



DE & I Heart Journey Report



SEPHORA

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This report primarily focuses on US programs, activities, and data between June 1, 2022–May 31, 2023, unless otherwise noted. Further details and information can be found at: inside-sephora.com/en/usa/diversity-equity-inclusion.

A Note from Us to You



George-Axelle Broussillon Matschinga

Vice President
Diversity, Equity & Inclusion
Sephora USA

At Sephora, our DE&I mission is central to who we are as a brand. We champion all beauty fearlessly and build inclusive environments for our employees, consumers, and communities.

As we celebrate our 25th anniversary, I'm proud to say we've stayed committed to keeping Sephora a place where everyone belongs; we've actively evolved our internal and external practices and taken key steps to address systemic inequities affecting beauty and culture at large.

Since co-creating the Mitigate Racial Bias in Retail Charter with non-profit Open to All, we've also become a change leader—bringing over 60 major retailers together to take action, collaborate, and make collective impact. With the launch of our holistic DE&I Heart Journey strategy, we significantly increased the share of our leaders of color to 45 percent companywide and doubled the share of Black leaders in our stores.

We focused our efforts not only on hiring, advancement, and training, but also on marketing, product assortment, and the in-store experience—which led us to double the share of Black-owned brands on our shelves and increase our spend on diverse suppliers by over six percent. Through our 11 DE&I initiatives, we've consolidated our progress across these areas, which we are pleased to share today in our annual DE&I Heart Journey Report.

There is still work to be done, but I'm incredibly proud of our sustained achievements and how far we're still willing to go. We remain energized by our progress and look forward to sharing future updates as we continue this important work.



Corey Yribarren

Chief People Officer
Sephora North America

Three years ago, we made stronger commitments toward racial inclusion and designed a comprehensive DE&I Heart Journey Strategy and action plans, leveraging feedback from our employees across our offices, stores, and distribution centers. We took accountability to drive change collectively, and I am encouraged by the progress made thus far. Moving forward, we will continue driving for more progress and will remain a people-first organization. Receiving the Great Place to Work Award in 2023 is a testament of our efforts to stand as an employer of choice for all.



Jean-André Rougeot

President and CEO
Sephora Americas

At Sephora, diversity, equity, and inclusion have been a part of our core values since we launched a new kind of beauty retail destination in the US over 20 years ago. We're committed to doing all we can to make our US retail experience more welcoming for everyone. I am proud of the work accomplished over the years as we strive to become an employer, a retailer, and a partner of choice for all. It has been a journey, but we're committed to holding ourselves accountable to this mission for the benefit of our employees, our consumers, our communities, and the retail industry at large.



Our DE&I Heart Journey

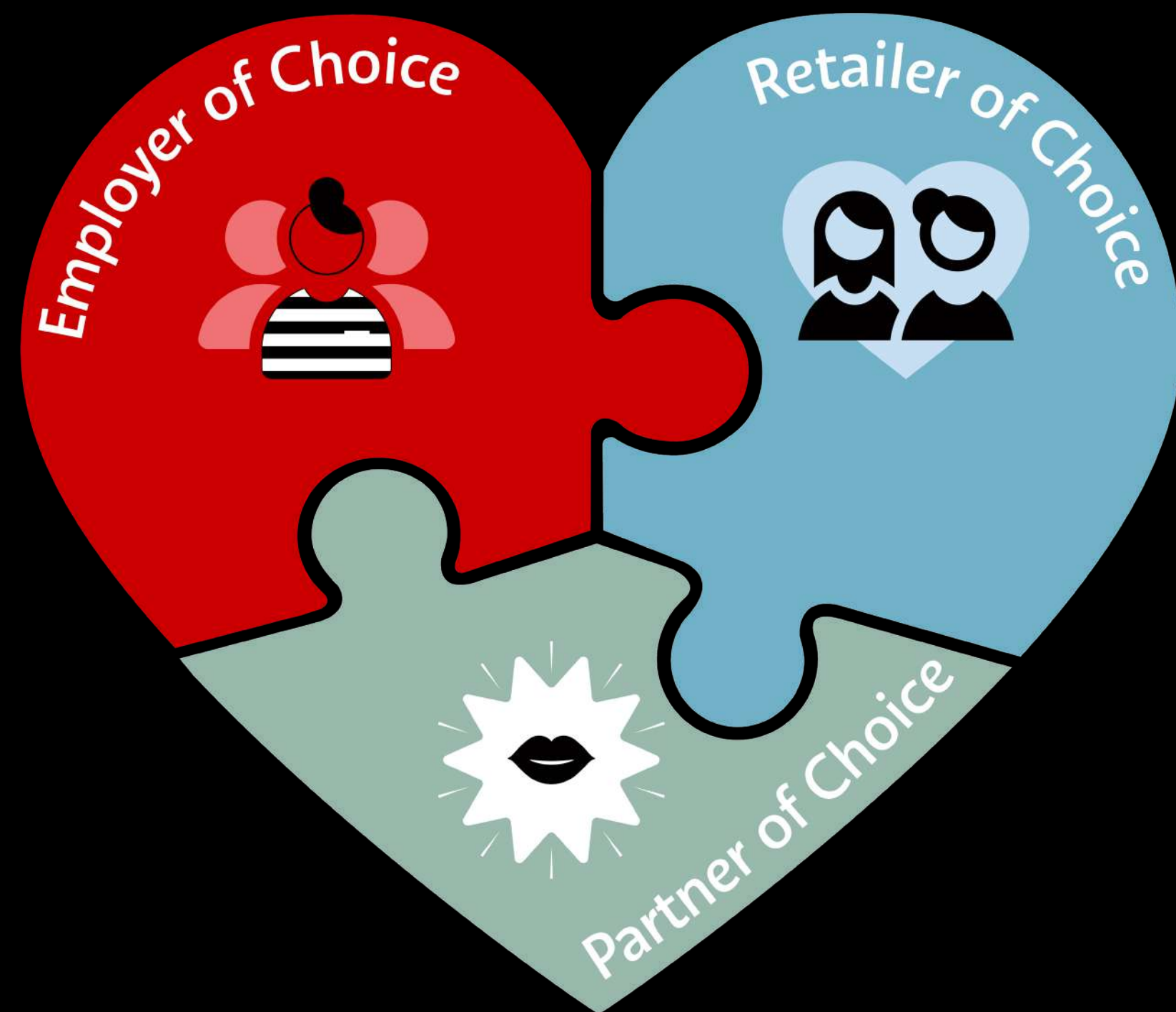




Sephora believes in championing all beauty, living with courage, and standing fearlessly together to celebrate our differences. Diversity, equity, and inclusion are the core values that fuel all areas of our business.

We will never stop building a community where diversity is expected, self-expression is honored, all are welcomed, and you are included. This mission informs our brand platform, "We Belong to Something Beautiful," which is our guiding principle and motivates all we do. Because when more people feel like they belong, the whole world is more likely to reap the benefits of their unique greatness.

To make it all possible, we've adopted an approach that focuses on key goals: 11 DE&I initiatives and six DE&I groups, which, in addition to people of color, include women, people with disabilities, LGBTQIA+ people, working parents, millennials, and people over the age of 50.

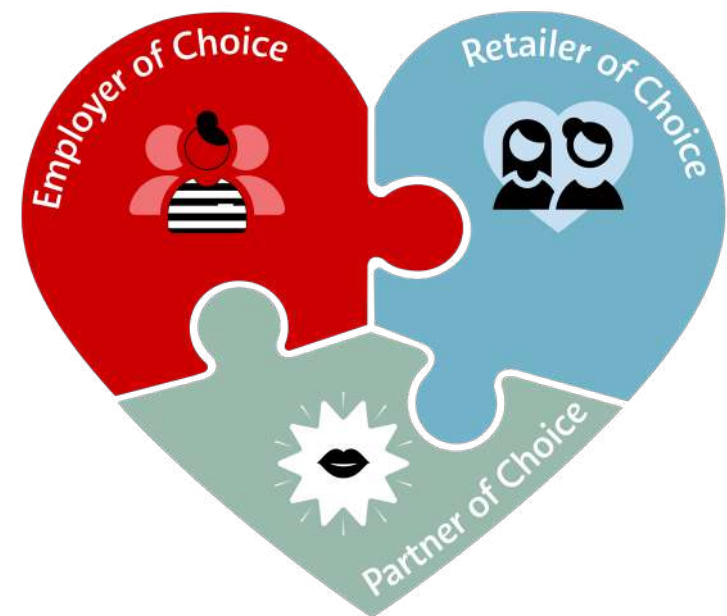


VISION

Become the diversity, equity, and inclusion champion of the (beauty) retail industry.

MISSION

Champion all beauty fearlessly and build inclusive environments for employees, consumers, and communities.



We focus on three key pillars

EMPLOYEES

Our employees are an inspiring group of people with widely varied backgrounds and experiences. They are key to who we are as a brand and to our ambition to cultivate inclusion.




CONSUMERS

To provide the level of service you deserve, we create welcoming, inclusive, and accessible experiences. That way, you can proudly champion your beauty fearlessly.

COMMUNITIES

Our communities are made up of brands, suppliers, and charities that reflect our diverse populations and include those who empower and support others.

To help implement and prioritize our 11 DE&I initiatives, we launched an executive DE&I Steering Committee, which aims to hold us accountable internally.

	OUR DE&I INITIATIVES	OUR DE&I GOALS
 Employer of Choice	Diverse Hiring	Attract, recruit, and retain underrepresented talent in leadership
	Advancement Corporate	Ensure equal access to experiences and opportunities supporting leadership advancement in our offices
	Advancement Retail	Ensure equal access to experiences and opportunities supporting leadership advancement in our stores
	All Abilities Hiring	Roll out Sephora All Abilities Hiring initiative to all distribution centers
	Sustained Learning & Engagement	Build inclusive and anti-racist workplaces through DE&I trainings, ERGs, and DE&I stories
	Equitable Rewards	Provide equitable rewards (benefits and compensation) to all
 Retailer of Choice	In-Store Experience	Address and mitigate unconscious bias in our stores
	Inclusive Marketing	Drive inclusive marketing and diverse representation on our platforms to lift up all forms of beauty
 Partner of Choice	Charitable Engagements	Increase awareness and support of our 12 Focus Charities
	Brand & Product Diversity	Support the 15 Percent Pledge and increase the share of Black-owned brands
	Supplier Diversity	Increase our spend with underrepresented suppliers



An Inclusive Workplace for Our Employees

Our commitment to making our workplace an inclusive space

Without our employees, none of this would be possible. Sephora is committed to implementing a series of initiatives designed to attract, develop, and support a diverse workforce.

We want our employees to feel safe and supported every day, and to feel that working here is more than just a job.

Through inclusive hiring, training, and equitable advancement, we will create an inclusive, unbiased, and accessible environment and a sense of belonging for all of our employees. This will help diversify our workforce, from entry-level to leadership, and ensure these values are upheld at all levels within the organization.



Diverse Hiring

When it comes to hiring, we always make sure our candidate pool has a wide range of backgrounds and experiences. With a diversity mindset at the forefront, we can build a more inclusive workforce and can more accurately reflect our consumers.

We welcome every candidate and believe more diverse backgrounds are not only imperative to bringing the values of our brand to life, but also to making the world a place where varied voices can influence ever-evolving ways to change and grow.

+7%

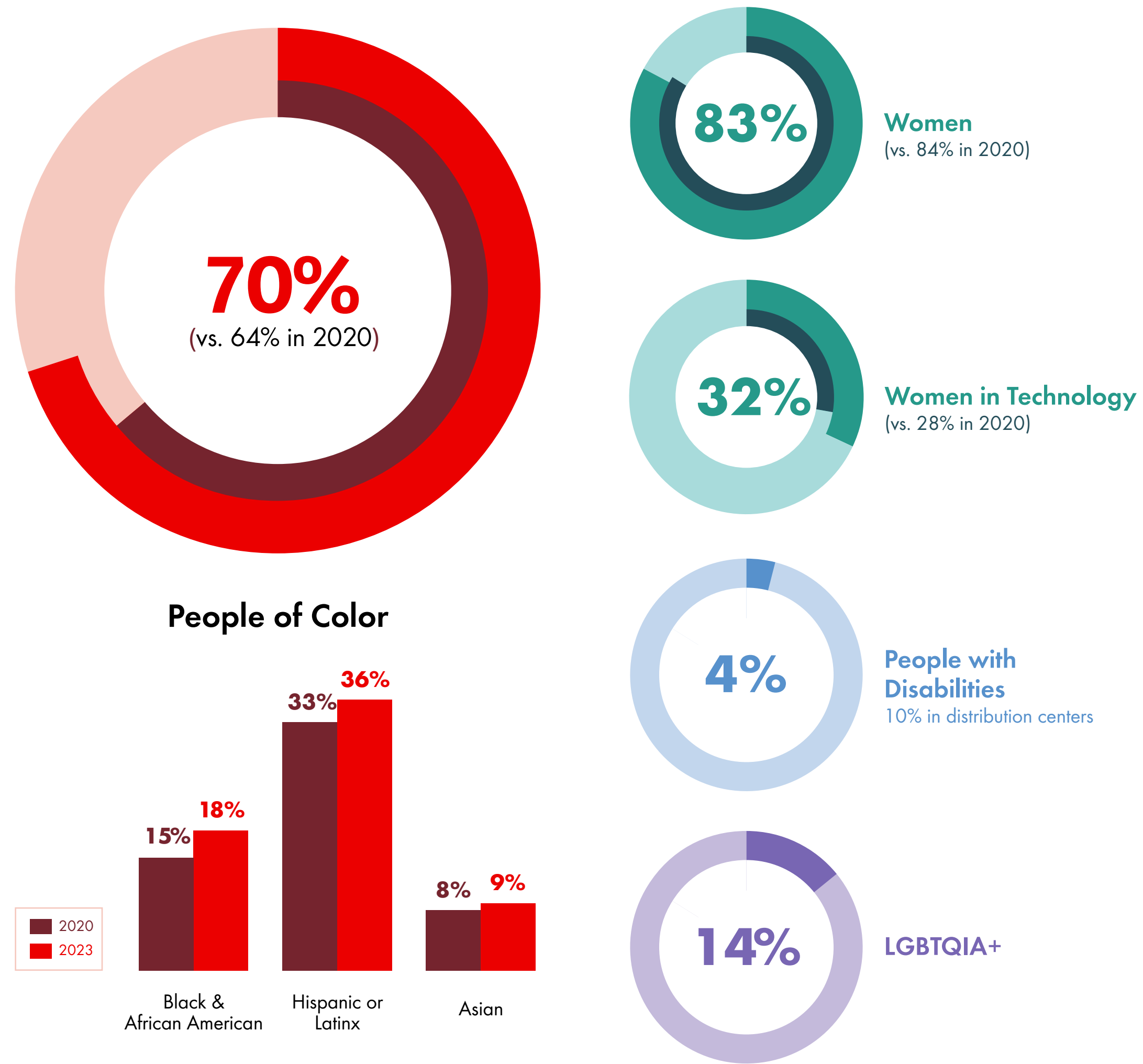
Since 2020, there has been a seven percent increase of Black and African American leaders hired throughout the organization.

+10%

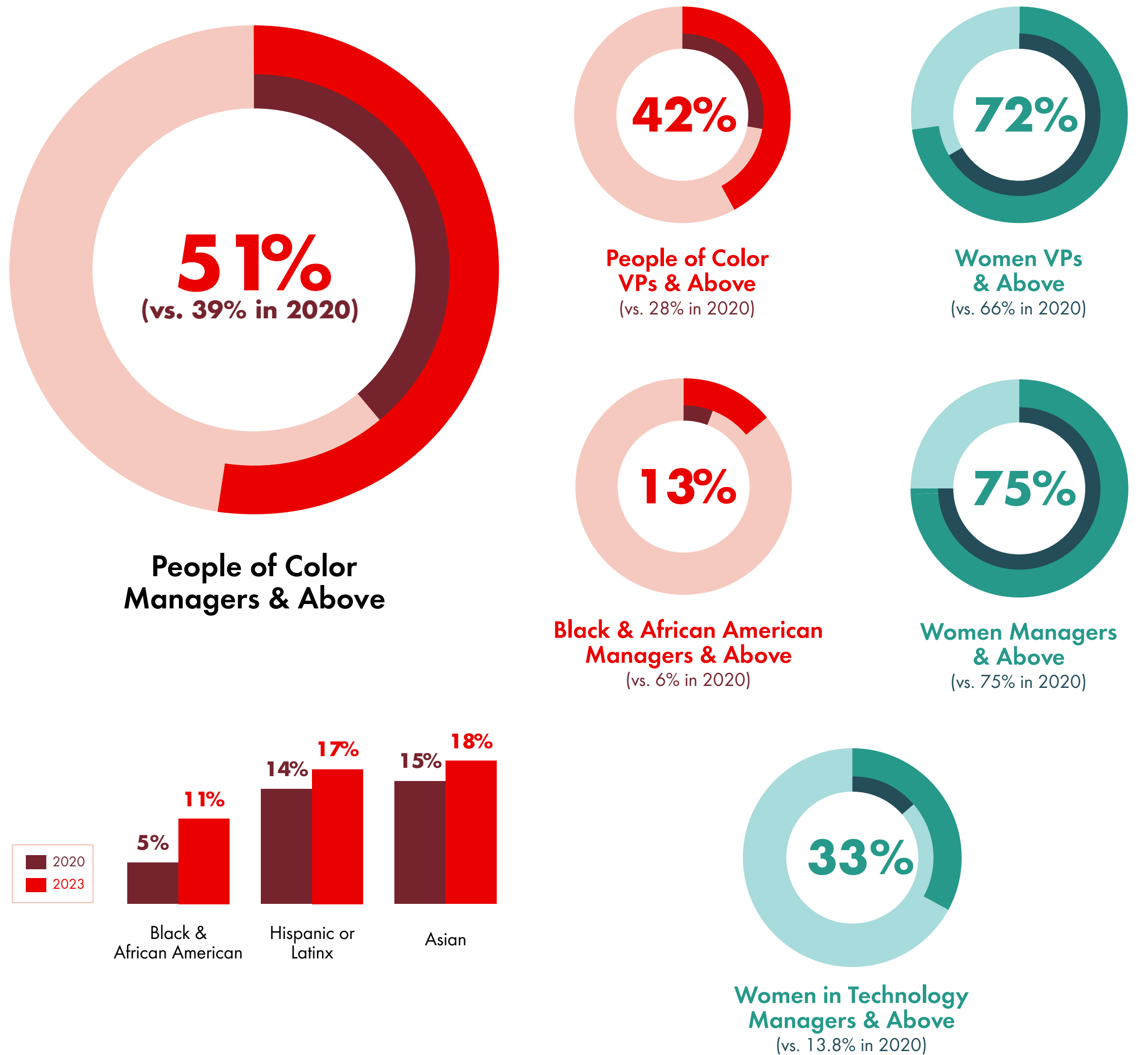
Since 2020, there has been a ten percent increase of Hispanic or Latinx leaders hired throughout the organization.



Our Employee Demographics



Our Leadership Demographics



All data represent employees who self-identified to the respective categories



Emerging Talent Initiatives (Sephora Pathways)



INTERNSHIP PROGRAM

In the summer of 2023, we hired 48 interns, including students from the Drexel University Co-op Program.

The internship is nine weeks remote and one week onsite, covering technical and competency development. This summer focuses on campus partnerships, DE&I, and intern conversion.

90% of the 2023 cohort self-identified as people of color.



ROTATIONAL MANAGEMENT PROGRAM (LEAP)

Our summer interns are eligible to apply for a full-time position in our Rotational Management Program. This 10-month entry-level role has rotations in Merchandising, Marketing, and Supply Chain Rotational, and offers soft-skill development focused on self-knowledge, working with others, and being part of a team. The goal is to place the participant in a full-time role after program completion. Our 2022 inaugural cohort of had six participants, of which two were former store employees.

100% of our inaugural Rotational Management Program cohort were 2021 summer interns.

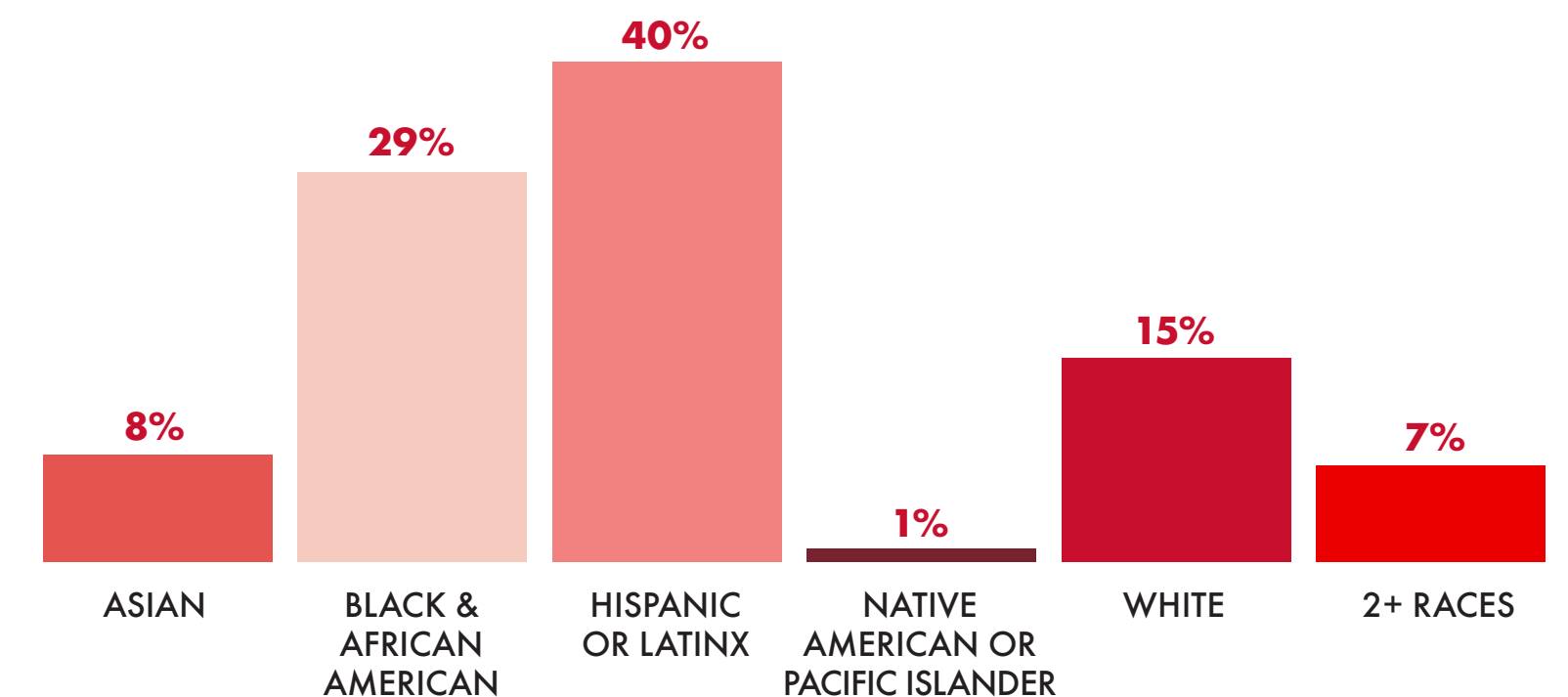


SEPHORA SCHOLARSHIP

The Sephora Scholarship program is designed to empower BIPOC students pursuing a licensed career in beauty through professional training and education. The six-month program includes up to \$7,500 tuition support for esthetician or cosmetology school, a paid internship at a Sephora store, and access to product training and PRO artistry classes.

\$1.4M Since launching in 2021, the program has provided \$1.4M of tuition support to over 200 scholars.

Our 2023 Sephora Scholar Demographics





Equitable Advancement

At Sephora, we strive to provide everyone with equitable advancement opportunities. We're working to ensure everyone has the same chances for internal jobs, the same access to experiences and opportunities supporting leadership development, and that open positions are visible and offered to all equitably without bias.

We launched **new career development programs** to develop an inclusive managerial culture and empower employees to reach their career aspirations and have the tools they need to grow in their roles.

We have a variety of programs available to support employees' targeted growth and development. For managers, we have our People 1.0 series where they build leadership foundations, and People 2.0 will be launching later this year.

To help employees plan their careers, we launched retail and distribution-center career pathing in 2022 and an FSC career-pathing tool in 2023. Launching in 2023 also will be a director curriculum and placemats to help employees understand the variety of courses and developmental opportunities available.



SEPHORA
TALENT INCUBATOR PROGRAM

SEPHORA TALENT INCUBATOR PROGRAM (STIP)

STIP is our first-ever structured mentoring and coaching program inclusive of underrepresented talent of color. This program is designed to build the next generation of culturally competent and diverse leaders.

Since May 2021, a total of 100 mentees and 47 mentors across Sephora's offices and stores completed the program. Our next cohort includes 75 mentors and 49 mentees.

50% of STIP mentees have been promoted to the next managerial level through 2023.





All Abilities Hiring

Since its inception in 2017, the All Abilities Hiring initiative has been in four of our five North American distribution centers. After the successful completion of a nine-week structured training program, graduates receive an offer to join us full time.

Our distribution centers have become the model for hiring talent with disabilities. Together with communities, local advocacy groups, and educational institutions across the country, we provide career training and support to enable independence and self-sufficiency. This allows us to grow the program in our existing locations, strategize a launch for our corporate office and stores, and develop disability-inclusion training.

278 employees with disabilities were hired since the All Abilities Hiring initiative launched. Employees with disabilities represent 10% of our distribution talent.



Sustained Learning & Engagement

As the world continues to evolve, so will we. This means our training will adapt continually to give our employees the resources they need to engage in challenging conversations around race and bias.

Our **“Together, We Thrive”** campaign celebrated **International Women’s Day** and highlighted testimonies of extraordinary women across the globe. In addition, we focused on fostering male allyship through our first-ever **“Gender Partnerships & Healthy Masculinity”** panel.

This kicked off **MARC (Men Advocating for Real Change)**, a training program by Catalyst that engaged male leadership in a series of facilitated virtual workshops and self-guided learning designed to deepen understanding, enhance gender partnership and inclusivity skills, and promote advocacy for gender equity.

We launched **My Sephora Inclusion**, a new platform that gives all employees access to all nine Sephora INCommunities (business employee resource groups) and related 18 chapters. Since 2022, we’ve seen an 18% increase of employees who joined My Sephora Inclusion, a 16% increase in employees who joined two or more INCommunities, and a 129% increase in INCommunities events.





A Welcoming Space for Our Consumers

Our commitment to creating a welcoming and inclusive in-store experience

Sephora is committed to making sure everyone feels welcomed, is treated with respect, and is provided exceptional service in every Sephora experience. Our mission to champion all beauty fearlessly and build diverse and inclusive environments starts with understanding our consumers and their needs.

We're proud of every step we take forward, but we know that this is an ongoing journey.





Racial Bias in Retail

In January 2021, [we released our first-ever large-scale bias study](#), The Racial Bias in Retail Study, which measured the problem of racially biased and unfair treatment in retail settings and highlighted tactics and actions that can mitigate biases in the shopping experience.

With Open to All, a nonprofit nondiscrimination program, we co-created the Mitigate Racial Bias in Retail Charter and brought together over 60 retailers—including LVMH and some of its Maisons—like Rimowa, Moët Hennessy, fresh, Benefit Cosmetics, and Kendo—to sign and pledge to ensure a more welcoming retail environments for all by establishing processes and practices that can help mitigate racial biases in the shopping experience. Since launch, the charter collaboration has brought signatories together on a monthly basis to share best practices, foster partnerships, and create a meaningful impact in retail at large.



15 Percent Pledge

In June 2020, we were the first major retailer to take the 15 Percent Pledge and dedicate at least 15 percent of our assortment to Black-owned brands. Since then, we are proud to have more than doubled our overall assortment of Black-owned brands—including achieving 15 percent in the hair category. In 2023, Sephora’s commitment to the 15 Percent Pledge remains intact and stronger than ever.

In February 2023, we launched [How I Made This](#), a new video series featuring diverse founders of beauty brands. They share the origin stories of their hero products and their inspiring journey to business ownership.

28 Black-owned brands are currently carried at Sephora, up from 8 in 2020.

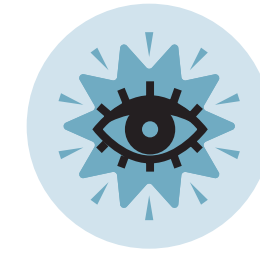


Additional Progress

In fall 2021, [we ran our first-ever Black-owned-brands campaign](#) to further recognize and celebrate the contributions that Black culture and Black innovators have made to the beauty industry, including the excellent selection of products available for all beauty consumers. We continue to amplify these brands through dedicated monthly campaigns.

As a follow-up to our [Cultural Allyship](#) training focusing on the working and shopping experience for BIPOC individuals, we deployed a diverse client offering training focused on better equipping store employees on how to answer BIPOC clients’ beauty needs with our diverse product and brand offering.

Sephora’s [Disabilities Purchase Study](#) conducted this year showed that 9 in 10 clients with disabilities say they shop in store. Leveraging this study, we developed a series of sensitivity trainings for store employees to better serve clients with disabilities. Our three-part Conscious Client Service training series focused on ableism, invisible and dynamic disabilities, and allyship.



Making Marketing a Better Reflection of the World

At Sephora, we recognize the lack of representation in the beauty industry and the effects it has on both individuals as well as society at large. To better understand our role, we've listened to the community and are taking intentional steps to close the gaps and include everyone of all identities, shapes, and backgrounds.

Putting our values into action is how we truly dedicate ourselves to amplifying our DE&I commitments. We use our platforms to lift up all people, with their infinite forms of beauty, so we can help support the growth of diverse brands and tell stories that celebrate everyone. When more people feel they are seen and that they belong, our differences become something to be proud of.

We use our platforms to lift up all people, with their infinite forms of beauty.

SEPHORA
+
TikTok
INCUBATOR PROGRAM

Navigating Creator Content

Sephora and TikTok, along with partner agency Digitas, launched a partnership designed for new, founder-led beauty brands to navigate the world of creator content. The **Sephora x TikTok Incubator Program** will connect TikTok creators to best-in-class beauty brands from Sephora's Accelerate program, helping them learn impactful social-content strategies through a series of educational training modules.



Making Safe Spaces

Following last year's launch of our **Hearts Not Hate** guidelines—designed to create safe, inclusive online spaces where all feel respected—we launched a series of allyship trainings in partnership with Right To Be, featuring our brand founders.



Driving Awareness

Black Beauty Is Beauty, the short film we launched to celebrate the impact and influence of Black beauty and culture on modern beauty, was recognized with a Silver Lion in the Public Relations category at the 2022 Cannes Lion Awards.



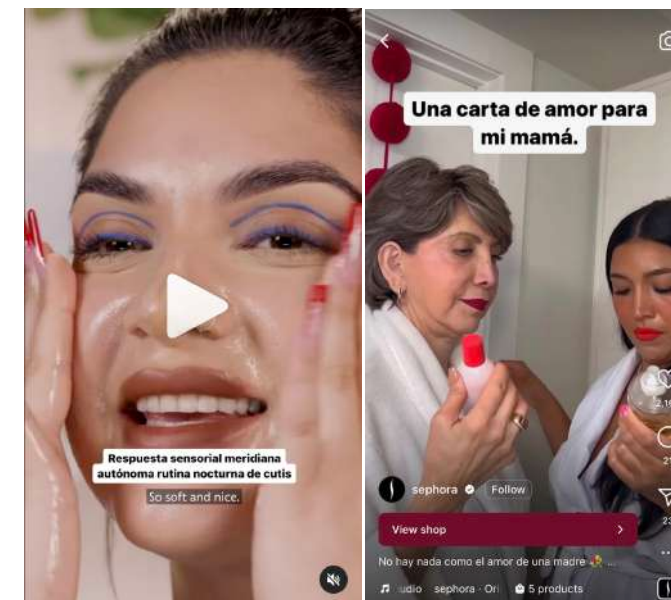
Amplifying Voices

We continue to cultivate one of the industry's most diverse influencer groups through **Sephora Squad**. Of the 2022 cohort, 78% of the members self-identify as people of color.



Breaking New Ground

The documentary we produced that chronicled the rise, fall, and rebirth of iconic cosmetics brand Fashion Fair, **The Beauty of Blackness**, won a Tribeca X award in the Feature Film category at the 2022 Tribeca Film Festival.

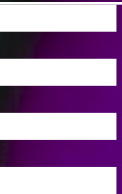


Inclusive Practices

In 2023, we featured Spanish content in all top-of-funnel marketing campaigns. Additionally, our Spanish and Spanglish content tripled on YouTube. We continue to include closed-captioning on all Sephora-produced Instagram video content to make it more accessible.



A Partner for Our Communities



Our commitment to addressing barriers in our communities

We're grateful for all of the beauty communities that have welcomed us in. Our communities have helped us break through our own barriers, and we strive to do the same for them. We can address barriers for underrepresented communities by creating space, expanding access, and becoming the supportive partner they deserve. Through charitable-giving initiatives and strategic partnerships, we strive to make those in our communities feel seen and heard.

We're proud to have partners that actively help shape our work on equity and the way we show up as a retailer in the beauty industry and beyond.

Change happens when we work together.



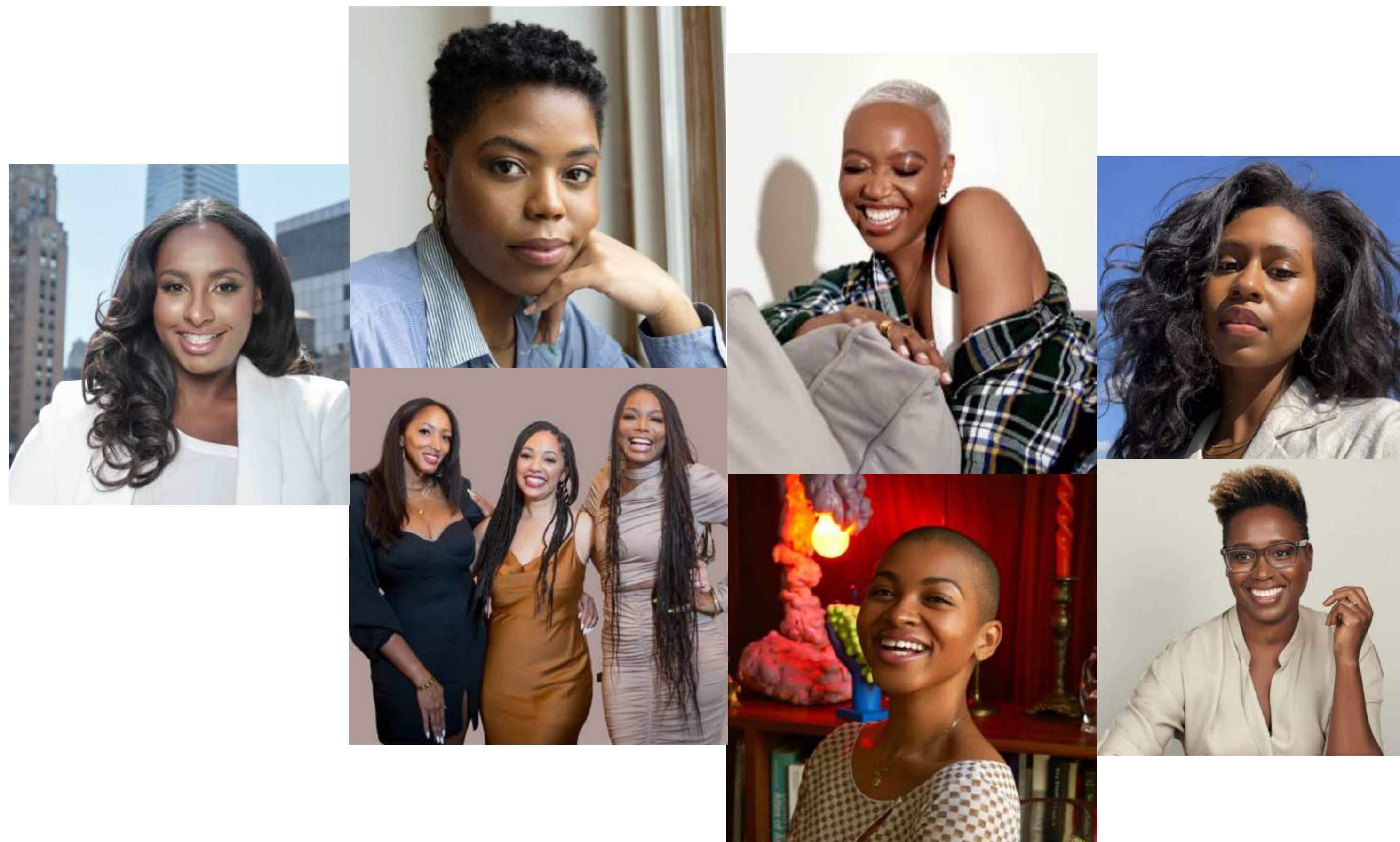


Accelerating Brand & Product Diversity

We've adapted our **Sephora Accelerate** brand incubator program—focusing on developing and launching BIPOC-owned brands to build a community of innovative, inspirational brand founders in the beauty space.

Since 2021, we have graduated 25 entrepreneurs with brands spanning makeup, skincare, hair care, and fragrance.

+50% By the end of 2023, more than half of our Accelerate brands from the 2021–2023 cohorts will have launched at Sephora.





Charitable Engagements

We have deep relationships with our communities, from partnering with 12 Focus Charities each year to introducing more ways for our consumers and employees to get involved through charitable donations.

\$1.4M donated by Sephora and employees to our 12 Focus Charity partners

5,750 hours volunteered by 600 employees

\$5M of product donated to underserved communities & diverted from landfill

Charity Rewards Program

Each month, we build awareness of one Focus Charity by featuring it in the Sephora Rewards Bazaar and on our social channels, inviting our consumers to share their support by redeeming their Beauty Insider points as donations. We supported more than **232 communities and organizations in 2023** through giving and volunteering efforts.



Ending bullying for AAPI youth



Disability inclusion, support and awareness



Suicide prevention and crisis support for LGBTQ youth



Inspiring all girls to be strong, smart, and bold

Girls' empowerment



Alleviating poverty in the African American community



Fighting for civil rights and empowering Asian Americans



Ending racism, homophobia and LGBTQ+/SLG bias



Disability inclusion, support and awareness



Girls' empowerment



Champion just and equitable public policy for Black women



Bystander training for injustice and ending bullying for BIPOC communities



Civil rights, equity and justice for the Hispanic community



Increasing Supplier Diversity

We're staying focused on growing our strong base of suppliers from underrepresented communities and encouraging the growth of diverse businesses as well as innovative products, services, and solutions.

Sephora Supplier Diversity Champions are a group of designated individuals in each area of our business who drive results and impact by serving as advocates for supplier diversity.

6.1% of Q1 2023 spend was with suppliers from underrepresented communities.

Inspiring Fearlessness

Classes for Confidence are inclusive workshops delivered in partnership with nonprofit organizations to help empower people in key moments, such as reentering the workforce, fearlessly facing cancer, or exploring their gender expression. Initiated in the United States and Canada, Classes for Confidence has expanded globally. Since its launch in 2015, it has provided support for more than **126,000 people** with over **2,800 classes**.





Moving Forward

Our commitment to strengthening our DE&I strategy and positioning

As we celebrate Sephora's 25th Anniversary and continue moving toward our goals, we will go on strengthening our DE&I progress in terms of leadership representation, inclusive culture, in-store experience, supplier diversity, and industry impact. Our ongoing commitment is to ensure our employees, consumers, and community continue to feel welcome, represented, and included in all of our stores and in all of our environments. From diversifying our team to cultivating inclusive workplaces, we will continue to build on our achievements to progress, inspire other companies, and have a positive impact on beauty and culture at large.

We aim to drive change by leading the charge.



We are humbled to be recognized with the following awards in the past year and are grateful for the support of our partners

Awards

FORBES

Best Brands for Social Impact
(2023)

The Best Employers for Women
The Best Employers for Diversity
Best Employers for New Grads

(2022)

HUMAN RIGHTS CAMPAIGN

100% Corporate Equality Index Rating
4 years in a row (2019–2022)

GREAT PLACE TO WORK® CERTIFIED

81% of employees surveyed say Sephora is a
Great Place to Work
US average: 57% (2023)

SXSW INNOVATION

Enterprise Diversity, Equity, and Inclusion
(2023)

Partners

CATALYST

A 60-year-old global nonprofit working to build workplaces that work for women.

DISABILITY:IN

The leading nonprofit resource for business disability inclusion worldwide.

SERAMOUNT

A strategic professional-services and research firm dedicated to advancing diversity, equity, and inclusion in the workplace.

OPEN TO ALL

A nonprofit nondiscrimination program and co-partner with Sephora in the creation of the Mitigate Racial Bias in Retail Charter.

VALUABLE 500

A global business collective made up of 500 CEOs and their companies, innovating together for disability inclusion.



Appendix

SEPHORA



DEFINITIONS

Sephora leadership is defined as:

Corporate office/Field Support Center (FSC) leadership:
Managers/Sr. Managers, Directors/Sr. Directors, VP+

Field/Store (Retail) leadership:
Store Managers/General Managers, District Managers
and Regional Directors

DC (Distribution Center) leadership:
Supervisors/Sr. Supervisors, Managers/Sr. Managers,
Directors/Sr. Directors, VP+

LEGAL DISCLAIMER

Sephora DE&I Aspirational Goals are targets that we aim to achieve to measure progress in our efforts to increase diverse representation at various leadership levels across the organization. They are not meant to be inflexible and should not be interpreted as a hiring quota, minimum or expectation, or a set-aside or bonus objective where individuals from underrepresented groups (talent of color / people of color and women / female identifying) are hired or promoted over more qualified others and should not be interpreted as such.

DATA DISCLAIMER

The data in this report does not include the population of employees that did not self-report their ethno-racial group, gender, disability, or LGBTQIA+ statuses.

SEPHORA

We Belong to Something Beautiful