

KRAVEBEAUTY

2023

Impact Report

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A Letter From Our CEO

2023 at KraveBeauty wasn't a sprint; it was a deliberate, focused walk on the path of sustainable innovation. In a climate of economic volatility and industry pressure, we stayed true to our core values: accessibility, responsible sourcing, and conscious consumption.

Price Stability: Defying Inflation's Grip

While 48% of the beauty industry succumbed to inflationary pressures, raising prices on consumers, KraveBeauty continued its dedication to affordability. Our unwavering commitment to inclusivity meant maintaining our original retail prices since launch in 2017. Beauty shouldn't be a luxury reserved for the privileged few.

Beyond the Label: Cultivating Sustainability from Seed to Shelf

We delved deeper into our supply chain, ensuring every step – from seed to shelf – adhered to our sustainability ethos. Here's what blossomed:

- Oil La La, our latest creation, embodies this commitment. Featuring upcycled rosehip seed oil, an ingredient nine times the cost of its standard counterpart, we prioritize environmental integrity even at a premium. This eco-conscious champion nourishes your skin with antioxidants and fatty acids, all while treading lightly on the planet.
- Ingredient traceability became our north star. We meticulously researched the origins of our ingredients, seeking partnerships

with suppliers who share our values. Transparency and ethical sourcing are not mere aspirations; they are our foundation.

- The Tamanu Oil Pilot Project continues to flourish. Our collaboration with the Women's Earth Alliance fosters direct connections with Indonesian communities who cultivate this precious ingredient. Fair wages, sustainable practices, and community empowerment – a trifecta of progress.

From LLC to B Corp: Formalizing Our Commitment to Good

We formally solidified our dedication to ethical business practices by converting to a Public Benefit LLC. Moreover, we're diligently pursuing B Corp certification, demonstrating our commitment to exceeding the minimum standards and striving for social and environmental excellence.

Press Reset Ventures: Investing in a Greener Beauty Landscape

Our venture fund, Press Reset Ventures, acts as a catalyst for sustainable startups. This year, we invested in Bluebird, a climate tech tool that calculates a product's carbon footprint. Now, you can make informed choices based on the carbon emissions and waste impact of your KB products, right on our website!

Buying Better, Buying Less, Buying Slow

The beauty industry loves to tell you to buy more, more, more. To fuel that, the digital age has transformed beauty trends, bringing with it a concerning phenomenon: the #SephoraKids craze. Ten-year-olds entranced by anti-aging serums and tweens coveting adult cosmetics raise alarms about early hyper-consumerism. At KraveBeauty, we believe true beauty lies in empowering informed choices, not succumbing to societal pressures.

That all motivated us to launch the Anti-Consumer Consumer Club, a content vertical helping you buy better, buy less and buy slow. This past April, we launched the Anti-Consumer Consumer Grant, committing \$15,000 to amplify creators and influencers who focus on sustainability and climate education.

2023 wasn't about fleeting trends or superficial victories; it was about taking deliberate steps, making informed choices, and building a future that benefits us all. We didn't chase headlines; we let our actions speak louder than words.

Thank you for being a part of this journey. Together, we're proving that slow and steady progress can cultivate lasting impact.



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Our Business

5 Our Mission & Values

6 Stakeholder Wheel

7 Our Impact



Our #PressReset Mission

KraveBeauty was founded 6 years ago to #PressReset on the skincare industry, dedicated to helping you reset your relationship with skincare and reject mindless 20-step routines. But soon, we realized that excess skincare is not only taking a toll on our skin but on our planet too. So we reoriented our mission to focus on humanizing the beauty industry for the people and the planet in order to create a more sustainable and equitable world. But so much has changed in these 6 years from widening structural inequities to a worldwide pandemic. We realized that in order to maximize our impact, our mission also has to evolve.



KraveBeauty’s mission is to press reset on every harmful industry norm and it starts with pushing back on the “growth at all costs” model.

We stand up by speaking up, slowing down and encouraging other brands to do the same. We will use our business as a force for good.

We want to inspire the industry to operate more on stakeholder capitalism over shareholder capitalism. We are here to write our own playbook; this means unlearning what we’re used to as the “success formula”. Over the past 6 years, we’ve continually created space for failure - recognizing when we are wrong and that there’s always room for us to improve and do better. KraveBeauty is a company of changemakers who challenge the status quo and break rules. A collective effort centered on creativity, innovation, and a human-centric approach. #PressReset is about using the power and privilege each of us has to transition systems towards a more sustainable and equitable future.

Our Mission & Values

Our Values



1. Lead with Intention for People and the Planet

We want to create lasting change in the beauty industry and be a business for good. We believe in transparency across all our business practices and never default to a course of action that has not considered all of our stakeholders’ needs. We practice thoughtful and intentional communication and decision making, providing context and seeking input on why we’re doing what we’re doing, at every level.

To make an impact on people and on the planet, we know that it requires us to thoughtfully bring together different perspectives - whether they’re 1:1 or at scale, whether they’re internal or external. We always try to put ourselves in other people’s shoes, and better understand how to build with other people’s needs and motivations in mind.

KraveBeauty operates with sustainability at our core. In all decisions, from how we choose suppliers, develop products, source ingredients and ship internationally, we consider the potential environmental impacts and opportunities. We collaborate with fellow leaders and pioneers of innovative solutions to make the most tangible change possible.

2. Being Human

At KraveBeauty, we understand that we are responsible for and mutually dependent on all who are involved with and impacted by our business. This includes viewing the planet as an important stakeholder and understanding that social and environmental problems are not equally felt or solved.

We are made up of creative, unique, and empathetic people who are humans before employees. So we aim to create an environment that allows people to feel supported and empowered, where diverse voices and perspectives are shared. We are conscious of our blind spots and know that leading with compassion and kindness means checking our unconscious biases and undergoing a continual journey of self-directed learning.

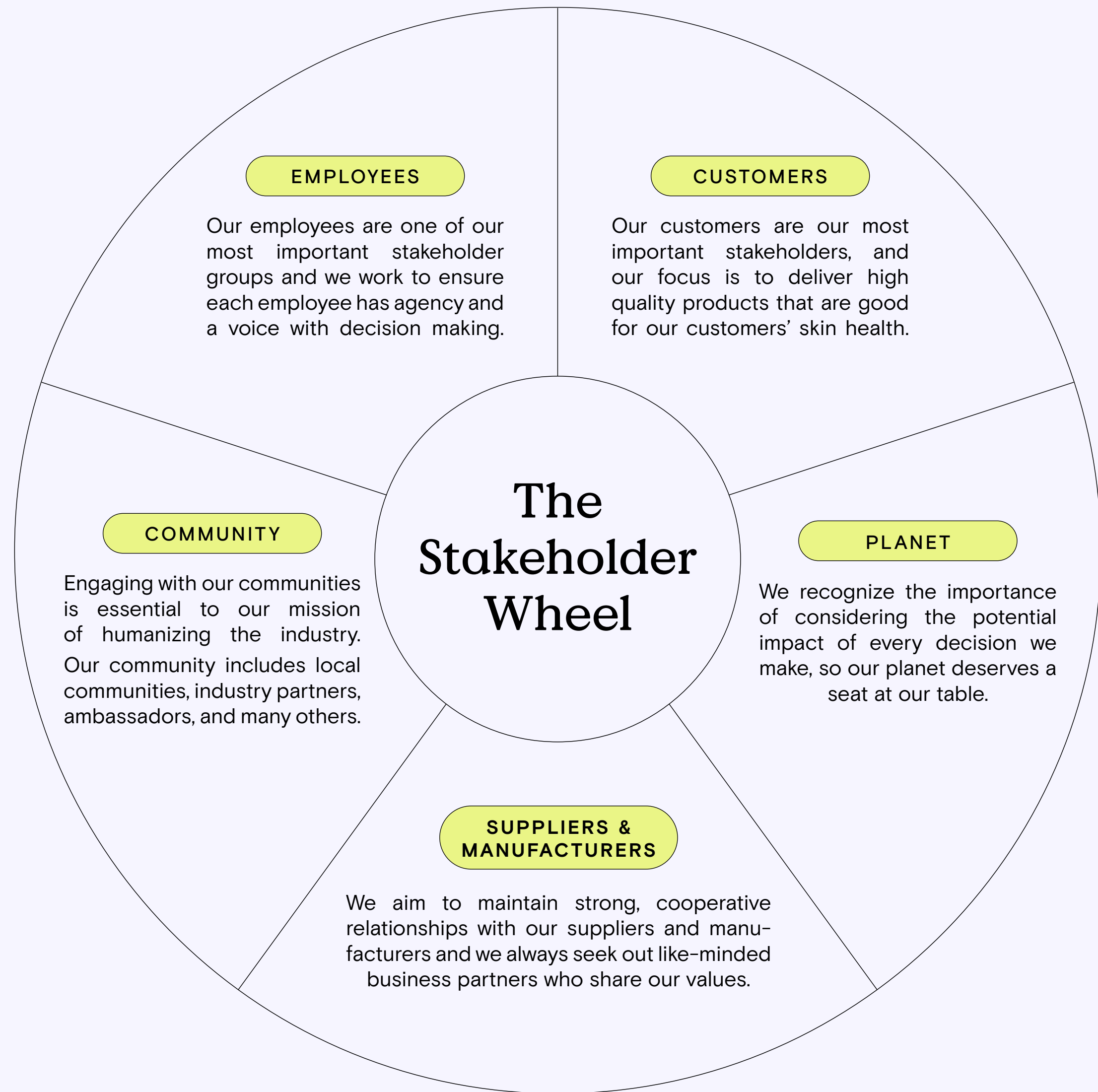


OUR STAKEHOLDERS 

At KraveBeauty, we understand that we are responsible for and mutually dependent on all those involved with our business, directly or indirectly.

This wheel outlines our key stakeholders, and we aim to engage each stakeholder in our decision making processes.

We rely on certifiers such as 1% for the Planet, Climate Neutral, Plastic Neutral and others to help measure our impact on our Stakeholders.





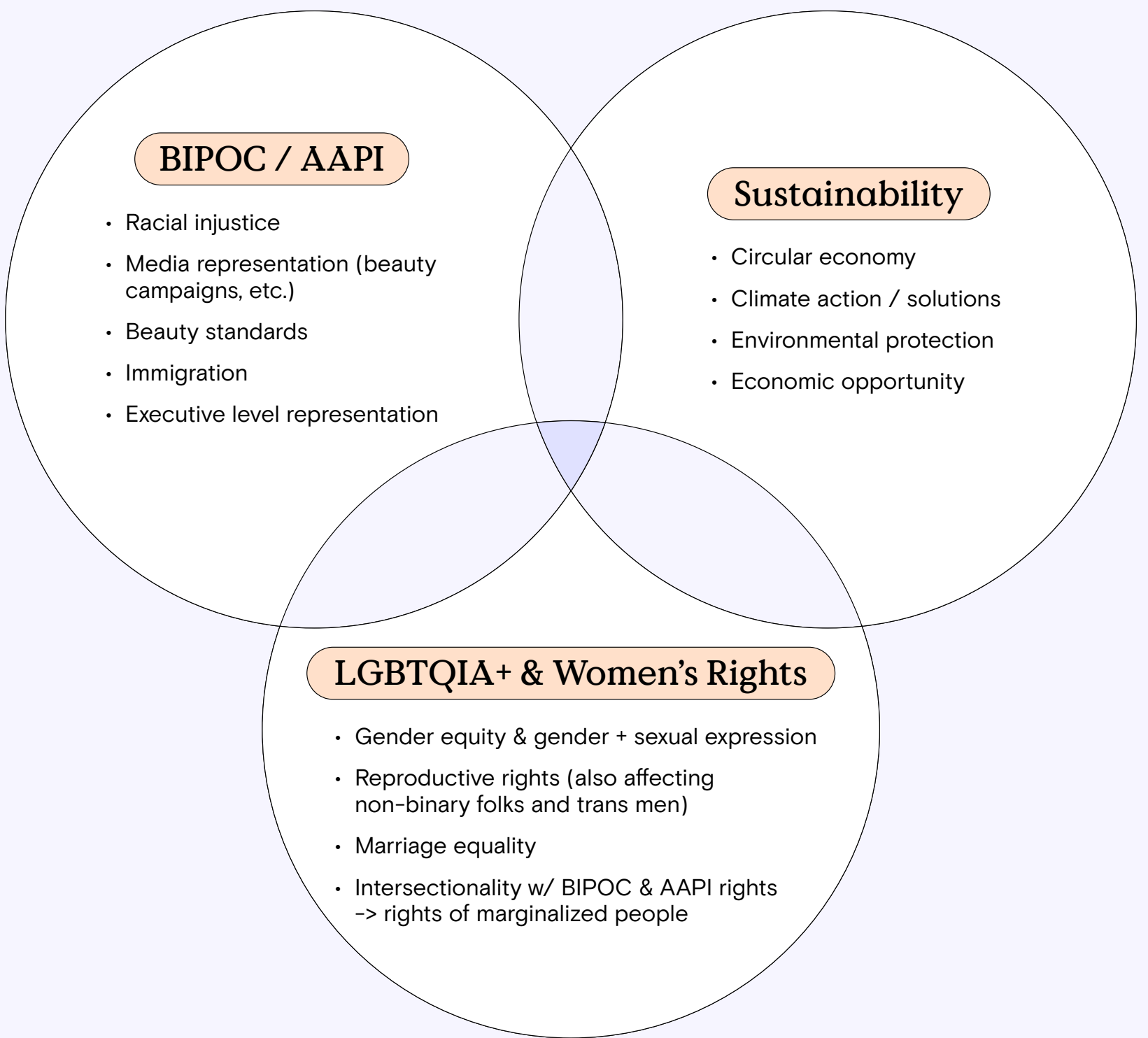
Our Impact Pillars

KraveBeauty has always strived to serve our customers and stakeholders and act as a positive force within the beauty space, deeply rooted in sustainability and guided by a purpose that prioritizes both people and the planet. Our fundamental principles revolve around conscientious consumerism, challenging industry norms, and shifting our focus from shareholder capitalism to the welfare of our stakeholders.

Our vision is to create long-term value by taking into consideration the needs of all our stakeholders, which include our team members, partners, the larger skincare community, our valued customers, and the environment. We are committed to enhancing the well-being of our team and the broader community, and we're dedicated to taking action to combat climate change, leaving the planet in better shape than we found it. These principles underpin our mission and guide our focus on three central pillars of impact.

The majority of our team is made up of women, with significant representation from Asian descent. With a perspective centered on Elevating Economies and Ecosystems, we believe we can make the most substantial impact in the realms of LGBTQIA+ and women's rights, BIPOC/AAPI issues, and sustainability. Many of our ongoing and forthcoming initiatives aim to address the intersection of these three impact pillars, and our long-term aspiration is to establish a strong track record in all the areas encompassed by these issues.

At the intersection of our impact pillars is our partnership with Women's Earth Alliance (WEA) to support women tamanu farmers in Indonesia. The collaboration aims to improve farming and harvesting practices, increase farmer incomes, and contribute to the restoration of forests through tamanu agroforestry.



We will use our business as a **A** force for good .

We put **people** and the **planet** before profit.

Period.



OVER THE PAST 6 YEARS, WE'VE DONATED A TOTAL OF \$768,467
(\$688,092 CASH / \$80,375 PRODUCT)

Our Impact

Over the past 6 years, we've always been committed to supporting causes and advocacy groups that champion inclusivity and support underrepresented and marginalized communities.

Our giving has spanned a wide range of causes. We're continuously donating at least 1% of all product sales, beyond just one campaign or promotion. This allows us to maximize our reach and support social justice issues affecting our community that we care about, but can't directly impact.

We envision a future where, in addition to our long-term collaborations, we are constantly engaging our community and our employees. From a bi-annual stakeholder-selected social cause month, to quarterly employee-selected social causes, to on-the-ground engagements with affected communities. Giving is just one way that we are striving to serve our stakeholders and being a force for good.

**See Appendix for Details*

ORGANIZATION	MONETARY	PRODUCT	TOTAL
Women's Earth Alliance	378,283	-	378,283
Great Barrier Reef Foundation	88,570	-	88,570
Project Beauty Share	-	28,000	28,000
The Farmlink Project	22,428	-	22,428
Climate Neutral	21,431	-	21,431
1% for the Planet	18,700	-	18,700
Race to Erase MS	-	15,000	15,000
Sunrise Movement	13,515	-	13,515
Ocean Conservancy	13,515	-	13,515
Welcome to Chinatown	4,100	7,545	11,645
Other	127,549	29,830	157,379
TOTAL	688,092	80,375	768,467

Our Commitments

10 Sustainability: An Evolving Commitment

11 Diversity & Inclusion



HERE IS WHAT "SUSTAINABILITY" MEANS TO US:

Sustainability
noun. sus·tain·a·bil·ity

Reducing KraveBeauty's environmental impact by being a responsible business and inspiring our stakeholders to be more conscious of their impact.



Sustainability: An Evolving Commitment

In the ever-changing landscape of corporate responsibility, sustainability remains a steadfast commitment. While it's true that the term 'sustainability' has become a widespread buzzword, it is our responsibility to give it genuine meaning.

Sustainability, as we continue to emphasize, signifies our dedication to meeting the needs of the present without undermining the capacity of future generations to fulfill their own requirements. This enduring principle guides our actions and decisions, shaping the core of our corporate values.

We understand that sustainability transcends mere environmental concerns; it encompasses a broader spectrum of social and economic considerations. In the evolving framework of sustainability, we remain devoted to not only safeguarding our planet but also fostering inclusive and prosperous communities, thereby creating a sustainable, equitable, and prosperous future for all.

At KraveBeauty, our unwavering commitment to sustainability remains resolute. We continue to prioritize critical thinking and focus on what genuinely matters, rather than simply following fleeting 'sustainability trends.' While we appreciate the value of recyclable and refillable packaging, we firmly believe that all consumer brands should start by reevaluating the volume of products they introduce to the market.

This year, we reaffirm our dedication to the 'Slow Down Skincare' principle, a cornerstone of KraveBeauty's sustainability strategy. This principle underscores our relentless pursuit of intentional and responsible production, steering clear of unnecessary demand creation. Our commitment to this principle drives the core of our sustainability efforts, challenging us to remain at the forefront of responsible business practices.

On a broader scale, we aspire to collaborate closely with our community and industry partners to catalyze systemic change aimed at reducing our collective environmental footprint and enhancing societal well-being. By fostering collective action and harnessing the substantial social capital within our community, we can exponentially magnify our influence and expedite the transformation of our industry towards a more sustainable future.

It is important to acknowledge that the notion of a perfectly sustainable company is elusive. However, our aspiration is unwavering: to consistently make the most sustainable decisions in every facet of our operations. As we embrace another year of our sustainability journey, we are driven by a shared determination to have a positive impact on the world, while acknowledging that continuous improvement is our guiding principle.

**We recognize that sustainability is a journey,
and we value progress over perfection.**



Diversity, Equity & Inclusion

Since we founded KraveBeauty, our community has been growing. Now, it's bigger than ever.

The bigger we become, the more diverse we become and the more conscious we are of the impact our values and actions have.

From how we operate the business internally to how we represent our community, we aim to make every step forward contribute to becoming a more equitable and inclusive brand.



HERE IS WHAT "DIVERSITY, EQUITY & INCLUSION" MEANS TO US:



Being Human at KraveBeauty means that all marginalized communities are given the opportunity to thrive with full agency and inclusion.

Our Stance

The world around KraveBeauty has changed immensely over the past 6 years. Now more than ever, we feel it is essential to be transparent, live our values and make our stance known. Our stance informs how we approach social impact, how our benefits evolve, and how we create an environment that allows everyone to be human. KraveBeauty's employees are predominantly female and feel deeply that the rights of women and other marginalized genders must be upheld. We believe that every individual deserves the fundamental right to choose and we will do all we can to protect access to reproductive care.

Our community is open to people of all identities, expressions, and abilities. KraveBeauty firmly supports LGBTQIA+ rights. Internally, we've normalized pronouns, facilitated discussions on what it means to display genuine allyship, and hosted panels on the experience of LGBTQIA+ members. This year, we partnered with the Trans Defense Fund LA to sponsor self defense kits and amplify trans voices.

We're still at the beginning of this journey, but one that we're fully committed to.





Our Impact Goals

Area	Goal	KPI(s)	Area	Goal	KPI(s)
Climate Change & Energy	<ul style="list-style-type: none"> Continue to reduce and offset the carbon footprint of product packaging and transportation <ul style="list-style-type: none"> Reduce Scope 3 Upstream Shipping emissions by shifting 50% of our offshore manufacturing to local factories by 2025 Reduce Scope 3 Purchased Goods emissions by substituting virgin plastic for post-consumer materials and decreasing our overall plastic usage. 	<ul style="list-style-type: none"> % Manufacturing in local factories % Post-consumer recycled plastics used Total carbon footprint of product packaging and transportation; Total carbon offsets purchased 	Product Responsibility	<ul style="list-style-type: none"> Increase the use of recycled material in our packaging to 80% by 2025 Increase the amount of packaging material that can be recycled or reused 	<ul style="list-style-type: none"> % of product packaging made of recycled and/or renewable material % of product and packaging that is recyclable, reusable and/or upcycled (including partnerships) % of carton packaging that uses FSC Certified paper % of products that offer refill options
	<ul style="list-style-type: none"> Set Science-Based Targets across our value chain, including Scope 1, 2 and 3 emissions. 			<ul style="list-style-type: none"> Produce sustainability reports for each product to provide additional transparency 	
	Responsible Sourcing	<ul style="list-style-type: none"> Enforce our supplier code of conduct and sustainable sourcing guidelines and create a supplier scorecard system by 2025 	<ul style="list-style-type: none"> % supplier performance against standards and supplier scorecard 	Community & Partnerships	<ul style="list-style-type: none"> Continuously engage in impactful sustainability campaigns, activism, and advocacy
<ul style="list-style-type: none"> Ensure ingredient traceability as well as determining both social and environmental impacts of the key ingredients 		<ul style="list-style-type: none"> % of key ingredients that are traceable in each product formula 	<ul style="list-style-type: none"> Become a certified Benefit Corporation (B-Corp) by 2025 		
<ul style="list-style-type: none"> Source and use more upcycled and biotech ingredients 			<ul style="list-style-type: none"> Dedicate at least 50% of all sponsorships and paid partnerships to BIPOC and LGBTQIA+ creators as well as creators with disabilities 		
<ul style="list-style-type: none"> Build strategic partnerships with manufacturers and suppliers who share our values 			<ul style="list-style-type: none"> Increase BIPOC & LGBTQIA+ Customer representation 		
<ul style="list-style-type: none"> Audit and research ecotoxicity and biodegradability of every ingredient 			<ul style="list-style-type: none"> Conduct quarterly training for internal employees on sustainability and social responsibility 		
			<ul style="list-style-type: none"> Publish a impact report annually 		
			<ul style="list-style-type: none"> Invest in BIPOC or LGBTQIA+ founders through PressResetVentures 		



Our Impact Strategy



The Sustainable Development Goals (SDGs) are a global roadmap designed to lead countries and companies towards a more inclusive and sustainable world. Each of our focus areas supports specific goals.

[Learn More](#)

Climate & Energy	6 CLEAN WATER AND SANITATION 	7 AFFORDABLE AND CLEAN ENERGY 	13 CLIMATE ACTION 	15 LIFE ON LAND 	
Responsible Sourcing	10 REDUCED INEQUALITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	14 LIFE BELOW WATER 		
Community & Partnerships	4 QUALITY EDUCATION 	5 GENDER EQUALITY 	8 DECENT WORK AND ECONOMIC GROWTH 	10 REDUCED INEQUALITIES 	17 PARTNERSHIPS FOR THE GOALS
Product Responsibility	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 			

Our Performance

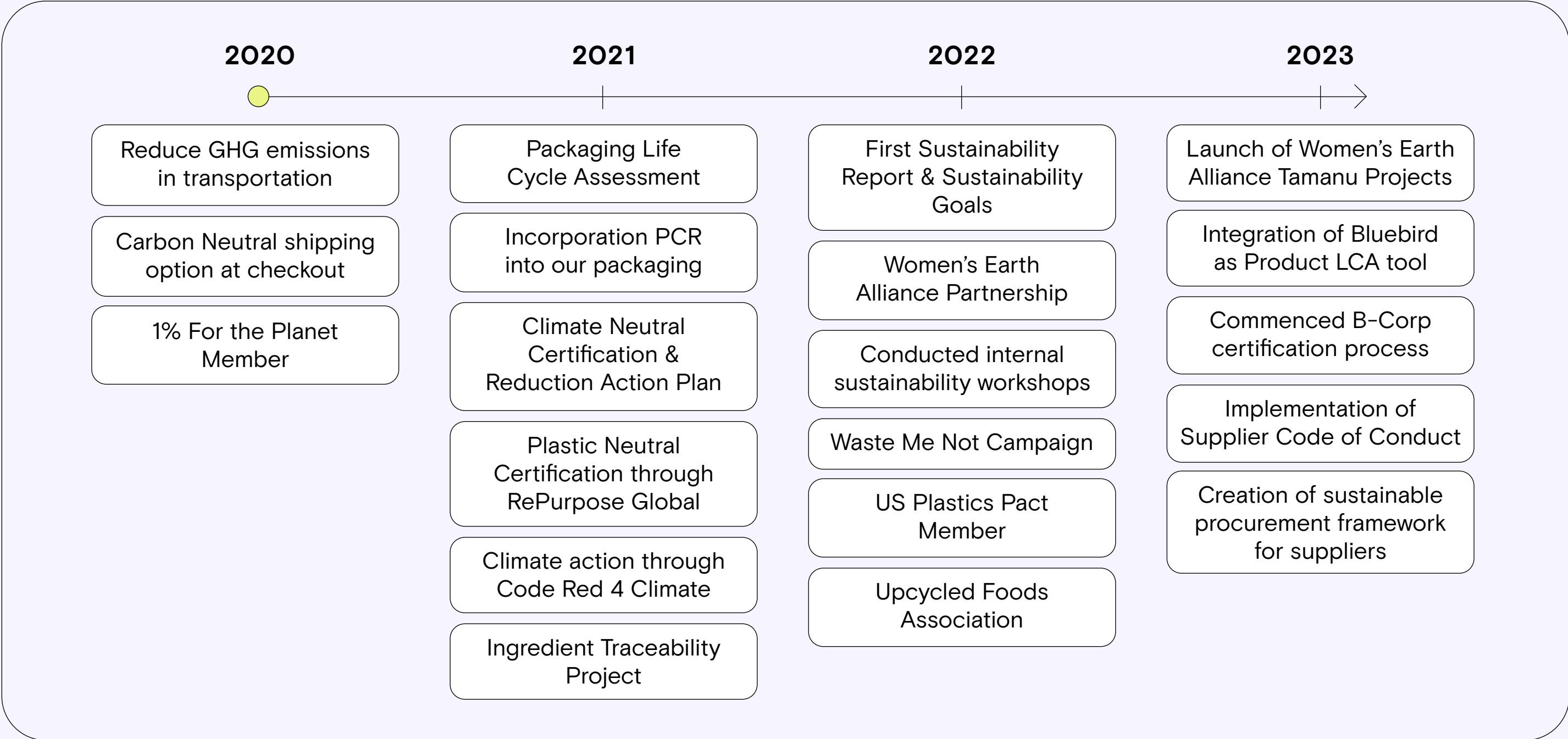
15 Climate & Energy

20 Product Responsibility

23 Responsible Sourcing

25 Community & Partnerships

KraveBeauty's Sustainability Journey



Overview

Climate & Energy

KraveBeauty's Sustainability Journey

Climate Neutral Certification

Our Offset Programs

Logistics & Transportation

In the year that has passed since our last sustainability report, we continue to face the unfortunate reality of our changing climate. In July 2023, the world experienced global record-breaking temperatures. The urgency of the climate crisis remains very important to both the world and KraveBeauty.

To avert the most severe consequences of climate change, scientists emphasize the point of limiting global warming to no more than 1.5°C above pre-industrial levels. However, it's important to acknowledge that we have not made sufficient progress toward this critical goal, and humanity is called to action more than ever before.

It is with deep concern that we note the disproportionate

impact of climate change. This unequal distribution of consequences extends both globally and within communities. The global South continues to bear a disproportionate burden of the damages caused by climate change. Moreover, on a micro-level, marginalized and underserved communities, including people of color and those with lower incomes, remain more vulnerable to the adverse effects of climate change. Our commitment to sustainability is grounded in principles of equity and justice, and we recognize the imperative to address these disparities in our ongoing efforts to combat climate change.

Climate & Energy

Our commitment to climate action is driven by our recognition of the urgency required to deal with the climate crisis. As a brand producing goods and using resources, we understand that we are always going to have an impact, but we are dedicated to reducing our environmental footprint and helping to mitigate carbon emissions.

This is why we pursued the Climate Neutral certification for 3 years in a row. This means that we measured our 2022 carbon footprint, offset our impact, and are working to reduce future emissions.

We've breakdown of this year's footprint and a comparison to 2021.

SCOPE 1

Refers to direct emissions controlled by an organization.

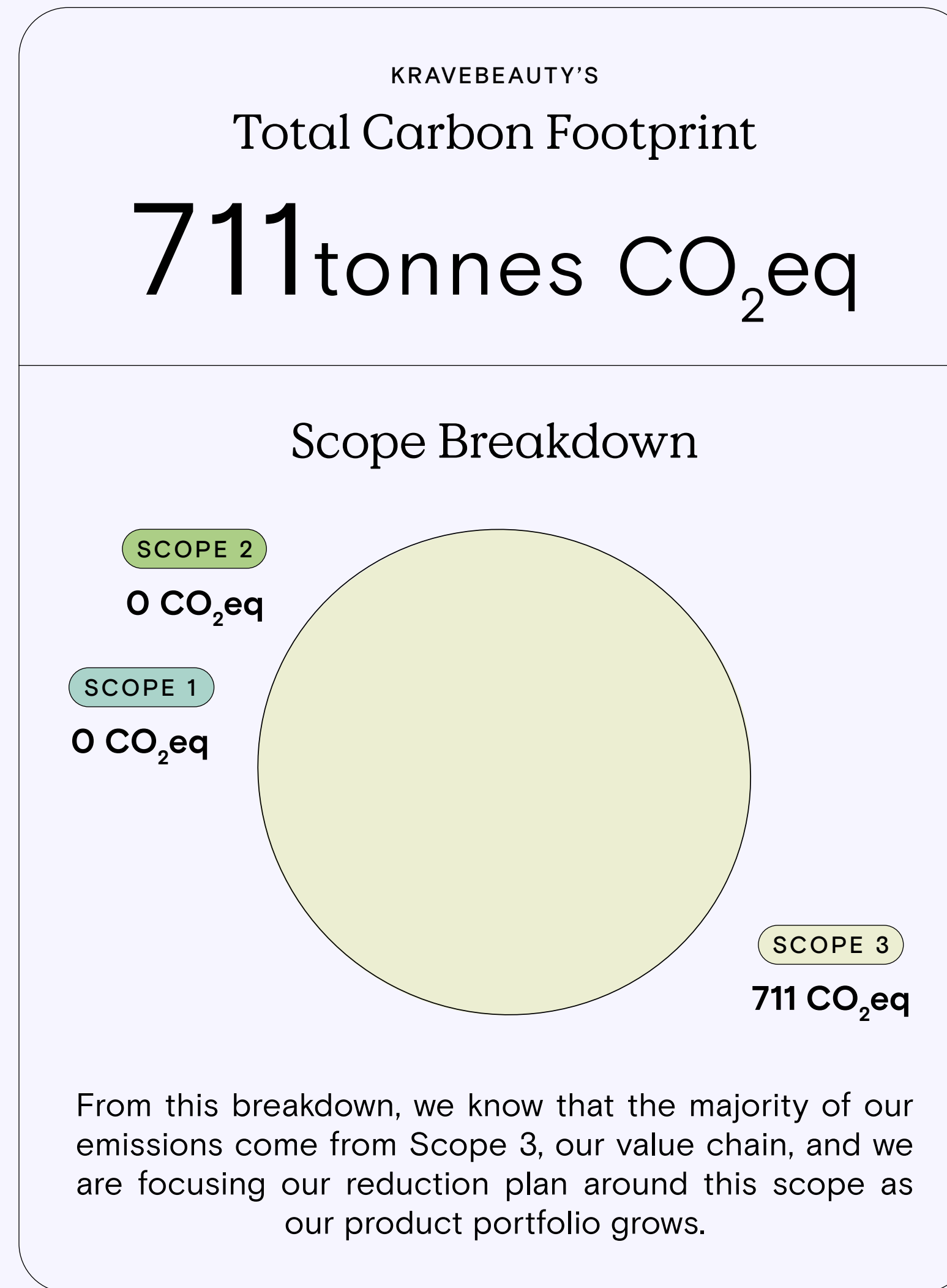
SCOPE 2

Refers to indirect emissions from electricity, steam, and heat.

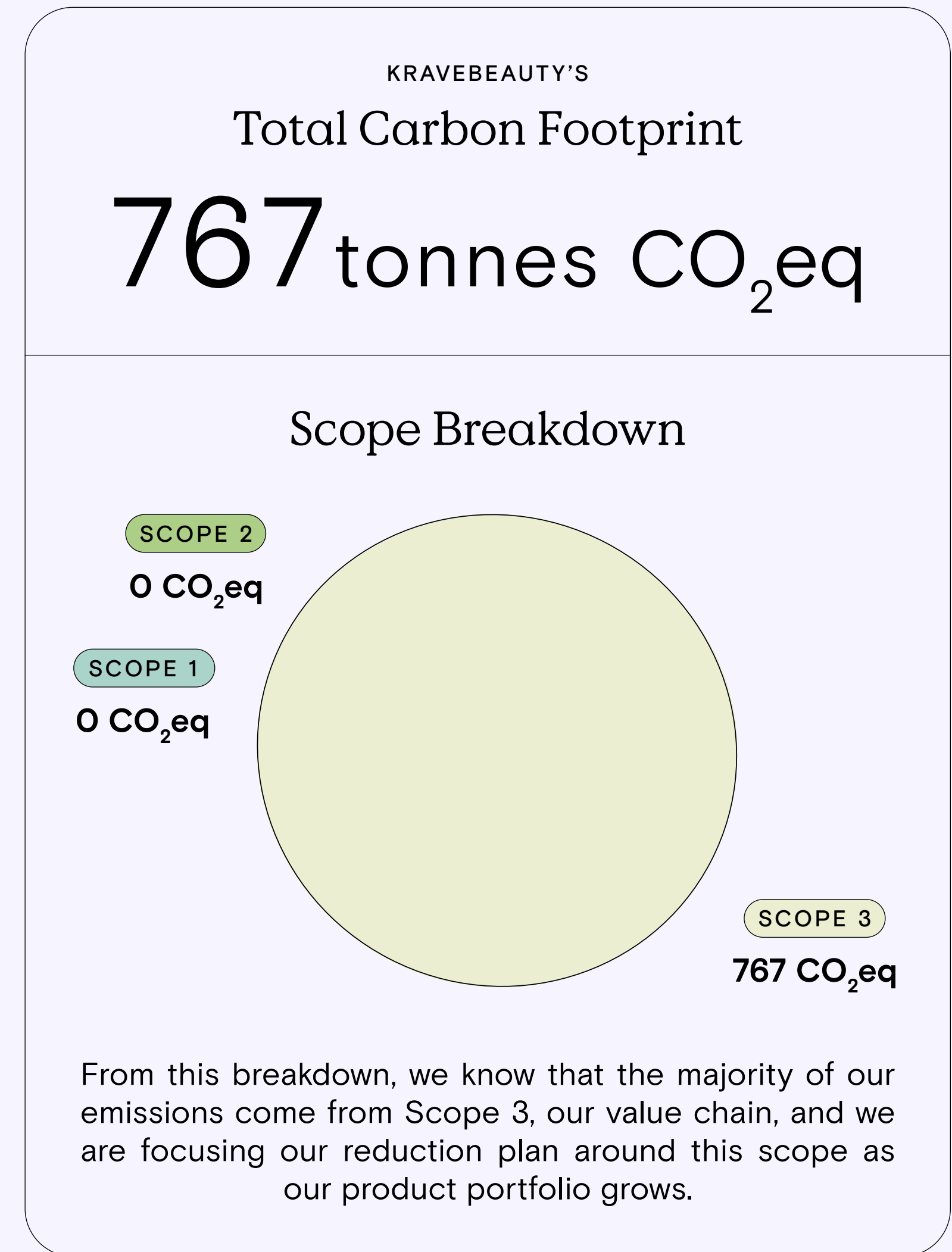
SCOPE 3

Refers to all other indirect emissions. Scope 3 is usually the greatest share of the carbon footprint, covering emissions associated with business travel, procurement, waste, etc.

2021



2022



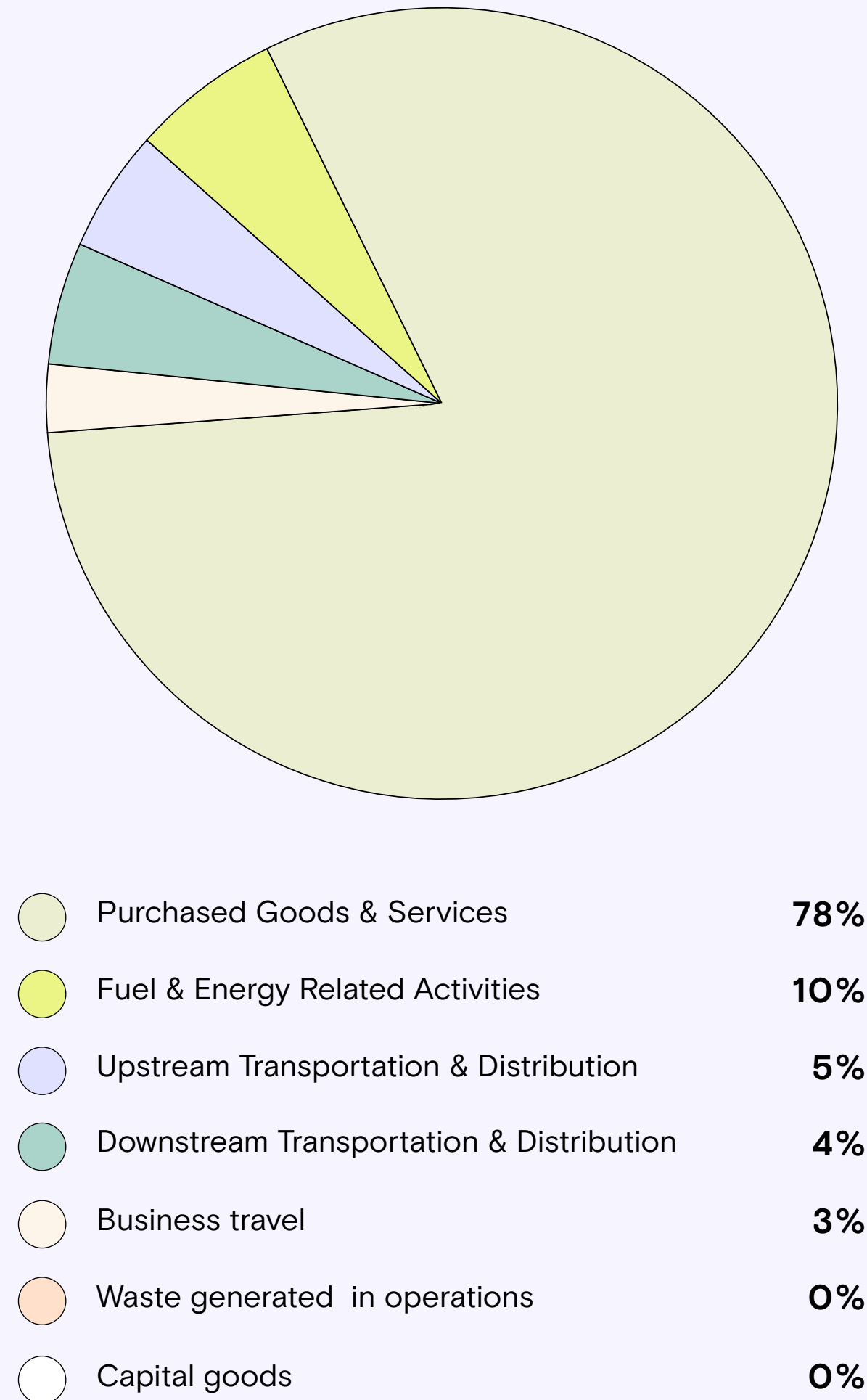
Reduce Scope Number

Our 2022 footprint is 56 tCO2e higher than our 2021 footprint. While we have been working hard to reach our carbon reduction goals & make more intentional decisions, this growth is likely due to the growth of our product portfolio. As we grow as a company and expand our product line, our emissions will grow as well. However, we plan to ensure that we minimize our environmental impact as we grow by sticking to our impact goals and ensuring a sustainable growth rate. Because our team still works from home the majority of the time, we did not include the emissions for our shared workspace in our Scope 1 and 2 emissions. We instead accounted for the energy consumption from our shared workspace in our Scope 3.

One of the biggest differences between our 2021 and 2022 footprints was increases in purchased goods and services & fuel and energy related activities. This increase is driven by the growth of the business.

Additionally, we know that almost 100% of our emissions are from Scope 3, and this is where our attention was best spent. As a DTC consumer goods company, materials and transportation are consistently our largest sources of emissions.

SCOPE 3 BREAKDOWN



We completed our Climate Neutral re-certification, which means we measured our 2022 carbon footprint, offset our impact, and are working to reduce future emissions.

We understand that measuring and reducing are more important than offsetting, and we are working to reduce as much as possible.

While we will continue purchasing carbon offsets for activities we cannot yet reduce, we aim to also encourage our partners and suppliers to reduce their emissions.

We have offset 767 tonnes of CO2 and have created a Reduction Action Plan which includes 2 new and 1 continuous commitments:

Reduce Scope 3 Purchased Goods by implementing a low carbon sourcing policy to increase the percentage of reusable, recyclable or recycled content across all products.

Reduce Scope 3 Purchased Goods by sourcing more sustainable (traceable, upcycled, biotech) ingredients for new product formulas.

In progress:

Reducing Scope 3 Upstream shipping emissions by shifting some of our offshore manufacturing to local factories by 2025

Climate & Energy

Our Offset Programs

At KraveBeauty, we're excited to share how we're making a significant impact by partnering with the Central Kalimantan Peatlands Project in Indonesia to offset our carbon footprint. This impressive initiative, developed by InfiniteEARTH, covers a vast expanse of 47,000 hectares in Central Kalimantan and offers a unique opportunity to preserve a critical ecosystem. These peatlands, often unseen heroes, store an astounding 20 times more carbon than conventional forests. By joining forces with this project, we're actively safeguarding these invaluable carbon stores from being converted into palm oil estates, a practice that would have a devastating impact on both the environment and local communities.

But our commitment to this project extends far beyond carbon reduction. The Central Kalimantan Peatlands Project is a shining example of how environmental responsibility aligns with holistic sustainability. In addition to its significant carbon benefits, it champions the United Nations Sustainable Development Goals, addressing all 17 of them. This means it's protecting our environment, empowering local communities, and contributing to infrastructure development in the region.

We're also proud to highlight the project's impressive certifications in Sustainable Development Verified Impact Standards and Climate Community and Biodiversity Standards. These certifications provide solid assurance that the project is making a substantial and lasting impact in all the right ways.

Lastly, this project is exciting to us because it furthers our impact that we already have in the country and region! For our 100% Cold Pressed Tamanu Oil, we flipped the switch and pressing reset on sustainable sourcing by working directly with a specific farm in Indonesia. The goal is to know exactly where our tamanu oil is coming from, how it's farmed + harvested, increasing the wages of women tamanu farmers in the region, and most importantly tying in climate-conscious practices in every step of this project and partnership. While this was an expensive process, we hope to catalyze the growth of sustainable production within the industry while supporting our stakeholders and the people behind our products!

By partnering with the Central Kalimantan Peatlands Project, we're taking a meaningful step towards balancing our environmental impact and promoting sustainable development. It's a practical and purposeful choice, demonstrating our commitment to a healthier planet and a brighter future for all.

What is a carbon credit?



A carbon credit is a standard unit which represents carbon emission reductions.

One credit equals one tCO₂e (tCO₂e stands for tonnes (t) of carbon dioxide (CO₂) equivalent (e)).

People who eliminate GHG emissions can generate and sell carbon credits. People who want to offset their emissions can buy carbon credits.

Carbon credits are generated through a variety of projects and technologies, ranging from reforestation initiatives that sequester (suck up) CO₂, to micro-grid solar projects which substitute fossil fuel-based energy production with reliable clean sources of energy that don't emit greenhouse gases into our atmosphere.



Climate & Energy

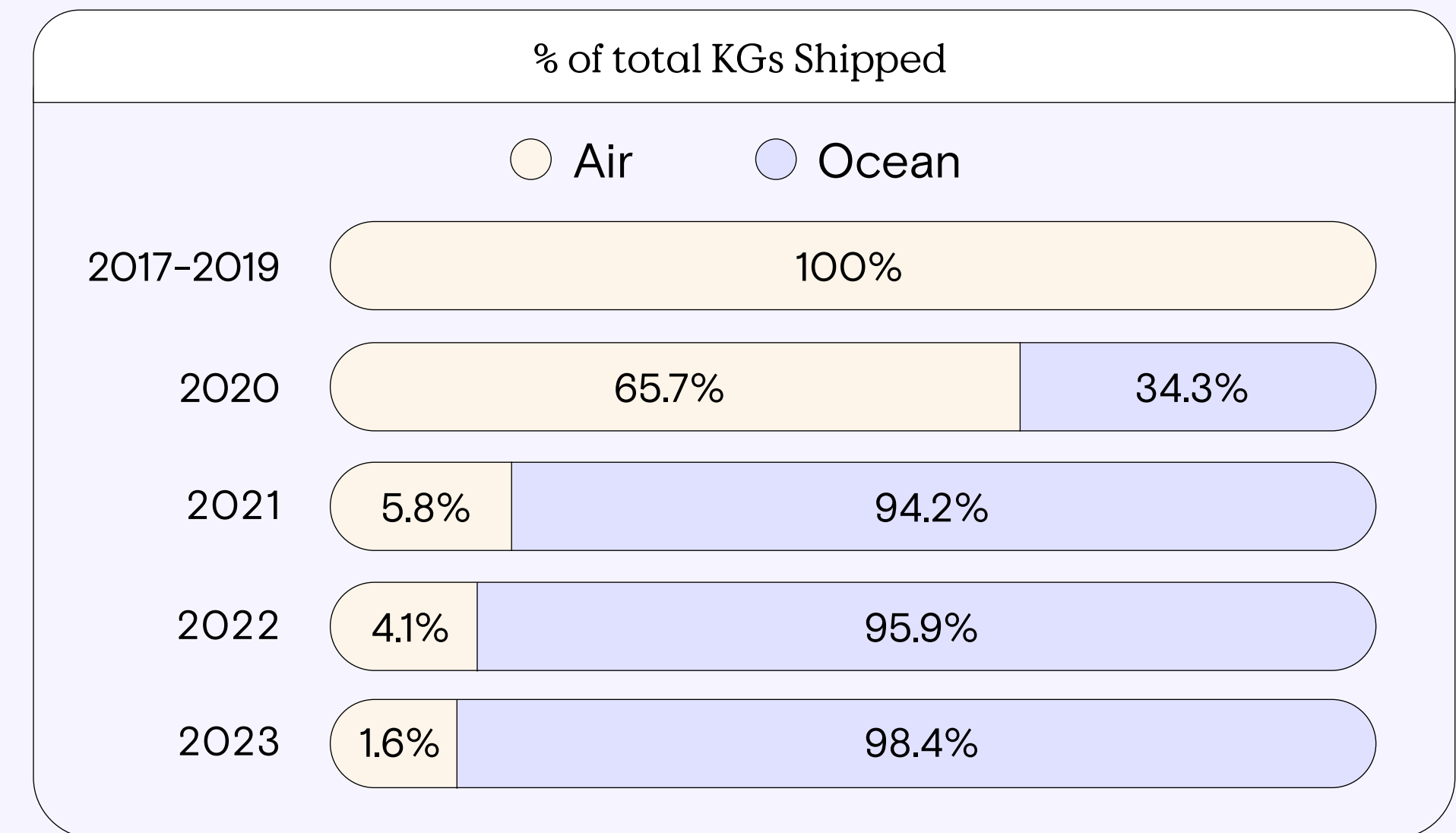
Logistics & Transportation

Ocean vs. Air Freight

We heavily depend on a highly complex global supply chain, where transportation, particularly through air shipping, constitutes a significant portion of our total emissions. Through our analysis of greenhouse gas data, we identified a substantial opportunity to significantly reduce our emissions by shifting our reliance from air shipping to ocean freight.

It's important to acknowledge that over the past several years KraveBeauty was not exempt from the challenges posed by

supply chain disruptions and pressures. We have experienced these difficulties, particularly when transporting our products from South Korea to the US. Our international supply chain became severely congested and sometimes we had to make a few air shipments; However, luckily, this year we are committed to continuing to choose the majority of our shipments via ocean freight to ensure emission reductions with the transportation of our products.





Partnership with BlueBird Climate:

Advancing Sustainability Through Life Cycle Assessments

To ensure we're being transparent with you, and to making the best decisions when it comes to the packaging of future products, we've partnered with BlueBird Climate!

Introducing BlueBird Climate

BlueBird Climate is a forward-thinking company that was established in 2021 by visionaries Jamie

McCroskery, DJ Lee, and Anisha Gupta. They provide a state-of-the-art platform used by industry peers such as Glossier and Beautycounter to evaluate and mitigate environmental impact. Their innovative software facilitates comprehensive Life Cycle Assessments (LCAs), supporting companies in retailer compliance, customer engagement, and impactful climate initiatives .

Overview

Product Responsibility

Partnership with BlueBird Climate

Our Journey to Circular

RePurpose Global

BlueBird Climate's Impact on KraveBeauty

The collaboration with BlueBird Climate equips us with data-driven insights, allowing for more informed decisions throughout our product development lifecycle. This not only helps us to diminish our ecological footprint but also enhances our commitment to environmental stewardship. The platform's extensive analysis capabilities ensure that every stage of our product's lifecycle aligns with our sustainability ethos.

The Significance of Our Partnership

Our alliance with BlueBird Climate is a strategic and meaningful step towards greater

ecological responsibility. By incorporating BlueBird's LCAs into our Product Detail Pages, we are not only displaying our commitment to the environment but also engaging our consumers in our sustainability efforts. This enables us to design and market our products with lower carbon emissions, streamline costs, and cultivate customer loyalty through transparent sustainability communication.

This partnership embodies our belief that the beauty industry can operate without compromising the health of our planet. Together with BlueBird Climate, KraveBeauty is pioneering a sustainable future in skincare, inspiring others in the industry to follow suit.



Product Responsibility

Our Journey to Circular

Packaging is a huge area of impact for beauty brands and an area that needs to become more circular.

We like to think of packaging like a bathtub (stay with us). There is a faucet putting water (new plastic) into the bathtub (our environment). There is also a drain (recycling) removing water. Currently, we are putting more water in the bathtub than the drain can handle, thus overflowing the tub and harming our environment.

If your tub at home was overflowing, you would close the faucet, right?

Reduce

In our ongoing commitment to reducing our environmental impact, we've made significant strides in using recycled materials in our product packaging. Two years ago, we embarked on the journey of incorporating post-consumer recycled (PCR) plastic into our packaging.

We're excited to announce that we have exceeded our initial goal of reaching 50% recycled material in our packaging by 2025. This year we've reached achieving 70% of PCR in the packaging across our product

line, showcasing our dedication to using plastic that's already in circulation and significantly contributing to the reduction of new plastic consumption!

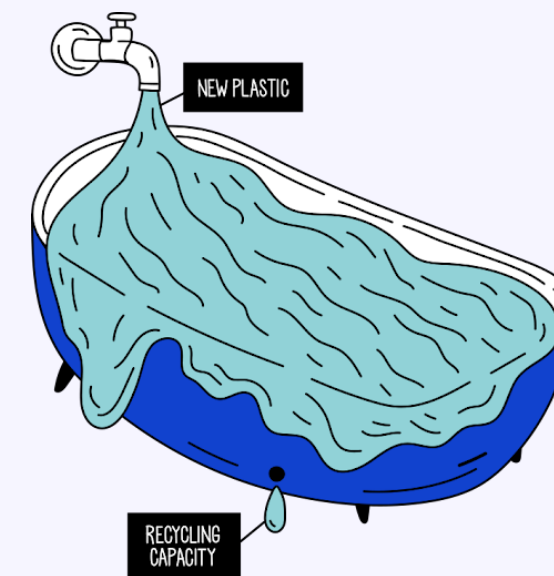
Our ongoing efforts in increasing the percentage of recycled plastic content in our packaging is a testament to our unwavering commitment to sustainability and a more eco-conscious approach. We look forward to continuing this journey and exploring further opportunities to incorporate circular packaging into our products!

Reuse

Once we commit to reducing the amount of plastic we use, the next best solution is to reuse and repurpose the plastic we are using. While we still do not currently have a refill system, we are looking to launch one in the future. In the meantime, we remain committed to adopting and investing in innovative packaging solutions to drive the evolution of the refill market.

INNERBOTTLE

We were excited this year to launch our new product, Oil La La, with the same Innerbottle's silicone bubble insert and bottle system that we've been using for our Great Barrier Relief packaging! Innerbottle has introduced a circular economy platform, RE-Turn in Korea that encourages customers to maximize sustainability and to reuse resources.



Source: NYTimes Illustration by Rinee Shah

Recycle

Recycling is the final step in creating a circular system where plastics and other materials can have many lives.

To help with our recyclability journey, we are now a member of the US Plastics Pact, an organization that brings together businesses, not-for-profit organizations, government agencies, etc. for the goal of creating a more circular plastic economy. We are working to design our packaging in accordance with USPP's design for recycling guidelines.



Additionally, we have a QR code on all of our packaging that links to a recycling guide to help you properly recycle your KB products. We know there are many rules when it comes to recycling and that they differ based on location, so we wanted to give our customers the greatest chance of their products being properly recycled and not landfilled.



Product Responsibility

RePurpose Global

1,704,328kgs of plastic waste removed in West Java, Indonesia

In the ongoing journey of our commitment to sustainability and environmental responsibility, we are proud to share the progress we've made over the past year. Recognizing that plastic packaging has been a significant component of our product presentation, we have continuously sought innovative methods to diminish our ecological impact.

Building on our previous efforts, we've deepened our partnership with RePurpose Global, advancing our mission to tackle plastic waste. Through this collaboration, we have maintained our initiative to offset every pound of plastic utilized in our packaging by removing an equivalent amount of plastic from the environment.

This year, we've chosen to support a new project in West Java Indonesia - Project Laut Yang Tenang. This project is a flagship initiative by rePurpose Global aimed at redefining the status quo of plastic pollution in Indonesia. It is a collaboration with one of Indonesia's leading waste management innovators, Waste4Change.

The project engages existing networks of informal waste workers, improve door-to-door collection services, and enhance local waste-bank conditions. The project focuses on the recycling of low-value, flexible LDPE and HDPE plastics, which are typically ignored by local waste collectors due to low market value. The project incentivizes the collection and ethical recycling of these plastic types.

Our efforts have contributed to the removal of over 1,704,328 kilograms of plastic, which would otherwise be destined for the ocean.

As for our products, we've made significant strides. This year, all of our skincare range has transitioned to packaging derived from post-consumer recycled materials. Our Product Development team is excited about exploring innovative packaging solutions that further reduce our dependence on virgin plastics.

While we know there is still a long way to go, these actions are crucial steps towards our ultimate goal of complete sustainability. We are committed to transparency in this journey and pledge to continue to share our milestones and challenges alike. Together, with our partners and customers, we look forward to shaping a more sustainable future.



Overview

Responsible Sourcing

Biodegradability & Ecotoxicity

Vegan & Cruelty-Free

Ingredient Traceability

Biodegradability



Progress Towards Our 2025 Goal

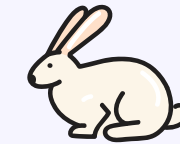
As part of our ongoing commitment to minimize environmental impact, we remain focused on our goal to increase the biodegradability of all our wash-off products by 2025. This commitment underscores our dedication to ensuring our products harmonize with personal care needs and environmental sustainability.

Sustaining the Momentum from 2022

Matcha Hemp Hydrating Cleanser: Building on last year's success with the reformulation of our Matcha Hemp Hydrating Cleanser, we continue to monitor its performance and customer feedback. This reformulated product, having achieved 42% ThCO2 in OECD 301B testing for inherent biodegradability, serves as a benchmark for our ongoing efforts.

Ingredient Analysis: We persist in our rigorous analysis of the ecotoxicity of our key ingredients. Our commitment to reducing eco-toxicity is an ongoing process, and we are constantly exploring alternatives that align with our environmental goals.

Vegan & Cruelty-Free



Our commitment to producing vegan and cruelty-free products remains a cornerstone of KraveBeauty's philosophy.

PETA's Beauty Without Bunnies Program: We proudly continue our association with PETA's Beauty Without Bunnies program. This affiliation is crucial to us, as it reflects our stance against animal testing and our commitment to vegan product formulations.

Adherence to Ethical Standards: In 2023, we remain true to our ethos of creating effective and ethical products. Our product development continues to reflect our commitment to these principles, ensuring that every item we offer aligns with our cruelty-free and vegan standards.

100% OF OUR FORMULAS ARE VEGAN & CRUELTY-FREE



ANIMAL TEST-FREE
PETA
VEGAN



Ingredient Traceability & Transparency



In 2023, KraveBeauty continued to champion the cause of ingredient traceability and transparency, a commitment we outlined last year. Our goal remains to provide complete visibility into the origins of our key ingredients, understanding the journey from source to product. This endeavor is part of our broader strategy to mitigate social and environmental impacts within our supply chain and to build stronger, more intentional partnerships with our manufacturers and raw ingredient suppliers.

Progress in Traceability and Partnerships

- Deepening Ingredient Traceability: This year, our focus on tracing ingredient origins has led to more informed choices and strengthened our resolve to work with suppliers who share our values of sustainability and ethical sourcing.
- Women’s Earth Alliance Tamanu Project: Our ongoing Tamanu Project continues to be a testament to our commitment to ingredient traceability, connecting us directly with the communities that produce these vital ingredients.
- Supplier Code of Conduct: We are actively implementing our formal Supplier Code of Conduct, based on the UN Global Compact Principles. This includes developing a supplier sustainability scorecard to hold our partners accountable for their social and environmental commitments.

2023 Impact Report on Ingredient Traceability & Transparency

- Incorporating Upcycled Ingredients: Following the successful launch of a product using upcycled grapeseed oil in 2022, we’ve taken another significant step this year. We introduced Oil La La, a product featuring cold-pressed rosehip kernel oil.
- Rosehip Kernel Oil – A Step Towards Circularity: The rosehip oil in Oil La La is sourced from the byproducts of the jam industry in Germany, exemplifying our commitment to reducing environmental impact and promoting a circular economy. This initiative not only helps in cutting down waste but also reduces our reliance on virgin ingredients, thereby contributing positively to environmental sustainability.

Looking Forward

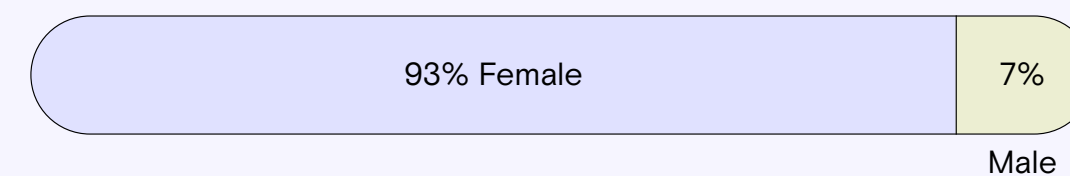
As we move forward, KraveBeauty remains dedicated to integrating more upcycled ingredients into our products. Our goal is to not only reduce waste globally but also to ensure that our products are as sustainable and eco-friendly as possible, aligning with our mission to create a positive impact on the planet.



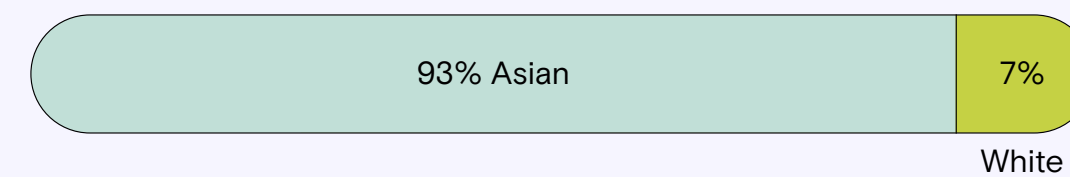
The KB Team

About Our Employees

GENDER



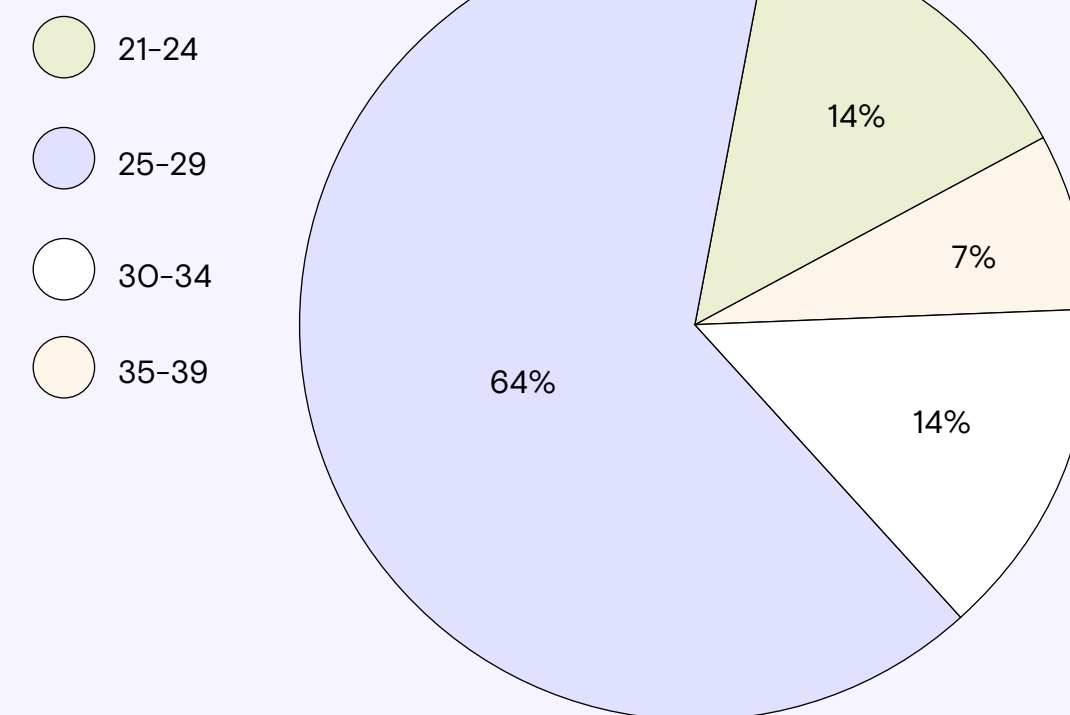
RACE



SEXUAL ORIENTATION



AGE



*Based on the employee census survey on January 25, 2024.
Includes full-time & part-time employees and interns.

DEI at KraveBeauty

At KraveBeauty, diversity, equity and inclusion is at the heart of Being Human. We know that the beauty industry has not been inclusive of everyone, and that change starts by first looking internally.

Our brand has been built by people who have been exactly where our audience is, and we want to continue to reflect that. Our differences are meant to be celebrated - including but not limited to gender identity, race, ethnicity, sexual orientation, ability status and age. Over the last 5 years, we've made conscious efforts to be inclusive, from removing barriers in our hiring process to seeking diverse inputs in product development to platforming marginalized communities in our marketing.

Diversity, equity and inclusion is a continual journey, and we still have so much room to grow. We take our responsibility towards our community and our employees seriously, and will always strive to better understand how to serve our stakeholders.

Overview

Community & Partnerships

KB Team

Employee Benefits & Education

Women's Earth Alliance

Press Reset Ventures

Slow Down Skincare

Waste Me Not



Community & Partnerships

Employee Benefits & Education

Benefits at KraveBeauty



At KraveBeauty, the well-being and happiness of our team continue to be our top priority, especially as we navigate the evolving dynamics of the modern workplace. We have maintained our commitment to competitive and sustainable compensation, ensuring that all our employees can live comfortably. Our comprehensive benefits package, including medical, dental, and vision insurance, has been updated to offer broader coverage options, reflecting our dedication to catering to the diverse needs of our team. Recognizing the importance of long-term financial security, we continue to match retirement savings contributions.

In an ongoing effort to support work-life balance and flexibility, though we are headquartered at our office in New York, KraveBeauty remains a remote-friendly company. This year, we've enhanced our virtual team-building initiatives and communication tools, fostering a strong sense of community among our remote workforce.

Continuing our tradition of supporting charitable causes, we offer 100% company matching on charitable donations, encouraging our employees to contribute to their communities. Additionally, we've introduced volunteer days, enabling employees to engage in community service with paid time off.

As a privately owned company, our commitment to a unified compensation structure remains unchanged. All full-time employees, regardless of their position or geographic location, receive a base salary and are eligible for the same bonus plan, reinforcing our commitment to fairness and inclusivity.

We conduct annual employee surveys to gather detailed feedback, ensuring that we consistently listen to and evolve with our team's needs and suggestions. These efforts are a testament to KraveBeauty's dedication to creating an empowering, supportive, and nurturing work environment, aligning with our core values and commitment to being a responsible, forward-thinking employer.

EMPLOYEE EDUCATION ON SUSTAINABILITY

In continuing our commitment to integrate sustainability comprehensively into our business ethos, KraveBeauty has further prioritized employee education on sustainability topics and goals this year. Building upon the foundation laid in the previous year, where we successfully conducted three sustainability-focused workshops, we have significantly expanded our educational initiatives in this domain. This year's efforts have been directed towards deepening our team's understanding and practical application of sustainability principles in their daily work. We've increased both the number and diversity of our workshops, ensuring that sustainability is woven into all our business operations.

Additionally, we have enriched our program by taking our New York-based team to visit our local recycling facility (which just so happens to be the largest one in North America!) to understand better the end-of-life portion of our product's life cycle and what happens to the packaging once you've put your empty products in the recycling bin. This expert-led workshop offered our team insights into the regional and global packaging and recycling best practices, which helped to further and deepen a more holistic understanding of sustainability within the KraveBeauty team.

COMMUNITY EDUCATION

Continuing our commitment to educating and communicating about sustainability with our customers and community, KraveBeauty has further expanded our efforts this year. Building on the success of last year's initiatives, which included insightful blog posts and dynamic social media campaigns, we have taken a step further by producing multiple newsletters dedicated to sustainability topics. These newsletters, including an overview of our projects with the Women's Earth Alliance, as mentioned earlier, are designed to resonate with our internal team and the broader external community, ensuring everyone has access to crucial sustainability information.

In addition, following the successful launch of KraveBeauty's first sustainability report two years ago, which outlined our efforts and future objectives in sustainability, we have diligently worked on enhancing our annual impact report for 2023. This report covers our ESG performance from January 1st 2023 to December 31st 2023, and not only does it capture our continued progress in sustainability but also serves as an educational platform, guiding and informing our community about our ongoing sustainability journey. Through these efforts, KraveBeauty reaffirms its dedication to being a transparent, informative, and leading voice in sustainable practices within the beauty industry. If you have any questions concerning the contents of this report, please contact us at sustainability@kravebeauty.com.

Community & Partnerships

Women's Earth Alliance

Ongoing Commitment as a 1% For the Planet Member

Since 2020, KraveBeauty has proudly committed 1% of our annual revenue to environmental nonprofits, steadfast in our support regardless of our financial outcomes. This dedication aligns with our philosophy of fostering sustainable practices and supporting organizations that make a real difference.

Women's Earth Alliance: Deepening Our Partnership

Our journey with the Women's Earth Alliance (WEA) has evolved significantly. Initially supporting WEA's U.S. Grassroots Accelerator in 2021, we have since expanded our collaboration to include innovative projects to empower communities and promote environmental sustainability.

Our Transformative Tamanu Initiative

One of the most remarkable outcomes of our partnership has been the development and execution of the Tamanu Project in Indonesia. Tamanu, the hero ingredient in our 100% Cold-Pressed Tamanu Oil, Great Barrier Relief (& Jumbo size!) and Great Body Relief products, not only offers profound benefits for the skin but also plays a crucial role in environmental health.





Community & Partnerships

Women's Earth Alliance

Project Highlights:

- Empowerment in Kebumen, Indonesia: This year, we focused on the tamanu producers in Kebumen. These 100 women, known as “Pembolang,” play a vital role in their local economy through tamanu pod collection and processing.
- Addressing Key Challenges:
 - Financial Stability: We aimed to create more consistent income streams, countering the seasonality of tamanu production.
 - Technical Training: Providing essential skills to help these women start and manage their businesses more effectively.
 - Efficient Tools: Upgrading equipment to enhance tamanu seed processing, reducing labor intensity and increasing safety.
 - Health and Safety: Addressing physical risks in tamanu harvesting and processing.
- Economic Empowerment: Enabling direct selling by producers, thus increasing their profit margins.
- Extended Support: Alongside technological improvements, we have been instrumental in offering business management and financial literacy training to foster self-reliance and resilience among the tamanu producers.

Expanding Our Reach

- Agroforestry Advancements: Our second initiative focuses on incorporating tamanu trees into an existing agroforestry system, promoting biodiversity and sustainable production. This initiative aims to empower the local community, where women constitute a significant part of the workforce.
- Future Goals: We are excited about the prospect of using tamanu oil produced by this community in our products, establishing a fully traceable and sustainable supply chain.

The Bigger Picture

Our ongoing partnership with WEA is more than just a corporate responsibility; it's a testament to our commitment to being agents of change. By intertwining women's empowerment, community development, and environmental sustainability, we aim to create a positive impact that resonates beyond our products and into the lives of those we touch.

What is Tamanu?

Many of you have probably seen (or smelled!) our tamanu oil in our Great Barrier Relief or Great Body Relief. Tamanu is a hero ingredient, providing deep moisture and anti-inflammatory function.

Tamanu oil is derived from the fruit seeds of the tamanu tree, a tropical tree found across Asia, Africa, & the Pacific.

Similar to how the tamanu oil is a hero for our skin, the tamanu trees themselves are heroes for our environment. The trees support a wide array of biodiversity, help with soil erosion control, act as windbreak & firebreak for communities, and can help restore degraded land.



Community & Partnerships

Press Reset Ventures

AND REPEAT

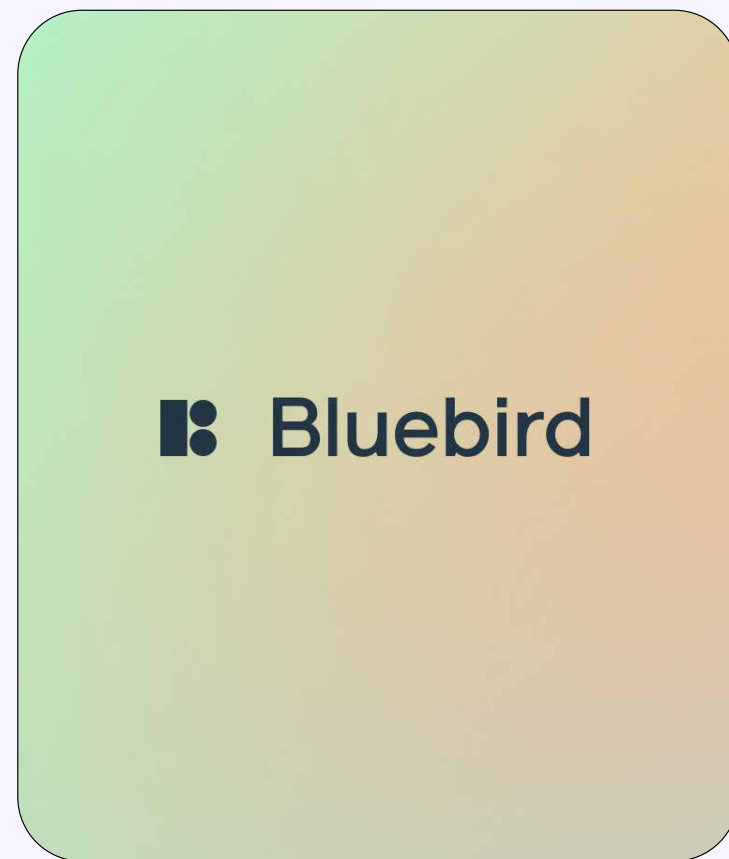
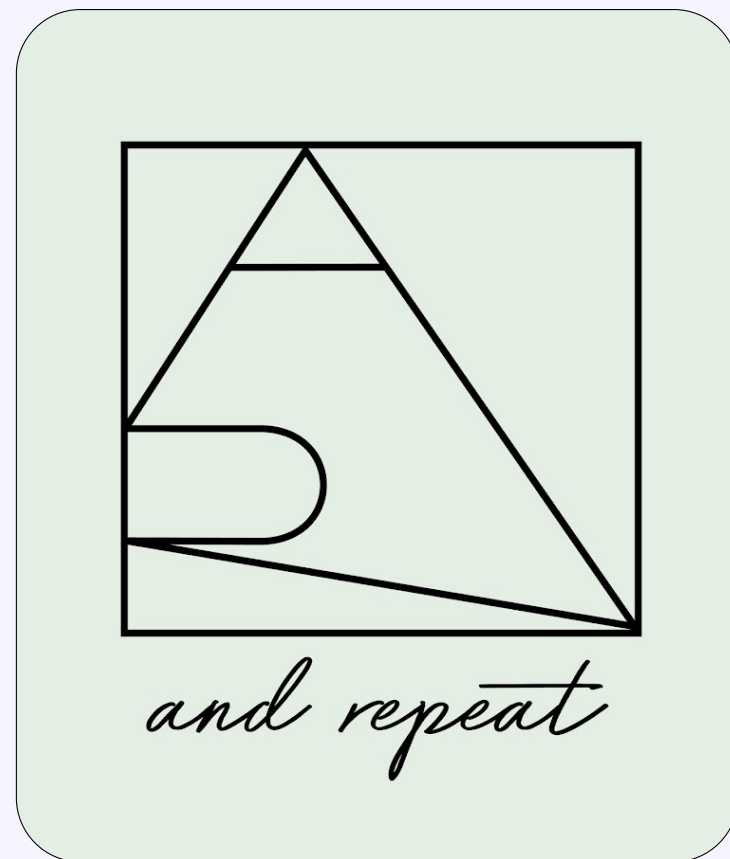
AUGUST

BLUEBIRD CLIMATE

EXPERIMENT BEAUTY

HELLO BIOME

INNERBOTTLE



Opening the door to mental health conversations

Founders:
Jayme Cyk + Ben Rabb
andrepeat.co

Identifying gaps in period care, made by Gen Z for Gen Z and beyond

Founders:
Nadya Okamoto + Nick Jain
itsaugust.co

In business to decarbonize the consumer products industry

Founders:
Anisha Gupta, Jamie McCroskery, + Dennis Lee
bluebirdclimate.com

Inspired by science, Thoughtfully sustainable, Ridiculously fun

Founder:
Lisa Guerrero
experimentbeauty.com

Microbiome platform that merges state-of-the-art Next-Gen sequencing, with a novel AI-powered technology

Founder:
Dr. Elsa Jungman
hellobiome.me

Innovative packaging solution with a circular economy platform

Founder:
Steve Oh
innerbottle.com



Slow Down Skincare

Community & Partnerships

SlowDownSkincare

We were taught to reduce before we reuse and recycle. That's why KraveBeauty's been committing to slowing down the fast-fashion like product launch cycle in the skincare industry. We want to use our platform to enlighten the industry that thinking suitably isn't enough — we need to rethink how fast or slow a company grows.

There are lessons to learn from a slower-paced friend. That taking it steady's the new business trend.

Redefining what growth looks like to you. Respecting the planet, and happy skin too.

Let's move with intention. Let's do more with less. Let's consciously change what we see as success.



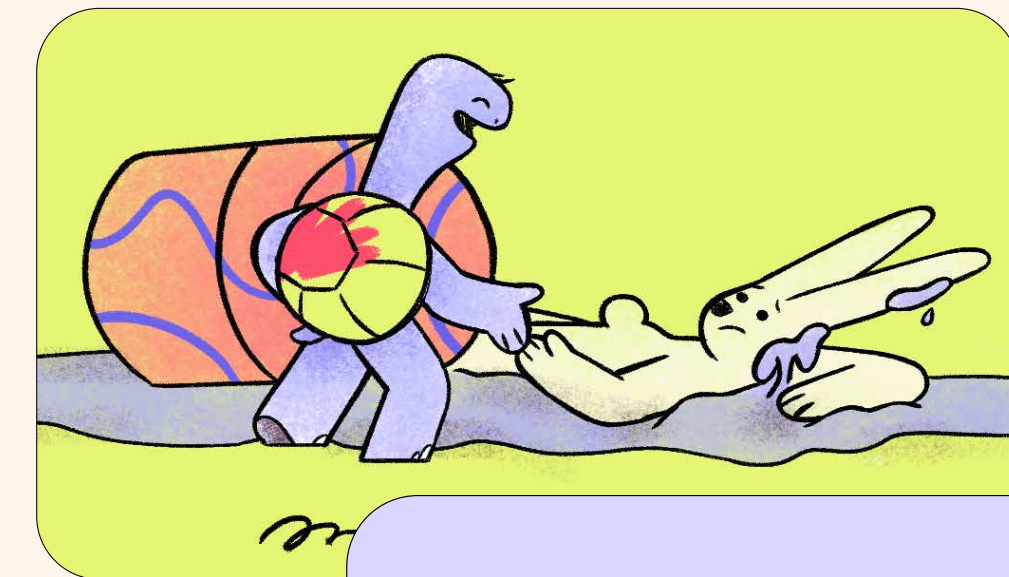
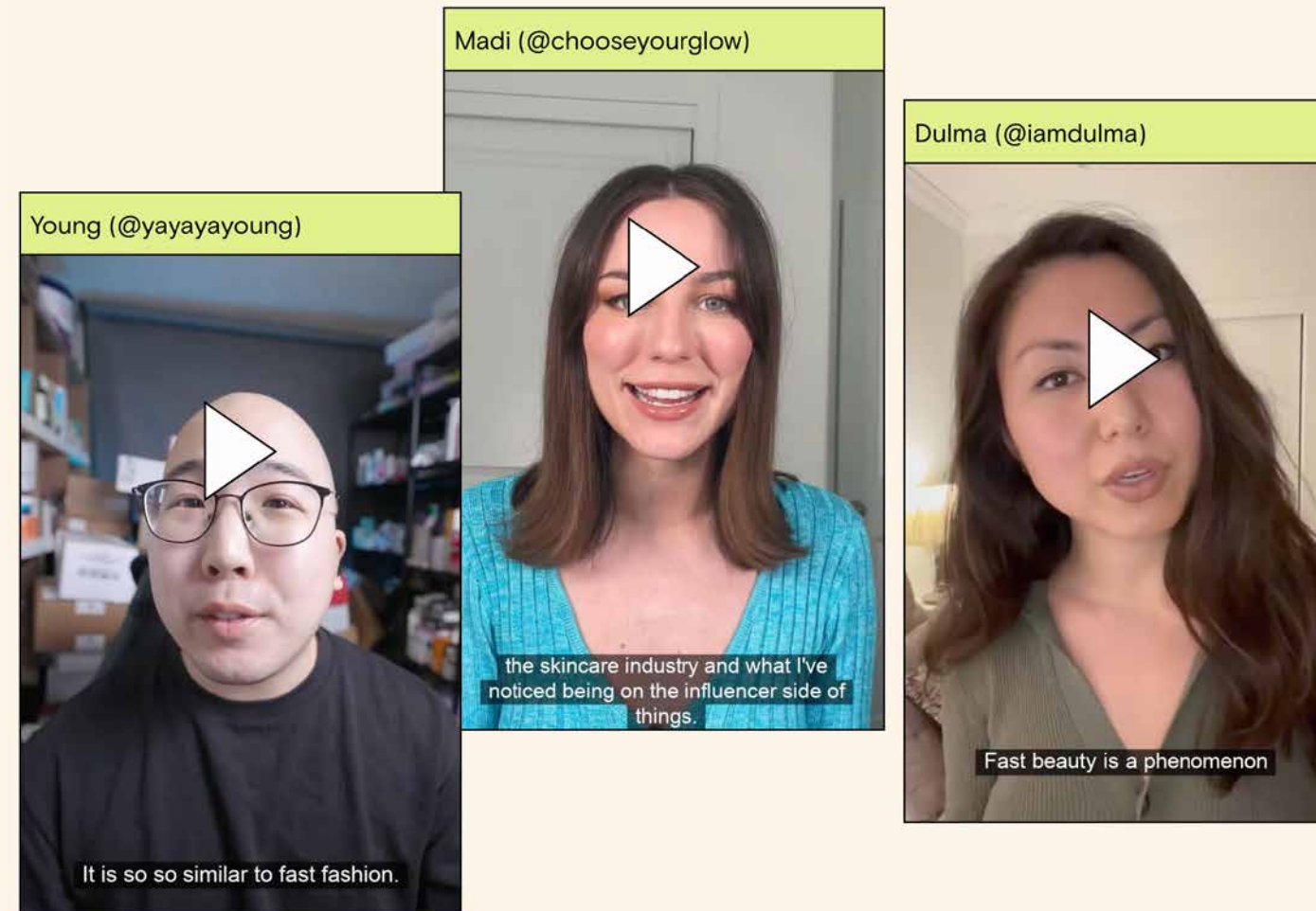
KraveBeauty Launches Slow Down Skincare Initiative

At KraveBeauty, we like to go slow. In 2020, we first launched our Slowdown Skincare Campaign, where we committed to not launch any products for a year and reevaluate our portfolio.

This year, on Earth Day, we re-launched the initiative, using a spin on the classic children's tale, "The Tortoise and the Hare." We, as an intentional brand, want to be like the tortoise, winning the race with gradual but stable progress. The campaign aimed to encourage our consumers and other brands to reexamine their contributions to the overproduction & overconsumption of beauty products.

The beauty industry, similar to the fast-fashion industry, is growing at an incredible rate and producing an enormous amount of unnecessary products. We believe the key to reducing our environmental impact is adopt a counter-mindset and commit to responsible & slow production.

For us, this is not a one-time commitment. We are dedicated to use our platform to continue enlightening the industry and our consumers and showing that slow and steady wins the race.





Community & Partnerships

Waste Me Not

In October of 2022, we launched our “Waste Me Not” campaign, aiming to bring awareness to the industry-wide hidden waste problem. Through this campaign, we peeled back the curtain on how we repurposed over \$1.5M in retail value of unsaleable product waste we created in the past year. We also hosted our first-ever pop-up to showcase our waste and spread our messaging.

WASTE ME NOT



Fun fact: We had over 3,000 customers attend our NYC Pop-Up!



CHECK OUT OUR [WASTE ME NOT VIDEO ON YOUTUBE!](#)



Additional Information

CONTACT US

kravebeauty.com

sustainability@kravebeauty.com

hello@kravebeauty.com

MORE INFORMATION

[Sustainability Page](#)

[Recycling Guide](#)

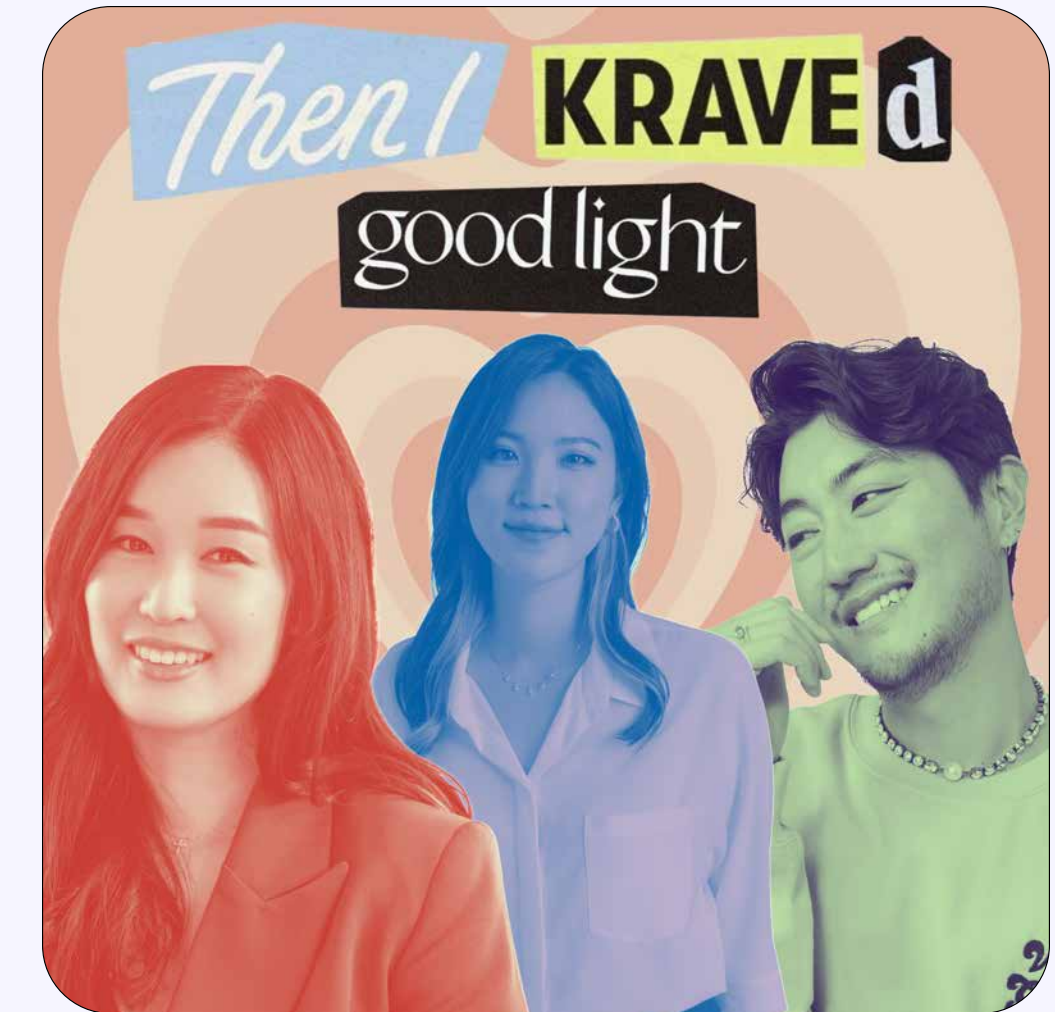
Appendix



DONATION INFORMATION

Organization	Monetary	Product	Total
Women's Earth Alliance	378,283	-	378,283
Great Barrier Reef Foundation	88,570	-	88,570
Project Beauty Share	-	28,000	28,000
The Farmlink Project	22,428	-	22,428
Climate Neutral	21,431	-	21,431
1% for the Planet	18,700	-	18,700
Race to Erase MS	-	15,000	15,000
Sunrise Movement	13,515	-	13,515
Ocean Conservancy	13,515	-	13,515
Welcome to Chinatown	4,100	7,545	11,645
Education Bridge	11,000	-	11,000
Pretty Brown Girl	10,000	480	10,480
Seniors Fight Back	10,356	-	10,356
AAPI Women Lead	10,271	-	10,271
Skin Cancer Foundation	10,000	-	10,000
Trans Defense Fund LA	1,400	5,140	6,540
commUNITY Action Fund by Hate Is A Virus	5,526	-	5,526
Individual Healthcare Workers	-	5,264	5,264
Feeding America	5,200	-	5,200
Callen-Lorde	5,000	-	5,000
Women's Reproductive Rights Assistance Project (WRRAP)	5,000	-	5,000
Rainforest Trust	5,000	-	5,000
Asian Americans Advancing Justice	3,938	-	3,938
Asian Mental Health Project (AMHP)	-	3,750	3,750
Lunar Accel	-	3,750	3,750
RSPCA NSW	3,367	-	3,367
NSW RFS and Brigades Donations Fund	3,367	-	3,367
World Wide Fund Australia	3,353	-	3,353
Red Cross Australia	3,353	-	3,353

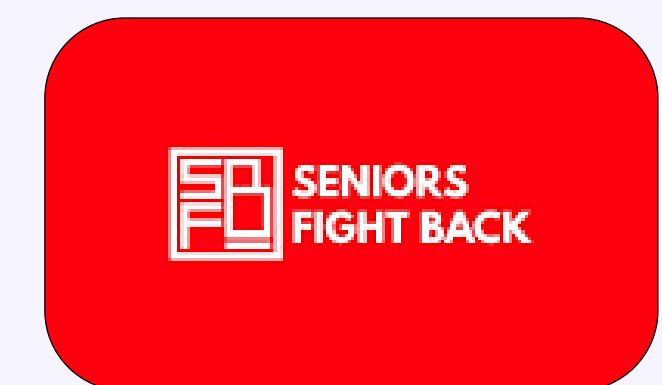
Organization	Monetary	Product	Total
Elmhurst Hospital	-	3,080	3,080
Mount Sinai Kravis Children's Hospital	-	3,080	3,080
Asian Pacific American Labor Alliance (APALA), AFL-CIO	2,575	-	2,575
Plate by Plate	-	2,500	2,500
Fifteen Percent Pledge	2,319	-	2,319
It Gets Better	2,100	-	2,100
TakeAction Minnesota	2,065	-	2,065
Linc Housing	-	1,536	1,536
Womankind	-	1,250	1,250
Latino Equality Alliance	1,249	-	1,249
First Nations Development Institute	1,152	-	1,152
WE ACT for Environmental Justice	1,151	-	1,151
Robin Hood Foundation	1,151	-	1,151
Empowering Through Beauty	1,148	-	1,148
APICHA	1,105	-	1,105
CARE's Ukraine Crisis Fund	1,050	-	1,050
Cafe Maddy Cab	1,025	-	1,025
Nova Ukraine	1,021	-	1,021
USA for UNHCR	1,000	-	1,000
United Help Ukraine	1,000	-	1,000
True Self Foundation	1,000	-	1,000
Official George Floyd Memorial Fund	1,000	-	1,000
Minnesota Freedom Fund	1,000	-	1,000
Kaleidoscope Trust	1,000	-	1,000
Doctors Without Borders	1,000	-	1,000
Black Lives Matter Global Network	1,000	-	1,000
OTHERS (<\$1K)	4,306	-	4,306
Total	688,092	80,375	768,467



In May of 2022, we celebrated AAPI Heritage Month by collaborating with several other AAPI founded companies. Together, we created the Then I Krave'd Good Light Set and donated 100% of the profits to two organizations. Together, we donated over \$20,000 to support AAPI communities.



[AAPI Women Lead](#)



[Seniors Fight Back](#)