# SUSTAINABILITY

# SOCIAL IMPACT

# 2020-2022

*Commitment Summary Report* 





# **OUR JOURNEY**

As a family-owned company, our values are simple: Live by The Golden Rule; give expecting nothing in return; make everyone you meet feel important; and focus on balancing priorities. These guiding principles are our family's heritage, and for nearly 60 years they have been the moral compass of our Company's corporate culture. We know our moral imperative is to continue our legacy of doing the right thing: Today. Tomorrow. Always.

Through our mission Enriching Women's Lives, we invest in empowering Mary Kay Independent Beauty Consultants around the world in entrepreneurial advancement to realize their full potential. The positive impact of Independent Beauty Consultants coupled with our guiding principles, serve as the foundation for our business, sustainability & social impact strategies.

In 2021, we announced our sustainability strategy: Enriching Lives Today for a Sustainable Tomorrow. We are excited to provide an update regarding our progress. We are already making a significant positive impact, and we know where there is room for improvement. We will keep striving to do better, and are immersing ourselves in identifying the gaps and opportunities on how we can change and improve.

We are conscious of our actions today and are committed to intentional and sustainable initiatives to address the global challenges threatening future generations.

This is far bigger than us, but Mary Kay's mission always has been.

#### Let's keep making the world better.



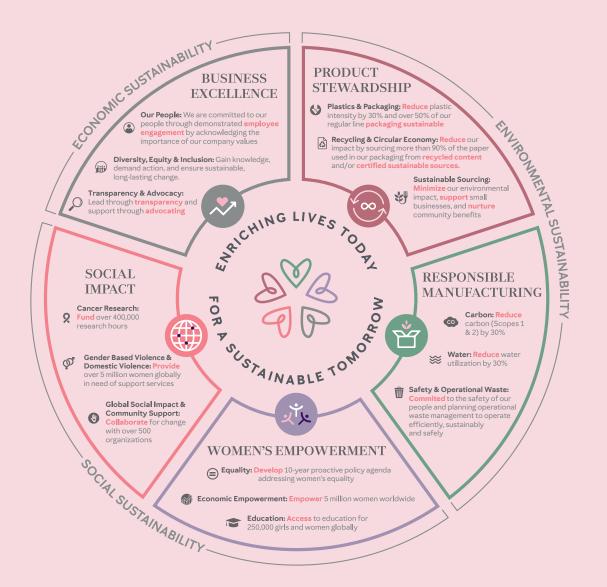
**Ryan Rogers** *Chief Investment Officer* 



#### **Richard Rogers** Executive Chairman

60 Years & Beyond Living Our Values and Our Legacy to do the Right Thing

# **OUR SUMMARY**



**5** PILLARS. **15** COMMITMENTS. **A DECADE OF ACTION.** 

### We must act TODAY. We must protect TOMORROW. We must improve ALWAYS.

For nearly 60 years, Mary Kay has strived to enrich women's lives, develop innovative products, and support positive community impact around the world.

The cosmetics and personal care industry is in transition as companies evolve to meet the growing demands from customers for environmentally conscious and transparent operations.

While there have been meaningful initiatives implemented throughout the industry—and within Mary Kay itself—there is still an immense amount of work to be done to find long-term solutions to the environment and socioeconomic challenges ahead.

Our comprehensive approach to sustainability: Enriching Lives Today for a Sustainable Tomorrow (ELTFAST) launched in 2020. The plan demonstrates our vision to 2030 and beyond. It builds a picture of what good "looks like" for Mary Kay, Independent Beauty Consultants and their customers, and the planet. Enriching Lives Today for a Sustainable Tomorrow was developed with our key stakeholders and is aligned with the United Nations' Sustainable Development Goals, making Mary Kay a key part of a global coalition to ensure a better future.

We divided our sustainability approach into five pillars: business excellence, product stewardship, responsible manufacturing, women's empowerment, and social impact. In these pillars, you'll find our 15 commitments to deliver a decade of sustainable action.

Since the launch of ELTFAST in 2020, Mary Kay has made significant progress toward its goals despite the many challenges presented by the COVID-19 epidemic. In this 2022 report, you'll find details on that progress and a reaffirmation of the company's drive to deliver on its decade of action.

We are committed to improve how we operate, and we know our actions every day have an impact on tomorrow. We invite you to join us on our sustainability journey and learn more about our commitments, our accountability to leave behind a better planet, and our *responsibility to* 

each other.





### **ECONOMIC SUSTAINABILITY**









# Business Excellence

#### **OVERVIEW**

In today's dynamic and continuously changing business world, it is the human assets, not the fixed or tangible assets that differentiate an organization from its competitors. Our employees are the backbone of our organization. We empower employees by nurturing creativity and innovation in the workplace, which is necessary to succeed today, tomorrow, and always.

Mary K



, ENRICHING LIVES **TODAY** FOR A SUSTAINABLE **TOMORROW** 



#### **OUR PEOPLE**

We are committed to our people through employee engagement by developing effective benefits and well-being programs to health and safety processes by demonstrating our company values and nurturing our corporate culture.

#### **DIVERSITY, EQUITY &** INCLUSION

We are committed to gain knowledge, demand action, and ensure sustainable, long-lasting change.

#### **TRANSPARENCY & ADVOCACY**

We are committed to transparency & advocacy through sustainable practices, and to be open, honest and transparent by making information independent audits, and meeting guidelines set forth by organizations as agreed in our

sustainability commitments.

#### 

We are committed to our people through employee engagement by developing effective benefits and well-being programs to health and safety processes by demonstrating our company values and nurturing our corporate culture.

#### **OUR PROGRESS**

#### 2020 - 2022 Total

o In 2021, scored 75% employee engagement, a 6% increase over the 2019 full engagement survey. (This is 10% over the global average for employee engagement.)

### **OUR BEGINNING: 2020**

- 15 company awards in business
- excellence, social impact
- and sustainability.
- 8 employer/great place to work awards.
- David Holl. Chief Executive Officer, named "Community
- Leader of the Year" by EarthX. Mary Kay Ash named on USA
- **ACCOMPLISHMENTS** *Today* Women of The Century list.
- Best Employers for Diversity
- **U**R ranking by Forbes magazine.
- » Kincentric Best Employers list for Mary Kay Czech Republic, Spain and Poland.
  - » America's Best Mid-Sized Employers 2021 - Forbes.
  - » In June, we shared our DEI Action Plan internally with employees. An internal report titled Introducing Diversity, Equity & Inclusion was distributed in October 2020.



#### **OUR APPROACH**

o Corporate Culture & Values o Health, Well-Being & Safety

## **OUR JOURNEY: 2021**

- 52 company awards in business excellence, social impact and sustainability.
- » 12 employer/great place to work awards.
- » Ranked one of America's Best Mid-Sized Employers 2021 by Forbes.
- » Wendy Wang was named President of Asia Pacific Region.
- Business Insider selects "67 Powerful Black Women CEOs And Executives in Corporate America," and honored Julia Simon, Chief Legal and Corporate Secretary, and Chief Diversity Officer; and Sheryl Adkins-Green. Chief Marketing Officer.
- Richard R. Rogers Manufacturing/R&D facility (R3), announced it passed its OSHA VPP Star Re-Certification with zero findings and recommendations.



- » Throughout the year, encouraged employees to take time for their own mental wellbeing through "Emotional Health Resources" campaign. Reminding employees to take advantage of available—and confidential resources.
- » Offered mammograms on-site through the UT Southwestern Mobile Mammography unit, in October and November at our Dallas (Texas, U.S.A.) facilities, to employees, eligible spouses, and dependents.

# **OUR NOW: 2022**

- excellence, social impact and sustainability.
- » 13 employer/great place to work awards.
- » Ranked #8 on list of "The Companies Employees Don't Want to Leave," published by Resume.io.
- » Deloitte named Mary Kay Inc. one of the 2022 U.S. Best Managed Companies.
- Received five top employer States, Europe, and Malaysia from Kincentric.
- » Named one of America's Best Mid-size Employers 2022 by Forbes.
- Deborah Gibbins. Chief Operating Officer, expanded business with all IT functions reporting to her.
- » Nathan Moore was appointed as President. Global Sales and Marketing, and assumed responsibility for all Mary Kay markets around the world supporting Mary Kay independent beauty consultants.

# OUR BEYOND: 2023-2030

Listening to **OUR PEOPLE** about what they want and need from their workplace helps teams and leaders foster a positive, safe and inclusive work environment. We are committed to engaging OUR PEOPLE, supporting the independent sales force, and local communities where we operate.



MARY KAY

38 company awards in business

awards throughout the United

her role in operations to support the company's digital strategy to be a more technology-enabled

- » Dr. Lucy Gildea expanded her role to Chief Innovation Officer. Product and Science. Her additional duties include new product development, product portfolio strategy and planning, process development & commercialization (PrD&C), package engineering (PE) and R&D Compliance.
- » Chaun Harper was named Chief Supply Chain Officer with additional responsibilities for direct procurement and contract manufacturing functions.
- » David Holl, CEO, received the Bravo Leadership Award from Direct Selling News.
- » Julia Simon, Chief Legal Officer and Corporate Secretary, received the Robert H. Dedman Award for Ethics & Law from the Texas General Counsel Forum.
- » David Holl, Sheryl Adkins-Green, and Julia Simon were selected as Dallas 500 by D CEO magazine recognizing influential leaders in North Texas

#### DIVERSITY, EQUITY & INCLUSION

We are committed to gain knowledge, demand action, and ensure sustainable, long-lasting change.

#### OUR APPROACH

o DEI at MKI o Advancing DEI through Collaborations



#### **OUR PROGRESS**

2020-2022 Total

o Knowledge: Internal Training o Action: 192 partnerships o Change: 198 programs supported

### **OUR BEGINNING: 2020**

- Appointed executive team
- NO member Julia A. Simon as Chief
- Diversity & Inclusion Officer and launched global DEI initiatives.
- » Launched first-ever Madam C.J. Walker Scholarship Program through the Society of Cosmetic Chemists (SCC) to award two scholarships in 2021 to underrepresented minorities pursuing a degree in certain science-related fields.

#### 2020 DATA\*

- Gender Diversity/Leadership:
- » Global Workforce: 61% Female
- » Exec Team: 50% Female
- » VPs and above: 52% Female
- » Directors and above: 59% Female
- » Managers and above: 58% Female
- » Market Leaders: 64% Female
- » Top 10 markets: 60% Female \*June 2020



## **OUR JOURNEY: 2021**

Harvard Business School published a case study titled "Mary Kay Ash: Changing the World" (121-046) - authored by Robert Simons and Shirley Sun. It "...describes the rise of Mary Kay [Ash], the founder of the worldwide cosmetics company. As a young, single mother, Mary Kay had to overcome many obstacles to start her business and guide it to success...

Students will learn how Mary Kay navigated life's choices to leave a lasting impact on the world."

- » In collaboration with Equal Rights Trust, announced research to address gendered impacts of artificial intelligence (AI).
- » 100% of U.S.-based Directors and above completed mandatory Unconscious Bias training.
- » Announced its second World Series of Innovation (WSI) Challenge in partnership with Network for Teaching Entrepreneurship (NFTE). Mary Kay's World Series of Innovation

Challenge encourages young people from around the world to submit innovative solutions to address Sustainable Development Goal 5: Gender Equality. Specifically, this challenge asks students to think about ways to promote workplace equality and ensure equal access to economic opportunity for women and girls.

#### 2021 DATA\* Gender Diversity/Leadership:

- » Global Workforce: 61% Female
- » Exec Team: 54% Female
- » VPs and above: 54% Female
- » Directors and above: 59% Female
- » Managers and above: 58% Female
- » Market Leaders: 64% Female
- » Top 10 markets: 60% Female \*March 2021

### **OUR NOW: 2022**

- Target Gender Equality **Empowerment Principles.**
- Through its partnership with the Equal Rights Trust, helped jumpstart the "Algorithmic Discrimination Initiative". a new research and advocacy programme which aims to gather evidence on patterns of discrimination arising from the use of artificial intelligence and algorithmic decision-making systems and make the case for a proactive, pre-emptory and precautionary approach to addressing the discriminatory impacts of these technologies. Released a Diversity, Equity and Inclusion (DEI) statement celebrating Global Diversity
- Awareness Month and hosted Summit in conjunction with World Inclusion Day. and Inclusion summit at global headquarters.

### OUR BEYOND: 2023-2030

As we continue our 10-year Sustainability Strategy, we are **COMMITTED** to our holistic approach to DEI and centering around three fundamental actions: KNOWLEDGE, ACTION, AND CHANGE.



Joined the UN Global Compact Accelerator Program to deepen implementation of the Women's a Diversity, Equity and Inclusion

Hosted first-ever Diversity, Equity,

#### 2022 DATA\*

#### Gender Diversity/Leadership:

- » Global Workforce: 62% Female
- » Exec Team: 54% Female
- » VPs and above: 53% Female
- » Directors and above: 57% Female
- » Managers and above: 59% Female
- » Market Leaders: 70% Female
- » Top 10 markets: 60% Female \*August 2022

#### 

We are committed to advocacy & transparency through sustainable practices, and to be open, honest and transparent by making information available on our owned media channels, independent audits, and meeting guidelines set forth by organizations as agreed in our sustainability commitments.

#### **OUR PROGRESS**

#### 2020-2022 Total

- o Transparency: 24
- 5 reports supported/issued annually
- o Advocacy: 14 3 reports supported/issued annually

### **OUR BEGINNING: 2020**

Announced alignment to the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and International Labour Organization (ILO) Fundamental Conventions. In 2019, became a signatory of the United Nations Global Compact (UNGC) 10 Principles.

#### **OUR APPROACH**

o Our History o Our Actions o Our Support

## **OUR JOURNEY: 2021**

Submitted first UN Global Compact Communication on Progress (2020-21) highlighting progress in the following areas: Governance, Human Rights, Labor, Environment, and Anti-Corruption.

- » Distributed an internal report detailing our Global Response & Support for COVID-19 Relief Efforts in April 2021.
- » In September, announced our new sustainability strategy, Enriching Lives Today for a Sustainable Tomorrow, including a 2020-21 Sustainability & Social Impact Strategic Summary Report.
- In October, the Mary Kay Ash Foundation (U.S.A.) launched several reports, including its 25th Anniversary Report, MKAF 25th Anniversary Cancer Research Grant Impact Report and 2020 COVID-19 MKAF **Domestic Violence Shelter** Response Report.

#### » Released a position paper welcoming the European Commission's Gender Equality Strategy for 2020 - 2025 and joined five of the Generation Equality Global Action Coalitions.

» In collaboration with UN Women, ILO & WE Empower, re-released, "Strengthening Support for Women Entrepreneurs in COVID-19 Response and Recovery" at the Commission on the Status of Women (CSW65).

### **OUR** NOW: 2022

- In January, released our 2021 Year-End Highlights Report highlighting its 58 awards and recognition honors, and our efforts in social impact and sustainability throughout the year. » Submitted survey on implementation of commitments across Generation Equality Action Coalitions; findings reflected in UN Women's Generation Equality Accountability Report 2022. Submitted second UN Global Compact Communication on
- Progress.
- » Developed by UN Women in support of Women's Entrepreneurship Accelerator and powered by Mary Kay, the Gender-Responsive Procurement Advocacy Brief highlights the rollback on progress in achieving gender equality as a result of the COVID-19 pandemic, as well as how increasing levels of economic insecurity, supply chain interruptions and unprecedented climate and environmental shocks have a disproportionate impact on women given their unequal position in society.

### OUR BEYOND: 2023-2030

There is no finish line, just an **ASPIRATION** to conduct our business in ways that will continue to earn trust and redefine our role in SOCIAL IMPACT AND SUSTAINABILITY.

## MARY KAY



- » Published "Piloting SDG Localization at the Village Level: a Womenfocused Poverty Reduction and Sustainable Development Project in Yunnan Province, China." Impact Report (Phase 1: 2017-2021). The report highlights the genesis, means of implementation and outcomes of the project advanced through a multi-stakeholder supported development process. » International Labour
- Organization (ILO) and the Women's Entrepreneurship Accelerator released a Women Entrepreneurship Development (WED) Assessment in Mexico powered by Mary Kay, titled "Evaluación de las condiciones marco para el desarrollo empresarial de la mujer, Sectores de comercio e industria en la Ciudad de México."

### **ENVIRONMENTAL SUSTAINABILITY**

### We will focus on *three commitments* toward achieving our 2030 sustainability targets for Product Stewardship:



# Product Stewardship

#### **OVERVIEW**

We are challenging ourselves to further embed sustainable practices in our business through product development, design, responsible sourcing, and mitigation of plastic pollution. We strive to continuously improve the profile of our products. Consumers have better choices because we continuously seek improvement.











#### **PLASTICS & PACKAGING**

We are committed to decreasing the plastic intensity in our packaging by 30%, and increasing circularity with post-consumer resin.

#### RECYCLING & CIRCULAR ECONOMY

We are committed to reducing our impact by sourcing more than 90% of the paper used in our packaging from recycled content and/or certified sustainable sources.

#### SUSTAINABLE SOURCING

We are committed to ensuring our sourced products are obtained in a responsible and sustainable way by addressing environmental and ethical factors in our supply chain.

#### PLASTICS & PACKAGING · · · · · · · · · · OUR APPROACH

We are committed to decreasing the plastic intensity in our packaging by 30%, and increasing circularity with post-consumer resin.

#### **OUR PROGRESS**

2020 - 2022 Total

- o Reduced nearly 500,000lbs. of plastic
- o Approved 16 new sustainable packages for
- future product packaging.

- o Reduce plastic in packaging
- o Eliminate excess packaging layers
- o Source alternative packaging materials
- o Increase the use of post-consumer
- resin in packaging
- o Utilize life cycle analysis
- o Pursue products that use recyclable packaging

### **OUR BEGINNING: 2020**

- Reduce plastic in packaging: **OMPLISHMENTS** Reduced over ~37,000 lbs. of plastic.
- Incorporate life cycle analysis (as *needed):* Integrated sustainable packaging in new product development processes; approved four new sustainable packages for future product packaging. ACC Global Alignment: Joined SPICE
  - (Sustainable Packaging Initiative
  - for CosmEtics) with other
  - industry leaders to help set
  - improved packaging standards for cosmetics; and Deborah Gibbins, chief operating officer, joined the "Future of Consumption" initiative.

### **OUR JOURNEY: 2021**

- Reduce plastic in package: Reduced over 450,000 lbs. of plastic.
- » Incorporate life cycle analysis (as needed): Approved 12 new sustainable packages.
- » Global Alignment: Member of SPICE (Sustainable Packaging Initiative for CosmEtics).





FOR A SUSTAINABLE TOMORROW

**ENVIRONMENTAL SUSTAINABILITY** Product Stewardship

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### OUR BEYOND: 2023-2030

We are **COMMITTED** to continuing our journey and roadmap **DEVELOPMENT** for our plastics and packaging usage.

#### RECYCLING & CIRCULAR · · · · · · **ECONOMY**

We are committed to reducing our impact by sourcing more than 90% of the paper used in our packaging from recycled content and/or certified sustainable sources.

#### **OUR PROGRESS**

2020 - 2022 Total

- o Increased post-consumer paper content from 20% to 30% for inserts
- o Achieved Forest Stewardship Council certification

### **OUR BEGINNING: 2020**

#### Self-Audit: 2020

- benchmark—13.9% Sustainable
- Packaging.
- Recycling: Cardboard recycling
- programs at Richard R. Rogers
- Manufacturing/R&D facility (R3)
- and Southwest (SW) Distribution
- Center: 100% of cardboard is
- recycled and gets re-pulped into cardboard sheeting.
- **ACCOMPLISHMENTS** Global Alignment: SPICE
- launches publicly available æ
- **N**O eco-design tool to measure and reduce the environmental footprint of cosmetics packaging.

#### **OUR APPROACH**

- o Packaging layers/materials
- o Refill/Reuse/Repeat products
- o Globally recognized certification

### **OUR JOURNEY: 2021**

- *Packaging inserts:* Increased post-consumer paper content from 20% to 30% (~20,000 lbs. of paper reduced annually).
- » Certified Sustainable Board: 5% of cartons (Dallas); 100% of cartons (Brazil); 100% of re-shippers (Dallas & Brazil); and continued cardboard recycling programs at global manufacturing and distribution center in the U.S. (SW).
- Global Alignment: SPICE published guidelines for Packaging Claims; joined the Ellen MacArthur Foundation as part of our commitment to become a more sustainable, circular business.

### **OUR** NOW: 2022

- Global Certification: Achieved Forest Stewardship Council
- process for sustainable packaging claims substantiation and reporting.



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**ENVIRONMENTAL SUSTAINABILITY** Product Stewardship

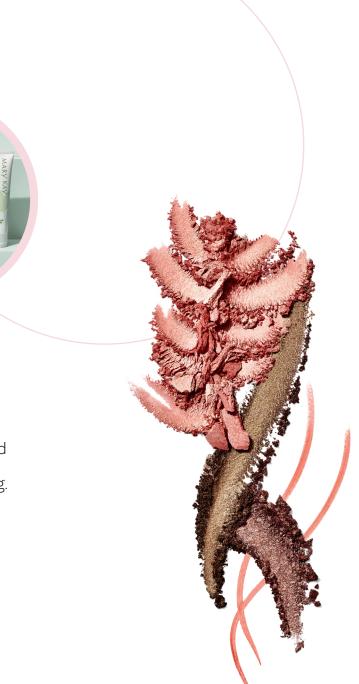
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FOR A SUSTAINABLE TOMORROW





### OUR BEYOND: 2023-2030

We are **COMMITTED** to continuing our journey toward finding solutions ensuring our role in a CIRCULAR ECONOMY.

#### SUSTAINABLE SOURCING ·······

are obtained in a responsible and sustainable way by addressing environmental and ethical factors in our

#### OUR APPROACH

- o Responsible Procurement Program o Sustainable Ingredient Sourcing
- o Gender Responsive Procurement & Supplier Diversity
- o Advocacy

#### **OUR PROGRESS**

2020-2022 Total

o 12% of our Indirect Suppliers are Women, Minority or Veteran-Owned (U.S.A. only) o 100% compliance from supplier base to our Code of Ethics (U.S.A. only) o Achieved Palm oil-88% certified and Palm kernel-72% certified.

#### **OUR BEGINNING: 2020**

- ENTS Responsible Procurement *Program*: Relaunched
  - "Standards for Ingredients and Formulations".
- SHMI Governance: Completed
  - Roundtable on Sustainable
  - Palm Oil audit with no negative findings.

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Inclusive Sourcing: Released third-party Business Verification and Diversity Data Report. U.S. Supply Chain Data: 12% of Indirect Suppliers are Women, Minority or Veteran-Owned; 5% of Direct Suppliers are Women, Minority or Veteran-Owned; and 77% of businesses supporting marketing campaigns were women-owned.



### **OUR JOURNEY: 2021**

- Responsible Procurement Program: 100% compliance from supplier base to our Code of Ethics; 100% of top 10 and 50% of top 100 suppliers by spend have their own sustainability policy. Partnered with ECOVADIS, a third-party entity, to validate supplier sustainability policies (142 direct suppliers with scorecards).
- Sustainable Sourcing: Achieved Palm oil-88% certified and Palm kernel-72% certified.
- Gender Responsive Procurement & Supplier Diversity: UN Women, together with UN Global Compact, launched a gender-responsive procurement Community of Practice comprising companies from the private sector in support of Women's Entrepreneurship Accelerator (WEA).



- chains.



We are **COMMITTED** to our supply chain through policies and best practices embodying our holistic—and inclusive approach to focusing on the broader SUSTAINABLE AND SOCIETAL BENEFITS.



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FOR A SUSTAINABLE TOMORROW

### OUR BEYOND: 2023-2030

### **ENVIRONMENTAL SUSTAINABILITY**

We will focus on *three commitments* toward achieving our 2030 sustainability targets for Responsible Manufacturing:

# Responsible Manufacturing

#### **OVERVIEW**

Our global footprint is vast and drives our holistic sustainability approach especially within our operations. We are focused on efficient manufacturing operations by reducing our environmental impact and identifying opportunities for resource improvement.











#### CARBON

We are committed to reduce our carbon footprint (scopes 1 and 2) by **30%.** 

#### WATER

We are committed to reduce water utilization by 30%.

#### **SAFETY & OPERATIONAL WASTE**

developing effective health and safety processes and planning for future operational waste management ensuring our buildings will operate efficiently, sustainably and safely.

#### 

We are committed to reduce our

- o Reduce total greenhouse gas emissions (GHG)(Scopes 1 & 2)
- o Source 100% of owned-facilities' electricity from renewable energy
- o Partnerships

#### **OUR PROGRESS**

**2020 - 2022 Total** o Reduce GHG: Commissioned a thirdparty audit for carbon baseline

### **OUR BEGINNING: 2020**

Preliminary carbon footprint baseline conducted. Contributed more than 1.2 million trees to the 1t.org Initiative in partnership with the Arbor Day Foundation and World Economic Forum, supporting the UN Decade on Ecosystem Restoration.



### **OUR JOURNEY: 2021**

- Launched and executed phase two of carbon footprint baseline:
- Total carbon emissions, including the consumer use phase, was 538,979 tCO2-eq.
- The top driver of total carbon footprint, or about 61% of total emissions in CY2021, came from the consumer use phase.
- The second largest driver, or about 16% of the total in CY2021, was the purchase of materials and ingredients used to package and formulate products.
- The third largest driver, or about 13% of the total in CY2021, was downstream transportation, including cars driven by Mary Kay independent beauty consultants.
- » Released *Forest of Hope* documentary during the 2021 UN Climate Change Conference (COP26).

- » Supported The Arbor Day Foundation on six reforestation projects around the world including: Brazil, China, Germany, Peru, and the United States.
- » Through partnership with The Arbor Day Foundation's Time for Trees® initiative, announced achieving the commitment to plant 100 million trees.

### **OUR NOW: 2022**

Supported The Arbor Day Foundation on three global reforestation projects in Brazil, Madagascar, and the United States.







ENVIRONMENTAL SUSTAINABILITY *Responsible Manufacturing* 



### OUR BEYOND: 2023-2030

We are **COMMITTED** to continue our data gathering to ensure we are making decisions to **REDUCE OUR** CARBON FOOTPRINT.

We are committed to reduce water utilization in our manufacturing process by 30%.

#### **OUR PROGRESS**

#### 2020 - 2022 Total

o Installed additional meters in various areas throughout R3 operations to ensure data accuracy, and additional meters for purified water operations.

### **OUR BEGINNING: 2020**

- Conducted preliminary water footprint baseline:
- Less than five percent of water
- used at global manufacturing plant goes directly into products.
- Data collection systems and optimization measures (water reuse, improved wastewater treatment) are already implemented in manufacturing plant in Hangzhou, China.
- Global manufacturing facility took steps toward developing a site water balance.
- » Released *Guardians of the Gulf* documentary highlighting conservationists in the Gulf of Mexico.
- » Supported The Nature Conservancy's Global Reefs program: 11 unique impact programs.

#### 

- o Water Management o Reduction in Water Consumption
- o Global Alignment
- o Partnerships



### **OUR JOURNEY: 2021**

- Launched and executed phase two of water footprint baseline:
- Total water footprint in CY2021 was 607 million gallons (2,300,385 m3).
- Manufacturing facilities directly used approximately 12 million gallons (47,728 m3) in CY2021, a relatively small component of the total water footprint.
- A majority of indirect water use, about 32% of the total in CY2021, came from the consumer use phase.
- Global Alignment: Became a signatory to the CEO Water Mandate and the United Nations Global Compact's Sustainable Ocean Principles; and joined Alliance for Water Stewardship (AWS).

- » Supported The Nature Conservancy's Global Reefs program: 7 unique impact programs.
- » Participated in a consultation with the governments of the Netherlands and Tajikistan to help define the role of the private sector in the Water Action Agenda.

### **OUR NOW: 2022**

- Supported The Nature Conservancy's Global Reefs program: 12 unique impact programs.
- » Global Alignment: Joined the UN Global Compact's Ocean Stewardship Coalition.



MARY KAY





### <u>OUR BEYOND: 2023-2030</u>

We are **COMMITTED** to finding new ways to REDUCE WATER UTILIZATION through sustainable water practices.

#### SAFETY & OPERATIONAL WASTE · · · · · OUR APPROACH

effective health and safety processes, and planning for future operational waste management ensuring our buildings will operate efficiently, sustainably, and safely.

#### **OUR PROGRESS**

2020 - 2022 Total

- o OSHA Star Re-Certification Credentials (Feb. 2022)
- o Richard R. Rogers Manufacturing/R&D facility (R3), announced it passed its OSHA VPP Star Re-Certification with zero findings and recommendations.

- o Culture o Training o Certification
- o Source Reduction o Sustainable Waste Management

### **OUR BEGINNING: 2020**

Partnered with service providers to increase landfill diversion and generate renewable energy from waste.

## **OUR JOURNEY: 2021**

- Richard R. Rogers
- Manufacturing/R&D facility (R3), announced it passed its OSHA VPP Star Re-Certification with zero findings and recommendations.
- » Globee Awards Silver Winner Golden Bridges Awards in 3 categories for COVID-19 Response.

## **OUR NOW: 2022**

- Received OSHA Star Re-Certification Credentials (Feb. 2022).
- Continued partnerships with service providers to increase landfill diversion and generate renewable energy from waste.



MARY KAY

#### FOR A SUSTAINABLE TOMORROW

**ENVIRONMENTAL SUSTAINABILITY** *Responsible Manufacturing* 



### OUR BEYOND: 2023-2030

We are **COMMITTED** to drive continuous improvement and ACHIEVE **EXCELLENCE** in EHS performance and operational waste management.

### SOCIAL SUSTAINABILITY

We will focus on *three commitments* toward achieving our 2030 sustainability targets for Women's Empowerment:



# Women's **Empowerment**

#### **OVERVIEW**

Globally, women and girls face significant barriers to realizing their own potential. Shattering glass ceilings is no longer enough. Every barrier must be torn down, ensuring equality and sustainable change. We celebrate women and girls all over the world: empowering them, eliminating inequalities, and lifting their communities. Empowered women and girls are the key to a successful future.





C ENRICHING LIVES TODAY

#### **EQUALITY**

We are committed to a proactive policy agenda addressing women's equality.

#### **ECONOMIC EMPOWERMENT**

We are committed to empowering over five million women worldwide.

#### **EDUCATION**

We are committed to ensuring access to education for **250,000 girls and** women globally.

**EOUALITY** • We are committed to developing a 10-year policy agenda to addressing women's equality.

#### **OUR PROGRESS**

2020 - 2022 Total

o 6 equality support tools supported o 2 company position paper/impact reports released

### **OUR BEGINNING: 2020**

- ACCOMPLISHMENTS Contributed to an advocacy tool titled "Strengthening Support for Women Entrepreneurs in COVID-19 Response and Recovery," developed by WE EMPOWER-G7, a program funded by the European Union (EU) and implemented by UN Women and International Labour Organization (ILO). Supported The Nature Conservancy partnership by Ľ NO advancing conservation and
- sustainable aquaculture projects in Australia and New Zealand.

#### **OUR APPROACH**

o Women's representation in leadership o Global Alignment



- Released a position paper welcoming the European Commission's Gender Equality Strategy for 2020-2025.
- » Joined the Generation Equality Forum in Paris. as well as five Global Action Coalitions to accelerate achieving gender equality by 2026.
- Supported women-led, regional-level conservation initiatives created by The Nature Conservancy in the Coral Triangle and in the Asia Pacific region.



### **OUR NOW: 2022**

- Completed the Women's **Empower**ment Principles Gender Gap Analysis Tool as part of our participation in the UN Global Compact Target Gender Equality Accelerator.
- » Advocated for the acceleration of gender equality and highlighted the critical role of the private sector to help close the gender gap through a global statement following the release of the 2022 Global Gender Gap Report.
- » Advanced women's leadership in the fishing industry in Mexico through 8 programs and projects implemented by The Nature Conservancy.



We are **COMMITTED** to developing a 10year policy agenda to address WOMEN'S **EQUALITY** and to strengthening our partnerships to bring about the structural and cultural changes that are needed to achieve gender equality and women's empowerment.

SOCIAL SUSTAINABILITY Women's Empowerment

MARY KAY



ENRICHING LIVES TODAY FOR A SUSTAINABLE TOMORROW



### *OUR BEYOND: 2023-2030*

#### **ECONOMIC EMPOWERMENT**

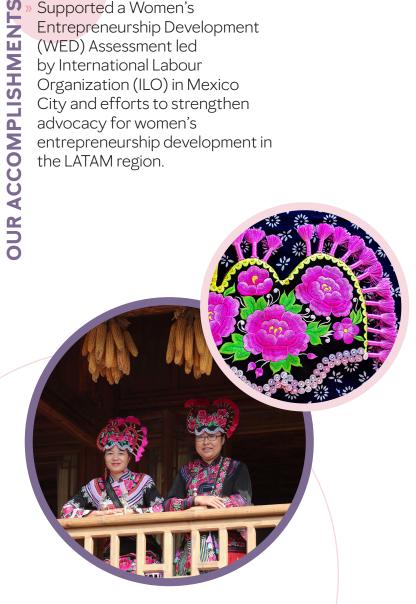
We are committed to empowering over 5 million women worldwide by 2030.

#### **OUR PROGRESS**

2020-2022 Total o Direct: 532,522 o Indirect: 7,109,235

### **OUR BEGINNING: 2020**

- Supported a Women's
- Entrepreneurship Development
- (WED) Assessment led
- by International Labour
- Organization (ILO) in Mexico
- City and efforts to strengthen
- advocacy for women's
- entrepreneurship development in the LATAM region.



#### **OUR APPROACH**

- o Pathways of Entrepreneurship for Independent Beauty Consultants
- o Addressing barriers & finding solutions for women's entrepreneurship beyond our core business

## **OUR JOURNEY: 2021**

- Welcomed three additional partners to the Women's Entrepreneurship Accelerator (WEA): International **Telecommunication Union** (ITU), Commonwealth Businesswomen's Network (CBWN), and WE Empower UN SDG challenge.
- » Supported the design by UN Women of a gender-responsive procurement and investment (GRPI) pilot training for women entrepreneurs and companies in Europe and Central Asia and the launch of the first Women Entrepreneurship EXPO.



# MARY KAY

### **OUR NOW: 2022**

- Powered the global launch of a free online Entrepreneurship Certificate Programme — developed by International Trade Centre SheTrades in six languages.
- » Supported the release by UN Women of an Advocacy Brief titled "Procurement's Strategic Value. Why gender-responsive procurement makes business sense."
- Backed an open innovation competition organized by International Telecommunication Union recognizing 10 digital best practices and solutions to create a more gender-inclusive eco-system for start-ups and scale-ups.



### FOR A SUSTAINABLE TOMORROW

SOCIAL SUSTAINABILITY *Women's Empowerment* 





### OUR BEYOND: 2023-2030

We remain steadfast in our SUPPORT AND ADVOCACY for women entrepreneurs as central agents of inclusive economic development and as we continue to implement our 10-year Sustainability Strategy we are **COMMITTED** to deepening our partnerships to shake up the status quo for women entrepreneurs to thrive.

#### EDUCATION .....

We are committed to ensuring access to education for 250,000 girls and women globally.

#### OUR APPROACH

- o Education & Skills Training for Employees
- o Next Gen Entrepreneurship
- o Educational Pursuit Grants

#### **OUR PROGRESS**

2020 - 2022 o Programs: 34 o Projects: 34 o Impact: 96,198

Programs: 10

### **OUR BEGINNING: 2020**

- Projects: 10 Impact: 49,952 Partnered with Network for Teaching Entrepreneurship (nfte) to reach nearly 48,000 youth globally through World Series of Innovation (WSI) corporatesponsored challenge asking youth to address a UN SDG; Innovation Days for Mary Kay employees to help students craft submissions for our WSI challenge; and sponsoring the UN Global Goals Conversation to advance a dialogue around social
- entrepreneurship solutions. » Mary Kay China supported Girl Accomplishment to provide special public welfare fund's literacy education curriculum for 1,500+ junior high school students.

### **OUR JOURNEY: 2021**

- Programs: 14 Projects: 13 Impact: 23,198
- » Funded 13 unique educationrelated projects and awarded 15 scholarships to individuals seeking higher education or furthering their educational pursuits.
- » Awarded the first-ever Madam C.J. Walker Scholarships, in collaboration with Society of Cosmetic Chemists, to underrepresented minority students pursuing degrees in cosmetics or related sciences.

### **OUR NOW: 2022**

- Programs: 10 Projects: 11 Impact: 23,048
- » 14 Young Women in STEAM Grants have been awarded to-date during the decade of action, providing women around the world with grants allowing them to further pursue their dreams in STEAMrelated areas.
- » Ivanna Hernandez, a 2021 recipient of a Young Women in STEAM Grant, receives a second continuing education grant to further her dream of becoming the first Latin American woman astronaut to go to Mars.



SOCIAL SUSTAINABILITY Women's Empowerment

MARY KAY







### OUR BEYOND: 2023-2030

By developing **COLLABORATIVE** multi-stakeholder partnerships to advance research, policy and programs that foster new pathways to expand educational access for women and girls, we are **COMMITTED** to addressing the barriers that impede access to education.

### SOCIAL SUSTAINABILITY

We will focus on *three commitments* toward achieving our 2030 sustainability targets for Social Impact:



# Social Impact

#### **OVERVIEW**

It's simple: lead with purpose. At the center of our moral compass is purpose. We are dedicated to collaborating with organizations from all over the world to find meaningful solutions to global issues.







#### **CANCER RESEARCH**

We are committed to funding **400,000** hours of cancer research.

# GENDER-BASED VIOLENCE & DOMESTIC VIOLENCE

We are committed to support **5 million** women globally in need of support services.

# GLOBAL SOCIAL IMPACT & LOCAL COMMUNITY

500 organizations and supporting positive change all over the world.

#### **CANCER RESEARCH\***

#### **OUR PROGRESS**

2020 - 2022 Total o 288,600 cancer research hours funded o 111 research grants awarded

#### **OUR APPROACH**

o Partnerships o Advocacy o Research o Awareness

### **OUR BEGINNING: 2020**

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Mary Kay and the Mary Kay Ash Foundation, in partnersh with the Harold C. Simmons Comprehensive Cancer Cent at UT Southwestern Medical Center in Dallas, launched the International Postdoctoral Scholars in Cancer Research Ash Foundation, in partnership Comprehensive Cancer Center at UT Southwestern Medical Center in Dallas, launched the Scholars in Cancer Research.

### OUR JOURNEY: 2021

- Mary Kay and the Mary Kay Ash Foundation, funded nearly \$1.8 million in cancer research grants and support programs.
- » Mary Kay and the Mary Kay Ash Foundation, awarded nearly 40 cancer research grants, 40% of those were women-led initiatives.



### *OUR NOW: 2022*

- 288.600 research hours conducted to-date.
- As part of a three-year clinical trial conducted by breast oncologist Joyce O'Shaughnessy, MD, Celebrating Women breast cancer research chair, the Mary Kay Ash Foundation served as lead funder for the clinical trial to advance treatment options for metastatic triple-negative breast cancer.



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FOR A SUSTAINABLE TOMORROW



#### OUR BEYOND: 2023-2030

We are **COMMITTED** to continue partnerships to fund research for innovative grants to **ELIMINATE** CANCERS affecting women.

#### GENDER-BASED VIOLENCE (GBV) · · · OUR APPROACH & DOMESTIC VIOLENCE (DV)

#### **OUR PROGRESS**

2020 - 2022 Total

- o Direct: 2,241,541 women and children supported
- o Indirect: 20,645,257 women and children supported

### **OUR BEGINNING: 2020**

**CCOMPLISHMENTS** Mary Kay and the Mary Kay 4 Ľ 

against Women among 144 Civil Society Organizations (CSOs). Mary Kay and the Mary Kay Ash Foundation supported phase 1 of the development of CARE's GBV Risk Mitigation Toolkit to ensure CARE projects take steps to reduce the risk of GBV and establish appropriate response systems.

Ash Foundation supported two

impact of COVID-19 pandemic

on women and girls led by UN

Trust Fund to End Violence

gender assessments of the

- o Advocacy to End GBV and DV
- o Supporting Comprehensive, Accessible and Quality Services for Survivors of GBV and DV
- o Prevention & Awareness

### OUR JOURNEY: 2021

- Mary Kay and the Mary Kay Ash Foundation were recognized in the UN Women Report on the activities of the United Nations Trust Fund to End Violence Against Women to the Commission on the Status of Women (CSW65) and Human **Rights** Council.
- » Mary Kay and the Mary Kay Ash Foundation provided grants to CARE (329 projects) and UN Trust Fund (37 projects) supporting 366 projects to prevent and address GBV around the world.
- Mary Kay and the Mary Kay Ash Foundation joined the Generation Equality Action Coalition on Gender-Based Violence.

### **OUR NOW: 2022**

- Mary Kay and the Mary Kay Ash Foundation grants helped CARE protect and support women and girls impacted by GBV in humanitarian settings and CARE's target to eliminate GBV for 7 million women and girls.
- » Mary Kay and the Mary Kay Ash Foundation grants supported the development and launch of a "GBV Guidance for Development Programs" and its rollout in 10 countries of intervention as well as the establishment of a Community of Practice convening 240 members across 16 countries to date. » Mary Kay and the Mary Kay Ash Foundation grants helped the UN Trust Fund change the lives of
- 54,822 women and girl survivors of violence through 157 GBV projects in 68 countries across 5 regions including women and girls living





#### FOR A SUSTAINABLE TOMORROW

Social Impact

MARY KAY



with disabilities, internally displaced or refugee women and girls and Indigenous women and girls.

- » Supported the development of CARE's Gender-Based Violence Guidance for Development Programs, a practical tool for implementing high-quality GBV interventions.
- » At the Commission on the Status of Women (CSW66), the UN Trust Fund to End Violence Against Women's 2022 annual report on its 2021 activities recognized the Mary Kay Ash Foundation and Mary Kay Inc.'s efforts to eliminate violence against women and girlsalongside the governments of 16 countries and nine UN Women National Committees.

#### OUR BEYOND: 2023-2030

As we continue to implement our 10year Sustainability Strategy, we are **COMMITTED** to ensuring over five million women and girl survivors of **GBV & DV RECEIVE THE SERVICES** THEY NEED.

# **OUR COMMITMENT**

Sustainability in its wider meaning—environmental, social, economic—is indeed a principle that has deep roots in the Mary Kay story, becoming part of our Company culture over the years. We are proud to say that being a positive influence on society has been Mary Kay's promise for nearly 60 years. Our hope is you will find our promise has not dimmed over time; in fact, it has only become brighter.

Our approach to sustainability provides the deep foundations we need to support our business strategy: to be a world-class organization. We understand growth and sustainability are not in conflict

Society evolves with time, but what hasn't changed—and never will—is our core values that embody our promise to enrich women's lives while serving the community. We are committed to doing business the right way, which, in large part, is why we continue to lead our industry today.

In a time of constant change, keeping sustainability as the consistent bedrock of our approach to doing business is not only right for society, it will be critically important to our success, which will help us navigate through all the change to come.

There is no finish line, just an aspiration to conduct our business in ways that will continue to earn trust and redefine the role and responsibility of empowering women.

#### We invite you to join us on this journey.





MARY KAY







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