2020 DSA Annual Awards: Sustainability

VISION OF TOMORROW

Nu Skin's CSR mission is to be a force for good through caring for our planet, improving the lives of children, nourishing future generations and investing in our global community. We truly believe in the importance of embracing sustainable practices today that enhance a resource rich tomorrow.

That is why, in 2019, we were proud to announce our global sustainability commitments. Our commitments are focused on improvements in three key, impact areas: **PEOPLE, PLANET AND PRODUCT**. Specifically, they include the following...







Product Commitments:

- In 2019, we created an environmental impact scoring system to assess our products (Complete)
- By the end of 2020, we commit to assess, score and improve the environmental impact score of our top 20 product (In Progress)
- By the end of 2023, we commit to assess, score and improve the environmental impact score of 100% of our products (In Progress)
- We are currently working to source sustainable, RSPO certified palm oil for our products (In Progress)
- By the end of 2030, we commit to changing all our packaging to be recycled, recyclable, reusable, reduced or renewable (In Progress)

Planet Commitments:

- We commit to building a global network of zero-waste facilities. (Waste decreased by 30% and recycling increased by 12% at Main Provo Campus in 2019)
- On our journey to becoming zerowaste, we've committed to decrease our waste by an additional 30% by the end of 2021 at our Provo location and educate 100% of our employees about best practices regarding waste management.

Planet Commitments:

• We commit to investing 50 percent of our Foundation giving in communities and people that are providing essential resources for our planet. (1.77 Million Donated in 2019)

Anticipated Long-Term Impact

To sustain means to 'cause to continue.' The word itself implies a commitment to focus on the long-term impact of our actions and that's what we intend to do through our sustainability commitments. Long-term, our goal is to embrace a circular model through which we support those who provide the essential resources needed to sustain not only our business and the products our consumers love, but our planet and the communities we are all a part of.

Due to the commitments and changes we've already begun to implement we've seen the following occur and anticipate even bigger changes moving forward:

• Our product goals lead us to our 2030 commitment - that all our packaging will be reduced, recycled, recyclable, renewable and reusable. Just based on the changes to packaging that we've made so far, we're anticipating annually saving at least 21.7 tons of paper and 41 tons of plastic. That's the equivalent in weight to almost 10 elephants! And that's hardly the tip of the iceberg as we continue down this path of sustainable best practices.

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- Our Nutricentials line uses 90%+ RSPO sourced palm oil. Why is that significant? Palm oil is one of the most land-use efficient oils but is often produced in an unsustainable manner which leads to deforestation, biodiversity loss, soil erosion and water pollution. By committing to use responsibly sourced palm oil in additional product lines going forward, we're ensuring that the resources we use have a positive environmental impact.

Meet the New Epoch Line

We are currently in the midst of a variety of innovative initiatives on our journey to becoming an even more sustainable company. Here's a highlight...



Our Epoch product line is 25 years-old and needed a refresh. Nu Skin is the first to launch a 100% responsibly sourced bioresin eco-pak tube! All tubes in our Epoch line will be transferred to the Eco-Pak tube which uses 10% less plastic than a standard tube and is made using renewable resources (sugar cane) rather than traditional fossil fuel. **By transferring our Baobab Body Butter from a jar to this new tube, we're reducing the amount of material used by 71%**. The cartons used within the Epoch line are made from 100% recycled paper and many tubes also include over 50% PCR (recycled plastic).

Sustainability Around the Globe at Nu Skin

With nearly 50 markets globally, we're proud to say that sustainability is at the forefront of our global family priorities.

- Numerous markets have removed single use shopping bags and have replaced with reusable Nu Skin bags.
- Single use cups have been eliminated from our buildings and replaced with environmentally-friendly options.
- Shipping containers have been reconfigured with sustainability in mind.
- Recycling programs have been put in place for empty product bottles with some markets repurposing those bottles into other items.
- Our board and executives are updated on sustainability progress on a quarterly basis.
- Key executives participate in quarterly meetings with our sustainability committees to help educate and drive progress among our employees.
- We connected with nearly 500 global Sales Leaders during 2020 to gather the data and insights on sustainability initiatives.





Where We Are Today

As we continue to implement and evolve our sustainability related commitments, we've seen that even small changes can make a big impact. Here are some highlights:

Our People:

93% of our sales leaders felt that it was 'Extremely or Very Important' that Nu Skin address social and environmental issues. In doing so, we're not only taking care of our planet but we're also helping our salesforce become empowered to be a part of what they believe is important.

Our Planet:



Through our 1.77 million in 2019 donations, we were able to **fund water wells, plant 45,000 trees,**

help preserve 15,000 acres of mangroves, reefs and support over 30 additional community projects around the world.

Our Products:



To date, we're estimating that with the changes made to our products in just 2020 will results in an estimated

23 tons of paper and 40 tons of plastic being saved from use and the landfill.