

Vision

In 2019, Sephora introduced its Public Chemicals Policy, a program that ensured ingredient transparency and proactively eliminated our high-priority chemical list, so our clients come to Sephora with the trust and knowledge that we offer the best selection of high-quality beauty products. Our responsibility to our clients includes an increasing focus on product safety and sustainability. We have committed to continual development of our policies to not only adhere to the beauty industry standard, but to exceed it. In 2023, we published our second chemicals policy to advance our commitments on this journey in addressing high-priority chemicals, using alternatives that may be safer, and greater transparency and consumer knowledge.

What Our Chemical Policy Covers

This policy applies to intentionally added ingredients used in formulated products and in fragrance products sold by Sephora, including third-party brands, globally in stores and online. This includes all applicable products, such as those marketed to people of color and additional consumer segments. The packaging for these products is also covered in our expanded high-priority chemicals list.

Our Commitment to Clients

At Sephora, we are committed to sharing our vision and progress for offering high-quality beauty products. Since 2019, we have worked to implement our public chemicals policy and have transparently reported on our status in our <u>public chemicals policy progress reports</u>. We are proud of the steps forward we have made so far and are committed to doing more. Further, the delivery of environmental goals and this policy have executive level visibility at the VP, SVP and EVP level.

With our 2023 update to our policy, we build on our past progress and continue our journey in the following ways:

1. High-Priority Chemicals: For all brands sold at Sephora, including our third-party brands, Sephora has identified a list of high-priority chemicals for reduction and elimination from our assortment (see the list of chemicals below; the 2023 list is more expansive than the 2019 list). *Our goal is for the high-priority chemicals listed not to be used in products and packaging by 2030 or earlier, unless otherwise required by applicable laws.*

This high-priority chemical list was updated considering not just our progress and the latest developments in product safety generally, but also considering environmental justice and the types of ingredients used in products marketed to people of color. We will continue to include these considerations in our policy implementation and future updates. Further:

• We reduced the number of products with one or more of the chemicals on the initial list of highpriority chemicals in our assortment by 39.5% between 2019 and 2022. This led to 95.5% of our assortment not containing high-priority chemicals from the initial list.



• Since the launch of Sephora's Chemicals Policy in 2019, certain common chemicals of concern found in products marketed to people of color were prioritized for elimination across all products with the progress noted above (e.g., formaldehyde and formaldehyde donors, parabens, and phthalates). Sephora does not typically offer products such as chemical hair straighteners or skin lighteners.

2. Safer Alternatives: Sephora is committed to encouraging the replacement of high-priority chemicals with alternatives that may be safer than these chemicals and working to avoid regrettable substitutes.

In addition to providing training to our brand partners, we have partnered with industry leaders to provide tools and resources to suppliers designing products, and we offer products that meet third-party product standards. *Our goal is to facilitate greater access to resources that support safer product design. We are committed to reporting on the number of products that meet alternative criteria, such as those that meet applicable third-party certification programs (e.g., Cradle to Cradle, etc.).*

- Since 2019, we have supported external experts that enable suppliers to identify alternatives that
 may be safer. We will continue to fund and collaborate with these and additional industry
 partners in innovation and green chemistry practices such as Change Chemistry (formerly the
 Green Chemistry & Commerce Council), Novi Connect, ChemFORWARD, and the Environmental
 Defense Fund (EDF). This includes amplifying verified safer alternatives on cloud-based platforms
 including ChemFORWARD and Novi Connect, listed as "ChemFORWARD SAFER".
- We have supported the development of 26 chemical hazard assessments that provide the information needed to understand if an ingredient may be a safer alternative. We will continue to grow and expand these types of resources to empower supplier to design safer products.

3. Transparency and Consumer Knowledge: We will continue to work together with our brands and suppliers to disclose ingredient information for formulated products and fragrance products we sell online and in store. Sephora has already worked to include intentionally added ingredients¹ listed on our US Sephora.com website. *To advance this, all Clean at Sephora products have been required to list intentionally added ingredients, plus 24 fragrance allergens*² *defined in EU regulations by 2024. For the rest of products, Sephora will disclose these fragrance allergens and those to be defined by the US FDA on our US Sephora.com website by 2024. To increase transparency of fragrance ingredients, we will work to educate and explain the function and origin of ingredients by 2030 or earlier. We will also strongly encourage all brands with formulated products to provide full disclosure of product ingredients down to 100 ppm, including fragrance ingredients, on Sephora's website by 2030.*

¹ Excluding the constituents of fragrance or parfum. Although some brands voluntarily disclose this, and it is highly encouraged, it is not feasible to be required due to fragrance houses protection of proprietary information.

² The EU fragrance allergen list is expanding, with enforcement for July 31, 2026.



Further:

- To build on the progress we made by providing definitions for common terms (e.g., Cruelty-free, Vegan, etc.) we will work to make transparency more meaningful by providing explanations for ingredient function in cosmetics.
- Between 2019 and 2022, we increased the number of fragrance products with intentionally added ingredient information on Sephora.com by 81.97%, such that 99.5% of products disclose intentionally added ingredients as of 2022.

Our Additional Efforts

<u>Sephora Collection</u>: Sephora's private label products satisfy rigorous requirements on quality, traceability, and product safety, including adhering to a unique internal Restricted Substance List ("RSL") that goes beyond the high-priority chemical list in this policy and the 1,300+ ingredients restricted by the European Union. The scope of the RSL covers formulated cosmetics, fragrances, and packaging. The RSL is reviewed and continually updated by our research and development team to include the latest scientific evidence. The RSL is provided to private-label product suppliers, which are required to report and comply with the RSL. The necessary documentation is received internally to confirm accuracy of information, including fragrance ingredients, contaminants, impurities, byproducts, allergens, and nanomaterials in adherence with the RSL. Sephora also utilizes third-party testing and audits to ensure compliance with the RSL.

<u>Clean at Sephora:</u> In addition to Sephora's private label efforts, Sephora is working to bring in brands with a proactive approach on chemicals. Our <u>Clean at Sephora</u> program highlights brands that voluntarily comply with the program's standards to formulate products without certain ingredients (including and expanded beyond the high priority chemicals in this policy), which is now in its third version having continually updated the formulated without list since launch in 2018. Sephora also launched it's <u>Clean +</u> <u>Planet Positive</u> program designating brands who meet all commitments across 5 pillars for Clean ingredients, Responsible Packaging, Sustainable Sourcing, Climate Commitments and Environmental Giving. Further, in 2020, we committed to The Fifteen Percent Pledge. In 2022, of our Black-owned brands, which we doubled in the previous two years, 50% of those brands meet Clean at Sephora guidelines.

<u>External Engagement</u>: Sephora actively participates in initiatives to promote potentially safer and more innovative ingredients in beauty products. Since 2018, Sephora has supported the work of <u>ChemFORWARD</u>, including identifying material suppliers with alternatives to high priority chemicals, funding comprehensive chemical hazard assessments, amplifying alternatives on the Novi Connect platform which lists compliant alternatives as "ChemFORWARD SAFER". In 2022, Sephora joined <u>ChemFORWARD's Know Better Do Better Collaborative</u> with other industry leaders. Since 2018, Sephora has partnered with Novi Connect to help support brands in finding compliant ingredients to Sephora's ingredient policies and finding more sustainable alternatives in formula and packaging.

Since 2015, Sephora participated in the development of the Beauty and Personal Care ("BPC") Product Safety Rating System with other major retailers and brands. Sephora actively funded and participated in



BPC's collaborative process to accelerate sustainability in the industry, including promoting the use of safer chemicals. In 2021, Sephora's parent company LVMH joined the <u>EcoBeautyScore (EBS) Consortium</u> which aims to develop an environmental impact assessment and scoring system for cosmetic products alongside 70 companies and associations across the industry. In 2018, Sephora joined the Green Chemistry and Commerce Council ("GC3"), now <u>Change Chemistry</u>, a multi-stakeholder effort to drive the commercial adoption of green chemistry, and we are active members of their Retailer Leadership Council (RLC) working to determine whether ingredients are of potential concern to human health and the environment and helping to find safer alternatives.

Further, Sephora provides guidance and trains its suppliers on this chemical policy, including how to identify alternatives that may be safer. We refer to external programs that may be useful for suppliers such as the partners noted above, third-party safer product standards, and the Chemical Footprint Project. Our business teams discuss and encourage progress on this chemicals policy with suppliers.

<u>Progress Reports</u>: Sephora will report on progress on this policy at least every three years and we will review our goals and the list of high-priority chemicals to determine if they need to be updated. We are also committed to working with our brand partners and suppliers to focus on continuous improvement.



High Priority Chemicals

Prohibited as intentional product additions, unless otherwise noted; packaging prohibitions listed at the end of this table.

Class	Chemicals	CAS #s	Notes*
	Aluminum chloride	7446-70-0	2019
	Aluminum chlorohydrate	12042-91-0	2019
	Aluminum chlorohydrex pg	245090-52-2	2019
	Aluminum dichlorohydrate	10284-64-7	2019
Aluminum salts	Aluminum sesquichlorohydrate	11089-92-2	2019
	Aluminum zirconium octachlorohydrate	98106-55-9	2019
	Aluminum zirconium octachlorohydrex gly	174514-58-0	2019
	Aluminum zirconium pentachlorohydrate	98106-54-8	2019
	Aluminum zirconium pentachlorohydrex gly	125913-22-6	2019
	Aluminum zirconium tetrachlorohydrate	98106-52-6	2019
	Aluminum zirconium tetrachlorohydrex gly	134910-86-4	2019
	Aluminum zirconium trichlorohydrate	98106-53-7	2019
	Aluminum zirconium trichlorohydrex gly	134375-99-8	2019
Antimicrobials	Triclosan	3380-34-5	2023
Antimicrobiais	Triclocarban	101-20-2	2023
Antioxidants	Butylated hydroxyanisole (BHA)	25013-16-5	2023
	Butylated hydroxytoluene (BHT)	128-37-0	2023: Restricted to max of <0.1% as impurity
Bisphenols	Bisphenol A	80-05-7	2023
Borates	Boric acid	10043-35-3	2023
	Borate salts	Multiple	2023
	Coal tar	65996-92-1	2019
Coal tar compounds	Naphtha	Multiple	2019
	High solvent naphtha	Multiple	2019
	Naphtha distillate	Multiple	2019
	Tar	101316-83-0 / 101316-84- 1	2019
Ethanolamines	Cocamide DEA	68603-42-9	2019
	Diethanolamine	111-42-2	2019
	Monoethanolamine (MEA)	141-43-5	2023



Class	Chemicals	CAS #s	Notes*
	Triethanolamine	102-71-6	2019
	Atranol	526-37-4	2023
	Chloroatronol	57074-21-1	2023
	Lilial	80-54-6	2023
	Lyral	130066-44-3	2023
	Methyleugenol	93-15-2	2023
	Musk xylene	81-15-2	2023
	Musk ketone	81-14-1	2023
Fragrances of		1506-02-1	2023; Restricted to max
concern			of ³ (a) leave-on
concern			products: 0.1% except:
			hydroalcoholic
	Acetyl Hexamethyl Tetralin		products: 1% fine
			fragrance: 2.5%
			fragrance cream: 0.5%
			(b) rinse-off products:
			0.2%
	Acetyl Hexamethyl Indan	15323-35-0	2023
	Formaldehyde	50-00-0	2019
	5-bromo-5-nitro-1,3-dioxane	30007-47-7	2019
	2-bromo-2-nitropropane-1,3-diol	52-51-7	2019
	Benzylhemiformal	14548-60-8	2019
Formaldebyde and	Diazolidinyl urea	78491-02-8	2019
formaldehyde	Dmdm hydantoin	6440-58-0	2019
donors	Glyoxal	107-22-2	2023
donors	Imidazolidinyl urea	39236-46-9	2019
	Methanediol (methylene glycol)	463-57-0	2023
	Methenamine	100-97-0	2019
	Quaternium-15	4080-31-3 / 51229-78-8	2019
	Sodium hydroxymethylglycinate	70161-44-3	2019
	Arsenic	7440-38-2	2023; Impurity max of:
	Cadmium	7440-43-9	Arsenic – 47ppm;
	Chromium VI	18540-29-9	Cadmium – 17ppm;
Heavy metals			Chromium VI – 8ppm
	Lead & lead compounds	74399-92-1	2023: Impurity max of:
	Mercury & mercury compounds	7439-97-6	- 1 ppm
	Thimerosal	54-64-8	1-1-
lsothiazolinones (add to current list)	Benzisothiazolinone (BIT)	2634-33-5	2023
	Methylisothiazolinone	2682-20-4	2019
	Methylchloroisothiazolinone	26172-55-4	2019
	Octylisothiaolinone (OIT)	26530-20-1	2023
Parabens	Propylparaben	94-13-3	2019

³ Per the EU regulation: https://echa.europa.eu/nl/cosmetics-restricted-substances/-

[/]legislationlist/substance/100.014.667



Class	Chemicals	CAS #s	Notes*
	Butylparaben	94-26-8	2019
	Methylparaben	99-76-3	2019
	Ethylparaben	120-47-8	2019
	Isopropylparaben	4191-73-5	2019
	Isobutylparaben	4247-02-3	2019
PFASs	Many	Multiple	2023
Phthalates (ortho- phthalates)	Many	Multiple	2019, 2023
	Benzalkonium chloride	8001-54-5	2023; Restrict to max of 0.1%
	Methylbenzethonium chloride	1320-44-1; 25155-18-4	2023
	Benzethonium chloride	121-54-0	2023
Quaternary ammonium compounds	Cetrimonium chloride	68002-63-1; 112-02-7	2023; Restrict to max of ⁴ : (a) 2.5% for rinse-off hair products (b) 1.0% for leave-on hair products (c) 0.5% for leave-on face products
	Quaternium-15	51229-78-8	2023
Solvents (add to	Benzene	71-43-2	2023
Solvents (add to	Toluene	108-88-3	2019
	Xylene	1330-20-7	2023
Silovanos	Cyclotetrasiloxane (D4)	556-67-2	2023
Silovanes	Cyclopentasiloxane (D5)	541-02-6	2023
	Benzophenone	119-61-9	2023
	Benzophenone-2	131-55-5	2023
UV filters	Enzacamene	36861-47-9	2023
	Octinoxate	5466-77-3	2023
	Oxybenzone (benzophenone3)	131-57-7	2019
Others	1,4-dioxane	123-91-1	2023; Incidental max of: 10ppm rinse-off; 3ppm leave-on
	Dihydroacetone	96-26-4	2023
	Hydroquinone	123-31-9	2023
	Phenylenediamene	25265-76-3	2023
	Resorcinol	108-46-3	2023
	Styrene	19361-62-7; 12770-88-6; 100-42-5	2023
	Titanium dioxide	13463-67-7	2023; Prohibited in aerosol formulations only

⁴ Per the EU regulation: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0866&from=EN



Class	Chemicals	CAS #s	Notes*
	D&C Black 2; Carbon Black	1333-86-4	2023: Prohibited in aerosol, powders, and airborne particles of respirable size
	Polyacrylamide	9003-05-8	2023
	Silica, crystalline (nano material)	14808-60-7	2023: Prohibited in aerosol, powders, and airborne particles of respirable size
	Talc	8005-37-6	2023
Packaging-specific	Endocrine disruptors included on REACH Candidate List or EU category 1 endocrine disruptors list	Multiple	2023
	Styrenic polymers: Acrylonitrile butadiene styrene (ABS), Polystyrene (PS), Styrene Acrylonitrile (SAN)	<i>9003-56-9</i> 9003-53-6 9003-54-7	2023
	Bisphenols	Bisphenol A 80-05-7 Bisphenol S 80-09-1 Bisphenol B 77-40-7 Bisphenol F 620-92-8 Bisphenol AF 1478-61-1	2023
	Carbon black in plastics	1333-86-4	2023
	Halogenated compounds including PFAS	Multiple	2023
	Mineral Oils (MOSH/ MOAH)	Multiple	2023
	Oxodegradable additives in plastic	Multiple	2023
	Polycarbonate (PC)	25037-45-0	2023
	Polyethylene terephthalate glycol (PETG)	25640-14-6	2023
	Polyvinyl chloride (PVC)	9002-86-2	2023
	Polyvinylidene chloride (PVDC)	9002-85-1	2023
	Silver salts (non-exhaustive list - silver, silver chloride, silver nitrate)	Multiple	2023

*The year the chemical was added to the high priority chemical list is noted along with additional notes such as if there are incidental, impurity or restricted use limits.