

Your California Privacy Rights and Social Responsibility

This privacy notice was last updated January 12, 2026

This website, internet service, or mobile application ("Site") is owned and operated by Beauty Systems Group LLC. Please also read our [Terms of Use](#).

This PRIVACY NOTICE FOR CALIFORNIA RESIDENTS ("Notice") supplements the information contained in the [Privacy Policy](#) of Beauty Systems Group LLC and its subsidiaries (collectively, "BSG," "we," "us," or "our") and applies solely to visitors of this Site and our stores, users, and others who reside in the State of California, to whom the California Consumer Privacy Act and California Privacy Rights Act (collectively, "CCPA") applies ("consumers" or "you"). We adopt this notice to comply with the CCPA and other California privacy laws. Any terms defined in the CCPA have the same meaning when used in this Notice.

[Click here to download this Notice in pdf form.](#)

If you are an employee, job applicant, contractor, director, or officer of ours residing in California, [click here](#) for the Applicant/Employee Privacy Notice. This Notice does not apply to you, unless you also interact with us as described above.

Information We Collect

We collect information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household ("personal information"). In particular, we have collected the following categories of personal information from consumers within the last twelve (12) months:

Identifiers

Contact information, such as your name, alias, postal address, email, and telephone number; unique identifiers, such as a government-issued ID number; and online identifiers, such as an IP address and a social media channel ID.

Collected?	Yes
Source	From you or your device(s) when you provide it to us or interact with us online (such as through our Site, via chat or

	<p>email, or our social media) or offline (such as through a retail location or over the phone).</p> <p>From someone that contacts us on your behalf or a contact of yours who purchases something and provides your information for shipping, such as a gift sent to you.</p> <p>From third parties such as carriers (e.g. updated address); information submitted through affiliate marketing channels, such as a discount site; online data aggregators; social networks; data analytic providers; if you gave us permission to store your payment information, your credit card issuer may provide us with updated payment information (including credit card number and expiration date) in connection with the credit card issuer's account updater service; businesses where you were or are a customer, and we acquired such business or its assets; and other third parties who help us improve our marketing or prevent fraud.</p>
<p>Purpose of Collection or Use</p>	<p>Identify and communicate with you.</p> <p>Create and administer accounts.</p> <p>Complete transactions initiated by you such as purchases or returns, and to provide customer service after such transactions or when you contact us.</p> <p>Process your payment, facilitate applying for or using a third party payment option, or evaluate your application for credit.</p> <p>Administer loyalty or discount programs you opt into.</p> <p>Manage and improve our business operations.</p> <p>Provide relevant marketing to you.</p> <p>Physical security, cybersecurity, incident response, and risk reduction purposes.</p> <p>Legal, recordkeeping, and compliance purposes (e.g. collect and remit appropriate sales tax; exercise or defend legal claims; reporting due to regulators/government entities).</p> <p>Other purposes communicated to you at the time of collection.</p>
<p>Information sold or shared for cross-</p>	<p>Yes, to marketing service companies to facilitate advertising our brand.</p>

context behavioral advertising	
Retention Period*	<p>We retain our customer records during the time such customer is active. Thereafter, records, or portions thereof may be deleted when there is no longer a legal or compliance reason to retain the data.</p> <p>To the extent we collect your government issued identifier to facilitate your application for a third party payment option, this information is used momentarily to communicate it to the applicable third party. It is not retained.</p> <p>If you apply for credit extended by us, we keep your credit application for the period required by applicable law.</p>
Disclosed to third parties (not service providers) for a business purpose.	<p>Manufacturers of products you purchase, to facilitate the loyalty program you opted into; prevent diversion; and administer product recalls.</p> <p>If you interact with us on behalf of a company that employs you, or where you are a franchisee, we may disclose information to such company or franchisor for their business purposes.</p> <p>Financial institutions and payment processors to process payments and refunds, or if you request it, to facilitate applying for and using a third party payment option.</p> <p>Our affiliates to provide shared business services (e.g. customer service, loss prevention, information security, IT support, accounting, tax).</p> <p>Delivery service providers (e.g. USPS or UPS) to send you mail or deliver your order; product manufacturers that drop ship your order.</p> <p>Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.</p>

Legally Protected Demographics

Personal information described in subdivision (e) of Section 1798.80.

Examples include name, signature, social security number, address, telephone number; unique identifiers, such as a government-issued ID number; credit card, debit card, or

bank account number; education or employment information; financial information in a credit application.

Collected?	Yes
Source	<p>From you or your device(s) when you provide it to us or interact with us online (such as through our Site, via chat or email, or our social media) or offline (such as through a retail location or over the phone).</p> <p>From third parties such as carriers (e.g. updated address); information submitted through affiliate marketing channels, such as a discount site; online data aggregators; social networks; data analytic providers; if you gave us permission to store your payment information, your credit card issuer may provide us with updated payment information (including credit card number and expiration date) in connection with the credit card issuer's account updater service; businesses where you were or are a customer, and we acquired such business or its assets; and other third parties who help us improve our marketing or prevent fraud.</p>
Purpose of Collection or Use	<p>Identify and communicate with you.</p> <p>Create and administer accounts.</p> <p>Demonstrate your agreement to or acceptance of documents presented to you (e.g. the Professional Purchase Agreement).</p> <p>Complete transactions initiated by you such as purchases or returns, and to provide customer service after such transactions or when you contact us.</p> <p>Process your payment, facilitate applying for or using a third party payment option, or evaluate your application for credit.</p> <p>Administer loyalty or discount programs you opt into.</p> <p>Manage and improve our business operations.</p> <p>Provide relevant marketing to you, including understanding the type of business you're associated with (e.g. a nail technician may prefer to see more deals and communications on nail products, as opposed to supplies for facials).</p> <p>Verify that you're a licensed professional, student, or business owner authorized to purchase our products.</p>

	<p>Facilitate continuing education credit, if you attend our eligible education programs.</p> <p>Communicate with you through your business contact information, if you request it.</p> <p>Physical security, cybersecurity, incident response, and risk reduction purposes.</p> <p>Legal, recordkeeping, and compliance purposes (e.g. collect and remit appropriate sales tax; exercise or defend legal claims).</p> <p>Other purposes communicated to you at the time of collection.</p>
<p>Information sold or shared for cross context behavioral advertising</p>	<p>Yes, to marketing service companies to facilitate advertising our brand.</p>
<p>Retention Period*</p>	<p>We retain our customer records during the time such customer is active. Thereafter, records, or portions thereof may be deleted when there is no longer a legal or compliance reason to retain the data.</p> <p>When you share your social security number to apply for a third party payment option, this information is used momentarily to communicate it to the applicable third party. It is not retained.</p> <p>If you apply for credit extended by us, we keep your credit application for the period required by applicable law.</p>
<p>Disclosed to third parties (not service providers) for a business purpose.</p>	<p>Manufacturers of products you purchase, to facilitate the loyalty program you opted into; prevent diversion; and administer product recalls.</p> <p>If you interact with us on behalf of a company that employs you, or where you are a franchisee, we may disclose information to such company or franchisor for their business purposes.</p> <p>Financial institutions and payment processors to process payments and refunds, or if you request it, facilitate applying for or using a third party payment option.</p>

	<p>Our affiliates to provide shared business services (e.g. customer service, accounting, marketing, loss prevention, IT support, information security).</p> <p>Delivery service providers (e.g. USPS or UPS) to send you mail or deliver your order; product manufacturers that drop ship your order.</p> <p>Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.</p>
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Characteristics of Protected Classifications under California or Federal Law

Race; sex, gender, or gender identity; language preference; age or age range.

Collected?	Yes
Source	<p>From you when you choose to provide it, to indicate marketing preferences, participate in a survey, or otherwise when you provide it to us or interact with us online (such as through our Site, via chat or email, or our social media) or offline (such as through a retail location or over the phone).</p> <p>From third parties such as marketing companies.</p>
Purpose of Collection or Use	<p>Identify and communicate with you (e.g. address you by your preferred pronouns, or communicate in your preferred language, if you request it).</p> <p>Provide relevant marketing to you.</p> <p>Improve our goods and services.</p> <p>Other purposes communicated to you at the time of collection.</p>
Information sold or shared for cross context behavioral advertising	No.
Retention Period*	We retain our customer records during the time such customer is active. Thereafter, records, or portions thereof may be deleted when there is no longer a legal or compliance reason to retain the data.
Disclosed to third parties (not service providers) for a business purpose.	<p>Our affiliates to provide shared business services (e.g. marketing, product development).</p> <p>Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.</p>

Commercial Information

Records of products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.

Collected?	Yes
Source	<p>From you or your device(s) when you provide it to us or interact with us online (such as through our Site, via chat or email, or our social media) or offline (such as through a retail location or over the phone).</p> <p>We create some of this as the original source of the information, when you purchase or inquire about products.</p> <p>From third parties such as businesses where you were or are a customer, and we acquired such business or its assets.</p>
Purpose of Collection or Use	<p>Complete transactions initiated by you such as purchases or returns, and to provide customer service after such transactions or when you contact us.</p> <p>Process your payment or facilitate your use of a third party payment option.</p> <p>Administer loyalty or discount programs you opt into.</p> <p>Improve our goods or services and train our employees.</p> <p>Manage and improve our business operations.</p> <p>Provide relevant marketing to you.</p> <p>Physical security, cybersecurity, incident response, and risk reduction purposes.</p> <p>Legal, recordkeeping, and compliance purposes (e.g. collect and remit appropriate sales tax; exercise or defend legal claims; reporting due to regulators/government entities).</p> <p>Other purposes communicated to you at the time of collection.</p>
Information sold or shared for cross-context behavioral advertising	No

Retention Period*	We retain our customer records during the time such customer is active. Thereafter, records, or portions thereof may be deleted when there is no longer a legal or compliance reason to retain the data.
Disclosed to third parties (not service providers) for a business purpose.	<p>Manufacturers of products you purchase, to facilitate the loyalty program you opted into; prevent diversion; administer product recalls; and drop ship your order.</p> <p>If you interact with us on behalf of a company that employs you, or where you are a franchisee, we may disclose information to such company or franchisor for their business purposes.</p> <p>Financial institutions and payment processors to process payments and refunds. If you've chosen a third party payment option, to such third party, so such third party can administer your account.</p> <p>Our affiliates to provide shared business services (e.g. customer service, marketing, accounting).</p> <p>Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.</p>

Biometric Information

We do not collect an individual's physiological, biological, or behavioral characteristics, which is used, or is intended to be used, to establish individual identity.

Internet or other Electronic Network Activity

Browsing history; search history; information on your interaction with a website or application including mouse movements, clicks, user inputs, scrolling, access times, visit duration, pages viewed, and page reloading; your interaction with an advertisement; your clickstream through the Site; whether you open or click on emails we send you; referring website; device operating system and browser type.

Collected?	Yes
Source	<p>From you or your device(s) when you provide it to us or interact with us online (such as through our Site, via chat or email, or our social media).</p> <p>From third parties such as information submitted through affiliate marketing channels, such as a discount site; online data aggregators; social networks; data analytic providers;</p>

	and other third parties who help us improve our marketing or prevent fraud.
Purpose of Collection or Use	<p>Make our website more intuitive.</p> <p>Improving the efficiency and quality of our Site, products, and services; debugging, identifying, and repairing errors that impair the intended functionality of our Site.</p> <p>Provide relevant marketing to you.</p> <p>Physical security, cybersecurity, incident response, and risk reduction purposes.</p> <p>Other purposes communicated to you at the time of collection.</p>
Information sold or shared for cross-context behavioral advertising	No
Retention Period*	To the extent this information is associated with a customer record, we retain our customer records during the time such customer is active. Thereafter, records, or portions thereof may be deleted when there is no longer a legal or compliance reason to retain the data.
Disclosed to third parties (not service providers) for a business purpose.	<p>Our affiliates to provide shared business services (e.g. marketing, information security, IT support, loss prevention).</p> <p>Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.</p>

Geolocation Data

Approximate physical location, precise physical location.

Collected?	Yes
Source	From you or your device(s) when you provide it to us or interact with us online.
Purpose of Collection or Use	<p>Help you locate a store, when you request it.</p> <p>Serve a country or state specific cookie banner or provide other geographic-specific content on our Site.</p>
Information sold or shared for cross-context behavioral advertising	No

Retention Period*	Your location is used momentarily to perform the functions listed above. It is not retained.
Disclosed to third parties (not service providers) for a business purpose.	No

Sensory Data

Audio, electronic, visual, or similar information.

Collected?	Yes
Source	<p>From you or your device(s) when you provide it to us or interact with us online (such as through our Site, via chat or email, or our social media) or offline (such as through a retail location or over the phone).</p> <p>From our devices in our stores or offices, such as Closed Circuit Television systems, devices where an operator interacts verbally and may take pictures, when activated in an emergency, or devices that monitor store traffic patterns.</p>
Purpose of Collection or Use	<p>Identify and communicate with you.</p> <p>To provide a service you requested.</p> <p>Complete transactions initiated by you such as purchases or returns, and to provide customer service after such transactions or when you contact us.</p> <p>Improve our goods or services and train our employees.</p> <p>Manage and improve our business operations.</p> <p>Physical security, cybersecurity, incident response, and risk reduction purposes.</p> <p>Legal, recordkeeping, and compliance purposes (e.g. exercise or defend legal claims).</p> <p>Other purposes communicated to you at the time of collection.</p>
Information sold or shared for cross-context behavioral advertising	No

Retention Period*	<p>Under normal circumstances, voicemails, call recordings, chat recordings, and videos for security purposes are retained for up to one year.</p> <p>There are circumstances where we may connect a voicemail, call recording, or chat recording to a customer record. To the extent this information is associated with a customer record, we retain our customer records during the time such customer is active. Thereafter, records, or portions thereof may be deleted when there is no longer a legal or compliance reason to retain the data.</p>
Disclosed to third parties (not service providers) for a business purpose.	<p>Our affiliates to provide shared business services (e.g. customer service, loss prevention, information security, IT support).</p> <p>Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.</p>

Inferences

Profile reflecting a consumer’s preferences, characteristics, predispositions, values, behavior, and attitudes.

Collected?	Yes
Source	<p>From you or your device(s) when you provide it to us or interact with us online (such as through our Site, via chat or email, or our social media) or offline (such as through a retail location or over the phone).</p> <p>From third parties such as information submitted through affiliate marketing channels, such as a discount site; online data aggregators; social networks; data analytic providers; and other third parties who help us improve our marketing or prevent fraud.</p>
Purpose of Collection or Use	<p>Improve our goods or services.</p> <p>Manage and improve our business operations.</p> <p>Provide relevant marketing to you.</p>
Information sold or shared for cross-context behavioral advertising	No
Retention Period*	We retain our customer records during the time such customer is active. Thereafter, records, or portions thereof

	may be deleted when there is no longer a legal or compliance reason to retain the data.
Disclosed to third parties (not service providers) for a business purpose.	Our affiliates to provide shared business services (e.g. marketing, IT support, product development). Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.

Professional or Employment-Related Information and Non-public Education Information

Name of school, employer, or business owned; professional license number; school dates of attendance or graduation date; nature of work performed (e.g. nail technician, barber).

Collected?	Yes
Source	From you when you provide it to us online (such as through our Site, via chat or email, or our social media) or offline (such as through a retail location or over the phone). From third parties such as businesses where you were or are a customer, and we acquired such business or its assets.
Purpose of Collection or Use	Verify that you're a licensed professional, student, or business owner authorized to purchase our products. Facilitate continuing education credit, if you attend our eligible education programs. Understand the type of business you're associated with to provide relevant marketing to you (e.g. a nail technician may prefer to see more deals and communications on nail products, as opposed to supplies for facials). Communicate with you through your business contact information, if you request it.
Information sold or shared for cross-context behavioral advertising	No
Retention Period*	We retain our customer records during the time such customer is active. Thereafter, records, or portions thereof may be deleted when there is no longer a legal or compliance reason to retain the data.

Disclosed to third parties (not service providers) for a business purpose.	<p>Manufacturers of products you purchase, to facilitate the loyalty program you opted into; prevent diversion; and administer product recalls.</p> <p>Licensing bodies if we report continuing education credit on your behalf.</p> <p>Our affiliates to provide shared business services (e.g. customer service, marketing, IT support, product development).</p> <p>Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.</p>
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If you are an employee, job applicant, contractor, director, or officer of ours residing in California, [click here](#) for the Applicant/Employee Privacy Notice.

Sensitive Personal Information

Your social security number or other government-issued identifying number.

Collected?	Yes
Source	From you when you provide it to us online (such as through our Site) or offline (such as through a retail location).
Purpose of Collection or Use	<p>Facilitate applying for a third party payment option you requested, including but not limited to our private label credit card.</p> <p>Evaluate your application for credit.</p>
Information sold or shared for cross-context behavioral advertising	No
Retention Period*	<p>If you apply for a third party payment option, this information is used momentarily to communicate it to the applicable third party. It is not retained by us.</p> <p>If you apply for credit extended by us, we keep your credit application for the period required by applicable law.</p>
Disclosed to third parties (not service providers) for a business purpose.	<p>Financial institutions and/or payment processors to facilitate applying for the third party payment option you requested.</p> <p>Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.</p>

Your account log-in credentials in combination with your password to access our Site.

Collected?	Yes
Source	From you when you provide it to us online.
Purpose of Collection or Use	Create and administer an online account you requested, and facilitate your access to our Site via such account.
Information sold or shared for cross-context behavioral advertising	No
Retention Period*	For so long as you have an online account with us.
Disclosed to third parties (not service providers) for a business purpose.	Our affiliates to provide shared business services (e.g. information security, IT support). Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.

Your racial or ethnic origin.

Collected?	Yes
Source	From you when you choose to provide it, to indicate marketing preferences or participate in a survey. From third parties such as marketing companies.
Purpose of Collection or Use	Improve our goods or services. Provide relevant marketing to you.
Information sold or shared for cross-context behavioral advertising	No
Retention Period*	We retain our customer records during the time such customer is active. Thereafter, records, or portions thereof may be deleted when there is no longer a legal or compliance reason to retain the data.
Disclosed to third parties (not service providers) for a business purpose.	Our affiliates to provide shared business services (e.g. marketing, product development). Other third parties (such as law enforcement) as required by law, or as necessary to exercise our legal rights.

Your precise geolocation.

Collected?	Yes
Source	From you, only when you use our app, and only when you allow it in your device's settings.

Purpose of Collection or Use	Help you locate a store, when you request it.
Information sold or shared for cross-context behavioral advertising	No
Retention Period*	Your location is used momentarily to perform the functions listed above. It is not retained.
Disclosed to third parties (not service providers) for a business purpose.	No

***Retention Periods:** The retention periods disclosed above depend on and may change based on a variety of factors including, but not limited to: our available space to store the records; shortening the period if we determine we no longer have a reasonable need for the information; extending the period if the information is needed for legal purposes (e.g. ongoing litigation, administering a product recall), required to be retained by law, needed to exercise our legal rights, part of an unresolved customer service or security issue, or used for internal training purposes; legal requirements that change after the information was collected (e.g. a law that requires us to delete something sooner or save something longer than we originally intended to).

Personal information does not include publicly available information or lawfully obtained truthful information that is a matter of public concern; de-identified or aggregated information; or information excluded from the CCPA's scope, such as information covered by other specifically-named privacy laws. We collect, disclose, and use this information in accordance with applicable law. If information is in de-identified form, we will not attempt to re-identify the information, except as permitted by the CCPA.

This Site is directed to adults, and BSG does not knowingly collect, sell, or share the personal information of consumers under the age of 16. If you believe we have collected personal information of a consumer under the age of 16, please [submit a Request to Delete](#).

Your Privacy Rights and Choices

The CCPA provides consumers with specific rights and to make requests regarding their personal information. To learn more and submit such requests, [click here](#).

We do not discriminate against consumers who exercise their rights under applicable privacy law.

Shine the Light

California Civil Code Section 1798.83 permits customers who are California residents to request certain information regarding and/or opt-out of our disclosure of personal

information to third parties for their direct marketing purposes. To make such a request, please write to us at the following address and clearly label your correspondence as a “Shine the Light Request”:

Cosmo Prof
 c/o Customer Care
 7900 Windrose Ave.
 Plano, TX 75024

Statistics on Consumer Privacy Requests We Receive

We receive a number of requests from our customers to exercise their privacy rights. Below are statistics on the number of requests we’ve received in California and how they have been fulfilled.

Requests as of January 1, 2025 – December 31, 2025	Received	Fulfilled	Denied*	Mean Duration (days)
Requests to know	0	0	0	N/A
Requests to delete	0	0	0	N/A
Requests to opt-out	32	25	7	2
Requests to correct inaccurate personal information	1	1	0	4
Requests to limit use and disclosure of sensitive personal information	0	0	0	N/A

*Lack of verification response; duplicate request; or other permitted reason.

Notice of Financial Incentive Programs

We offer various financial incentives, including price discounts, coupons, services and other perks. For example, the financial incentives programs we may provide include (collectively, the “programs”):

Name	Description	How to Opt Out or Terminate Account
Sally Beauty Rewards	Participants have access to rewards, offers, and promotions as linked to the left. Professional tier members also receive the Pro Membership Discount .	Contact Customer Service
Members of our mail list	Participants receive discounts and notice of	Contact Customer Service

	sales, information, and updates.	
Members of our email list	Participants receive discounts and notice of sales, information, and updates.	Contact Customer Service Can also unsubscribe via an unsubscribe-link at the bottom of each marketing email
Members of our SMS text message list	Participants receive discounts and notice of sales, information, and updates.	Opt out following the instructions in the SMS Terms and Conditions
Sally Beauty Rewards Credit Card	Participants have access to rewards, offers, and promotions as linked to the left.	Call Comenity Capital Bank at 1-844-271-2795, TDD/TTY: 1-888-819-1918 Can also send a message via Secure Message Center through the Sally Beauty Rewards Credit Card Account Center To terminate the corresponding Sally Beauty Rewards account, contact Customer Service
Cosmo Prof Rewards Credit Card	Participants have access to rewards, offers, and promotions as linked to the left.	Call Comenity Capital Bank at 1-800-701-4169, TDD/TTY: 1-888-819-1918 Can also send a message via Secure Message Center through the Cosmo Prof Rewards Credit Card Account Center To terminate the corresponding Sally Beauty Rewards account, contact Customer Service

A summary of the program and material terms are provided in the links associated with each program listed above or are otherwise provided in the program offer (e.g., via email). In order to participate in some of these programs, you may be asked to provide personal information, such as identification information (e.g., name, email address, phone number, and mailing address). We also collect your online activities and commercial information (e.g., transaction history). Participation in any financial incentive program is optional at the time of sign-up, and participants may withdraw from the

program at any time. To opt out of the program and forgo any ongoing incentives, please refer to the methods listed in the table above.

The financial incentives we offer to consumers are reasonably related to the value of the consumers' data to our business, based on our reasonable but sole determination. We estimate the value of consumers' personal information by considering the expenses incurred by the business related to the collection, storage, and retention of personal information in the context of the program and the expenses related to the provision of the program. The value to our business of any individual consumer's personal information is based on specific facts, such as whether and to what extent you take advantage of any offerings and whether and to what extent you opt out of any offerings. We do not record the value of consumer data in our accounting statements, related to our programs. From time to time, we may provide additional terms that apply to a program, which will be presented to you at the time you sign up for the program.

Changes to Our Privacy Notice

We reserve the right to amend this privacy notice at our discretion and at any time. We will provide additional notice to you if we make any changes that materially affect your privacy rights.

Contact Information

If you have any questions or comments about this notice, our Privacy Statement, the ways in which we collect and use your personal information, your choices and rights regarding such use, or wish to exercise your rights under California law, please do not hesitate to contact us at:

Phone: 833-505-0472

Website: <https://www.cosmoprofbeauty.com/contact-us>

Postal Address: 7900 Windrose Ave, Plano, TX 75024

BSG Practices Consistent with California Anti-Slavery Law

In September 2010, the State of California approved a new law, the California Transparency in Supply Chains Act of 2010 (SB 657) designed to increase information made available by companies with regard to efforts to eradicate forced labor and human trafficking. BSG recognizes the problems and issues that slavery and human trafficking present and is committed to complying with the new law. BSG is concerned about addressing the issues arising from slavery and human trafficking in our immediate supply chain. This includes strengthening and making appropriate workplace standards and policies for the manufacturers who make our products.

Our goal is to protect the human rights of workers involved in our supply chain, and to help individuals experience safe, fair and non-discriminatory working conditions. BSG is disclosing its specific actions in relation to five key points as each relates to BSG's procurement.

Number 1:

Conduct verification of product supply chains to evaluate and address risks of human trafficking and slavery. The disclosure shall specify if the verification was not conducted by a third party.

Number 2:

Audit suppliers to evaluate supplier compliance with company standards for trafficking and slavery in supply chains. The disclosure shall specify if the verification was not an independent, unannounced audit.

Number 3:

Requires direct suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

Number 4:

Maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.

Number 5:

Provides company employees and management who have direct responsibility for supply chain management with training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products.

The following are BSG actions related to each key point described in the Act for procurement of private label products:

Disclosure Number 1:

Engages in verification of product supply chains to evaluate and address risks of human trafficking and slavery. The disclosure shall specify if the verification was not conducted by a third party. BSG evaluates and addresses human rights issues as part of our commitment to fair labor practices within our supply chain. The verification process is more robust for suppliers of BSG's private-label products, but in all cases BSG seeks to have its contractors covenant to comply with all applicable laws against slavery and human trafficking. When considering new factory partners and manufacturers in a new

country for its private-label products, BSG vets it for political stability and port safety, known labor issues, safety for BSG employees and travel, and other factors. This process is handled and verified internally and does not involve third party audits.

Disclosure Number 2:

Conducts audits of suppliers to evaluate supplier compliance with company standards for trafficking and slavery in supply chains. The disclosure shall specify if the verification was not an independent, unannounced audit.

BSG's manufacturing agreement terms and conditions for its private label products provide BSG with the right to audit a supplier's legal compliance, which includes the right to audit for compliance with antislavery and anti-human trafficking laws. The right to conduct audits is not a part of the standard terms and conditions for other goods. In general, an audit would not be independent and unannounced, although BSG have the option to enlist specialized assistance as needed.

Disclosure Number 3:

Requires direct suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

BSG recognizes the importance of protecting the human right of workers who produce the materials for our products and accordingly requires supplier compliance with all applicable laws. Suppliers are obligated to comply with all laws and regulations, but although compliance with such laws is part of the general compliance obligation, there is no specific requirements for direct suppliers to provide certification that materials incorporated into products comply with laws regarding slavery and human trafficking.

Disclosure Number 4:

Maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.

BSG considers fair labor practices an important part of human rights. To date, there have been no known violations related to slavery or trafficking in any of our supplier facilities.

BSG's approach to fair labor violations focuses on monitoring with the goal of establishing compliance in the workplace environment. In the event that a case of human trafficking or slavery would be detected in BSG supply chain, BSG has an escalation process in place contractually and has the ability to terminate any supplier who remains in noncompliance after failing to cure a notified breach.

Disclosure Number 5:

Provides company employee and management who have direct responsibility for supply chain management with training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products. Designated managers with responsibility for human resources or other compliance will receive training as determined from time to time to be appropriate and necessary on human trafficking and slavery issues.

Conclusion

BSG is committed to upholding human rights as we conduct our business. We will update the disclosures to reflect BSG's experience on preventing and addressing potential human rights violations in our supply chain, including in the areas of antislavery and anti-human trafficking.

Attention California Residents:

California's Proposition 65 provides that California consumers are to be given particular warnings regarding products that contain chemicals known to the State of California to cause cancer or birth defects or other reproductive harm.

Some of the products we sell, such as: cosmetics, personal and fashion accessories, cosmetic cases, handbags, purses, travel goods, electronic goods, and other items containing imitation leather, vinyl, foam, synthetic and non-woven material, and other plastic components, may contain, lead and /or phthalate chemicals including but not limited to, DEHP, as well as other chemicals known by the State of California to cause cancer or reproductive harm. In accordance with California's Proposition 65, we issue the following warning to our California customer's regarding these products:

WARNING: The above products may contain lead, phthalates and other chemicals known by the State of California to cause cancer and birth defects or other reproductive harm.