



CSR AND SUSTAINABILITY

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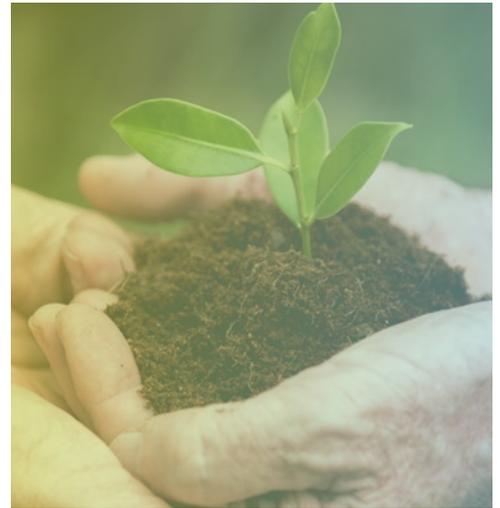
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PRODUCT QUALITY & SAFETY

Ensuring our products are safe and of the highest quality is core to Nu Skin's corporate responsibility. We have developed our own standards for our development and manufacturing processes—we maintain quality, efficacy, and safety controls through each stage to ensure unsurpassed results that meet our high standards and comply with relevant government requirements. The key to this consistent quality in our products is what we call our 6S Quality Process. This process involves a set of rigorous, highly integrated activities and includes multiple layers of scientific testing and attention to detail. It requires consistent collaboration and a unified commitment to quality.



In order to be considered for use in Nu Skin products, materials must pass criteria for effectiveness, suitability for formulation, and consumer safety. Nu Skin works with experts and raw material suppliers around the world to gather both historical and new scientific insights about the unique ingredients within our products.



Once a raw material selection is made, Nu Skin scientists investigate potential commercial sources that can guarantee availability, quality, and concentration of key ingredient components. Nu Skin evaluates these raw material sources to ensure quality and suitability for product formulation and monitors active ingredient concentration when applicable.



Nu Skin selects what we believe are the safest compounds and highest quality ingredients to incorporate into our formulations. Nu Skin sets specifications to provide a basis for active compounds, ingredients, and criteria for finished products. These criteria help establish ingredient standards and provide specific characteristics to guide consistent manufacturing. Where appropriate, Nu Skin products are carefully analyzed to not only identify the active components, but to ensure consistent manufacturing and product quality.



STANDARDIZATION

Nu Skin adheres to high product safety standards by reviewing scientific literature and conducting standard safety studies. Nu Skin conducts standard tests specific to nutrition and personal care products respectively. Examples of safety testing include testing for the presence of microbes, heavy metals, and other contaminants and determination of irritation and/or allergic reactions. Often, we confirm safety and validate our conclusions by using external testing groups.



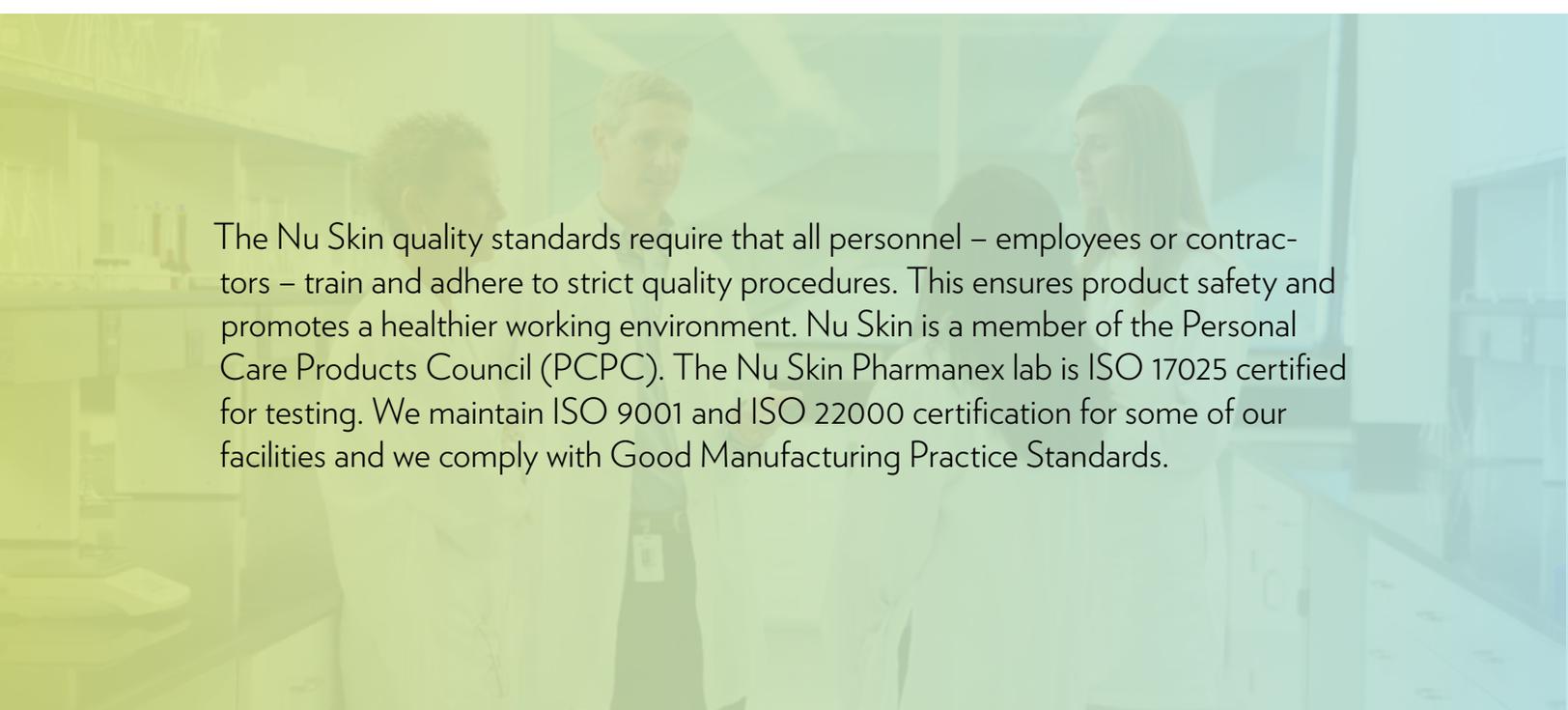
SAFETY

Nu Skin raw materials must meet our specifications to certify their readiness for product manufacturing. When there are wide variations in active components of a natural or botanical ingredient, we select only those materials that provide the specified amount of these active constituents. Furthermore, our scientists strive to formulate products to contain ingredients at the concentration or strength shown to be efficacious. Once manufactured, Nu Skin products are tested to meet their finished good specifications before they leave the manufacturer.



SUBSTANTIATION

Nu Skin takes great care to ensure that our products and ingredients are not only safe, but effective. Each product claim is supported by scientific literature and/or research studies. For key products, we conduct documented clinical studies to determine product and ingredient efficacy and support product and ingredient claims.



The Nu Skin quality standards require that all personnel – employees or contractors – train and adhere to strict quality procedures. This ensures product safety and promotes a healthier working environment. Nu Skin is a member of the Personal Care Products Council (PCPC). The Nu Skin Pharmanex lab is ISO 17025 certified for testing. We maintain ISO 9001 and ISO 22000 certification for some of our facilities and we comply with Good Manufacturing Practice Standards.

CHEMICAL SAFETY

Throughout our company history, we believe our focus on scientific innovation has made Nu Skin a leader in the nutritional and personal care industries. This innovation also underpins our commitment to chemical safety.

We have a standard Operating Procedure that serves as the basis for our rigorous employee training policies.

To meet our internal safety standards and to comply with regulatory requirements, we set product and raw material specification limits regarding hazardous chemicals such as heavy metals, pesticides, PAH, preservatives, colorants, and solvent residues, and we test to verify compliance.

Furthermore, we stay updated on industry information, government regulations, and consumer concerns regarding chemicals. We maintain a list of restricted ingredients, which serves as a guide for future and existing formulations. In addition, Nu Skin proactively phases out chemicals of concern from our formulas.

A critical part of our commitment to product quality and safety is providing:

Product Education

Transparency

The company's website contains Product Information Pages and training videos that give detailed information on content, nutrition, and consumer safety.

Example



NATURAL INGREDIENT DEVELOPMENT

A core component of Nu Skin product innovation is identifying natural ingredients that have unique anti-aging, personal care, and nutritional benefits. A number of these ingredients have created opportunities for Nu Skin to partner with local suppliers and stakeholders to develop responsible sourcing models.

Marula Oil



Nu Skin's RAU product line focuses on the use of natural ingredients, including our RAU Marula Beauty Oil, which is comprised of 100% Marula Oil. We aim to ensure that high quality, sustainable practices are used in the production of this oil, and that the oil is fully traceable throughout every stage of the supply chain.



Ava Puhi Moni



Nu Skin engages in innovative raw-ingredient development and responsible sourcing for our Epoch Ava Puhi Moni products. In collaboration with the Agriculture Department of Hawaii, Nu Skin scientists developed innovative and responsible methods of growth, cultivation and extraction to ensure ecosystem preservation and to support the local community.



Nu Skin is also developing products that use **organic** ingredients. Today, two Nu Skin products use organic ingredients:

+ Epoch Frankincense Essential Oil

+ In the Rau Dry Body Oil

SUPPLY CHAIN RESPONSIBILITY

Nu Skin is committed to working with suppliers who share and uphold our strong product quality and safety standards. We require potential suppliers undertake a rigorous qualification and training process. We audit suppliers regularly and provide additional training as needed to ensure they continually meet Nu Skin's high standards.

Nu Skin requires tier 1 suppliers to qualify tier 2 component suppliers, and Nu Skin directly audits tier 2 suppliers of dietary supplement raw ingredients at least once a year. As part of Nu Skin's commitment to quality, we prioritize working with suppliers who are also leaders on sustainability initiatives. **Examples include:**

1.

Naturex's Green Tea Pathfinder project supporting pesticide-free, single-source green tea farming in China

2.

Aker's ecosystem-protection efforts in the harvesting of krill oil used in Marine Omega



3.

Ironwood's commitment to eco-friendly harvesting and handling methods in the sourcing of Glacial Marine Mud and its partnership with Fishers and Oceans Canada to preserve crabbing grounds and protect other marine life during harvesting

4.

In device manufacturing, suppliers like Flex have adopted various initiatives to improve their resource efficiency - cutting waste, switching to renewable energy sources, conserving energy, and investing in employee engagement

5.

Westrock, an important Nu Skin product packaging supplier, is an award-winning leader in sustainability and has developed 18 voluntary sustainability targets for 2020



Palm Oil



A number of Nu Skin's palm oil suppliers are certified according to the Roundtable for Sustainable Palm Oil (RSPO) or are working towards certification. For example, IFF has pledged to have 100% RSPO palm oil by 2020. Bradford, who makes our Body Bar and Polishing Bar, claims to be the first and only custom soap base manufacturer to offer Rainforest Alliance Certified™ soap noodles and finished bar soap. Bradford sources RSPO Palm Oil from family-operated plantations in Guatemala, with traceability from the plantation all the way to its factory in Rhode Island. Bradford also helps the local communities by supporting education, health care, and water quality initiatives.

Nu Skin is actively evaluating its palm oil sourcing with a target to replace non-RSPO ingredients and use only RSPO ingredients in all new products.

Nu Skin is actively developing new responsibility criteria for its supplier qualification program. With this selection process, sustainability comes to the forefront. As we review suppliers and materials, we will evaluate supplier practices related to chemicals, environmental impact, waste management, child labor practices, etc. and incorporate these criteria into our supplier agreements.

ENVIRONMENTAL FOOTPRINT

At Nu Skin, our commitment to quality, innovation, and sustainability extends to every part of the value stream. We are reducing the environmental footprint, including the carbon footprint, associated with our products by addressing sustainability in the way we package and transport our products, and how we reduce and manage waste. We are also reducing the environmental footprint of our own facilities by applying the latest green technologies to improve energy efficiency, with two of our main facilities earning LEED Gold Certification.

PRODUCT TRANSPORTATION



Approximately 80% of Nu Skin's US export volume was moved via ocean shipment between 2015 and 2018, which is the most carbon-efficient method of bulk transportation.



99% of Nu Skin's US Truck Freight moves on equipment that meets stringent California CARB Diesel Engine Requirements, mandating that heavy trucks and buses use 2010 or newer engines by 2023.



Nu Skin tracks which logistics partners are ISO 14001 certified or are working towards certification and tracks the participation of transportation partners in the EPA's SmartWay program, which helps companies improve freight transportation efficiency.

The following Nu Skin logistics partners participate in EPA's SmartWay Program:

- CH Robinson
- Estes Trucking
- Kuehne & Nagel
- DB Schenker
- DHL
- Expeditors
- England Logistics
- Knight Transportation
- Schneider
- FedEx – (EarthSmart)

The following Nu Skin logistics partners are ISO 14001 certified or are working toward certification:

- Kuehne & Nagel
- Maersk Line
- ONE Ocean Line
- OOCL
- DB Schenker
- DHL
- Expeditors
- Hanjin (South Korea)
- City Link Express (Malaysia Parcel)



RESPONSIBLE PACKAGING

At Nu Skin, responsible product development includes selection and sourcing of chemical inputs from raw materials all the way to product packaging, and we are actively pursuing responsible packaging initiatives. Our current package refresh initiative has incorporated 25% PCR plastic into the bottles. We avoid BPA in our packaging, and many Nu Skin packages are easily recyclable.

WASTE MANAGEMENT

The patented Pharmanex BioPhotonic Scanner is a cutting-edge testing tool that non-invasively measures carotenoid levels in living tissue, providing an immediate indication of a person's overall antioxidant levels. Nu Skin's recycling program has allowed for the return, safe and responsible deconstruction and disposal of its global fleet of scanners as upgraded versions have been released. In addition, we have reused 12,000 highly sensitive components from returned units, helping to eliminate waste.

We also take responsibility for recycling product packaging in our own backyard. The Nu Skin Cares program encourages and rewards distributors who recycle glass bottles and jars.

ENERGY EFFICIENCY

Sustainability has been a core objective of the design, construction and ongoing maintenance of the Nu Skin Innovation Center in Provo, Utah.

ENERGY AND RESOURCE SAVING INITIATIVES IMPLEMENTED INCLUDE:

1. Drip irrigation conversion and LED lighting conversion (both fluorescent and high-pressure sodium fixtures)
2. East/West Innovation Center building layout with light shades and light shelves
3. Heat exchangers, which apply heat from the data center to preheat water used in the heating of our buildings
4. Chilled beam HVAC design
5. One stream recycling compactor
6. Light harvesting and smart sensors in atrium and 9th floor
7. Occupancy sensors
8. Permeable brick on front walkway
9. Dual-flush toilets
10. Smart shades and double curtain wall design in Pavilion

In addition, Nu Skin's two main facilities, the Provo and Greater China Innovation Centers are LEED Gold certified.

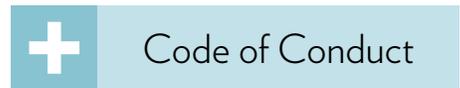


A CULTURE OF RESPONSIBILITY

Nu Skin fosters and promotes a culture of good ethics and responsibility across the organization globally. From being ranked among the most trustworthy mid-cap companies to consistently ranking among the best companies to work for in Utah and in the industry, Nu Skin encourages all global stakeholders to embrace responsible behavior and charitable engagement throughout the world.



Upon hire, all Nu Skin employees are trained on and must sign the Nu Skin Code of Conduct, which sets forth high standards of ethical behavior in financial, interpersonal, and community matters.



Additionally, Nu Skin conducts Code of Conduct training periodically around the globe and tracks whether all employees have reviewed and signed the Nu Skin Code of Conduct during this training. We have recently launched a global learning management system. In the future, the global employee training and completion verification will be easily tracked through this new system..

Employees are also required to comply with Nu Skin's anti-corruption and anti-bribery policies worldwide. The Nu Skin Corporate Compliance Office provides guidance company-wide on anti-corruption standards.