard and celebrated remains a clear business objective. The Ulta Beauty team brings passion and accountability to this necessary work and I am proudly committed to supporting this team."

Commitment to Amplifying Underrepresented Voices

Ulta Beauty recognizes the importance of elevating, celebrating, and consistently supporting the influence underrepresented voices bring to the beauty industry. To continue celebrating these changemakers, this year the company will:

- Dedicate approximately \$25 million in media investments with multicultural platforms to nurture personal connections with Latine, Black and other multicultural beauty enthusiasts. Notably, 10% of this investment will be directly spent with Black and Latine owned media outlets, outpacing media industry benchmarks.
- Build upon its newly established and widely proclaimed *MUSE* platform with

programming to magnify, uplift, support and empower Black voices in beauty.

- Invest \$8.5 million to brand marketing support for Black-owned, Black-founded and Black-led brands within the company's assortment, more than doubling last year's investment to reflect the retailers' expanded Black-owned assortment.

Commitment to Curating & Nurturing a Diverse Assortment

In 2021, Ulta Beauty proudly joined the Fifteen Percent Pledge and more than doubled the number of Black-owned brands in its unparalleled assortment. This year, the company will continue building upon its work to help diverse leaders, founders and entrepreneurs thrive in the beauty industry.

- Launch a Brand Partner Accelerator Program focused on early-stage BIPOC beauty brands. Ulta Beauty will provide time, resources and mentorship to educate, inspire and support accelerator participants with brand development for retail readiness.
- To offer founders of color greater access, capital and expertise, the company will invest \$5 million in New Voices, a venture capital firm that partners with and invests in entrepreneurs of color to drive scalable, sustainable businesses and create generational wealth. As the VC's beauty retail partner, Ulta Beauty will provide priority access to shelf space, merchandising and marketing support.
- Allocate \$3.5 million to in-store merchandising support so guests can more readily find the Black-owned, Black-founded and Black-led brands within the Ulta Beauty assortment

Commitment to Guest Experiences

Guest-centricity is core to Ulta Beauty's success. Beyond creating exciting, welcoming experiences for guests across physical and digital touchpoints, the company continues to invest in the communities it serves and in its training to ensure inclusivity is prioritized with every guest engagement.

- New this year, the Ulta Beauty Charitable Foundation will donate \$2 million to BIPOC and LGBTQ+-focused non-profits with volunteering and education opportunities for associates.
- *Inclusion in Action*, the quarterly, in-store training launched in 2021 to reinforce inclusivity and address unconscious bias, will now be mandatory for distribution center and corporate associates in addition to a second year of curriculum for salon and store associates. This accounts for a \$2.5 million investment, in addition to the existing company trainings, and will result in a minimum 3.5 hours of required DE&I training for all associates.
- Textured hair and shade matching education trainings will be further enriched across every Ulta Beauty salon.

Commitment to Associate Experiences

Ulta Beauty understands the importance of fostering an inclusive, bias-free and equitable workplace for its 40,000 associates. To ensure all associates can reach their full potential, the company is committed to retaining, developing and attracting diverse talent as a diversity-forward employer.

- The reimagined Diverse Leaders Development Program has doubled the number of associates and now includes expanded external partner expertise, dedicated trainings as well as CEO and executive mentorship for high-potential, future company leaders.
- Ulta Beauty will continue to significantly invest in incremental efforts to support its diverse slate recruitment efforts
- Teams across the company will continue to acknowledge and celebrate lived experiences with always on DEI internal programming with dedicated workshops, panels, keynote speakers and educational programming for key moments such as Diversity Week, Pride Month, Black History Month and Asian Pacific American Heritage Month, among others.

“Since announcing our 2021 commitments, we have made significant strides to amplify our DE&I efforts, internally and externally – and we know the work is far from complete,” said Kimbell. “The beauty category is emotional, personal and deeply connected. Our dedication to this work ensures those attributes remain at the heart of the beauty community, giving way to welcoming, equal experiences for every Ulta Beauty associate, guest and partner.”

With a formalized internal governance in place across the enterprise, Ulta Beauty is committed to progress and will share updates as it continues to build upon its diversity, equity and inclusion efforts.

About Ulta Beauty

At Ulta Beauty (NASDAQ: ULTA), the possibilities are beautiful. Ulta Beauty is the largest U.S. beauty retailer and the premier beauty destination for cosmetics, fragrance, skin care products, hair care products and salon services. In 1990, the Company reinvented the beauty retail experience by offering a new way to shop for beauty – bringing together all things beauty, all in one place. Today, Ulta Beauty operates more than 1,300 retail stores across 50 states and also distributes its products through its website, which includes a collection of tips, tutorials, and social content. For more information, visit www.ulta.com.

Ulta Beauty was recently added to the Bloomberg Gender Equality Index, which tracks the financial performance of public companies committed to supporting gender equality through policy development, representation, and transparency. More information about Ulta Beauty’s corporate responsibility efforts can be found at <https://ulta.com/investor/esg>.

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