

## e.l.f. Beauty, Inc.

### Corporate Governance Guidelines

The Board of Directors (the “**Board**”) of e.l.f. Beauty, Inc. (the “**Company**”) has adopted the following Corporate Governance Guidelines (the “**Guidelines**”) to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s certificate of incorporation, bylaws and other corporate governance documents. These Guidelines acknowledge the leadership exercised by the Board’s standing committees and their chairs and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. These Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate and in the best interests of the Company and its stockholders or as required by applicable laws, rules and regulations.

#### I. The Board

A. Independence of the Board. Except as otherwise permitted by the applicable New York Stock Exchange (“**NYSE**”) rules, the Board will be comprised of a majority of directors who qualify as independent directors (the “**Independent Directors**”) as required under NYSE rules.

B. Separate Sessions of Non-Management Directors and Independent Directors. The non-management directors will meet in executive session without management directors or management present on a regularly scheduled basis. The Company will hold an executive session including only Independent Directors at least once per year.

C. Lead Independent Director. When the positions of Chief Executive Officer and Chair of the Board are combined or the Chair is not an Independent Director, the Independent Directors will appoint an Independent Director to serve as the Lead Independent Director with the authorities, duties and responsibilities described in the Company’s Lead Independent Director Guidelines.

D. Director Qualification Standards and Additional Selection Criteria. The Nominating and Corporate Governance Committee, in recommending director candidates, and the Board, in nominating director candidates, will evaluate candidates in accordance with the qualification standards set forth in Attachment A to these Guidelines. In addition, the Nominating and Corporate Governance Committee and the Board may also consider the additional selection criteria listed in Attachment A.

E. Director Orientation and Continuing Education. Management will provide new directors background material on the Company and its business. As appropriate, management will provide opportunities for educational sessions for directors on matters relevant to the Company and its business.

F. No Specific Limitation on Other Board Service. The Board does not believe that its members should be prohibited from serving on boards of other organizations and has not adopted any guidelines limiting such activities. However, the Nominating and Corporate Governance Committee may take into account the nature of and time involved in a director’s service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors, and may, with the assistance of the General Counsel, review with any director his or her board and committee commitments, to evaluate the extent to which such commitments implicate potential over-boarding considerations. Service on other boards and/or committees should be consistent with the Company’s conflict of interest policies.

G. Directors Who Resign or Materially Change Their Current Positions with Their Own Company or Become Aware of Circumstances that May Adversely Reflect upon the Director or the Company. When a director, including any director who is currently an officer or employee of the Company, resigns or materially changes his or her position with his or her employer or becomes aware of circumstances that may adversely reflect upon the

director or the Company, such director should offer to resign from the Board. The Nominating and Corporate Governance Committee will recommend to the Board whether such resignation should be accepted.

H. Term Limits. As each director is periodically subject to election by stockholders, the Board does not believe it is in the best interests of the Company to establish term limits at this time. In addition, such term limits may cause the Company to lose the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company's business and therefore can provide an increasingly significant contribution to the Board.

I. Director Responsibilities. The business and affairs of the Company will be managed by or under the direction of the Board, including through one or more of its committees. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. These include:

- (i) exercising their business judgment in good faith;
- (ii) acting in what they reasonably believe to be the best interest of all stockholders;
- (iii) becoming and remaining well-informed about the Company's business and operations and general business and economic trends affecting the Company; and
- (iv) ensuring that the business of the Company is conducted so as to further the long-term interests of its stockholders.

J. Compensation.

1. The Board believes that director compensation should fairly pay directors for work required in a business of the Company's size and scope and align directors' interests with the long-term interests of stockholders. The Compensation Committee will review and make recommendations to the Board regarding the compensation of directors. The Company's executive officers do not receive additional compensation for their service as directors.

2. Except as otherwise permitted by the applicable NYSE rules, members of the Audit Committee and Compensation Committee may not directly or indirectly receive any compensation from the Company other than their directors' compensation, including any compensation for service on committees of the Board and the receipt of equity incentive awards.

K. Stock Ownership. In order to align the interests of directors and officers with those of the Company's stockholders, directors and officers of the Company should hold a meaningful equity interest in the Company. The Board has adopted a stock ownership policy in this regard. The Nominating and Corporate Governance Committee of the Board will oversee compliance with and otherwise administer such policy.

L. Interaction with Institutional Investors and the Press. The Board believes that management speaks for the Company. Each director should refer all inquiries from institutional investors, the press or other third parties regarding the Company's operations to management. Individual Board members may, from time to time at the request of management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chair of the Board or the Lead Independent Director.

M. Conflicts of Interest. Directors are expected to avoid any action, position or interest that conflicts with the interests of the Company or gives the appearance of a conflict. If an actual or potential conflict of interest develops, the director should immediately report all facts regarding the matter to the Board or a committee thereof as designated by the Board. If a director has a direct or indirect interest in a matter before the Board, the director must disclose the interest to the Board, and may be requested by the Board to recuse himself or herself from all deliberations and any actions to be taken with respect to such matter.

N. Board Access to Senior Management. The Board will have complete access to senior members of Company management in order to ensure that directors can ask any questions and receive all information necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not distract managers from their jobs or disturb the business operations of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer, or if the Chief Executive Officer is not available or appropriate, directly by the director. To the extent appropriate, such contact, if in writing, should be copied to the Chief Executive Officer of the Company.

O. Board Access to Independent Advisors. The Board committees may hire independent advisors as set forth in their applicable charters. The Board as a whole shall have access to any independent advisor retained by the Company, and the Board may hire any independent advisor it considers necessary to discharge its responsibilities.

P. Annual Self-Evaluation. The Nominating and Corporate Governance Committee will oversee an annual assessment of the Board and its committees.

## **II. Board Meetings**

A. Frequency of Meetings. The Board will meet at least four times annually. In addition, special meetings may be called from time to time as determined by the needs of the business. It is the responsibility of the directors to attend meetings.

B. Director Attendance. A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend, in person or by teleconference or videoconference, meetings of the Board and all committees on which the director sits (including separate meetings of the non-management directors and Independent Directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting of the Board or a committee of the Board is expected to notify the Chairman of the Board or the Chair of the appropriate committee in advance of such meeting, and, whenever possible, participate in such meeting via teleconference in the case of an in-person meeting.

C. Attendance of Non-Directors. The Board encourages the Chairman of the Board or the Chair of any committee of the Board to invite Company management and outside advisors or consultants from time to time to participate in Board and/or committee meetings to (i) provide insight into items being discussed by the Board which involve the manager, advisor or consultant, (ii) make presentations to the Board on matters which involve the manager, advisor or consultant and (iii) bring managers with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

D. Advance Receipt of Meeting Materials. Information regarding the topics to be considered at a meeting is essential to the Board's understanding of the business and the preparation of the directors for a productive meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the directors. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

## **III. Board Committee Matters**

A. Standing Committees. The Board currently has three standing committees: (i) the Audit Committee, (ii) the Compensation Committee and (iii) the Nominating and Corporate Governance Committee. Each committee will perform its duties as assigned by the Board in compliance with the Company's bylaws and the committee's charter. It is the responsibility of the directors to attend the meetings of the committees on which they serve.

B. Board Oversight. The Board is responsible for overseeing the activities of its committees (except where such committees have sole authority to act pursuant to applicable law or listing standard) and for ensuring that the

committees are fulfilling their duties and responsibilities. The Board will regularly receive reports from its committees regarding their activities and will take such actions as it deems necessary or appropriate in response to these reports.

#### **IV. Succession Planning**

A. The Board (or a committee delegated by the Board) will (i) work on a periodic basis with the Chief Executive Officer to evaluate the Company's succession plans upon the Chief Executive Officer's retirement and in the event of an unexpected occurrence and (ii) periodically review the performance of the Chief Executive Officer.

#### **V. Business Conduct and Ethics**

A. The Board believes that, in order to maintain the highest ethical and socially responsible standards of conduct, the Company should maintain appropriate codes of business conduct and ethics regarding, among other things: (i) conflicts of interest, (ii) disclosures, (iii) compliance with laws, rules and regulations, (iv) insider trading, (v) prohibition of retaliation or retribution, (vi) corporate opportunities, (vii) confidentiality, (viii) fair dealing, (ix) protection and proper use of Company assets, and (x) such other matters as the Board deems appropriate. Such codes also will include standards of conduct reasonably applicable to designated persons, including the Chief Executive Officer and the senior financial officers, designed to promote honest and ethical conduct, and full, fair, accurate, timely and understandable disclosure in the periodic reports, proxy statements and other public filings the Company is required make.

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## **Attachment A**

### **Director Qualification Standards and Additional Selection Criteria**

#### **Director Qualification Standards**

The Nominating and Corporate Governance Committee, in recommending director candidates for election or appointment to the Board, and the Board, in nominating or appointing director candidates, will consider candidates who have a high level of personal and professional integrity, strong ethics and values and the ability to make mature business judgments.

#### **Additional Selection Criteria**

In evaluating director candidates, the Nominating and Corporate Governance Committee and the Board may also consider the following criteria as well as any other factor that they deem to be relevant, in compliance with applicable laws and regulations:

- A. The candidate's experience in corporate management, such as serving as an officer or former officer of a publicly held company;
- B. The candidate's experience as a board member of other companies, including service on the board of directors of another publicly held company;
- C. The candidate's professional and academic experience relevant to the Company's industry;
- D. The strength of the candidate's leadership skills;
- E. The candidate's experience in finance and accounting and/or executive compensation practices;
- F. Whether the candidate has the time required for preparation, participation and attendance at Board meetings and committee meetings, if applicable; and
- G. Whether the candidate contributes to the mix of experience, backgrounds, qualifications and skills of the Board.

In addition, the Board will consider whether there are potential conflicts of interest with the candidate's other personal and professional pursuits.

The Board should monitor the mix of specific experience, backgrounds, qualifications and skills of its directors in order to assure that the Board, as a whole, has the necessary tools to perform its oversight function effectively in light of the Company's business and structure.