

EUROPEAN
WAX
CENTER®

2022 ESG REPORT

Our efforts to build a more
confident, inclusive and
sustainable community

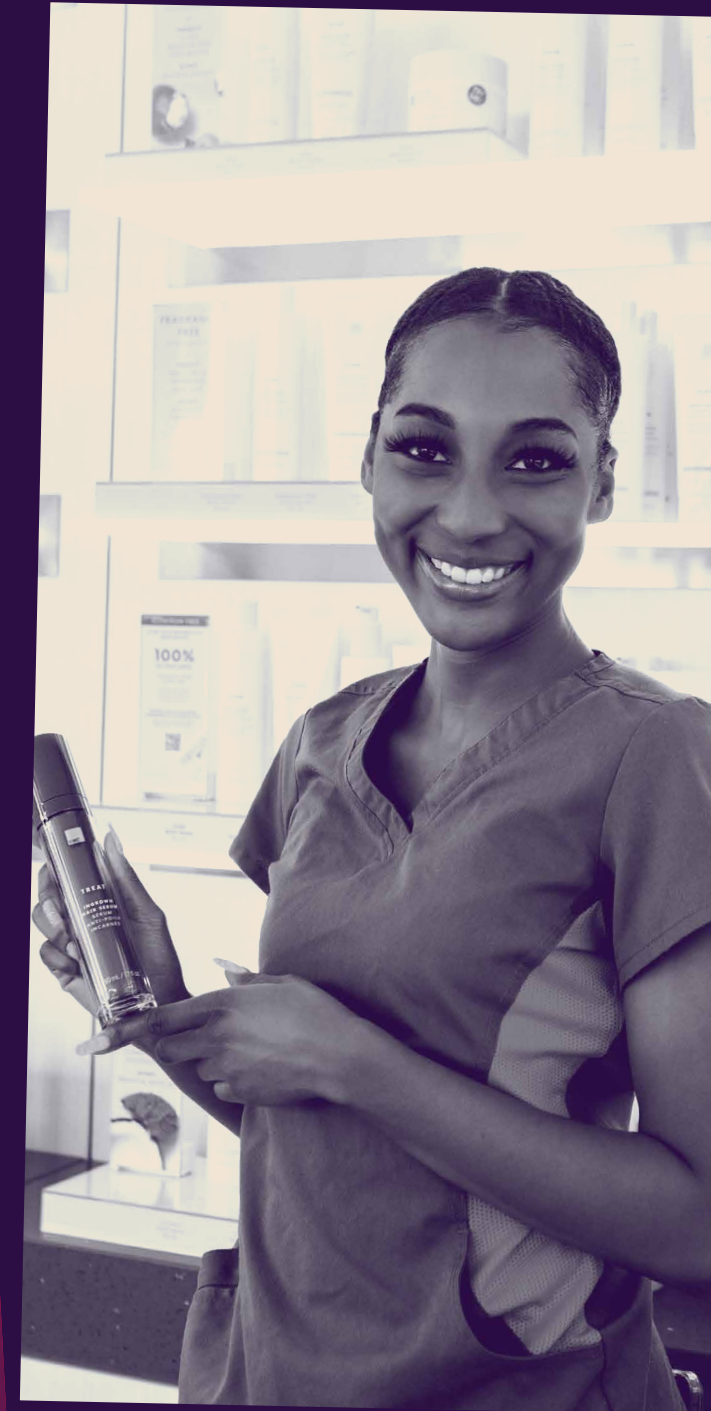


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Letter From CEO David Berg

Our category-defining brand was founded nearly 20 years ago to achieve several important goals: professionalizing out-of-home waxing services, creating a best-in-class guest experience and helping our guests feel unapologetically confident.

As we have grown from a single location in South Florida to more than 1,000 centers across the U.S., our focus on those essential deliverables has always been informed by our core values:

- We do the right thing
- We care about each other
- We delight our guests
- We have fun while being awesome

These values are at the heart of everything we do. They guide how we support our world-class associates, care for our loyal guests and collaborate with our franchisees. And they serve as a north star in our efforts to be leaders in our communities, to conserve our environment and to provide strong stewardship of our Company and brand.

With the above in mind, I am thrilled to share our inaugural Environmental, Social and Governance (ESG) Report. There is so much we are proud of in these pages, including our progress in building an inclusive and safe workplace and our commitment to associate well-being. The report

details our trusted products, expert services and our philanthropy in service of the communities in which we operate. Also, we share how we approach our continued sustainability efforts and the thoughtful management and oversight of our corporate enterprise.

In addition to the specific initiatives detailed in this report, I am equally excited about what lies behind these initiatives. We've been doing much of this work for a long time, prior to "ESG" being part of our everyday vernacular. We've lived our core values and had the foresight and agility during our IPO process to organize this important work into a more formal and strategic pursuit under the oversight of our Board of Directors. We verified through a materiality assessment that this work aligns with what is important to our stakeholders and critical to our business success.

Perhaps most importantly, I could not be more pleased that we created and maintain a company culture in which this work is valued, respected and practiced. We are the best at what we do — in our centers and in our headquarters — and this report helps illustrate why.



A relentless focus on our core values drives our strategic pursuit of sustainable business practices that deliver value for all stakeholders. Our inaugural ESG Report reflects our dedication to doing the right thing and marks a significant milestone in our ESG journey. Together, we will continue accelerating toward a better, more sustainable and inclusive future.



David P. Berg
Chief Executive Officer

Regardless of what kind of European Wax Center (EWC) stakeholder you are (and you may be more than one!), we have the right people hyper-focused on the right intentions and outcomes to deliver a thriving business for all. Thank you for your support!

Keep accelerating!

About European Wax Center

EWC is the largest and fastest-growing franchisor and operator of out-of-home waxing services in the United States. With more than 1,000 locations¹ across 45 states, we provide a broad range of waxing services for all genders and body types, from full-body waxing to facial hair and brow waxing. We also offer a curated line of skin-care and post-waxing treatments.

At EWC, our goal is to ensure that every guest who enters one of our centers walks out feeling confident. We operate at scale. In 2022, we delivered 22 million waxing services across our franchisee network. We aim for every one of those services to be consistent, high-quality and exceptional — whether guests are visiting a European Wax Center down the street or across the country.

This dedication to the guest experience has driven our business since our inception in 2004 and remains our primary guiding principle as we continue to grow as a business and expand our footprint. We remain as committed as we were nearly 20 years ago to creating an environment where guests feel comfortable and confident. At the same time, we've taken bold steps to build a thriving business that is sustainable, safe, accessible and welcoming.

Our Values

At EWC, our core values inform everything we do — from how we treat our guests to the ways in which we guide our business.

We do the right thing

We delight our guests

We care about each other

We have fun while being awesome

ABOUT OUR FRANCHISEES

Today, we operate a franchise network of EWC locations. In the simplest of terms, this means that we provide others with an opportunity to operate a business using our name, with access to our systems of ideas, programs, products, methods and other intellectual property that is “European Wax Center.” While we are one brand, EWC is a collection of individually owned and operated businesses. As the franchisor for EWC, we assist these individually owned and operated franchise businesses through training and other franchise support; however, these franchisees and their associates are not our employees, and therefore, we do not provide employment policies for their businesses.

Key 2022 Operating Highlights

FINANCIAL AND OPERATIONS RESULTS²

944 EWC locations	938 franchised centers	6 corporate-owned centers
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91 net new centers opened in 2022	45 states with centers	~200 associates at our U.S.-based headquarters and corporate centers
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\$899M in system-wide sales	\$207M in Company revenue
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NOTABLE RECOGNITIONS

Recognized on *Entrepreneur's* 2022 Franchise 500 Ranking

#1 in Waxing

#48 Overall

Named one of *Entrepreneur's* 2022 Top Growth Franchises

Our products were widely recognized throughout the beauty industry for their quality and efficacy through awards from multiple media outlets, including *NewBeauty*, *Cosmopolitan* and *Men's Health*.

¹ As of publication of this report.

² As of December 31, 2022.

Our Approach to ESG

Our values guide all that we do at EWC, and that includes our approach to managing ESG issues with the greatest significance to our business and stakeholders.

In 2021, we took steps to formalize our approach to ESG to make it a fundamental and intentional part of our business. We invested time and resources to identify the issues most important to our long-term business health and develop an ESG strategy to address such issues, creating internal programs to drive our efforts in these areas. We communicated these efforts and programs to our associates, guests, investors and the broader communities in which we operate for the first time through our [2022 ESG Fact Sheet](#). This inaugural report marks another key step in this important process.

As further detailed in this report, we focus on the ESG topics that are most relevant to our business and our mission, and where we have the expertise to drive positive outcomes.

For instance, our approach to diversity, equity and inclusion (DE&I) plays a major role in cultivating an environment where our guests and associates feel welcomed, valued and included. And our efforts to identify more sustainable and eco-friendly approaches to our product packaging are just some of the ways we're contributing to a sustainable environment for our guests, our associates and our communities.

Our engagement on these ESG topics informs how we interact with our guests and deliver an exceptional experience, and the ways we support our associates in their career development. They also guide how our business operates, from governance structures and data security to our efforts to minimize our environmental impact.



Our values shape who we are as a team, inspiring us to be the best version of ourselves and influencing our decisions and actions at work. They are not just words on paper. They are guiding us to make a positive impact in everything we do.

Aura De Biase
Vice President of Human Resources



Through the actions outlined in this report, we are working to achieve our goal of delivering an exceptional experience for guests, an engaging and supportive work experience for our associates, and a vibrant and thriving business for our stakeholders.

Stakeholder Engagement and ESG Materiality Assessment

We're committed to a thoughtful and purposeful approach to delivering on our ESG strategy. We aim to align our ESG efforts with stakeholder expectations and our business priorities while ensuring we are in full compliance with current regulations.

We are also committed to the continual refinement of our ESG approach. That includes remaining cognizant of shifting stakeholder priorities and closely monitoring pending and proposed legislation to prepare for and stay ahead of emerging regulations.

In 2022, we conducted our inaugural materiality assessment to better understand how our internal and external stakeholders prioritize a range of ESG issues, and to gauge the potential impact of these issues on our business.³ Through the analysis, we identified 15 key ESG topics and seven priority issues critical for EWC's long-term business performance and ability to create value for our stakeholders.

The materiality assessment provides a framework to inform our ESG strategy, goals and reporting efforts, and supports ongoing dialogue with internal and external stakeholders related to our ESG program. Moving forward, we intend to periodically review our material ESG issues to ensure they continue to reflect the topics most relevant to our business and stakeholders.

EWC's Highest Priority ESG Topics

Business Ethics & Compliance

Corporate Governance

Data Security & Privacy

Diversity, Equity & Inclusion

Employee Health & Safety

Human Capital Investment & Management

Product & Service Quality & Safety



³It is important to note that the term "material" and variations thereof refer to materiality in the context of ESG strategies, activities, progress and reporting, and are different than the concept of materiality used in securities or other applicable law. Issues deemed to be material topics for purposes of this report may not be considered material for purposes of federal securities laws.

About This Report

This report provides discussion and performance metrics related to our management of our priority ESG topic areas, organized into **five key themes**:

OUR PEOPLE

How we build a diverse team of associates who care about each other and deliver an amazing experience for our guests



OUR GUESTS

Our focus on creating a safe, welcoming environment in our centers and delivering superior products and services



OUR COMMUNITIES

How we engage with the people and organizations where we work and live



OUR ENVIRONMENT

Our focus on building a sustainable business while being good stewards of the planet



OUR COMPANY

The systems we have in place to maintain consistent business operations and a high standard of ethics and integrity.



This report's disclosures cover strategies, programs and performance for fiscal year 2022 (December 26, 2021, through December 31, 2022), unless otherwise stated. This report is prepared in alignment with the International Sustainability Standards Board's SASB standards for the Professional & Commercial Services industry. See [Appendix](#) for further details.

Statements in this report and on our website regarding our ESG initiatives and strategy, including with respect to our DEI efforts and programs, future financial and operating results, outlook, growth, plans and business strategies, including statements regarding our products and services, workforce and executive leadership, franchisees, governance, data security and environmental impact as a result of our initiatives and programs, as well as any other statements that are not related to present facts or current conditions or that are not purely historical, constitute forward-looking statements. These forward-looking statements are based on our historical performance and plans, estimates and expectations as of December 31, 2022, unless otherwise stated. Forward-looking statements are not guarantees that our future results, plans, intentions or expectations expressed or implied will be achieved. Matters subject to forward-looking statements involve known and unknown risks and uncertainties, including economic, legislative, regulatory, competitive and other factors, many of which are out of our control, which may cause our actual financial or operating results, levels of activity or the timing of events to be materially different than those expressed or implied by forward-looking statements. Important factors that could cause or contribute to such differences include execution of our business plan and our success in realizing the benefits expected to result from our initiatives and programs, and the other factors set forth in Part I, "Item 1A. Risk Factors" in our 2022 Annual Report on Form 10-K, as may be amended or updated by our Quarterly Reports on Form 10-Q or our other filings with the Securities and Exchange Commission. Except as required by law, we specifically disclaim any obligation to update any forward-looking statements as a result of developments occurring after the date of this report, even if its estimates change, and you should not rely on statements contained herein as representing our views as of any date subsequent to the date of this report.

OUR PEOPLE

We want every guest who walks into an EWC location to strut out with unapologetic confidence. Delivering an exceptional experience for our guests isn't just about using the best products — it's about providing the highest-quality service delivered by professionals who are passionate about what they do. After all, a company is only as great as its people. We strive to provide a working environment in which every associate feels safe and comfortable, is treated with respect and dignity, and is empowered to be their authentic self.

IN THIS SECTION:

- Diversity, Equity and Inclusion
- Workforce Development
- Associate Engagement
- Associate Wellness



Diversity, Equity and Inclusion

Our diversity, equity and inclusion (DE&I) efforts flow naturally from our desire to cultivate a safe and supportive space for all associates, and we've taken steps to formalize a DE&I strategy that can enhance our effectiveness in this area.

We established our DE&I Council in 2020 in the wake of the senseless deaths of George Floyd, Ahmaud Arbery, Breonna Taylor and too many others. These events made us further examine the important link between DE&I topics and the experience we provide to our associates and guests. The council's mission is to shape the ongoing evolution of our engagement with these topics. Its membership includes representatives from our leadership team, as well as corporate associates from cross-functional departments.

We also recognize the depth and complexity of DE&I issues and the need for a team member dedicated to advancing our strategy and turning it into meaningful action. As such, we created our first-ever dedicated, corporate-level DE&I role to champion diversity and serve as a change agent and subject matter expert as we put policies in place to cultivate an environment where everyone is welcomed, valued and included. The director of DE&I reports directly to our vice president of HR. Our Board of Directors receives updates on the progress of our DE&I strategy as developments warrant.

BUILDING A DIVERSE ORGANIZATION

Talented individuals from underrepresented groups⁴ make up **98%** of the individual contributors at our corporate office and corporate centers, and more than **72%** of our directors, managers and supervisors.

A DE&I Leadership Journey

Deidra Green began her career in the financial services industry before following her childhood dream to work in the beauty industry. As an EWC team member, she advanced to become manager of the Field Training team, a role that has a full view of the ways that fostering diversity and inclusion among associates can drive a superior experience for every one of our diverse guests. Deidra's passion for diversity ultimately led to her current role supporting the corporate team's DE&I efforts.



A critical part of Deidra's journey was her assumption of a leadership position on the newly formed DE&I Council. One pillar of the Council's work was the development of a mentor program, in which Deidra herself participated. Through the mentor program, she was paired with our CEO, David Berg, who encouraged Deidra to pursue her interests and lean into EWC's DE&I activities. As such, Deidra received tuition reimbursement from EWC to attend Cornell University's DE&I certification program to help formalize her subject-matter expertise. Support also flowed from Deidra's direct manager, Chief Franchise Officer Julie Hauser-Blanner, who advocated for enhanced DE&I efforts within EWC's network and provided a flexible schedule to accommodate Deidra's additional workload.

Today, Deidra oversees the Company's rapidly growing DE&I function. In that role, she helps ensure that the benefits of a diverse and inclusive team reach all aspects of the business. That includes providing guidance to cross-functional partners to ensure DE&I is embedded in our processes and ways of thinking, as well as giving associates the tools to make our diverse guests feel welcomed and comfortable in all our centers.



European Wax Center is the first organization that I have worked for that saw value in my unique skill set and not only embraced it but invested in it. No matter which role I have held in the organization - from wax specialist to Director of DE&I - the goal has always been to leave our associates and guests feeling more confident and beautiful in their own skin. EWC has been a safe space for me, and I want to help to create that for everyone who walks into our centers.

Deidra Green

Director of DE&I

⁴Underrepresented groups include women and people of diverse backgrounds, including those from Asian, Black, Hispanic and Indigenous communities.

Assessing Our Culture

Putting our DE&I strategy into action requires understanding where we currently stand — from the areas in which we already excel, to those where we need to do more work. We launched a series of internal associate engagement surveys to enable us to establish benchmarks and prioritize our DE&I efforts.

These surveys gauge associates' sentiments about the status of DE&I performance across different areas of the organization. They also include customized questions designed to uncover specific opportunities to improve our culture in each department, track individual associates' assessments of DE&I topics and monitor trends across the organization.

The survey results speak to the success of our DE&I efforts to date. Three out of the five top-ranked items in our February 2022 associate engagement survey were related to DE&I. See the Associate Engagement section on [page 14](#) for more details about how our associates feel about our culture.

EVALUATING OUR NEW MARKETING AGENCY PARTNERS' COMMITMENT TO DE&I

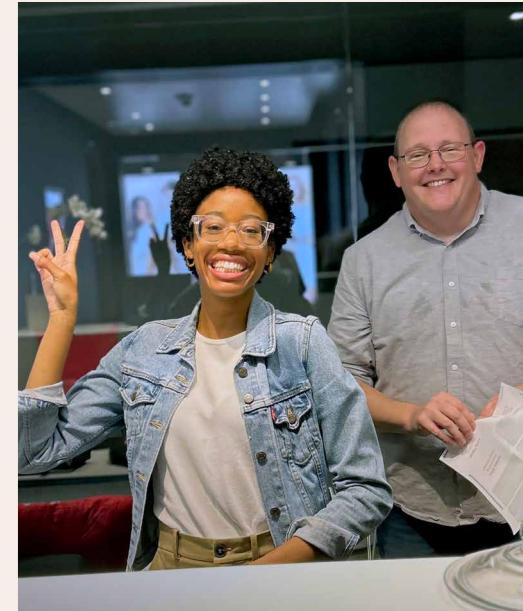
When we embarked on our latest marketing campaign, we had diversity and inclusion firmly in mind. The campaign was designed to confront assumptions about who waxes and to illustrate that waxing is for everybody — and every body. Because of this focus, our evaluation of prospective marketing partners included specific questions about their commitment to diversity and inclusion. It's important that our partners believe as firmly in diversity and inclusion as we do, especially if we expect them to help us address a diverse audience in an authentic way. We chose Joan Creative to help build this campaign in part because it is a woman-owned firm with a strong commitment to DE&I principles, formalized in its own DE&I council.

Events and Programming

Conversation and communication are important pillars of our approach to DE&I. We believe that engaging regularly with our associates in thoughtful and substantive ways will help us build a more inclusive and equitable workplace. Those conversations can take various forms:

- Throughout the year, we host virtual and in-person town halls and learning sessions to foster a more inclusive associate and guest experience. In 2022, these meetings included training sessions on allyship and unconscious bias. A session on differently abled communities included a “helping hands” activity during which participants built prosthetic hands for those in need.
- Our optional media club meets monthly to discuss current events, media clips, books, podcasts, articles and other materials related to diversity and inclusion. Recent topics included mental health in the workplace, unconscious bias and cultural identity.
- We produce 15-minute podcasts and one-hour experience panels to share information or experiences with associates who can access this content on demand. In 2022, we held a series of podcasts called “In My House,” in which associates shared their perspectives on family traditions, holidays and celebrations including Boxing Day, Diwali, Nikolaustag, Noche Buena and the Marine Corps' birthday.

We also work to amplify important causes with educational resources and support for our associates. For example, we celebrated Women's History Month with a four-session learning series focused on closing the gender pay gap and personal finance-related topics. Activities also included a clothing collection drive for EXPOW, a local charity which helps empower people whose lives have been affected by crime.





Courtesy of SoulGood.

CELEBRATING BLACK HISTORY MONTH

In February 2022, our recognition of Black History Month included a celebration of African contributions to global culture prior to the slave era, such as the development of metallurgy, mathematics, astronomy and medicine. We put the spotlight on African foodways and made a donation to support SoulGood, an innovative, Black woman-owned vegan food truck and catering venture featuring African-inspired cuisine.

Allies Committee

Our Allies Committee is a broad-based initiative that offers support for associates across the organization from colleagues who volunteer to serve as allies. These allies provide a safe space for a diverse cross section of associates to talk about any topic, seek guidance and feel heard. In addition to providing allies with training on how to address associates' needs, the Allies Committee also distributes "Allies of EWC" newsletters. These company-wide communications share the inspiring stories of individual allies, their motivations for helping others and their contact information. Additionally, Allies Committee members make themselves easily identifiable through the prominent graphics in their email signatures and virtual meeting backgrounds to help ensure visibility among associates who may benefit from their support.

Leadership Engagement

A member of our executive leadership team serves as an executive sponsor for the DE&I Council. The executive leadership team also plays an active role in our DE&I efforts by working to recruit and promote women to leadership positions across the organization, particularly in executive leadership. For more details on how we consider diversity in our management succession planning, see [page 31](#).

DE&I Highlights

2022 DE&I ACCOMPLISHMENTS INCLUDE:

- Learning sessions and activities tied to Black History Month, Women's History Month, Pride Month and Hispanic Heritage Month
- Pronoun and gender education in conjunction with the National Day of Silence in April
- Mental health resources and tips offered in conjunction with Mental Health Awareness month in May
- An educational session on ableism and appropriate interactions to commemorate National Disability Day
- Release of gender diversity basics training for franchisees and associates

MAJOR 2023 INITIATIVES ARE EXPECTED TO INCLUDE:

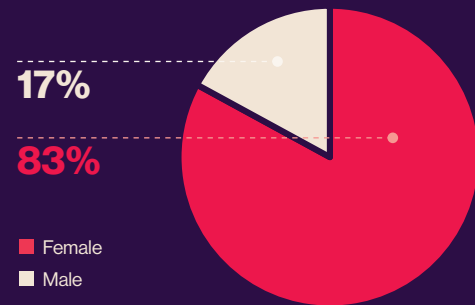
- The publication of our DE&I Charter
- The completion of a DE&I needs analysis that will inform our ongoing DE&I strategy development
- The creation of a DE&I dashboard to support the tracking of our metrics and evaluate our progress going forward
- Plans to optimize the accessibility of our guest experience for those with disabilities, including training and resources for in-center associates
- Training for corporate office leaders on how to build an inclusive environment

DE&I COUNCIL MANDATE

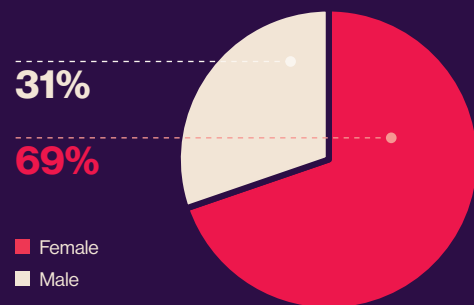
The DE&I Council is committed to fostering a diverse, equitable and inclusive environment that values and embraces the different ethnicities, races, cultures, ages, abilities, gender identities and systems of belief that comprise the EWC workforce. Grounded in our values, our goal is to ensure that we create awareness, community and safe spaces for all members of our team.

Gender Diversity⁵

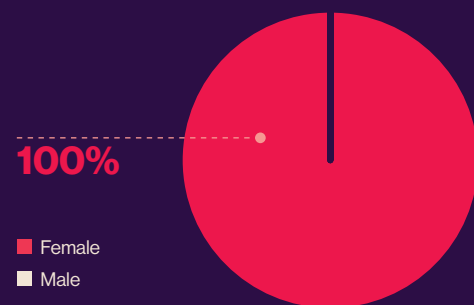
TOTAL CORPORATE WORKFORCE



CORPORATE OFFICE WORKFORCE

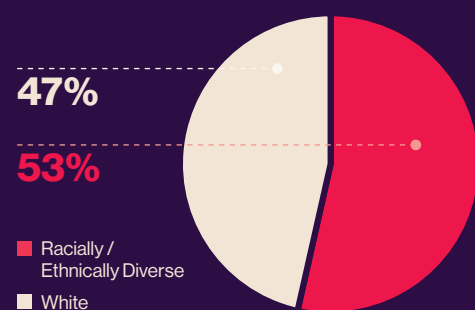


CORPORATE-OWNED CENTER WORKFORCE

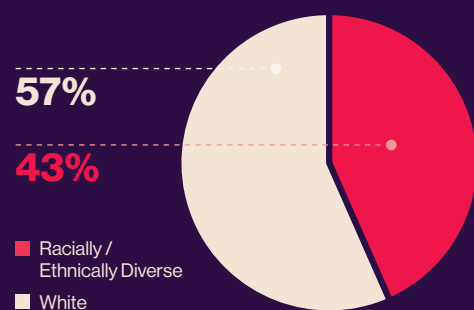


Racial / Ethnic Diversity⁵

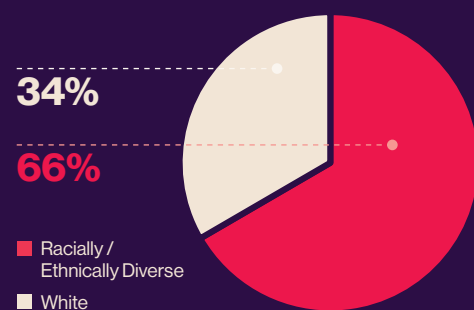
TOTAL CORPORATE WORKFORCE



CORPORATE OFFICE WORKFORCE



CORPORATE-OWNED CENTER WORKFORCE



Key DE&I Trends⁵

GENDER REPRESENTATION

67% of leaders (Supervisor and above) are female

57% of leadership (VPs and above) are female

RACIAL / ETHNIC DIVERSITY

34% of leaders (Supervisor and above) are racially / ethnically diverse

57% of corporate center leadership (Supervisor and above) are racially / ethnically diverse

UNDERREPRESENTED TALENT⁶

72% of leaders (Supervisor and above) are from underrepresented groups

57% of leadership (VP and above) are from underrepresented groups

PROMOTIONS

71% of promoted associates are female

42% of promoted associates are racially/ethnically diverse

75% of promoted associates are from underrepresented groups

⁵ Includes associates from our corporate headquarters and corporate-owned centers.

⁶ Underrepresented groups include women and people of diverse backgrounds, including those from Asian, Black, Hispanic and Indigenous communities.

Workforce Development

Our associates are at the heart of everything we do. To delight our guests and have fun while being awesome, we need to provide our associates with the inspiration and tools necessary to unlock careers they love.

To help associates navigate their careers, we offer a voluntary mentorship program that helps our staff identify and develop vital skills. Prospective mentors complete an interest form that helps to match mentees' needs with mentors' areas of expertise.



Once matched, mentors and mentees meet regularly for a three-month period. Both mentors and mentees complete monthly surveys to help track progress and ensure these relationships are as fruitful as possible for all involved. During the first half of 2022, 30 associates participated in the program, all of whom rated it 10 out of 10. The second cohort of mentors and mentees, running from 2022 through the third quarter of 2023, included 22 associates, some of whom continued with the program from cohort one.

We offer all our associates professional growth tools such as structured Career Aspiration conversations and Individual Development Plans. We also hold regular conversations with managers and quarterly performance check-ins to ensure we engage with associates substantively and help them define and pursue their career aspirations. In 2023, we will begin to provide LinkedIn Learning tools to support further developmental training for our headquarters-based associates.

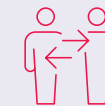


Through our Beauty Changes Lives program (see page 24), we offer scholarship funding for associates, estheticians and cosmetology students interested in pursuing a career in waxing. For our corporate associates, we offer a professional development stipend of \$500 per year to pursue certifications or other continuing education opportunities that can help advance their careers.



\$500

per year professional development stipend



40

corporate associate participants in the mentorship program

Associate Engagement

We want to build an organization that inspires associates to have fun while being awesome. You don't build that kind of workplace by accident. We regularly engage with our associates both in person and through anonymous surveys to get an unvarnished view of how they feel about their work experience and to help us prioritize areas where our associates might need extra support.

Our regular associate engagement surveys provide our team with an anonymous platform to tell us what's most important to them and to let us know how well we are supporting their needs in those critical areas. We also host weekly associate forums and quarterly town halls to keep lines of communication open so that we can identify and address potential issues efficiently and effectively.

It's not just about work, either. Our Fun Committee regularly hosts events designed to give associates opportunities to connect with each other meaningfully outside of their day-to-day workplace interactions. The better we know each other, the more we care about each other. And the more we can inspire one another to have fun while being awesome, the easier it is to delight our guests day in and day out.

2022 FUN COMMITTEE HIGHLIGHTS

- A beach staycation-themed Associate Appreciation Day
- Virtual activities, including a costume contest, escape room and themed trivia
- A group volunteer opportunity benefiting Minnie's Food Pantry, near our headquarters in Plano, Texas
- Opportunities to socialize together, including our annual holiday party, in-person happy hours and a Paint & Sip activity

KEY 2022 ASSOCIATE ENGAGEMENT SURVEY METRICS

75%+

of associates reported they feel highly engaged

95%

believe the organization will be successful in the future

93%

believe their immediate manager cares about them as a person

Associate Recognition

One of the best ways to encourage people to consistently rise to a challenge and do great work is to acknowledge and reward them when they do so. To that end, we have developed associate recognition programs including:

- Our discretionary Spot Bonus program, which enables department heads to recognize associates when they go above and beyond in their day-to-day efforts. In 2022, we gave out spot bonuses to 35% of our headquarters-based associates who made an extra effort to do awesome things.
- Our Tokens of Appreciation program, which puts the power to reward awesome behavior in the hands of our associates themselves. Each associate has a pool of \$5 gift cards they can send to anyone who goes above and beyond in their work or whose actions epitomize living our values. When people care for each other, delight our guests and do awesome things, we want everybody to hear about — and celebrate — that great work.
- Dedicated time for associate shout-outs at the end of each weekly all-associate corporate forum, during which associates offer praise to individuals or groups for a job well done, assistance provided, noteworthy achievements and other actions worthy of recognition.

Associate Wellness

To provide a superior guest experience, our associates must feel safe and comfortable every day when they come into work. We are committed to ensuring a safe work environment for all our associates.

We provide extensive training on cleanliness and safety through our learning management system. We also have systems in place to monitor and enforce a high standard of health and safety practices in all our centers (see [page 18](#) for additional information).

Our commitment to associate wellness extends far beyond workplace safety. Our comprehensive approach to supporting associate well-being includes financial, physical and mental wellness.

We provide competitive compensation and benefits packages to attract and retain top talent. In 2022, we also offered further support to our associates in a difficult economy through two inflation bonuses.

Our benefits offerings are designed to support engagement and work-life balance. Our comprehensive medical benefits include employer-paid short-term and long-term disability coverage. In 2022, we implemented a fully paid parental leave policy and added a travel benefit for associates with medical needs they cannot fulfill locally.



We support our associates' mental wellness by giving them the time and space they need to help achieve a strong work-life balance. For our corporate headquarters associates:

- We offer flexible schedules via a fully remote workplace and a stipend to set up a home office from which they can be comfortably productive.
- We implemented guidelines to protect mental health and reduce burnout, such as dedicated "no-meeting" time on Mondays.
- We offer guidance to set reasonable expectations for off-hours business contact.
- We recently expanded our traditional half-day Flexible Fridays program, standardizing a four-and-a-half-day workweek year-round.
- We offer one paid day per year to use in any way that contributes to the associate's well-being, as well as one paid day per year to use to volunteer in their community.

Additionally, all corporate associates (headquarters and in-center) receive time off to vote and discounts on waxing and our products.

OUR GUESTS

At EWC, delighting our guests is one of our core values.

That means ensuring that every guest who visits an EWC location receives a consistent and exceptional experience that leaves them strutting with confidence.

We live up to that commitment to our guests through our focus on their health and safety, paying close attention to their feedback, delivering superior products and ensuring we serve everybody — and every body — we encounter to the highest standard.

IN THIS SECTION:

- [A Superior Guest Experience](#)
- [Health and Safety](#)
- [Listening to Our Guests](#)
- [Our Products](#)
- [Serving Every Body](#)

A Superior Guest Experience

WHEN YOU ENTER A EUROPEAN WAX CENTER LOCATION, WE WANT YOU TO FEEL ...

WELCOMED: We think you look great — and you should know that from the minute you walk in the door.

SAFE: We take the health and safety of our associates and guests extremely seriously, and we think it shows.

COMFORTABLE: Relax. We've got this.

TO ENSURE THIS LEVEL OF SERVICE, WE WORK TO KEEP OUR CENTERS ...

CLEAN: Our hygiene standards have always been industry leading, and every service starts with new gloves, thoroughly disinfected tools, new paper for each bed and new waxing sticks for each dip.

INCLUSIVE: When we say we want to help make every body smooth, we mean every body.

EFFICIENT: Our certified wax specialists are the best in the business — their extensive training and experience produce precise, professional wax results and personalized product selections every time you visit.

AND WE WORK HARD TO ENSURE OUR PRODUCTS ARE ...

SAFE TO USE: We test our products extensively for safety and avoid using harmful ingredients.

EFFECTIVE FOR EVERYBODY: We test our products on a broad range of skin and hair types, colors and tones.

CRUELTY FREE: All our products are certified cruelty free by People for the Ethical Treatment of Animals (PETA), and EWC has earned PETA's Beauty Without Bunnies approval, recognizing companies and brands that don't test on animals.

Health and Safety

Cleanliness and safety have always been in our DNA. When we embarked on our mission to create a first-class waxing experience, we established impeccable hygiene standards and instituted extensive training to produce a highly professional and extremely safe environment for our guests.

A core component of our hygienic waxing services is that we never, ever double dip our wax sticks.

Our single-use sticks set us apart in our industry and highlight our commitment to providing a safe and healthy experience for our guests.

To ensure consistent, superior service in any of our centers, we developed a blueprint for training new guest service associates and wax specialists. Also, we recommend as a best practice that guests complete medical forms before they secure a reservation to ensure their experience will be safe, comfortable and efficient. And our wax specialists are trained to clean rooms in front of guests to make our hygiene standards visible and transparent.

Maintaining our high standards for center operations requires diligent oversight. We monitor center performance through regular visits by our Field Trainers and Franchise Business Consultants. During those visits, corporate representatives offer support, coaching, training and guidance on topics including best practices around health and safety.



Listening to Our Guests

To maintain a superior guest experience, we continually monitor the feedback we receive regarding our centers. Our Guest Experience Program collects feedback from guests through online surveys that allow them to rate their experience and leave comments about their most recent visits.

We use feedback from those surveys to identify issues as they arise and to uncover best practices employed by high-performing centers. Our guest relations team tracks any incidents reported by our guests and works to efficiently resolve any issues. That team also monitors social media to ensure a timely response to guest concerns.

Our Field Trainers and Franchise Business Consultants also make regular visits to centers to offer recommendations and support that leverages our knowledge of what's working well across our broader network. If challenges arise at specific centers, our Field Trainers and Franchise Business Consultants prioritize those locations for site visits so that we can quickly assist the franchisee and their team to address the issue.

2022 GUEST EXPERIENCE PROGRAM SCORES⁷



78%

net promoter score



82%

overall satisfaction

Team Scrub: Keeping Clean During COVID

The COVID-19 pandemic sparked unprecedented challenges for businesses and consumers alike and shined a spotlight on the importance of health and safety measures. The closure of our centers during the pandemic offered an opportunity to examine our health and safety procedures to ensure we were providing our guests with the best experience possible. Our Team Scrub initiative deployed internal teams and external cleaning specialists to formalize our cleaning procedures and fully clean and sanitize our facilities before we reopened them to the public.

After reopening to the public, we added safety measures such as deep-cleaning high-touch points and expanding safety training for all our associates. A formal assessment of our health and safety efforts by the Center for Toxicology and Environmental Health resulted in a Gold Star award, further reinforcing the effectiveness of our focus on cleanliness.



⁷ Scores based on network average in FY 2022. Net promoter score is calculated as proportion of promoters minus detractors and measures a guest's likelihood to recommend EWC to others. Overall satisfaction score is calculated as the percentage of respondents indicating "Highly Satisfied" and measures guest experience during a specific center visit.

Our Products

We created our collection of proprietary products with input from our guests and estheticians as a continuation of our waxing services. Each product helps our guests restore and maintain their waxed skin by addressing common skincare concerns after hair removal.

All our products are pH balanced and certified safe to use on skin. We do not use mineral oil, preservatives such as parabens or formaldehyde, or chemicals such as phthalates or hydroquinone in any of our product formulations. All our products are also certified cruelty free by PETA's Beauty Without Bunnies certification.



Our products undergo rigorous safety, clinical, dermatological and, in some cases, gynecological and ophthalmological testing before we offer them for purchase by our guests. We also perform lab-based efficacy testing for the majority of our products, as well as secondary testing to ensure products maintain their efficacy across a broad range of skin and hair types, colors and tones. Our associates frequently test the effectiveness of products to make sure they meet their personal performance standards before offering them out to guests.

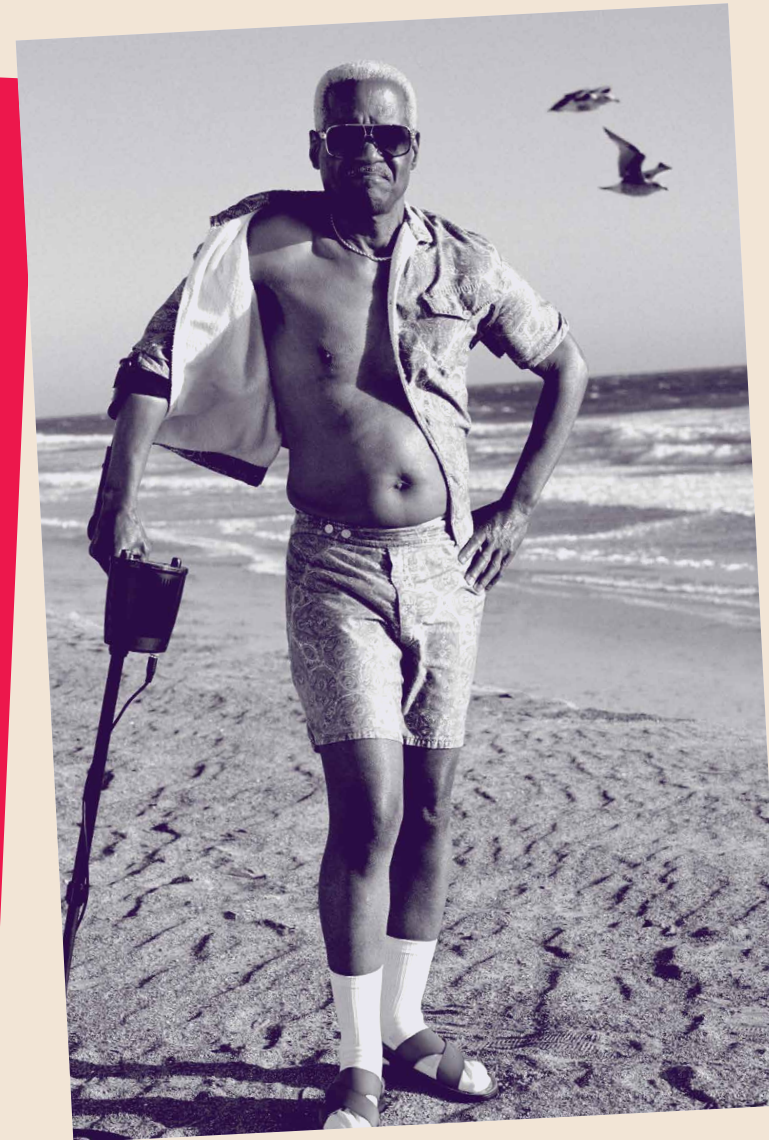


Serving Every Body

Every body is different, and we're committed to serving each of them. For our guests to feel welcome, safe and comfortable in our centers, we need to celebrate their diversity.

Having a team of associates steeped in a culture of equity and inclusivity is critical for maintaining that friendly, safe and comfortable atmosphere.

To ensure our guests feel welcome, we developed gender sensitivity training for wax specialists and have taken an inclusive approach to the naming of our services. We offer training on gender diversity basics for our associates so that they are better able to welcome all guests warmly and professionally. And we formulate our products to work across all hair and skin types (see [page 20](#) for more information). Looking ahead, we plan to roll out enhancements to our point-of-sale booking system to allow guests and associates to let us know their preferred pronouns so that we can address them appropriately.



Every Body Smooth™ Campaign

In May 2023, we debuted our Every Body Smooth branding campaign to showcase and celebrate the wide diversity of our guests and associates through inclusive imagery and language. The campaign photography includes models with body types that more closely resemble those most of us look at in the mirror each day.

We also created the campaign through partnerships with diverse media outlets to help ensure we speak authentically and directly to our valued guests from a wide range of communities. The tone of the campaign is inclusive, welcoming and real — exactly the way we want to greet our guests when they walk through our doors.



OUR COMMUNITIES

At EWC, we've taken bold steps to create an environment that's strong, vibrant and inclusive for our guests and our associates. But our work doesn't stop there: We constantly strive to meaningfully connect with and support the full range of our stakeholders, from our franchisees to the local communities in which we operate. Our values — including doing the right thing and caring about each other — guide us in our efforts to engage with our broader EWC community.

IN THIS SECTION:

- [Our Franchisees](#)
- [EWC Gives Back: Philanthropy in Action](#)
- [Building a Strong Supplier Community](#)

Our Franchisees

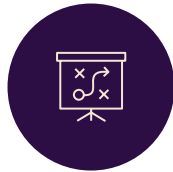
More than 99% of our 1,000+ locations are franchisee owned.

Our franchisees and their associates are the face of the EWC brand, and when they succeed, we succeed as a company.

That’s why, at the corporate level, we deliver guidance on brand standards and additional support to help our franchisees maximize their business and continue delivering an exceptional guest experience:



We offer more than 40 online and in-person training programs to assist franchisees as they launch new centers and keep established centers growing and thriving.



Our results-driven marketing programs — from national media placements to local programs — are designed to drive profitable new guest growth and create an emotional connection with guests.



Our real estate development support and our national preferred vendor network help ensure a smooth site selection and buildout process for franchisees’ new centers.



Our Franchise Business Consultants and Field Trainers offer dedicated corporate support to help franchisees successfully operate their centers today and drive growth in the future.

EWC Connect

Franchisees and their multi-unit leaders are invited to our EWC Connect conference, featuring educational sessions, opportunities for one-on-one training sessions with our Field Team and Leadership Team members, and panel discussions on a range of important topics for today’s EWC franchisees.

Our most recent EWC Connect conference took place in July 2023 in Nashville, Tennessee. More than 236 attendees gathered for two days of roundtable discussions, breakout sessions and networking events. Attendees listened to expert perspectives on topics such as maximizing guest volume during lower-count months, smart growth lessons from successful franchisees and how to find — and retain — top talent.



The event was most appropriately named EWC Connect, because it truly culminated in a valuable collaboration of leaders sharing ideas, thoughts and best practices that we can all take back to our centers.

Marleen Vecchiarelli

EWC Franchisee

In addition to EWC Connect, we hold a brand conference for franchisees, managers, trainers and vendors every 18 months. At our brand conference held in Dallas in September 2022, sessions covered topics such as paths to profitability, building people-first strategies and professional development opportunities for wax specialists. A post-conference survey reflected attendee satisfaction, with 98% of respondents rating their experience highly positive.

Supporting Franchisee Growth

Our franchisees are stewards of the EWC brand. Their commitment to our values is reflected in how every guest feels when they walk through the door.

In July 2023, we celebrated our 1,000th center opening in Louisville, Kentucky. This milestone reflects our best-in-class franchise business model and the long-term relationships that we develop with our franchisees.

The new center was the fifth for franchisee Mark Mick, a long-time Louisville resident. A franchisee since 2014, Mick sees his history with the Company as proof that the concept can thrive in big cities and smaller markets alike. To support this milestone opening, Mick made a donation to the Family Scholar House, a Louisville-based nonprofit organization whose mission is to end the cycle of poverty and transform the community by empowering families and youth to succeed in education and achieve long-term self-sufficiency.



Partnership With the National Domestic Violence Hotline

Nearly one in four adult-age women in the United States has experienced severe physical violence at the hands of an intimate partner.⁸ As a franchise system predominantly employing women, the issue of domestic violence resonates with many of our franchisees and their associates.

Based on feedback from associates with personal experience with this issue, EWC has partnered with the National Domestic Violence Hotline, which is dedicated to supporting survivors and advocates and holding offenders accountable. In 2023, that partnership includes an awareness and fundraising campaign throughout October to coincide with National Domestic Violence Awareness month.

The campaign will aim to include domestic violence awareness training for associates, as well as an in-center fundraiser to raise the visibility of the National Domestic Violence Hotline among EWC associates and guests. Associates will also have opportunities to volunteer with Write Away Loneliness, a program in partnership with employment engagement and volunteerism nonprofit WeHero that delivers letters of support and encouragement, crafted by our associates, to survivors of domestic violence.

EWC Gives Back: Philanthropy in Action

As a member of the communities in which we operate, EWC donates time and resources to support various philanthropic organizations that provide essential community services.

Pathways to Success

At the 2023 EWC Connect conference, we were pleased to announce our latest brand-wide philanthropic effort, Pathways to Success. The program's mission is to smooth out pathways to empower and support our associates and guests to (Re)Build from the ground up or Unlock a career they love to, ultimately, inspire future confidence makers.

The Pathways to Success program is implemented through two pillars: (Re)Build and Unlock. Under the (Re)Build pillar, we aim to rebuild communities, back those in need of a second chance at success and support individuals who have faced adversity. In 2023, we are bringing the (Re)Build pillar to life by joining hands with the National Domestic Violence Hotline to bring attention to this critical topic and offer support, resources and funding to help survivors thrive. Under the Unlock pillar, we seek to open opportunities and careers people love through expert guidance, mentorship and scholarship.

In 2022, we launched the "Champions in Confidence" EWC associate scholarship in partnership with Beauty Changes Lives. We awarded two \$10,000 scholarships to EWC associates to help them pursue a career in waxing. In 2023, we reactivated this highly popular scholarship. Investing in our associates' development is a crucial way to help them achieve their goals and build a long-lasting career.

Beauty Changes Lives

EWC has a history of providing philanthropic support to impactful organizations that align with our values and focus on issues such as empowering women and supporting Black- and women-owned small businesses. One such organization we have long supported is Beauty Changes Lives, whose mission is to assist beauty professionals through their career journeys.

Our partnership with Beauty Changes Lives has helped deliver a range of scholarships to estheticians and cosmetology students to help further their careers and open pathways to advancement in the industry. These opportunities are available to our associates as well as the broader community.

We value the perspectives of our associates. The causes that matter to them also matter to our Company. As we expand our philanthropic efforts, we will continue to prioritize nonprofit organizations recommended by our associates.



\$20,000

in Champions of Confidence scholarships awarded to EWC associates



Hurricane Ian

In 2022, Hurricane Ian became one of the deadliest hurricanes to make landfall in Florida. As a company with deep roots in Florida — our first center opened in Fort Lauderdale in 2004 — we were deeply distressed by the toll the storm took on communities across the state. We took action to support the affected communities, donating \$10,000 to BStrong Global Empowerment Mission, a nonprofit aid organization that helped deliver essential supplies to affected residents. We also donated nearly \$60,000 in products, including personal care items, for distribution to families in need.

Building a Strong Supplier Community

We source the wax used throughout our more than 1,000 centers through a deliberate and thoughtful process. After all, it's the most important product we use with our guests.

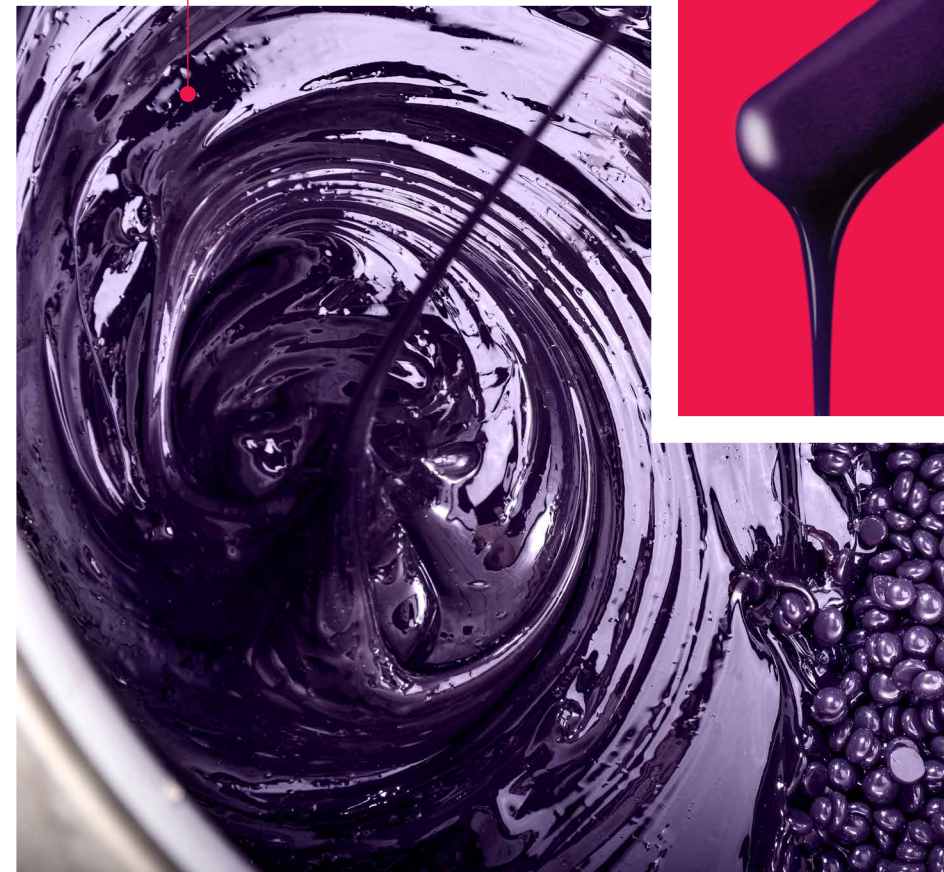


Sustainability in the beauty industry, particularly with waxing products, has become a significant focus as consumers increasingly seek eco-friendly and responsible options. Sustainable practices in the production, use and disposal of waxing products not only benefit the environment but also promote social responsibility and ethical considerations.

For years, we've cultivated strong and lasting relationships with two European wax producers — Perron Rigot in France and Grupo DRV in Spain. Like us, these family-owned businesses believe in the value of creating a high-quality product in a sustainable way. Our relationships with these firms have been instrumental in our development of the specialty wax that enables us to continue to deliver an exceptional experience to guests every day.

Grupo DRV

Sustainability efforts at Grupo DRV include the use of eco-friendly ingredients such as bio-plant resins, cruelty-free testing and carbon footprint reduction efforts related to transportation and packaging.



Perron Rigot

As an organization, Perron Rigot fosters a supportive and welcoming work environment for its employees while also seeking to minimize its environmental impact, with a focus on greenhouse gas emissions reductions opportunities.



Raúl Vidal Esmoris
Grupo DRV

OUR ENVIRONMENT

At EWC, we're building a business that is conscious of environmental sustainability. From how we manage our resource use to the packaging of our products, we're continuously looking for ways to be a better steward of our planet. One of EWC's core values is doing the right thing: We believe making more thoughtful and informed choices around important sustainability issues is the right thing to do. And when we do the right thing for our environment, all our stakeholders benefit — from our guests to our communities.

EUROPEAN WAX CENTER

IN THIS SECTION:

- [Assessing Our Environmental Impact](#)
- [Sustainability Efforts](#)

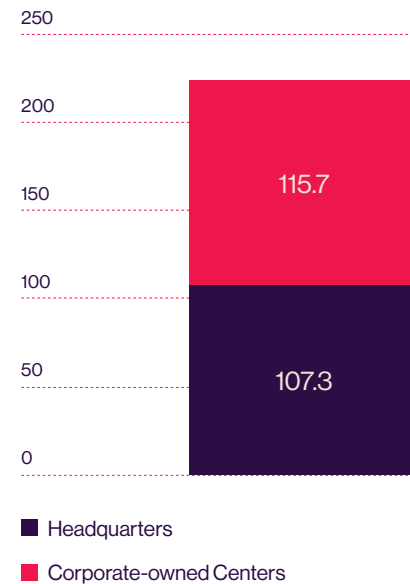
Assessing Our Environmental Impact

The better we understand our current environmental impact, the more effectively we can plan and execute our sustainability initiatives. In early 2023, we initiated an inaugural environmental assessment to benchmark our current environmental impact and help prioritize our sustainability efforts moving forward.

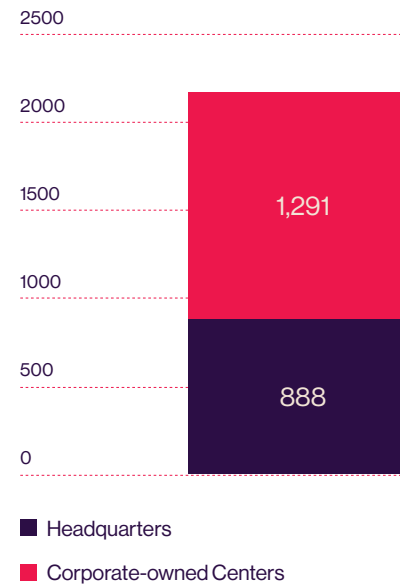
This assessment focused on areas where we have direct control over activities that contribute to climate change, specifically our energy use, which contributes to greenhouse gas (GHG) emissions. Because we do not exercise operational control over our franchisees, we focused these assessments only on our headquarters and six corporate-owned centers for the fiscal year 2022. Through this process, we also began assessing our water usage, and intend to disclose related data in future reports.

Through the assessment, we found that EWC does not produce any Scope 1 GHG emissions because our energy usage is limited to electricity and natural gas purchased from utility companies.⁹ Our Scope 2 GHG emissions totaled 223 Metric Tons CO₂e (market-based method)¹⁰ and our total energy consumption equaled 2,179 MMBtu in 2022.¹¹

SCOPE 2 EMISSIONS BY FACILITY
(Metric Tons CO₂e) (Market-based Method)



ENERGY USE BY FACILITY
(MMBtu)



Going forward, we intend to:

- Undertake annual environmental assessments to track year-over-year performance
- Continue to pursue opportunities to improve the sustainability of our products and packaging
- Explore the feasibility of extending our measurement to include Scope 3 emissions and franchisee operations¹²
- Continue to develop processes and procedures to gather, analyze and ultimately disclose our water usage data

⁹ Scope 1 emissions are defined as direct greenhouse gas emissions that occur from sources that are owned or controlled by EWC. Purchased natural gas heating at EWC centers is considered Scope 2.

¹⁰ Total Scope 2 location-based method is 236 MT CO₂e.

¹¹ Scope 2 emissions are defined as indirect greenhouse gas emissions derived from energy sources, including purchased electricity and natural gas for heating.

¹² Scope 3 emissions are defined as greenhouse gas emissions that are a consequence of the activities of EWC, but occur from sources not owned or controlled by the Company.

Sustainability Efforts

In recent years, we've taken steps to advance our sustainability efforts in areas such as product development and packaging, as well as our operations at the center and corporate levels.

Product Sustainability

Our extensive line of proprietary pre- and post-service products has been thoughtfully developed to ensure that our guests realize the full benefits of the waxing experience. We are determined to apply an environmentally conscious approach to product development whenever possible.

We've relied on rigorous research and design as we've developed these efforts. Our trusted partners have also played an important role in ensuring that a more sustainable product continues to deliver the exceptional quality our guests and associates expect.

In 2021, we launched an updated product line that included redesigned packaging incorporating more

sustainable materials. For some of our products, those efforts resulted in fully recyclable packaging or a considerable reduction in the amount of raw material required in the production process.

More recently, we've continued that push toward a more sustainable product line, focusing on increasing the recyclable elements of our top-selling products. We recently completed a project to make fully recyclable packaging for one of our top-selling products, EWC TREAT® Face & Body Exfoliating Gel. This popular product will be available for purchase in its new packaging in the second half of 2023.

A Sustainable Approach to Wax

We're picky about our wax because our wax sets us apart. A secure, steady supply of superior wax makes it possible for us to offer a consistently superior guest experience across our centers. To ensure that supply, we have long-standing partnerships with two primary European wax suppliers — Perron Rigot in France and Grupo DRV in Spain. These family-owned businesses share our exceptionally high standards for quality as well as our outlook on sustainability. Both Perron Rigot and Grupo DRV use cruelty-free methods of collecting beeswax and sustainable production methods to create the wax used by our associates and guests. Learn more about our suppliers on [page 25](#).



THE ROAD TO RECYCLABLE

Changing the jar and lid materials from polystyrene to polyethylene terephthalate (PET) means that consumers can easily recycle the entire product's packaging.



Center Sustainability

With more than 1,000 locations nationwide, the impact of small changes can add up quickly. We've made strides in reducing our environmental footprint through a range of environmentally focused initiatives in our centers, including:

Installing touchless taps, soap dispensers and hand dryers to reduce energy and water consumption and minimize waste

Designing and installing more efficient HVAC systems in centers to curb energy usage and create a healthier environment for our guests and associates

Increasing the use of digital signage to reduce paper waste from posters and other promotional materials in centers

Using more environmentally friendly building products such as flooring tile that is low in volatile organic chemicals

Working with vendors and suppliers to reduce the amount of cardboard packaging and plastic materials needed for shipping products to centers



Headquarters Sustainability

At our corporate headquarters in Plano, Texas, we're embracing eco-friendly opportunities such as:

Recycling IT equipment, including outdated computers and monitors, to keep harmful e-waste out of landfills

Evaluating environmental sustainability factors during the RFP process for vendor partnerships

Moving our data storage to cloud-based systems, helping to reduce our energy use by retiring legacy, on-site systems



OUR COMPANY

At EWC, our oversight and governance practices serve as the foundation for our efforts to deliver an exceptional guest experience and create value for all our stakeholders, from our associates and investors to the communities in which we operate. We are committed to operating consistently, ethically and with integrity. Our corporate policies, practices and procedures support this commitment and align our policies and processes with our broader goals, from daily operations to supply chain management and data security.

IN THIS SECTION:

- Corporate Governance and ESG Oversight
- Business Ethics and Transparency
- Risk Management
- Data Privacy and Security
- Centers and Facilities
- Vendor and Supply Chain Management

Corporate Governance and ESG Oversight

A strong approach to corporate governance plays an integral role in our efforts to deliver ongoing value to our stakeholders. From the boardroom to our executive leadership team, our corporate governance structure is designed to ensure sustainability and continuity as we pursue our business and ESG objectives.

Our Board of Directors (Board) sets high ethical standards for our associates, managers and directors. The Board's duty is to serve the best interests of all stakeholders and to oversee the management of our Company's business. To support our leadership team in alignment with our goals, we seek Board members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity.

Our business operates under the direction of our Board, which currently consists of seven directors. In accordance with our Amended and Restated Certificate of Incorporation, our Board consists of three classes of approximately equal size: Classes I, II and III, with terms expiring in 2024, 2025 and 2026, respectively. Six of the Board's seven directors meet the criteria for independence required by the Nasdaq Stock Market. The Board reviews the performance of itself and each committee annually.

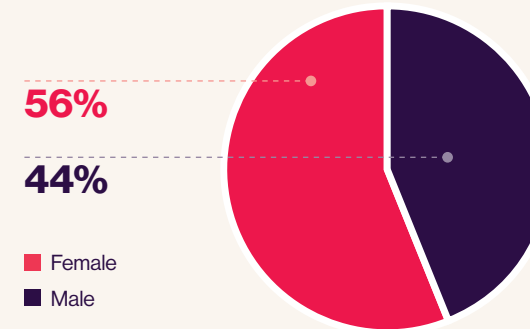
The Board also supervises the composition of our executive leadership team, with the Compensation Committee overseeing the evaluation and compensation of our executive leadership on an annual basis. And the Nominating and Governance Committee oversees our management succession planning.

Further details and comprehensive disclosures regarding our Board structure and composition are available in our [Proxy Statement](#).

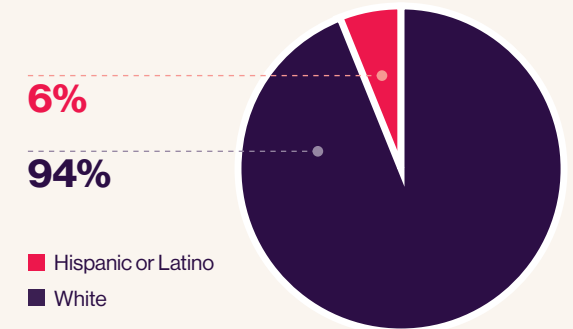
The formal policies governing our ESG program fall under the oversight of the Nominating and Governance Committee. The committee holds four regularly scheduled meetings per year, with ESG topics on the agenda at each convening. The full Board receives feedback from the committee regarding its actions and recommendations at those meetings.

Executive Leadership Team

GENDER COMPOSITION

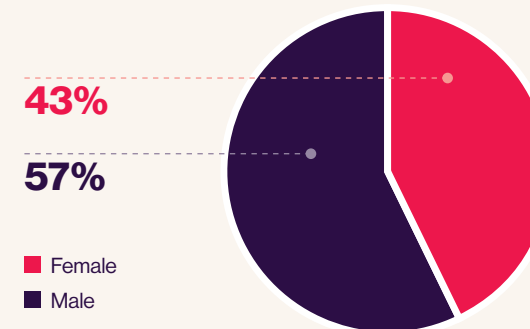


RACE/ETHNICITY COMPOSITION

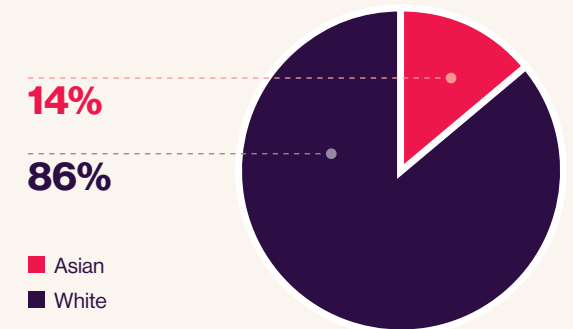


Board of Directors

GENDER COMPOSITION



RACE/ETHNICITY COMPOSITION



Business Ethics and Transparency

From our executive leadership team to the associates at every European Wax Center, we seek to achieve the highest standards of professionalism, integrity and ethical conduct in our operations.

At the corporate level, EWC has adopted a Code of Business Conduct and Ethics (Code) and other internal policies designed to support these guidelines and to comply with applicable law. The directors are expected to comply fully with that Code and any other applicable policies and guidelines. The Board will adopt and review, as appropriate, policies and procedures designed to ensure that the Company, its directors, officers and employees comply, in all material respects, with all applicable regulatory requirements and conduct the Company's business ethically and with honesty and integrity.

Our Strut Handbook includes clear expectations for how our corporate associates should conduct themselves during the course of business. These rules and guidelines address:

- The handling of potential conflicts of interest
- Strict prohibitions on bribery and kickbacks
- Restrictions around giving or receiving favors or gifts
- Procedures for reporting any potential conflict of interest or ethical concern regarding any associate or manager

Other areas of the Strut Handbook cover prohibited conduct and the processes for addressing and correcting violations of the expectations we have laid out. We encourage associates to bring potential issues to management's attention through an open-door policy that welcomes suggestions or complaints, as well as a hotline where associates can log concerns or suggestions anonymously. The Audit Committee's meeting agenda includes a standing item dedicated to discussion of issues raised via the whistleblower hotline.

To keep these considerations top of mind, we offer live, in-person training on aspects of our Code at all Company town halls. We also deliver annual mandatory video training sessions on ethics topics including confidential information, intellectual property and insider trading.



Risk Management

The Audit Committee oversees risk management, and receives a report related to enterprise risks as part of its annual Compliance Program review.

During 2022, we took the initial steps toward developing a formal risk assessment process, including conducting an internal review of key risk topics for the Company. The results of this initial assessment were shared with the Audit Committee and found that, for all tier-1 risks, mitigation is either an existing part of an extant job or covered by a cross-functional team. We will continue to assess risks on an annual basis to determine the most important enterprise risks based on severity, likelihood and ability to mitigate, and will in turn develop action plans to address these risks.



Data Privacy and Security

We recognize the critical importance of appropriately managing our guests' personal data.

As such, we actively manage the risk of cybersecurity threats including phishing, malware and business email compromise schemes with leading-edge security solutions deployed across the organization. We engage outside counsel on specific issues related to compliance with laws and regulations. The legal department also works closely with our marketing team to ensure we maintain compliance with applicable privacy regulations in the course of our marketing efforts.

To limit potential threats, we undertake security assessments and business continuity/disaster recovery tabletop exercises annually. We also minimize data sharing as much as practicable, and we structured our network in discrete segments, limiting the amount and usability of information accessible in the event of a breach. We rely primarily on software-as-a-service-based applications with robust authentication management and role-based access to data, greatly limiting the amount of sensitive information we keep on our corporate network. And we monitor that network 24 hours a day, seven days a week.

The Audit Committee receives a quarterly briefing on our cybersecurity activities. Our general procedures conform with the standards laid out by the National Institute of Standards and Technology (NIST). Our policies are informed by the Control Objectives for Information and Related Technologies (COBIT) framework.

Data Retention Policy and Procedures

The sensitive data that does reside on corporate servers is encrypted and only available to users who need that information in the course of their duties. We are in the process of implementing internal data retention policies and procedures to ensure the disposal of sensitive data in as timely a manner as appropriate. We have set a 395-day retention limit for emails that are not covered by other recordkeeping requirements. We also set retention limits for documents based upon the type of document in question, and in accordance with regulatory requirements.

Guest-Related Data Collection and Sharing Policies

We limit guest-related data collection to the minimum information needed to effectively conduct our business and serve guests. We collect certain personal information from guests through Zenoti, our point-of-service software provider. We do not sell any customer data. We ensure compliance with the California Consumer Privacy Act (CCPA) and preparedness for additional future regulations by engaging third-party advisors. We have an established process for guest data deletion requests that we developed in collaboration with our internal marketing and guest services teams, with input from our outside data counsel.

CYBERSECURITY MANAGEMENT

We have been systematically implementing improvements to our cybersecurity systems over the past few years. Some of our **2022 activity highlights include the following:**

We retired legacy, on-premise data storage infrastructure, and now operate entirely in cloud-based environments to reduce the risk of data loss or theft.

We implemented single-sign-on authentication in our most critical applications and continue to expand the rollout of this technology to our other applications.

We finalized our formal cyberattack incident response plan as part of our business continuity plan.

We hired a dedicated security analyst to respond to any potential incidents during normal business hours.

We continued to maintain 24/7 monitoring of our networks through a combination of in-house and third-party vendors.

Cybersecurity Training

Our associates play a critical role in protecting our Company from cyberthreats. As such, we hold monthly training sessions to raise associates' awareness about a variety of cybersecurity topics, including data privacy. We also hold quarterly phishing exercises to heighten associates' awareness and to deliver targeted additional training where needed.

Evaluating Vendor Cybersecurity

We thoroughly evaluate and rate the cybersecurity policies of all new third-party vendors before onboarding them. At minimum, our evaluation process includes the completion of a two-page questionnaire and a direct phone conversation with relevant vendor representatives to assess the strength of their policies. We conduct additional follow-up as needed and as specified in our standard contractual covenants and obligations.

Centers and Facilities

To help ensure an exceptional guest experience, we set policies governing the look and feel of our centers and facilities. In 2022, we approved a new “**Purple Xperience**” design for our centers that will align our new and remodeled facilities with a fresh look that caters to an elevated guest and associate experience.

OUR CENTER OPERATIONS GUIDE

Our Center Operations Guide details the formal procedures and brand standards we use to guide consistent operations across the organization.

The guide covers:

- New center opening procedures
- Guest experience strategies and guidelines
- Applicable laws and regulations
- Associate responsibilities and standards
- Health and safety standards (See more on [page 18](#))



91 NET NEW CENTERS
ADDED IN 2022

We maintain quality and consistency across our footprint by supporting our franchisees throughout the process of building new centers. Our team reviews and approves the floor plans and supports franchisee owners on general contractor selection and advises on the expected time frame and cost of construction. We also negotiate costs for millwork, lighting and IT equipment and help franchise owners with competitive pricing including monitoring shipments and deliveries. Additionally, our team provides training personnel and business support for new centers' preview weeks, as well as soft and grand openings. In 2022, we worked to streamline this process to make it more efficient as we help open new centers in the future.

In 2022, we initiated a formal approach to center remodels to ensure that each center stays current with EWC's existing branding. Going forward, our centers will undergo a mini refresh after five years and a full remodel to the current design every 10 years. This approach will help ensure that each center maintains a consistent and timely look and feel for our guests.



Vendor and Supply Chain Management

We rely on Dun & Bradstreet (D&B) to help us manage our vendor and supplier relationships.

The dashboard supplied by D&B provides visibility to a range of ESG-related issues pertaining to third-party vendors and suppliers. Using these tools, we are exploring opportunities to optimize our supplier base, including identifying opportunities to fulfill some of our non-wax supply needs through U.S.-based companies. We will also continue to explore further alignment of our vendor and supplier relationships with our broader ESG goals.

APPENDIX

Thank you for reading our 2022 ESG Report. For more information, please visit our ESG webpage, investors.waxcenter.com/esg. Hearing from our stakeholders is important to informing our initiatives and reporting. Please share any questions or feedback you may have with us at ir@myewc.com.

To keep up to date on our efforts, follow us on:

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IN THIS SECTION:

■ SASB Index

WALK IN
STRUT OUT

SASB Index

SASB Index

We are committed to advancing our ESG strategy and disclosures by ensuring they incorporate input from stakeholders, as well as reflect industry best practices and guidance from international standards setters.

As part of our efforts to demonstrate transparency, we have included the following index mapped to the International Sustainability Standards Board’s SASB standards. As an organization, SASB aims to provide voluntary, industry-specific standards for companies to disclose financially material, decision-useful ESG information and performance metrics.

To the right we report on relevant key topics from the Professional & Commercial Services industry standards.¹³ All disclosures apply to domains within EWC’s operational control (corporate headquarters and corporate-owned centers) covering the year ending December 31, 2022, unless otherwise noted.

TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Data Security	Description of approach to identifying and addressing data security risks	SV-PS-230a.1	Data Privacy and Security, page 33 Annual Report, pages 16-18
	Description of policies and practices relating to collection, usage and retention of customer information	SV-PS-230a.2	Guest-Related Data Collection and Sharing Policies, page 33 Privacy Policy
Workforce Diversity & Engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees ¹⁴	SV-PS-330a.1	(1) Executive management (1a) 14% racially/ethnically diverse (1b) 57% female (2) All other employees (2a) 56% racially/ethnically diverse (2b) 85% female
	(1) Voluntary and (2) involuntary turnover rate for employees ¹⁵	SV-PS-330a.2	(1) Voluntary turnover (1a) Corporate office: 13% (1b) Corporate center: 86% (2) Involuntary turnover (2a) Corporate office: 7% (2b) Corporate center: 37%
	Employee engagement as a percentage ¹⁶	SV-PS-330a.3	75%
Professional Integrity	Description of approach to ensuring professional integrity	SV-PS-510a.1	Code of Business Conduct and Ethics
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS-510a.2	Annual Report, page 40

ACTIVITY METRIC	CODE	RESPONSE
Number of employees by: (1) full-time and part-time, (2) temporary and (3) contract	SV-PS-000.A	(1) 117 full-time and 84 part-time (2) 2 (3) Omitted; contractor tracking is decentralized

¹³ We selected metrics from the SASB Professional & Commercial Services industry standards that reflect topics directly applicable to our business and stakeholders. For some topics, we do not report on all accounting metrics based on relevancy to our business and our current disclosures.

¹⁴ Calculations based on calendar year 2022. Executive management is inclusive of Vice President level and above.

¹⁵ Calculations based on calendar year 2022 and average number of associates.

¹⁶ Percentage of associate engagement survey respondents who reported being highly engaged.

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