

NU SKIN SUSTAINABILITY 2020 HIGHLIGHTS





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A MESSAGE FROM THE CEO

At Nu Skin, we are guided by our mission to be a force for good in the world. We have a long history of giving back and improving both the lives of the people and the communities where we live and work. We are proud of our force for good efforts but are always striving to do more.

2020 was a year unlike any other, but it didn't stop us from continuing to move forward on important issues. During the past year, we executed on the sustainability commitments we announced in 2019. Specifically, we're excited to announce that we completed our commitment to assess, score, and improve the environmental impact of our Top 20 products, resulting in an estimated 16.5 tons of paper and 21 tons of plastic savings during 2020 alone.

In addition to completing our 2020 commitment, we focused on innovative and sustainable product launches—both the inside and outside. In 2020 we announced the launch of our Nutricentials® Biodaptive Skin Care System line featuring clean formulas and worry-free ingredients. We've made significant progress towards reaching our goal of creating zero-waste facilities by recycling 110 tons of material at our Provo campuses during the year and donated \$1.13 million to people globally who are providing essential resources for our planet. On a local level, we continued to work as leaders of the Utah Sustainable Business Coalition and share sustainable best practices with our Utah community. Internally, we've created Employee Resource Groups dedicated to cultivating a workplace of inclusion and education. We're proud to announce that our efforts this year led us to win nine sustainability awards.

As we focus on our three key areas, People, Planet, and Product, we will continue to improve our environmental impact. From our innovative 6S process and protecting fragile environments, to investing in technologies and buildings that reduce water and our carbon footprint, sustainability has always been close to our heart.

We look forward to continuing this next phase of our force for good efforts. I challenge you to think about how you can join us so that together we can do our part to make the world a better place for tomorrow.

Sincerely,



Ritch Wood
Nu Skin CEO



INTRODUCTION

Everyone at Nu Skin understands that the choices we make have an impact far beyond our business, and that's a responsibility we take very seriously. Our mission statement is to embrace sustainable practices that enhance a resource rich tomorrow. The following is an update on our efforts regarding sustainability.

Join us as we strive to make a difference.

NU SKIN AT A GLANCE

Founded in 1984, Nu Skin is a direct selling company that distributes more than 200 premium-quality anti-aging products in personal care and nutritional supplements categories. Nu Skin sells its products through a global network of sales leaders in Asia, the Americas, Europe, Africa, and the Pacific. The company's global operations generated \$2.58 billion in revenue during 2020. In 2020, the Nu Skin Force for Good Foundation and our charitable partners donated \$16.7 million to improve children's lives throughout the world. Since 2002, Nu Skin sales leaders and employees have donated more than 700 million meals to hungry and malnourished children worldwide through its Nourish the Children® initiative. The company's headquarters in Provo, Utah is home to more than 1,300 employees. Nu Skin has more than one million customers worldwide.



SUSTAINABILITY COMMITMENTS OVERVIEW

Below we have listed a number of commitments that we shared publicly in 2019. We are happy to report on the progress we've made in the last year.

PRODUCT



2019

Create an environmental impact scoring system to assess our products

COMPLETED



2020

Assess, score, and improve the environmental impact score of our Top 20 products

COMPLETED

[Click to view report](#)



2023

Assess, score and improve the environmental impact score of 100% of our products. Achieve 100% Roundtable Sourced Palm Oil (RSPO).

IN PROGRESS



2030

Change all our packaging to be recycled, recyclable, reusable, reduced, or renewable.

IN PROGRESS



PEOPLE

The Nu Skin Force for Good Foundation's goal is to invest 50% of its giving in communities and people that are providing essential resources for our planet.

In 2020, the Nu Skin Force for Good Foundation donated **\$1.13 million** toward projects furthering our sustainability efforts.



PLANET

Our goal is to build a global network of zero-waste facilities (90% diversion rate).

In 2020, we recycled **115** tons of material at Provo Campus.

PRODUCT



PRODUCT QUALITY, SAFETY, AND SUSTAINABILITY

Ensuring our products are safe, ethical, and of the highest quality is central to Nu Skin's values. We do this by looking at the life cycle of the product. We know that quality products not only ensuring that we produce our products ethically and responsibly, we positively impact a much wider group of stakeholders.

6S (Success) Quality Process

To ensure the highest safety and quality for our products, 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 of 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.



SELECTION

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

SOURCING

Following raw material selection, Nu Skin scientists investigate potential commercial sources that can guarantee the 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.

SPECIFICATION

We select what we believe are safe compounds and high-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, products are carefully analyzed to identify the active components and to ensure consistent manufacturing and product quality.

STANDARDIZATION

Raw materials must meet our specifications to certify 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 that contain ingredients at efficacious concentration or strength. Once manufactured, Nu Skin products are tested to meet their finished good specifications before distribution.

SAFETY

We adhere to high product safety standards by regularly reviewing scientific literature and conducting standard safety studies. Nu Skin conducts standard tests specific to nutrition and personal care products, respectively. For example, we test for the presence of microbes, heavy metals, and other contaminants to determine the presence of irritants and/or allergic reactions. Often, we confirm safety and validate our conclusions by using external testing groups.

SUBSTANTIATION

Nu Skin takes great care to ensure that our products and ingredients are not only safe but effective. Scientific literature, including research studies, support each claim. We conduct documented clinical trials to determine product and ingredient efficacy for key products, plus support product and ingredient claims.



INGREDIENT TRANSPARENCY

Founded on the guiding principle, “all of the good,” Nu Skin has focused on finding the best ingredients possible for its products. Since 1984, Nu Skin has produced the highest quality personal care products using a winning combination of natural ingredients and innovative technology.

Nature provides healthy and beneficial ingredients for Nu Skin formulas, and science opens the door of innovation in active ingredient delivery and profound product efficacy. Nu Skin utilizes cutting edge technologies and ingredients at efficacious levels and is backed by Nu Skin’s expert Advisory Board composed of dermatologists and leading scientists in many areas of expertise and research partnerships.

Our product experts help keep our consumers informed through our publicly posted product information pages (PIPs). These provide consumers with clear product usage instructions while also providing accurate descriptions of the product benefits and ingredient information. We ensure that all marketing claims are relevant, substantiated, and based on proven performance results and scientific data. In addition, we recently published the first tier of our consumer-facing [Nu Skin Ingredient Dictionary](#). This is an evolving dictionary that not only allows consumers to search for their product ingredients by name, but also contains information about each ingredient’s function in a formula. We also provide consumers with information on our [sustainability website](#) regarding a select list of ingredients of interest and our philosophy regarding each.



Botanical ingredients found in Epoch products

- Hibiscus flower extract is used by traditional Southeast Asian traditional cultures to moisturize skin and hair.
- Ava Puhi extract is squeezed from the flower bulb by Polynesians to condition, smooth, and enhance hair.
- Allspice berries have been used for centuries by the indigenous tribes of Central America to relieve persistent dry, cracking, red skin on heels, toes, and sides of feet.



CHEMICAL SAFETY

To meet our internal safety standards and ensure the products you love are of the highest quality and efficacy, we set product and raw material specification limits regarding hazardous chemicals. We stay updated on industry information, government regulations, and consumer concerns regarding chemicals. In addition to following regulatory requirements for all products across all our markets, we maintain a list of restricted ingredients, which serves as a guide for future and existing formulations. We follow FTC guidelines for developing and testing over-the-counter (OTC) products. We also fulfill Halal certification requirements for all products marked as such. Nu Skin proactively phases out chemicals of concern from our formulas and, as members of the Personal Care Products Council (PCPC), requires that all products meet the PCPC's Microbiological Challenge Test's high standards.

The Nu Skin quality standards require that all personnel—employees or contractors—train and adhere to strict quality procedures to ensure product safety and promotes a healthier working environment. The Nu Skin Analytical Lab is ISO 17025 certified for testing. We maintain ISO 9001 and ISO 22000 certification for some of our facilities, and comply with Good Manufacturing Practice Standards.

Science is a crucial element in Nu Skin's commitment to formulating our products. Through careful research and testing, Nu Skin scientists combine both natural and synthetic ingredients. While nature provides many healthful ingredients, science provides complementary ingredients such as peptides, sodium PCA (humectant), tocopherol (vitamin E), alpha hydroxy and polyhydroxy acids, and Avobenzone (sunscreen for UV rays). Nu Skin products could not provide their proven, full range of cosmetic benefits and protection without them. Other ingredients, like preservatives, provide important safety and antimicrobial properties to maintain product quality, safety, and efficacy.



Nutricentials

Clean Formulas and Worry-Free Ingredients

Our new, bioadaptive skin care line, Nutricentials, is a great example of our efforts to ensure consumers feel confident in our products' safety and efficacy, and this line is targeted care for extra ingredient-conscious consumers.

The Nutricentials Bioadaptive Skin Care System has been developed for customers who prefer products with even more selective criteria of worry-free ingredients than our already stringent 6S Quality Standards process. The line is formulated by avoiding ingredients on the Nutricentials Worry-free List, which was created after a comprehensive review of industry practices, trends, and "free-from" formulas used by other brands.

NO:

- BHA/BHT
- COAL TAR
- DYES
- EDTA*
- FORMALDEHYDE
- FRAGRANCE ABOVE 1%
- HYDROQUINONE
- MEA/DEA/TEA
- MI/MCI
- MINERAL OIL
- OXYBENZONE
- PARABENS
- PARAFFIN
- PEGS
- PETROLATUM
- PHTHALATES
- POLYETHYLENE BEADS
- PROPYLENE GLYCOL
- RETINYL PALMITATE
- SLS/SLES
- TOLUENE
- TRICLOCARBAN
- TRICLOSAN

*EXCEPT IN SUNSCREENS—USED FOR STABILITY

Nu Skin was founded on the belief that products should contain only beneficial and efficacious ingredients.

We stand behind the safety of our products, formulations, and ingredients. This commitment to product quality and innovation remains the company's priority.



ANIMAL TESTING

Nu Skin advocates and subscribes to both the ethical and humane treatment of animals and human health and safety protection. Nu Skin does not test its cosmetic products on animals, nor do we request others to test on our behalf, except when mandated by law and regulatory agencies. We evaluate our products in clinical tests on human volunteer panels to ensure our products' efficacy and safety. Nu Skin nutritional and herbal products are consumed internally, and as a result, some government regulatory agencies may require animal research to support human safety and product efficacy. When it is necessary to conduct animal studies, we make every effort to do so in an ethical and humane manner and adhere to applicable and approved government-treatment protocols.



PRODUCT LIFE CYCLE ASSESSMENTS

In 2019, we created the first version of an internal tool used to score our products for environmental sustainability. We're always striving to improve our methods but are proud to [announce](#) that we've successfully assessed, scored, and improved the environmental impact of our Top 20 products, as identified when we set our goals during 2019, completing our 2020 commitment.



Watch for the sustainability logo to be on all products that have been evaluated and improved for environmental impact.

SUSTAINABLE PACKAGING

A crucial part of our product assessments is our aim to reduce our impact through innovative packaging efforts. In fact, we've committed to changing all our packaging to be recycled, recyclable, reusable, reduced, or renewable by 2030. During 2020, we met our commitment to assess, score, and improve our top 20 products' environmental impact. In many cases, the improvements were in the packaging of the products

As a result of our efforts connected to our Top 20 products,
21 tons of plastic and 16.5 tons of paper
were saved in the products we sold during 2020.

We are actively working to improve the packaging of all our products. During 2020, we created additional governance around sustainable packaging and worked to incorporate sustainable packaging standards on a global level. Our guiding principles include focusing on our five R's: recycled, recyclable, reusable, reduced, and renewable—and a focus on moving towards a more circular economy.

We're actively working to incorporate post-consumer resin (PCR), or recycled plastic, into our packaging, along with innovative renewable materials such as sugar cane. With the belief that transparency and knowledge are key to change, we're also working to educate our consumers regarding best practices for disposal through our ['Recycle Right'](#) page.

We know we have lots of work ahead of us, but we're excited by our progress. The following are our sustainable packaging innovations from 2020.

Epoch Eco-Pac

We are the first company to launch new sustainable packaging that features the Eco-Pac tube across our Epoch line.

By eliminating the head and shoulder of the tube, each Epoch product moved to the Eco-Pac tube represents a **8-73% decrease** in plastic packaging, which could result in **67 tons** of plastic resin saved annually.*



*based on 2020 sales

Nutricentials

Our new Nutricentials® Bioadaptive Skin Care System line is not only created to adapt to environmental stressors like late nights, pollution, and UV rays, but it also features bottles made from 100% post-consumer resin (PCR) and tubes made with approximately **34-35% PCR**. In addition, more than 90% of our palm ingredients in this line are Roundtable on Sustainable Palm Oil (RSPO) sourced.



SUPPLIER RELATIONSHIPS

As part of Nu Skin's commitment to quality, we prioritize working with suppliers who are leaders on sustainability initiatives.

Paper Products

To help address the important issue of deforestation and source our packaging responsibly, we're also working with the Forest Stewardship Council (FSC) to ensure that all our paper-based packaging is sustainably sourced and FSC certified whenever possible. The FSC organization was established to support environmentally appropriate, socially beneficial, and economically viable management of the world's forests. When you see the FSC logo, you can be confident we're doing our best to ensure that the packaging isn't harming the world's forests. During 2020 alone, we made plans to implement FSC-certified paperboard into the packaging for eight of our products.



Palm Oil

We have committed to sourcing Roundtable Sustainable Palm Oil (RSPO) certified palm oil for our products by 2023. Working with our suppliers, we have an active and ongoing strategy to identify and replace all palm oil-based ingredients with RSPO certified palm oil whenever possible.

TO DATE, WE HAVE CERTIFIED
211 PALM-BASED INGREDIENTS
AS RSPO.



Policies & Procedures

Nu Skin strives to adhere to all applicable labor laws wherever it operates. Nu Skin opposes and prohibits the use of human trafficking, child labor, slavery, and slave labor, and it expects the same from its business partners and suppliers. Nu Skin is committed to compliance with all applicable labor laws, including the U.K.'s Modern Slavery Act.

Our Conflict Minerals Statement is shared annually with suppliers in our direct supply chain that supply the ingredients for our products, and explains that Nu Skin does not directly source minerals from smelters or mines. We expect suppliers to source minerals from socially responsible suppliers and provide all necessary declarations to support Nu Skin's compliance with the Conflict Minerals Rule. We expect our suppliers to pass this requirement on through their supply chain and will regularly survey suppliers and perform due diligence as appropriate to verify compliance with this policy.

Through our supplier validation process, we conduct regulatory audits and obtain certifications from the suppliers in our raw materials and ingredient supply chain that they are conforming with all U.S. laws and regulations. This includes performing a risk assessment analyzing potential risk under the United States Foreign Corrupt Practices Act and any applicable anti-corruption or anti-bribery laws in other local jurisdictions before onboarding any supplier and monitoring these risks for the duration of the relationship with each supplier. Suppliers undergo annual quality audits and our onboarding process for new suppliers includes questions regarding conflicts of interest, debarment and sanctions, and depending on the circumstances an extensive list of questions regarding their commitment to ethics and compliance along with anti-corruption and sanctions-focused due-diligence screenings through third-party due-diligence providers.

PARTNER HIGHLIGHTS

We developed a Sustainability Survey, through which we gathered data from our raw material and packaging suppliers on waste management, health and safety training, certifications, sustainable business practices, and supply chain policies. In addition, we've collected data from some of our manufacturing subsidiaries regarding their sustainability initiatives. To date, we've reached and received information on more than 250 suppliers.

Here are some examples from our own manufacturing subsidiaries in 2020:

- *Elevate Health Sciences* monitors its electronic water-usage and is conducting an on-site recycling initiative.
- *Wasatch Labs* has an on-site initiative to move to paperless manufacturing and a rooftop solar farm.
- *Grōv Technologies* uses controlled-environment agriculture technology to combat climate change by reducing the amount of carbon emissions and waste needed by farmers.



PEOPLE



Nu Skin's Culture of Responsibility

To be a sustainable company, it is important to value one of our greatest resources-our people.

OUR CULTURE OF LEARNING AND WELLNESS

Nu Skin has established “The Nu Skin Way,” which is a global framework that defines the behavioral expectations of employees around the world. This framework describes the desired behavior that creates the Nu Skin culture and is the foundation of everything we do at Nu Skin.

A FORCE
FOR GOOD
+



DIRECT
& DECISIVE
+



ACCOUNTABLE
& EMPOWERED
+



EXCEPTIONAL
+

BOLD
INNOVATORS
+



FAST SPEED
+



CUSTOMER
OBSESSED
+



ONE
GLOBAL TEAM
+

Green Champion Program

In 2020, we launched the Green Champion program for employees. This program is designed to develop educated sustainability champions across our global teams, streamline training and processes, and integrate sustainability into the daily workflow of all employees globally. Employees in the program have access to quarterly trainings, a regular newsletter, quarterly updates and an online resource hub for sustainability best practices and guidance.



Nu You Global Performance and Development & Best You Wellness Programs

The Nu You Global Performance and Development program and Best You Wellness program are just two of the ways Nu Skin values its employees. These programs allow employees to learn how to handle safety issues, participate in software tutorials, take recommended wellness courses, participate in leadership trainings, participate in annual health checks, receive personalized health coaching, take fitness classes, participate in regular wellness challenges, stay relevant in a digital world, and even receive instruction on how to improve their environmental impact.

Force for Good Employee Program

The Force for Good Employee program allows employees to empower children and families in their local and global communities through donations and an on-site, annual day of service. The program is designed to give employees the chance to find meaning and connect with Nu Skin's community partners on a personal and impactful level.



OUR HEALTHY WORKPLACE

Nu Skin is committed to an environment where respectful, open, and honest communication is the expectation-not the exception.

Nu Skin cares deeply about the experience employees have at work and has a systematic process for improving that employee experience. Along with annual performance reviews, employees are invited to participate in a survey each quarter to collect input on their Nu Skin experience. Managers are encouraged to meet with their teams to discuss the aggregated data from the survey and pick one area for improvement. They work together to improve in that area and then repeat the process each quarter.

We are committed to providing all employees with a safe and respectful work environment that is free from harassment, bullying, discrimination, racism, sexism, and unprofessional behavior. Under the Global Human Resources team's leadership, new long-term metrics for success were established, and a formalized employee feedback system was implemented quarterly. Additionally, regular manager and employee one-on-one meetings are held to clarify priorities, listen to employee input, identify and address work barriers, and discuss employee development. These regular discussions and annual performance reviews help ensure a culture of open and continuous feedback.



DIVERSITY, EQUITY & INCLUSION

We are a force for good as we seek, develop, and empower diverse individuals and perspectives. We aspire to be a global community where every employee, entrepreneur, and consumer knows and feels they belong. Specifically, Nu Skin prohibits discrimination based on an individual's race, color, age, sex, gender, gender identification, religion, ethnic or national origin, ancestry, marital status, veteran status, sexual orientation, physical or mental disability that can be reasonably accommodated, unfavorable discharge from military service or other categories defined by law. If Nu Skin determines that an individual's conduct violates this policy, it will take steps to effectively address the conduct.

During 2020, a Global Head of Diversity, Equity and Inclusion was appointed, along with a cross-functional DE&I team. The established DE&I strategy includes initiatives focused on leadership development, healthy workplace and unconscious bias training, talent acquisition, pay and benefits, community outreach, business development, company culture, and a safe digital environment. Employee Resources Groups (ERGs), led by employees, have been formed to help cultivate a workplace of inclusion and education. Our current ERG's are designed to ensure that members of marginalized groups feel welcome at Nu Skin, including people of color, LGBTQ+ individuals, and women. In addition, during 2020, we redesigned physical office space to include gender-neutral and family bathrooms, redesigned our hiring process to find and attract a more diverse candidate pool, and began evaluating our global supplier diversity to consider areas for future improvement.



To promote a culture of responsibility and ethics, we have the following in place:

o Code of Conduct

All Nu Skin employees receive training on, and must sign, the Code of Conduct, which sets forth high standards of ethical behavior in financial, interpersonal, and community matters. Bi-annual global trainings are conducted, and employee participation is continually monitored.

o Healthy Workplace Policy & Training

This policy aims to provide all Nu Skin employees a work environment free from harassment, discrimination, and unprofessional behavior and to cultivate a culture of mutual respect and high employee engagement.

o Whistleblower Policy

Employee procedures for submission of complaints or concerns regarding accounting and auditing matters, violations of legal and regulatory requirements, or Nu Skin's Code of Conduct.



AWARD WINNING



“Vision for Tomorrow” Award

The Direct Selling Association (DSA) Awarded Nu Skin the “Vision for Tomorrow” Award for our sustainability efforts, commitments and progress during 2020.

Spark Award

The Eco-Pac tube, used across our Epoch line, won the 2020 Spark Design Silver award in the packaging category. These awards are for design-led change, highlighting the best new ideas and best new solutions. Criteria for the award included the innovation, sustainability, elegance, beauty, and durability of the new packaging.

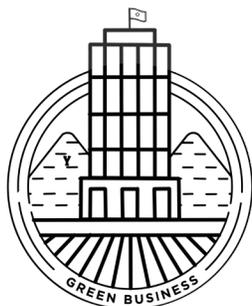


5 Global Green Beauty Awards

Five of our products received a 2020 Global Green Beauty Award. This award is given to green and clean beauty brands who are making a conscious effort to become more eco-friendly with their products.

Business Intelligence Group Sustainability Award

The Business Intelligence Group (BIG) award honors those who have made sustainability an integral part of their business practice. We were one of 56 companies recognized along with General Motors, Procter & Gamble, T-Mobile and Trex Company.



Provo Green Business Award

We were the first to receive this local award from the city of Provo at the “Maximum Green” level for reducing waste and energy usage at our main Provo locations.

SUSTAINABLE COMMUNITY INITIATIVES

People are at the heart of our business and the center of our force for good efforts. We are always looking for ways to give back and to assist communities as they strive to become sustainable.

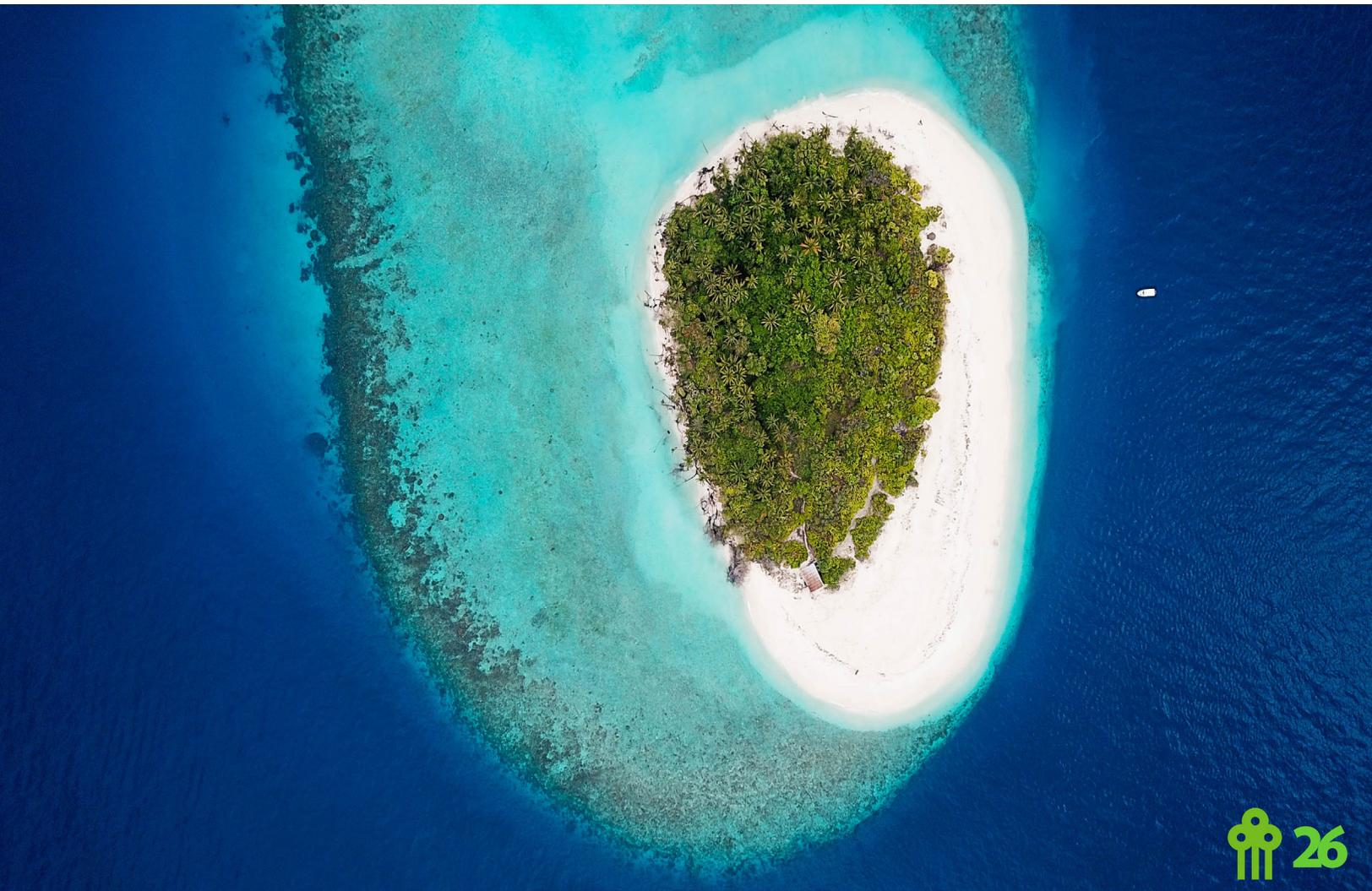
UTAH SUSTAINABLE BUSINESS COALITION

Nu Skin is a founding member of the Utah Sustainable Business Coalition, or USBC. The coalition is a growing organization of Business Partners, Community Partners and Sustainability Practitioners dedicated to advancing sustainable business practices and developing a community of skilled sustainability professionals in Utah. As an active member of the group, we help use our unique position to further the objectives of the organization: to lead, impact, network and collaborate on issues that affect not only our business, but our communities and the world we live in.

[Click icon for link to website](#)

SEACOLOGY

The Nu Skin Force for Good Foundation® partnered with Seacology to bring unique solutions to poverty and environmental conservation issues. Through partnerships with local islanders, Seacology helps villagers learn practices to preserve marine habitats. In exchange, Seacology builds schools, community centers, water systems, and health clinics to improve the lives of children in the villages. Seacology reports that, for over 25 years, they have helped protect [1.4 million acres](#) of marine habitat, and just this year, with funds specifically from the Nu Skin Force for Good Foundation, they ensured the protection of over 2,137 acres of land and worked on projects that included composting toilets, a community center, the protection of an island, and environmental education for rural communities.



SEEDS OF HOPE

51,157

Fruit trees distributed in 2020

Fruit trees change the lives of vulnerable children by providing both nourishment and a source of income for their families. More than 51,157 fruit trees were distributed in 2020 through the Seeds of Hope program, affecting **9,779 households** in five districts in Malawi.



WELLS OF HOPE

111

Water wells drilled since 2016

Since 2016, The Nu Skin Force for Good Foundation has provided funds to drill 111 water wells in villages throughout Malawi, providing clean water to approximately **14,000 families** in surrounding communities.



SAFI

33

Families graduated in 2020

The Nu Skin Force for Good Foundation also provides funds to the School of Agriculture for Family Independence (SAFI), to grant families in Malawi the opportunity to learn the best agriculture and nutrition practices to help them become self-reliant. **404 Malawian families** have become self-reliant through SAFI training since 2007, and 33 new families graduated in 2020.



SAFI EXTENSION

1,166

Farmer families were trained in 2020

The SAFI Extension partners with the Nu Skin Force for Good Foundation and trains government agriculture workers to provide agricultural education to families and communities. In 2020, the SAFI Extension trained 1,166 farmer families, giving them the skills they need to be self-reliant. Since 2013 the SAFI Extension program has trained **8,764 farmers** in Malawi.



PLANET

Making a Difference at our Global Facilities

We believe in the importance of reducing our footprint no matter where we are. With literally tons of waste being dumped in landfills daily and continuously rising carbon emissions, the urgency of this matter can't be ignored. As we continue to provide the products you love, we're also working hard to ensure that our global footprint is a positive one.

ZERO-WASTE FACILITIES

We've committed to building a network of zero-waste* facilities across the globe. Through strategic partnerships, careful waste management, and innovative techniques, we're working to reduce our waste no matter where we are. Though 2020 was an unusual year, we also learned a lot about our waste management strategy and how we can improve. Here are some highlights.

In 2020, at our global headquarters, we are proud to report that we recycled a total of 115 tons of material. We decreased our waste by approximately 53% at our Innovation Center and High-rise and by approximately 5% at our Distribution Center. In addition, our recycling decreased by approximately 61% at our Innovation Center and High-rise and approximately 4% at our Distribution Center. Though we were still able to recycle a significant amount, the lower recycling percentage and much of the decrease in waste were affected by the closure of our office buildings while the majority of employees worked from home during the year.

Though paused due to the temporary closure of our retail locations, Nu Skin offers a glass recycling program for sales leaders. Sales leaders are encouraged to bring their glass product bottles to our Provo campus to recycle and receive additional product points. Many of our global experience centers have replaced all single-use paper bags with reusable shopping bags. We've partnered with one of the only companies in Utah that accept all types of plastic, and we've partnered with Les Olsen Company to recycle all toner waste and cartridges.

*Zero-Waste as defined by the Zero Waste International Alliance as 90% diversion of waste from landfills



REDUCING OUR CARBON FOOTPRINT

Climate change is an ever-present issue, and we want to make sure we do our part. As such, we're working hard to collect data and make smart decisions regarding our carbon footprint.

Electricity and Gas

We are continuously working to improve the efficiency within our mechanical systems to reduce energy usage. Our energy usage during 2020 also benefited from decreased utilization of our properties due to COVID-19. During the 2020 year, we decreased electricity usage in our Innovation Center and High-rise by 23% as compared to 2019. Our gas usage decreased by 7% from 2019.*

*Data impacted by 2020 COVID related circumstances

23%

Electricity Reduction
in 2020

7%

Gas Reduction
in 2020

Energy Savings

During 2020, we completed lighting retrofits at our Distribution Center and Provo campuses, converting more of our lighting to LED along with smart sensors that turn the lights off when not in use. We expect energy savings from this project.



Carbon Emissions: Transportation

Due to the events of 2020, the majority of our workforce spent the year working from home. While this wasn't in our original plans, we learned a lot. As a result of working from home, our workforce collectively drove an estimated 6.6 million miles less, reducing CO₂ emissions by approximately 2,634 metric tons. In addition, due to reduced flights as compared to 2019, we were able to save an estimated 2,788 metric tons of CO₂ emissions. Moving forward, we plan to continue to allow for increased flexibility with remote working options, benefiting both employees and the planet.

Work-from-Home Impact

12.6 million less miles flown in 2020



that is equivalent to **2,788** metric tons of CO₂ emissions



6.6 million less miles driven in 2020



That is equivalent to **2,634** metric tons of CO₂ emissions

LEED Certifications

Nu Skin's two main facilities—global headquarters and the Greater China Innovation Park—are LEED Gold Certified, along with six other global locations. Here are some of the features that make our buildings sustainable below.

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

Logistics

Nu Skin's logistics partners also care about sustainability and take steps to be socially responsible. Ocean freight is the cleanest mode of transport—based on CO₂ emissions— and the majority (**above 70%**) of Nu Skin's U.S. export volume* moves via ocean.

When we're not shipping by ocean freighter, we choose clean trucking options. **99%** of Nu Skin's U.S. truck freight* moves on equipment that meets stringent California Air Resources Board (CARB) Diesel Engine Requirements, which mandates 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. We also track the participation of transportation partners in the EPA's SmartWay program, which helps companies improve freight transportation efficiency, as well as all U.S. trucking companies that are California Carb emissions compliant.

*Export volume and truck freight are calculated by weight.



Here at Nu Skin, we've always cared deeply about being good global citizens. We know our enduring success depends on conscious, daily decisions to include sustainable practices at every level of our business. But to keep our future bright, it's time for increased commitment and action to preserve our planet. It's time to embrace even more sustainable practices that ensure a better tomorrow—for all of us. By strengthening our policies and following through on our commitments and targets, we are building on our culture of responsibility while deepening our commitment to our people and our planet.

Will you join us?



APPENDIX

SASB Index Report for 2020

TOPIC	METRIC	NU SKIN GOAL	CODE
Product, Environmental, Health, and Safety Performance	Discussion of process to identify and manage emerging materials and chemicals of concern.	<p>We have developed our own, innovative quality and safety standards for our development and manufacturing processes call the Nu Skin 6S Quality Process (see page 7 and click here for more info).</p> <p>We publish Produce Information Pages (PIPs), which include information about the ingredients, benefits, history, and usage of each product, on our website. We also published a consumer-friendly, evolving ingredient dictionary that lists the function and purpose of ingredients in our products (see page 9 and click here for more info).</p>	CG-HP-250a.3
	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable.	We have committed that all our packaging with be recycled, recyclable, reduced, reusable or renewable by 2030. In 2020, we began the process by assessing, scoring, and improving the environmental impact score of our top 20 products. All 20 now meet the criteria for one or more of the 5R categories and the improvements resulted in 16.5 tons of paper and 21 tons of plastic being saved during 2020 (see page 14 and click here for more info).	CG-HP-410a.1
Packaging Lifecycle Management	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle.	We are in the process of creating an improved environmental impact scorecard that will allow us to more thoroughly assess and measure the environmental impact of all our products. (See page 14 and click here for more info)	CG-HP-410a.2
	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) Identity Preserved, (b) Segregated, (c) Mass Balance, or (d) Book & Claim	We have committed to sourcing Roundtable Sustainable Palm Oil (RSPO) certified palm oil for our products by 2023. Working with our suppliers, we have an active and ongoing strategy in place to identify and replace all palm-oil based ingredients with RSPO certified palm oil whenever possible (see page 16 and click here for more info).	CG-HP-430a.1
Environmental & Social Impacts of Palm Oil Supply Chain			