



WHEREAS: Human capital management disclosures are garnering attention in [Congress](#) and the [SEC](#);

The retail sector's low-average wages, which help Ulta maintain low product prices, may increase labor-related risks. Companies can face decreases in market share and revenue from negative consumer sentiment in the event of public disagreement between companies and workers;

Underrepresentation of women and minorities in management structures may lead to allegations of discriminatory practices in promotions or wages. Litigation can eat into thin margins and cause reputational damage;

The Sustainability Accounting Standards Board (SASB) has established sector-specific standards to assist companies in disclosing financially material, decision-useful sustainability information to investors. The standards identify a minimum set of sustainability issues most likely to impact operating performance or financial condition of the typical company in an industry. Businesses use SASB standards to better identify, manage, and communicate to investors sustainability information that is comparable, consistent, and financially material, thereby enabling better investment and voting decisions;

The SASB standards are recognized as financially material by mainstream investors. The SASB Investor Advisory Group, 46 global asset owners and managers "[b]elieve [SASB's approach--which is industry-specific and materiality-focused--will help provide investors with relevant and decision-useful information.](#)" Members of the SASB Investor Advisory Group and SASB Alliance comprise seven of the [ten largest worldwide money managers](#) as well as [pension funds of six states](#);

SASB Labor Practices standards encompass average hourly wage and percentage of in-store employees earning minimum wage; voluntary and involuntary turnover rate for in-store employees; and total amount of monetary losses as a result of legal proceedings associated with labor law violations;

SASB Workforce Diversity and Inclusion metrics concern the percentage of each gender category for global operations; and standard EEO-1 racial and ethnic group categories for U.S. operations for management and non-managerial employees;

Yet, Ulta does not disclose this financially material information. Its absence challenges investors' ability to comprehensively evaluate our company's management of sustainability risks and opportunities;



BE IT RESOLVED: Shareholders request that the Board of Directors issue a report to shareholders describing the company’s policies, performance, and improvement targets related to material human capital risks and opportunities by 180 days after the 2020 Annual Meeting, at reasonable expense and excluding confidential information, prepared in consideration of the metrics and guidelines set forth in the SASB Multiline and Specialty Retailers & Distributors standard’s provisions on workforce diversity and inclusion and labor practices requirements.