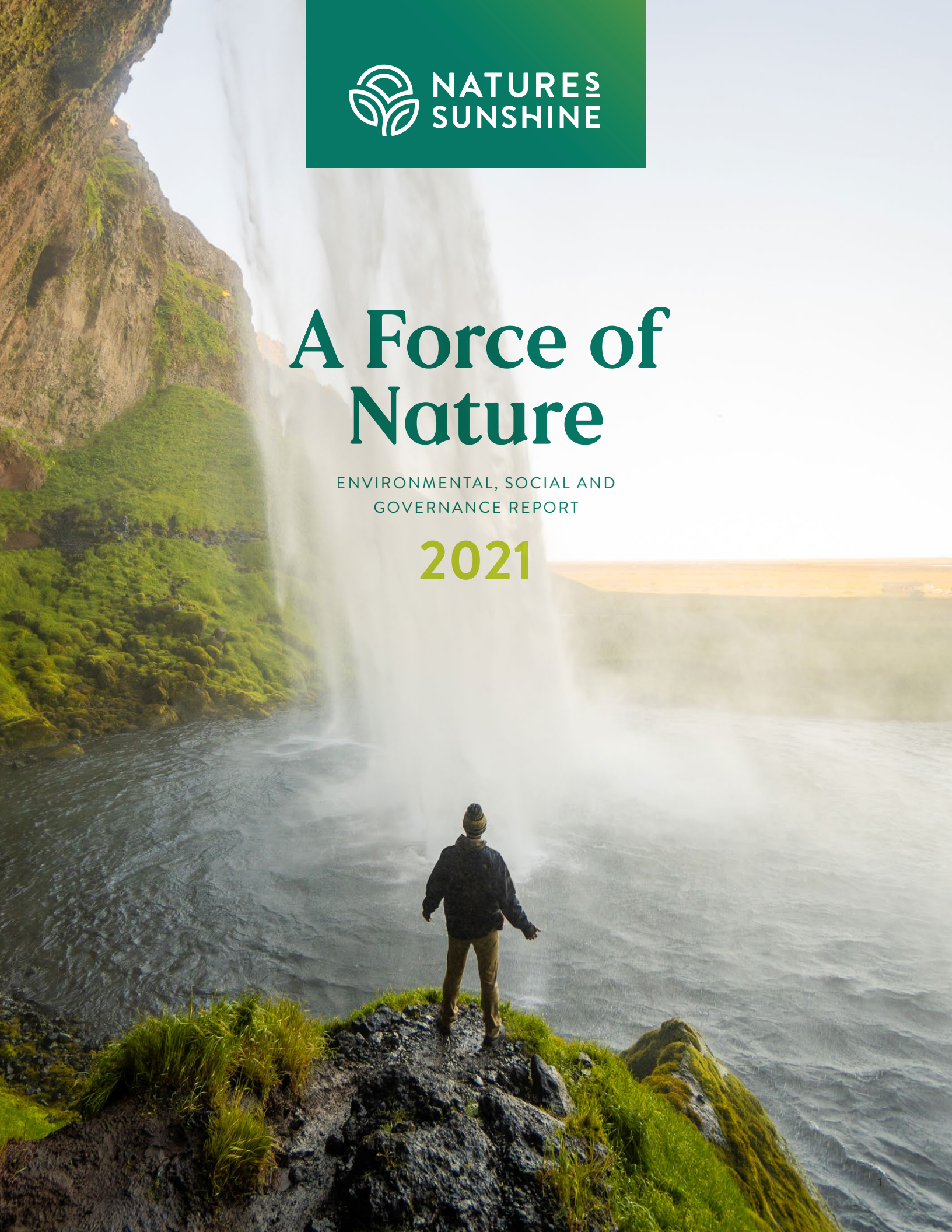




A Force of Nature

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

2021



WE ARE EXCITED TO SHARE HOW NATURE'S SUNSHINE IS A RESPONSIBLE CORPORATE CITIZEN. FOR HALF A CENTURY, OUR MISSION HAS BEEN TO SHARE THE HEALING POWER OF NATURE WITH PEOPLE AROUND THE WORLD.



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AS THE FIRST COMPANY TO ENCAPSULATE HERBS, WE TRANSFORMED THE WELLNESS INDUSTRY. FOR DECADES, WE HAVE COMBINED HERBAL WISDOM WITH MODERN SCIENCE TO CREATE BREAKTHROUGHS IN HEALTH AND WELLNESS.

Today, we continue to harness the power of pure, potent and proven herbs to bring their healing power to millions of people across the world through a devoted network of independent consultants, many of whom are naturopaths within their local communities.

Our ESG report highlights some of our efforts to care for both our planet and the people who call it home. For the most part, it covers the period

from January 1, 2021 to December 31, 2021, along with some relevant historical information.

This report includes details on our owned manufacturing, major non-manufacturing facilities, and 100% of our workforce in all countries in which we operate – including Nature’s Sunshine operations and our subsidiary, Synergy WorldWide. It also features information about our global supply chain and sourcing of raw materials.



Feel the Power

2022 IS AN IMPORTANT YEAR FOR OUR COMPANY, AS WE CELEBRATE OUR 50-YEAR ANNIVERSARY!

That's impressive, but in many ways, 2022 is both a milestone and a crossroads for Nature's Sunshine. On the one hand, it's an important milestone that allows us to look back and celebrate our rich history and the groundbreaking legacy that our founders, Gene and Kristine Hughes, created by dedicating themselves to sharing the healing power of nature with people all over the world.

Of course, legacy isn't about the past, it's about the future. It's about planting seeds that take root in the hearts and minds of a new generation, for a future that we may never see, but that will leave an indelible mark on the world. The challenge that lies before us is to reimagine our business, and our industry, for the future.

You can start to see why 2022 is not only an important milestone, it's also an incredibly exciting crossroad, and our opportunity to look ahead and reimagine Nature's Sunshine for the next 50 years, and write the next exciting chapter of our company's story.

To share the healing power of nature, we must actively support and protect the people and plants that make our work possible. At Nature's Sunshine we have a long history of connecting people with our planet by harnessing the power of nature to improve their lives. Our leadership in sourcing, testing and manufacturing is unsurpassed, and now we are strengthening our commitment to creating a more inclusive and sustainable business by establishing a Global Sustainability and Transparency organization that will drive improvements across the company.


As adventurous pioneers, it's up to us to reimagine our business, revive the adventurous spirit of our founders, and redefine what it means to be the nutritional supplement company of the future!

Here's to celebrating the next 50 years of sharing the healing power of nature.

Regards,



TERRENCE MOOREHEAD
President & Chief Executive Officer



“LEGACY ISN'T ABOUT THE PAST, IT'S ABOUT THE FUTURE. IT'S ABOUT PLANTING SEEDS THAT TAKE ROOT IN THE HEARTS AND MINDS OF A NEW GENERATION.”

Our Commitment to Sustainability

AS A FORCE OF NATURE, WE ARE COMMITTED TO PROTECTING NATURE AND CREATING A HEALTHIER PLANET BY BEING ENVIRONMENTALLY AND SOCIALLY RESPONSIBLE AT EVERY LEVEL OF OUR SUPPLY CHAIN AND IN EVERY COMMUNITY WE TOUCH.



OUR SOCIAL RESPONSIBILITY

We are committed to living our code of conduct and ensuring ethical labor practices throughout our business and supply chain. We are committed to working with others who share our values within their businesses, providing jobs and economic growth across the world. We are also determined to give back to communities globally through the Impact Foundation.

We show our commitment to social responsibility by strengthening and supporting our people and our communities. This includes:

- Diversity, equity and inclusion (DE&I)
- Employee culture, training and development
- Workplace safety and product quality
- Economic empowerment across our value chain
- Philanthropy and community engagement

To strengthen our support of both planet and people, in 2021 we engaged the B-Impact Lab to prepare for B-Corp Certification.

B-Corp Certification designates a business as meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials. We look forward to reporting on our progress to achieve Certification in future reports.

OUR ENVIRONMENTAL STEWARDSHIP

Sharing nature’s healing power means preserving it for future generations, so caring for the environment is central to what we do. That’s why we prioritize reducing the environmental footprint of our manufacturing facilities, working with farmers to support organic and regenerative agricultural practices, and choosing suppliers who share our values.

We demonstrate our commitment to responsible environmental stewardship by strengthening and supporting our efforts to reduce environmental harm to the planet. This includes:

- Operational efficiencies: waste, water, and energy reduction
- Responsible sourcing
- Sustainable packaging
- Greenhouse gas emissions and climate action



THE POWER OF PLANTS MATTERS

Nature's Sunshine's story began half a century ago when the Hughes encapsulated cayenne pepper by hand around their kitchen table. From humble beginnings to a global enterprise, we've helped millions discover nature's healing power for themselves.

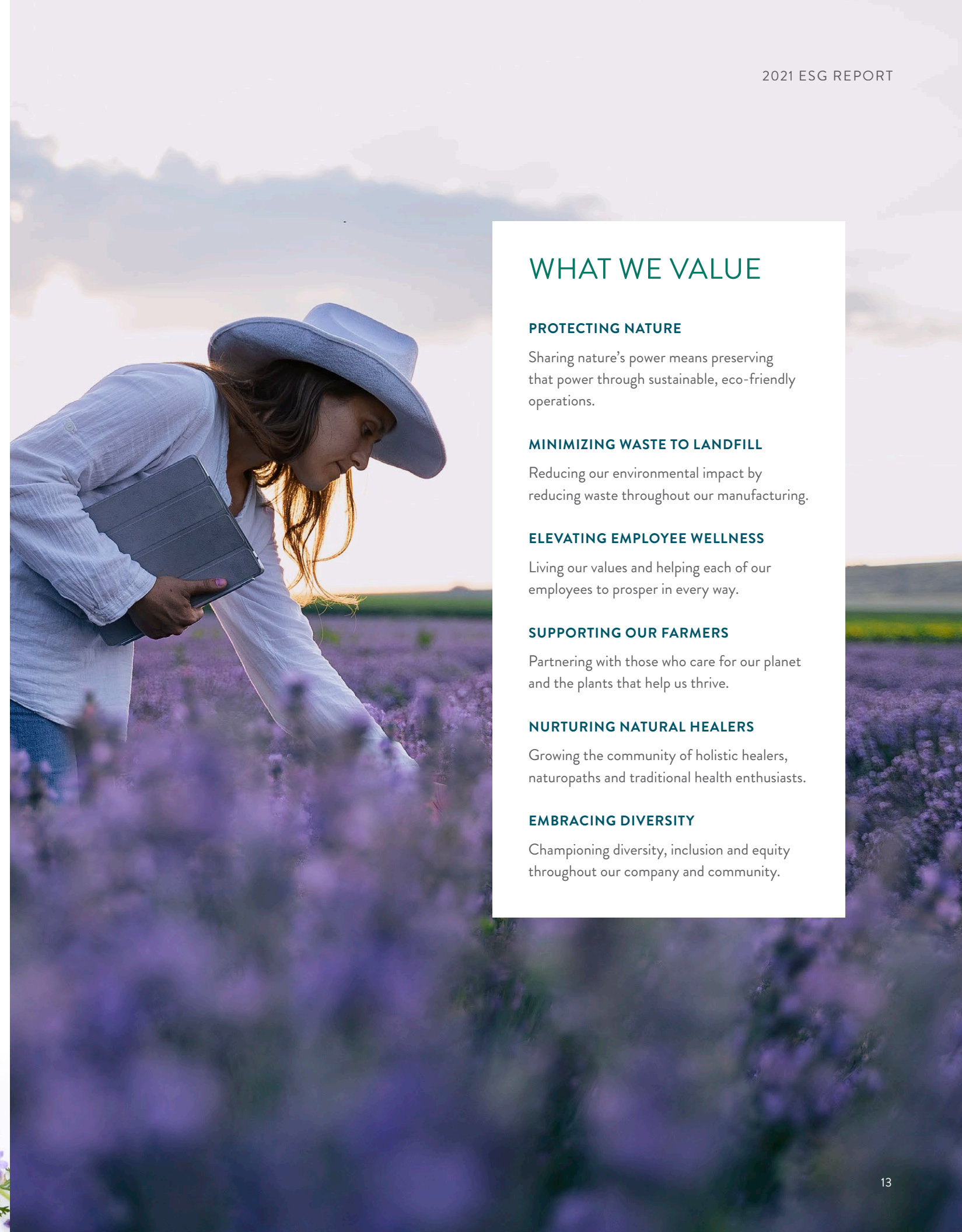
While we're not farmers, growers or harvesters, we understand the discipline and dedication it takes to consciously and sustainably cultivate exceptional herbs and botanicals. And each day we want to make a difference in the lives of those who help us bring nature's power to the world.

BECOMING THE NUTRITIONAL SUPPLEMENT COMPANY OF THE FUTURE

If you're serious about nutritional supplements and dedicated to improving lives through the healing power of nature, then you have to make your own supplements. And we've done that from day one. Through artisanal, small-batch manufacturing, we blend the purest botanicals to expertly craft the most potent natural supplements available.

But we didn't come this far, just to come this far. Through technological advancements, scientific discovery and sustainable practices, we're simplifying health journeys while making them more personal and powerful. Our goal is to reimagine the wellness industry and redefine what it means to be a nutritional supplement company.

WE HARNESS THE POWER OF PURE, POTENT AND PROVEN HERBS TO BRING THEIR HEALING POWER TO MILLIONS OF PEOPLE ACROSS THE WORLD.



WHAT WE VALUE

PROTECTING NATURE

Sharing nature's power means preserving that power through sustainable, eco-friendly operations.

MINIMIZING WASTE TO LANDFILL

Reducing our environmental impact by reducing waste throughout our manufacturing.

ELEVATING EMPLOYEE WELLNESS

Living our values and helping each of our employees to prosper in every way.

SUPPORTING OUR FARMERS

Partnering with those who care for our planet and the plants that help us thrive.

NURTURING NATURAL HEALERS

Growing the community of holistic healers, naturopaths and traditional health enthusiasts.

EMBRACING DIVERSITY

Championing diversity, inclusion and equity throughout our company and community.

Setting Goals for the Future

ENVIRONMENTAL WELLNESS

TAKING CONTROL OF OUR EMISSIONS

50% REDUCTION OF GREENHOUSE GAS EMISSIONS BY 2025 (SCOPE 1 & 2)

While we take responsibility for all greenhouse gas (GHG) emissions related to our business, we directly control Scope 1 and Scope 2 emissions. These emissions represent 6% of our total GHG emissions.

As our efforts to track and manage GHG emissions evolve, we will include and set goals for emissions from other categories, including e-commerce logistics, fugitive emissions from refrigerant leakage and additional material Scope 3 emissions.





REDUCING ENERGY CONSUMPTION

100% RENEWABLE ENERGY AT OWNED MANUFACTURING BY 2023

Despite growing our company by 21% over the past 3 years, our Spanish Fork site has decreased energy consumption by 33% due to adjustments made in lighting and machine operations.

The Spanish Fork manufacturing site is transitioning all lighting from traditional bulbs to LED bulbs and panels, with the exterior lights completed in November 2019.



GETTING RID OF WASTE

ZERO WASTE TO LANDFILL BY 2025 IN OUR U.S. DISTRIBUTION CENTERS.

While efforts to reduce waste in our facilities has always been an area of focus, the collection of our baseline waste data clearly shows that there is more work to be done. We will continue to reduce our waste generation while increasing recycling efforts across our facilities. We aim to have all U.S. distribution centers Zero Waste-certified by the end of 2025.



WATCHING OUR WASTE IN MANUFACTURING

35% WASTE REDUCTION AT OWNED MANUFACTURING BY 2025

We manufacture 80 percent of the products we ship around the world from a 260,000 sq-foot manufacturing and warehouse facility in Spanish Fork, Utah. Here, over 850 raw materials sourced from partnerships all over the world are transformed into the quality products our customers rely on.

We are committed to reducing landfill waste at our manufacturing facility by 35% by 2025, and we see composting and recycling efforts as key opportunities to improve landfill diversion rates.



HELPING OTHERS EXPERIENCE NATURE'S POWER

SHARE THE HEALING POWER OF NATURE WITH 1,000,000 WOMEN AND CHILDREN BY 2025

Everyone deserves the chance to live healthily, and we feel an obligation to provide that opportunity, especially to those who are less fortunate. Many women and children throughout the world struggle to get the nourishment they need to live their best life. Through the Impact Foundation we are working to give at-risk women and children better health and a better life by sharing the healing power of nature with those who need it most.



PROMOTING TEAM EXCELLENCE

CONTINUE TO BE AN EMPLOYER OF CHOICE

Our talented employees are our greatest asset, and ensuring we have a culture that attracts and retains top talent is among our top priorities. Through our Stronger Together program, we are creating a culture that welcomes understanding and inclusiveness to bring greater diversity, experience and strength to our team.

With Comparably, our employees themselves let us know if we're succeeding by helping us maintain our high Culture Score and Choice Employer status.

2021 AT A GLANCE

OUR PRODUCTS



Create more than
1,200
PRODUCTS

including herbal supplements, essential oils,
protein products and probiotics

Serve more than
40
COUNTRIES



on five continents: North America,
South America, Europe, Asia, Australia

85%
products
**NON
GMO**



Utilize more than
300 UNIQUE
botanical ingredients

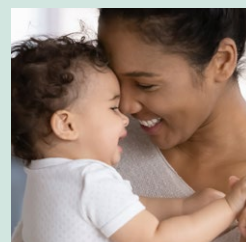
OUR COMMUNITY

IMPACT
— FOUNDATION —

More than
\$733K
Donated since 2020



Established in
2019
a 501c3 organization



400,000+
have been positively impacted through
the foundation's work

OUR FOOTPRINT



SOURCE
OVER **850**
RAW INGREDIENTS

globally from more than 150 suppliers in
more than 30 countries

45 locations



IN 20 COUNTRIES

260,000
SQ. FT.



Utah Manufacturing Facility



**RENEWABLE
ENERGY**

20% Hydro at Utah Facility
50% Solar at Lehi HQ

OUR PEOPLE

850



EMPLOYEES

(as of end of 2021)



Partner with more than
500,000

independent managers, distributors and customers

0.84

EMOD
Safety Rating



Being a Force of Nature

SUSTAINABILITY IS IN OUR NATURE

Nature's Sunshine has been an herbal pioneer for 50 years, and we're proud to ensure that sustainability and transparency are meaningfully incorporated into every aspect of our business, including sourcing and harvesting of our raw materials and our supply chain and manufacturing operations.

Over thousands of years, communities throughout the world have embraced natural remedies from their surroundings and passed down their knowledge and experience for generations. Even with the technology and medicines of our modern age, the power of ancient remedies continues to attract new audiences.

The sustainable and ethical sourcing of botanical ingredients is more important than ever, as global demand for nature-derived health and wellness

products continue to grow. Our unsurpassed botanical ingredients are harvested throughout indigenous communities worldwide with the help of people who know and respect the plants they harvest.

Selecting partners that support and protect the physical, economic and cultural well-being of these communities makes good business sense and is the right thing to do. Through these conscious choices, we help local communities thrive, create trusting and lasting working relationships, and create better products.

“SUSTAINABILITY AND TRANSPARENCY WILL BE AT THE FOREFRONT OF OUR COMPANY’S NEXT 50 YEARS.”

—TRENT MCCAUSLAND
Vice President, Sustainability and Transparency



CARING FOR OUR PLANET

Reimagining the next 50 years of Nature's Sunshine requires that sustainability and transparency be at the forefront of our strategies and daily decision-making. Whether sourcing, formulating, manufacturing or quality testing, our commitment to care for the planet will guide our actions.

Nature's Sunshine ethically sources hundreds of unique raw ingredients and botanicals from various ecosystems around the world that are both cultivated and wild crafted. We are constantly looking to partner with farmers and collectors who share our passion for clean, pure, and sustainable botanical materials. We prefer organic, non-GMO, and

regeneratively farmed materials, and we also support equitable labor practices. We devote time and resources to finding and verifying supplier sites and farms to ensure best practices, and we are committed to continuing to transition our business to suppliers who share our ideals.

Additionally, the vast majority of our carbon emissions come from our supplier network. By making these considerations a key factor in the supplier selection process, we are looking to significantly reduce our supplier footprint.



“Sustainable procurement is about taking social and environmental factors into consideration alongside financial factors in making procurement decisions. It involves looking beyond the traditional economic parameters and making decisions based on the whole life cost, the associated risks, measures of success, and implications for society and the environment.”

— *United Nations*

“WHEN YOU CARE ABOUT PLANTS AND THE POWER THEY OFFER, SUSTAINABILITY HAS TO BE A PRIMARY FOCUS.”

—**TOM FOURT**
Vice President, Global Marketing



HALF A CENTURY OF EXCEPTIONAL CRAFTSMANSHIP

If you're serious about supplements and truly dedicated to improving the health and wellbeing of others, then you must manufacture your own products. For 50 years our extraordinary people have brought unsurpassed passion and expertise to the creation of our supplements using artisanal, small-batch manufacturing. Many of our operators have been with us for more than 20 or even 30 years, and they have become master craftsmen and experts in their field.

Producing our own products also gives us greater control of the quality of our supplements. Verified by our many certifications, quality is the foundation

upon which our company is built. Simply put, no one understands how to test botanicals and natural supplements like we do. Over 50 years, our scientists have developed hundreds of proprietary methods for testing botanical ingredients and products.

Plus, in-house manufacturing gives us full control of our carbon emissions, waste, and water usage. Because we own and operate our manufacturing and testing, we control our footprint. And while we've made significant progress in these areas, we are committed to understanding and further reducing the environmental impact of our business.

MEASURING OUR FOOTPRINT

We have a duty to operate responsibly by minimizing our environmental footprint. By doing so, we can move toward a lower carbon and climate-resilient future—one that safeguards our communities as well as our planet.

Guided by that vision, we have programs to minimize our environmental impacts, achieve greater energy efficiency, increase recycling, and limit waste. These actions will ensure that we can continue to make the healing potential of herbs accessible to future generations.

In 2021, we conducted a comprehensive environmental assessment to look at where and how our operations are having the largest impacts on the environment. This assessment will be updated regularly to guide us as we continue our sustainability journey.

Our environmental footprint assessment reviewed 29 facilities around the globe, including 20 office locations in the U.S., Asia, Europe and Latin America, five distribution centers in the U.S. and Latin American, and two owned manufacturing centers in the U.S. and Asia.

These locations represent 95% of our owned/operated locations. Locations with less than 5 employees were not included in our environmental measurements. In total, we operate from 45 locations in 20 countries, with an overall headcount of 850 employees.

LANDFILL TONS

938 tons

DIVERSION RATE

20%

WATER USAGE

16.5M gallons

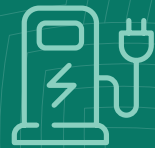


GREENHOUSE GAS (GHG) EMISSIONS

Below is our first Greenhouse Gas (GHG) inventory. This inventory, conducted by a third-party environmental firm using GHG protocols, includes all of Nature’s Sunshine’s owned/operated locations with more than 5 employees. This inventory sets the baseline for our Climate Goals. Scope 1 and 2 emissions—those directly within our control—account for 6% of our GHG Inventory.



SCOPE 1 EMISSIONS: Direct emissions from company-owned and controlled resources, such as vehicles and onsite manufacturing processes.



SCOPE 2 EMISSIONS: Indirect emissions from purchased energy, such as electricity, steam and heat.



SCOPE 3 EMISSIONS: Indirect emissions that occur during the value chain, including travel, commuting, generated waste, and purchased goods and services.

SCOPE 1 GHG EMISSIONS

CATEGORY	CO2 EMISSIONS (METRIC TONS)	% OF TOTAL EMISSIONS
Natural Gas	908	1.7%
Transportation	15	<0.01%
Refrigerants	323	<1%
TOTAL	1246	2.3%

SCOPE 2 GHG EMISSIONS

CATEGORY	CO2 EMISSIONS (METRIC TONS)	% OF TOTAL EMISSIONS
Electricity	1992	3.7%

SCOPE 3 GHG EMISSIONS

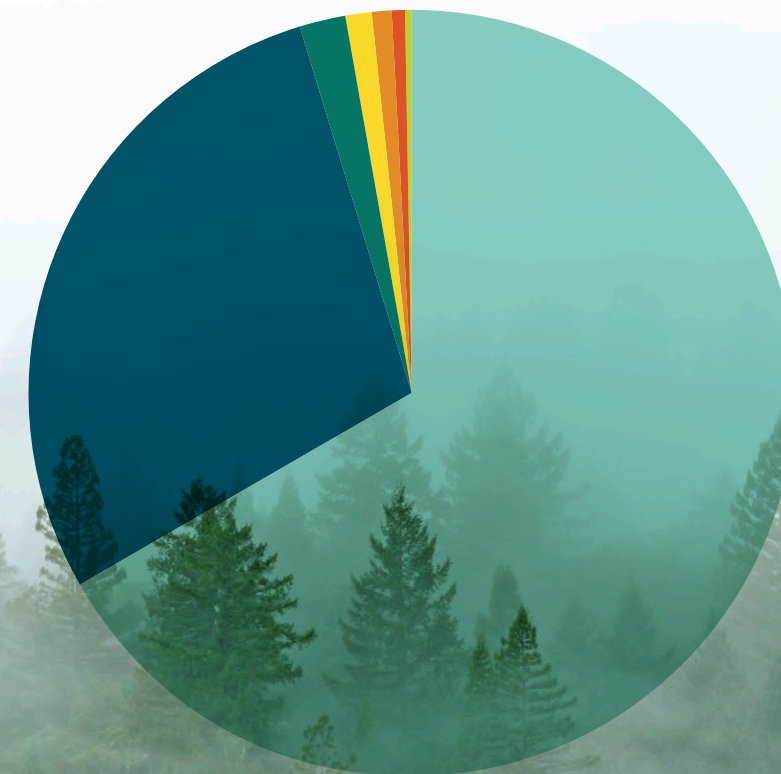
Our initial Environmental Wellness Goals focus on Scope 1 and 2 emissions because these are activities fully under our control and we can make an immediate impact. We are also dedicated to reducing our indirect Scope 3 emissions within our supply chain. These indirect emissions are primarily related to the transportation of our products and production of purchased goods. They account for 94% of our GHG Inventory.

We are working with our supply chain partners to identify opportunities to reduce emissions related to the production and transportation of our products. We are confident that these efforts will produce meaningful results, as our partners share our commitment to people and planet. We look forward to sharing our progress in future reports.

- Purchased Goods and Services (33,450) - 62.7%
- Product Transport (14,301) - 26.8%
- Employee Commuting (1,020) - 1.9%
- Operations Waste (508) - 1%
- Purchases Product Transport (504) - 0.9%
- Upstream Fuel Emissions/Transmission & Distribution Losses (228) - 0.4%
- Business Travel (115) - 0.2%

% OF TOTAL EMISSIONS

94%





CONVERTING TO SUSTAINABLE PACKAGING

We are continuously assessing and adjusting our packaging to reduce waste. In 2021, we began packaging our powders in bags as opposed to plastic jars; and transitioned 80 percent of our capsule and tablet products to consumer-recycled PCR bottles, with a goal of transitioning to 100 percent in 2022.

In the UK, we announced new, eco-friendly packaging for our Synergy Biome Shake intended to reduce GHG emissions and fossil fuel consumption. The new durable, bio-based

container is derived from sugar beets, petroleum-free and 100% recyclable.

In Taiwan, we are converting our TruGreen product from 2-ounce plastic bottles to flexible foil pouches. The pouches reduced the product packaging size and weight by 90% and 66%, respectively, and occupy 60-75% less space in shipping containers. Additionally, the new packaging requires 90% less energy and water to create and results in 90% less waste.



OF THE MORE THAN 850 INGREDIENTS WE USE IN OUR PRODUCTS, WE SOURCE OVER 300 UNIQUE BOTANICAL INGREDIENTS FROM ABOUT 170 SUPPLIERS IN MORE THAN 30 COUNTRIES.

EUROPE

13.5% of botanicals, including:

- Hawthorn Berry
- Licorice Root
- Red Clover Flower



ASIA

37.6% of botanicals, including:

- Turmeric Root
- Psyllium Hulls
- Noni Fruit



N. AMERICA

42.4% of botanicals, including:

- Aloe Vera Leaf
- Cascara Sagrada Bark
- Paw Paw



S. AMERICA

5.6% of botanicals, including:

- Acai Berry
- Guarana Seed
- Lemongrass Aerial Parts



AFRICA

0.9% of botanicals, including:

- Peppermint Leaf
- Rosemary Leaf
- Devil's Claw Root



SUPPORTING ENVIRONMENTAL IMPACT THROUGH OUR PARTNERSHIPS



BARKING UP THE RIGHT TREES

The Pacific Northwest is famously home to forests of conifer trees that are used to make paper pulp. Once conifers are harvested, Cascara trees—regarded by some as “weed trees” not suitable for making paper—sprout up in their place.

These trees are far more than weeds to the generational collectors whose families harvest the trees’ bark. The bark from these wildcrafted trees, Cascara Sagrada (or sacred bark), is one of the powerful, plant-based materials Nature’s Sunshine uses in its herbal laxative products.

Suppliers work collaboratively with the collectors to harvest and strip the bark during the late spring and summertime, employing best practices on how and where to strip the bark for minimal environmental impact. In addition to powering natural health products, this practice makes for high-quality raw material, reduces wildfire risks and enables conifer forests to thrive.

A SUSTAINABLE HARVEST FOR NOVA SCOTIA’S KELP

Sea kelp is full of natural antioxidants and has cleansing properties in the kidneys and bladder. Nature’s Sunshine sources much of its sea kelp from Yarmouth, Nova Scotia, a region known for its clean, high-quality kelp.

Historically done by hand, harvesting sea kelp is labor-intensive and environmentally challenging. When harvested by hand, it’s often impossible to avoid pulling up the kelp’s roots along with the plants. Once the roots are removed, it can take years for them to re-establish.

To prevent root extraction and keep the kelp population thriving, our suppliers use a bladed rake to cut the kelp above its roots, removing approximately 17% of the plants’ biomass and leaving a certain amount of length to promote regrowth.

The team rotates the timing and location of harvesting to prevent growth disturbance, resulting in healthier, more abundant kelp harvests in recent years.



Unleashing the Power of People

INVESTING IN PEOPLE

Our respect and passion for health and wellness shows through our products and the culture and policies we build. Our employees give their all to our company and our customers, and our Total Rewards program reflects our efforts to give our all back to them.

We want everyone to live active, healthy lifestyles, so, we try to set the example within our company by providing programs that incentivize healthy behaviors. Through our Wellness Rewards program we encourage employees to get out in nature, work out and eat healthy.

Nature’s Sunshine also invests in empowering our employees and our communities through learning programs that help create tomorrow’s leaders. Through our EDGE leadership development and Champions of Excellence programs we provide employees with learning opportunities that help them and their employees reach their potential. And through our newly implemented scholarship and internship programs, we’re helping diverse students earn a college degree and prepare for a successful future.

“PEOPLE ARE OUR
GREATEST ASSET. WE
HAVE A DUTY TO INVEST
IN THEIR FUTURE AND
WELL-BEING.”

—TRACEE COMSTOCK
Vice President, Human Resources



MAKING AN IMPACT

Established in 2019, The Impact Foundation, a 501c3 organization created by Nature's Sunshine and Synergy Worldwide, directs funding, products and volunteer resources to the Company's mission to share the healing power of nature. The Impact Foundation aims to build awareness of nature's healing power through creating meaningful service opportunities and engaging with charitable organizations that align closely with our cause.

Funding primarily originates from employee and customer donations; and projects are often inspired, planned and carried out directly by our employees and distributors on the ground who identify a need in a local community.



WORLD HUNGER STATISTICS

- World hunger is on the rise, affecting 9.9% of people globally in 2020
- As many as 811 million people worldwide go to bed hungry each night
- An estimated 14 million children under the age of 5 suffer from acute malnutrition
- Only 25% of acutely malnourished children have access to lifesaving treatment



HERE ARE A FEW STORIES OF THE FOUNDATION'S IMPACT IN ACTION.

PROVIDING VITAMINS TO MALNOURISHED MOTHERS AND CHILDREN

In 2020, the Impact Foundation began partnering with Vitamin Angels, a global organization that provides lifesaving vitamins to pregnant women, mothers and children under five at risk for malnutrition. Vitamin Angels reports that with only 25 cents, it can provide the recommended annual doses of Vitamin A to children in remote areas. The Impact Foundation has donated \$57,000 to this organization, including \$14,000 raised through a product promotion in Europe.



DONATING FINANCIAL AID AND HEALTH SUPPLEMENTS TO INDONESIAN VOLCANO VICTIMS

Mount Semeru, a volcano in Indonesia's East Java province, has erupted twice over the past year, resulting in multiple casualties and forcing local residents out of their homes and into refugee camps. Following both eruptions, local doctors expressed concerns about the local population's pulmonary health as hot lava, dust and ash clouded the air.

Jeanny Merry, an HR assistant manager in our East Java office, enlisted the support of the Impact Foundation to provide free health supplements and cash for essential goods to disaster victims.

SUPPORTING LOCAL COMMUNITIES AND WELLNESS AROUND THE WORLD

Since 2019, when Nature's Sunshine and Synergy Worldwide established The Impact Foundation, it has helped raise more than \$353,000 in funds to support organizations in 8 countries, directly impacting over 400,000 people.



CREATING A CULTURE OF EXCELLENCE

We are dedicated to creating a great place to work because our people make a difference. Attracting and retaining top talent is essential to our success, and our Total Rewards program is built around our unparalleled investment in our people’s financial security, well-being, and future. Our company culture is centered around engaging a diverse community of people that work together to treat everyone with mutual respect and acceptance.

Our community welcomes diverse talent and believes that our diversity is what makes us better, stronger, and happier in work and life. We intentionally build a workforce of people with viewpoints and background as diverse as the customers we serve around the world.

We aim to be a place where all employees feel they belong; feel heard; feel well and balanced; and can grow professionally and personally. By creating a positive culture and employee experience, we believe we are better equipped to make an impact and channel good into the world, through our work, products, and philanthropy.

RECENT HIGHLIGHTS INCLUDE:

- Our CEO has an approval rating of over 90% and was recognized with the Best CEO Award by Comparably.
- Embracing a diverse global workforce comprised of 40% Caucasian, 31% Asian, 25% Hispanic, 1.6% Black, and 1.5% Other. Additionally, our global workforce is 55.4% Female and 44.6% Male.
- Pursuit of Diversity, Equity & Inclusion (DE&I) initiatives including a “Stronger Together” virtual speaker series for our US-based employees.
- Launching a \$300,000 annual scholarship program for multicultural students at the University of Utah.
- Fostering a culture of safety as demonstrated by reductions in Experience Modification (EMOD) workplace safety rates.

GROWING STRONGER TOGETHER

We are deeply committed to making each member of our community feel a sense of belonging and support from each person within our company. In recent years, we’ve provided new initiatives and internal training and development focused on diversity, equity and inclusion (DE&I).

In 2020, we presented a six-part speaker and training series called “Stronger Together” to educate employees on different aspects of DE&I. Guest speakers—including Utah Governor Spencer J. Cox, former Utah Jazz player Thurl Bailey, Utah Attorney General Sean Reyes, and Co-Chair of the Governor’s Multicultural Commission, Byron Russell—shared personal stories to help employees understand and

walk in the shoes of people who have experienced discrimination. Training sessions led by external experts on topics including unconscious bias and getting comfortable talking about race were designed to help employees build awareness and learn to act.

In 2021, we also created and launched the Nature’s Sunshine Scholarship, a program pledging \$200,000 over four years to multicultural student recipients at the University of Utah, many of whom are the first in their families to go to college. The University matched our contributions by 50%, which provides \$300,000 in total to help deserving diverse students achieve their dream of a college degree.

GIVING EMPLOYEES AN EDGE

We believe anyone can become a great leader with the right tools and access to development opportunities. After asking leaders about desired opportunities for learning and career growth, we created our EDGE leadership development program.

This three-year program is designed to help leaders progressively develop leadership skills. Guided by their business unit leader, participants create a personalized development plan to help define a desired career path, goals and a tailored set of leadership courses. Each year the program focuses on different development areas, including leadership fundamentals, advanced skills and executive coaching.

“OUR PEOPLE ARE OUR LIFELINE, AND OUR PRODUCTS REFLECT THE STRENGTH OF THE COMMUNITY WE GROW AT NATURE’S SUNSHINE.”



LEARNING FROM NATURE

We market our products primarily through our network of independent consultants, many of whom are naturopaths within their local communities. These consultants are health and wellness enthusiasts and experts, committed to helping people discover greater health and vitality.

LaDonna Frantz, a Nature's Sunshine consultant for more than 30 years, is a pharmacist, board-certified doctor of naturopathy and owner of Harmony & Health Wellness Center in Corydon, Indiana. Her own experience benefitting from Nature's Sunshine's products more than three decades ago led her to pursue a career in natural health.



LaDonna has since turned to Nature's Sunshine's products again and again as she has trained dozens of health coaches, helped others build businesses and assisted thousands of clients. We are proud to be part of the success of local naturopaths like LaDonna who share the healing power of nature with their clients and communities.

"The more I've learned, the more confident I've grown in the quality of Nature's Sunshine's products and in their environmental business practices. I rest easy knowing that when I recommend their products, my clients are getting the purest natural supplements, sourced in such a way that protects nature."

—LADONNA F.

SPEAKING UP & BEING HEARD




"From day one, Nature's Sunshine's story, culture and reputation was the main reason I wanted to have a career here. The best thing about working here has been the opportunity to add value and be a leader. If you have something to offer, you can make a difference without waiting to be asked."

—ALEX M.
Director of Sales, North America

Bart Pulsipher, the facilities manager of the Spanish Fork manufacturing site, also used his ideas and voice for good. After routinely assessing the lighting on the site floor and changing out the bulbs, Bart saw an opportunity for reduced energy consumption. His observation inspired the company's lighting conversion at the facility. External LED lighting was completed in 2019, resulting in 25% less energy consumption at the site. Internal retrofitting is underway now.

"My managers listened and helped me put a program into action to retrofit our facilities. It feels good to work for an organization that prizes employee input and sustainability."

—BART P.
Manager of Facilities



"WE HAVE AN ENVIRONMENT OF MUTUAL RESPECT AND LEARNING, AND THE COLLABORATIVE ATMOSPHERE HAS HELPED ME GROW."

—BHARGAVI M.
R&D Scientist

ADDING VALUE GLOBALLY

Reliable, pure ingredients—and the processes through which ingredients are harvested—help set our products and business apart. That’s why we choose supply partners who make a positive impact in the environments and economies in which they work.

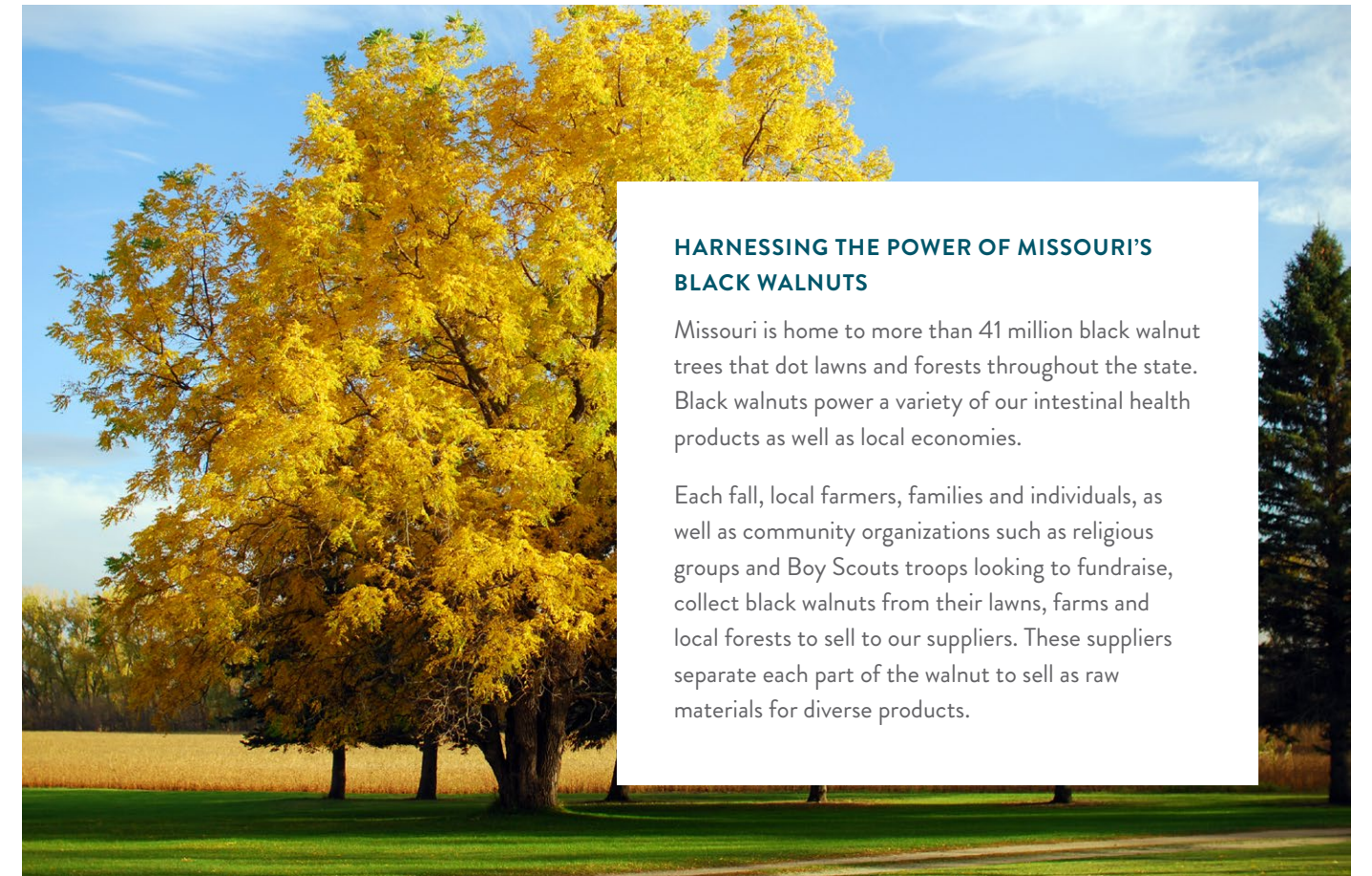
We place enormous emphasis on collaborating with growers and suppliers that protect the natural resources they farm and harvest along with the economic and social interests of their local communities.

PLANTS BRING JOBS TO APPALACHIA

Many of our ingredients are grown in the areas surrounding the Appalachian Mountains in West Virginia and Eastern Kentucky – a region that has experienced economic hardship as demand for coal, the region’s most prominent natural resource, has declined.

Our suppliers have helped hundreds of people in this region gain a steady income throughout the year. They commission local residents to harvest and collect indigenous plants from the forests at different times of the year. Once plants are collected, other local residents, many of whom are naturopaths, dry the plants.

The mutual economic benefits aren’t the only value of these partnerships. Many of these local collectors have families who have lived in the region for generations, and through the years have passed down a tradition of being connected to the land.



HARNESSING THE POWER OF MISSOURI'S BLACK WALNUTS

Missouri is home to more than 41 million black walnut trees that dot lawns and forests throughout the state. Black walnuts power a variety of our intestinal health products as well as local economies.

Each fall, local farmers, families and individuals, as well as community organizations such as religious groups and Boy Scouts troops looking to fundraise, collect black walnuts from their lawns, farms and local forests to sell to our suppliers. These suppliers separate each part of the walnut to sell as raw materials for diverse products.



HELPING EASTERN ASIAN FARMS THRIVE

Red beet root is a natural source of energy and increased blood flow and a key ingredient in Nature’s Sunshine’s Rejuvenaid.

Our suppliers source red beet root from family farms in China and Mongolia. Historically, these family-owned farms have focused on farming a low-cost commodity—often corn, wheat, or cotton—limiting their income potential.

Partnering with these farmers, our suppliers teach them how to integrate more profitable crops such as beets, cabbage, and broccoli. They also teach farmers to rotate crops and reduce plant waste by using unsold parts of the plants for animal feed, enabling farmers to grow their income and their farms.



Doing the Right Thing, The Right Way



LIVING OUR CODE OF CONDUCT

Our Corporate Code of Conduct serves as the baseline for how our employees are expected to conduct themselves and covers such areas as creating a workplace free of harassment and discrimination, safeguarding information and data privacy, and financial integrity. We also maintain an anti-corruption policy that prohibits, among other things, our employees from engaging in, or offering, bribes to government officials.

Our Code of Conduct is part of a broader compliance program that includes, appropriate policies, awareness campaigns and regular training programs conducted at least annually. All employees are required to comply with the Code of Conduct and our policies, and we believe the right tone has to be set at the top of our organization. Employees in leadership roles must model ethical behavior at all times, ensuring employees who report to them understand the Code of Conduct and our policies, and maintaining a positive, open-door environment in which employees feel protected if they need to report unethical behavior.

We also maintain a confidential silent whistle report system through which employees can anonymously report any concerning activity they suspect might violate our Code of Conduct or our policies. Our silent whistle reporting system is operated by an independent third party, and we have a strict no retaliation policy for any reports submitted in good faith.

“THROUGH PROPER CORPORATE GOVERNANCE, WE REMAIN CENTERED ON THE CORE VALUES THAT MADE THIS COMPANY GREAT.”



—NATHAN BROWER
Executive Vice President, General Counsel & Board Secretary

PROMOTING BEST PRACTICES AND COMPLIANCE

Our distributors are the face of the Company's brand in countries around the world as they interact with consumers every day. The integrity of their business conduct is a direct reflection of the integrity of our company.

We partner with distributors by providing proper, consistent, and clear guidelines and instruction to prevent confusion and protect them and us from harm. We work closely with distributors to support responsible and ethical business activities by coaching and educating them about our rules and business practices.

We provide descriptive and educational material for our distributors regarding our guidelines and policies to mitigate regulatory risks and promote compliant consultant business practices. Training is delivered through various channels including, but not limited to,

online videos and guides, company events, and one-on-one coaching.

We ensure these educational opportunities are used by requiring each distributor to complete online video training before they can have access to the many tools we provide for them and by requiring such education to be repeated annually. Frequent and effective distributor education ensures that our distributors understand and share our commitment to ethics and compliance.

In addition to educating our distributors, we ensure compliance with our guidelines and policies by proactively monitoring distributor activity to identify potential issues and trends early. Monitoring occurs across multiple platforms including various digital and social media channels as well as virtual and in-person activities and live events.

PROTECTING PRIVACY AND DATA

We are committed to protecting all personal information and to ensuring that it is collected, used and disclosed only in accordance with applicable law. This commitment is supported by robust internal policies and anchored by the principles of compliance, transparency, choice, fairness and purpose, limitation, retention and disposal, disclosure, proportionality and quality, rights of individuals and security. We publish our privacy policy online, which is representative of our global privacy standards that are customized by market as required by law.

Our privacy policies are overseen by our legal and compliance department, which is responsible for the global implementation and oversight of our privacy

program. A dedicated legal staff member sits on our internal Privacy and Cybersecurity Committee, along with our Chief Financial Officer, Vice President of HR and our Head of Global IT, and on our Incident Management Team.

We have a data protection officer under the General Data Protection Regulation in the European Union. Our Incident Management Team runs mock-tabletop exercises regularly, so each member is familiar with their role in the event of a data breach.

ENSURING CYBERSECURITY

Our global IT department applies a robust series of controls to protect information and monitor data flows. Our approach to security includes several effective layers to monitor and detect threats and potential data breaches.

Our cybersecurity functions are subject to regular internal and external audits, the results of which are shared with the Risk Management Committee of our Board of Directors. Additionally, the Company maintains a Privacy and Cybersecurity Committee consisting of our Head of Global IT, Vice President of HR, Chief Financial Officer, and a member of our legal team.

The Privacy and Cybersecurity Committee meets regularly to monitor the Company's privacy and cybersecurity related practices and to ensure all functional teams are aligned and committed to appropriate privacy and cybersecurity protections.

We actively maintain an incident response team, and our Privacy and Cybersecurity Committee oversees mock-tabletop exercise at least annually to ensure that each member of our Incident Management Team is familiar with their role in the event of a data breach. We did not experience a data breach in 2021.



OUR BOARD OF DIRECTORS & ESG OVERSIGHT

Our Board’s oversight role is a keystone to our overall corporate governance program. Our Board consists of ten members, nine of whom are independent directors. The only member of the Board who is not an independent director is our Chief Executive Officer. Additionally, we have separate roles for Chairman of the Board and Chief Executive Officer, which we believe further protects the independence of our Board and strengthens its oversight ability.

BOARD ASSESSMENT AND REFRESHMENT

Our Governance Guidelines provide for an assessment of the Board and its committees to be conducted on at least an annual basis. The Board uses the information obtained through such assessments to maintain a succession plan for committee members and chairpersons.

We believe regularly conducted, effective assessments are key to maintaining a Board that properly fulfills its oversight responsibilities. Additionally, the Governance Guidelines provide for regular refreshment of the Board by setting forth a term and age limit for all directors.

Directors who will reach either the age of 70 or 10 years of service on the Board prior to the next annual meeting of shareholders will not be nominated for election to the Board unless a specific waiver is granted by the Board.

BOARD COMMITTEES

The Board has five committees: Audit, Compensation, Governance, Risk Management and Strategy. Each of these committees consists entirely of independent directors. The Board can establish and maintain other committees from time to time as it deems necessary and appropriate.

Our Board’s Governance Committee provides oversight and plays a pivotal role in guiding the focus of our strategy with regards to corporate governance and sustainability practices. The Company’s management discusses our sustainability initiatives and progress toward our goals in frequent discussions with the Governance

Committee. Over the past twelve months, such discussions have occurred on at least a quarterly basis.

BOARD DIVERSITY

Our Board is committed to building and maintaining a Board comprised of capable individuals who collectively provide the experience, ability and expertise to drive shareholder value while reflecting our values of quality, integrity, service, community, and innovation. Our Board strives to have a diverse membership with an appropriate mixture of experience and tenure to ensure continuity of institutional knowledge while welcoming fresh perspectives.

Board Diversity Matrix	
Total Board Members	10
Gender	
Male	6
Female	4
Ethnicity	
African American	1
Asian	1
Caucasian	8

AVAILABLE DOCUMENTS

The following governance-related documents are available on our corporate website:

- Corporate Code of Ethics
- Corporate Governance Guidelines
- Committee Charters from each of the Board’s Committees
- Corporate Bylaws and Articles of Incorporation
- Foreign Corrupt Practices Act/Anti-Corruption Policy

Appendix

2021 EMPLOYER OF CHOICE AWARDS

In 2021, Nature's Sunshine was recognized as an employer that goes above and beyond to create a thriving culture, business, and consumer experience. These awards recognize Nature's Sunshine's ongoing commitment to create a great place to work for its employees.



EMPLOYER OF THE YEAR

Health Products and Services

Celebrating the talent and contributions of teams across our organization that helped make us one of the world's best employers.



EMPLOYER OF THE YEAR

Manufacturing

Recognizing the incredible dedication of our Supply Chain team to increase productivity in the face of a global pandemic.

2021 STEVIE AWARDS

The American Business Awards—or Stevie Awards—honor organizations and the people behind them, recognizing outstanding performances in the workplace worldwide. Nature's Sunshine received 8 Stevie Awards in 2021.



WEBSITE ACHIEVEMENT

Highlighting our digital evolution to provide a simpler, more modern and consumer-friendly experience.



ACHIEVEMENT IN MANAGEMENT

Celebrating the successful launch of our new business model and the outreach made to educate and prepare distributors to succeed.



BRAND RENOVATION OF THE YEAR

Recognizing our comprehensive rebranding to modernize our identity while highlighting our 50-year heritage.



ACHIEVEMENT IN ORGANIZATION RECOVERY

Acknowledging the massive transformation required to relaunch the company and deliver record-breaking results.



MOST VALUABLE CORPORATE RESPONSE (COVID)

Highlighting our many actions to protect the health and safety of our employees during the pandemic.



CUSTOMER SERVICE TEAM OF THE YEAR

Celebrating our Customer Service team for shepherding our field throughout our transformation.



“WE’RE NOT
HERE TO BE
AVERAGE.”

—TERRENCE MOOREHEAD



2021 COMPARABLY AWARDS

Recognition from your own employees is the greatest recognition of all. Comparably Award winners are based on sentiment ratings provided by current employees who anonymously rated their companies in core workplace culture metrics on Comparably.com. The final data set was compiled from over 15 million ratings across 70,000 companies.

Nature's Sunshine won 4 awards in 2021, placing in the top 100 Employers in each category and in the top 15% of companies their size. Our overall culture score, 84/100 or A+, incorporates employee ratings on our leadership, office culture, happiness and more, acknowledging our efforts to create a great place to work through employee engagement, Total and Wellness Rewards, competitive pay, benefits, and satisfaction in the workplace.

- Best CEO 2021
- Best Company Culture 2021
- Best Company Work-Life Balance 2021
- Best Company Happiness 2021

ABOUT THIS REPORT

This report has been prepared in reference with the Global Reporting Initiative (GRI) Standards: Core Option. The GRI Sustainability Reporting Standards are the first and most widely adopted global standards for sustainability reporting. They are developed with true multi-stakeholder contributions and rooted in the public interest. Additionally, we obtained limited third-party assurance on our 2021 reported greenhouse gas emissions and operational waste and water data. Going forward we will publish updates on our sustainability journey annually to report progress against the goals disclosed herein and those to come.

This report contains “forward-looking” statements within the meaning of the federal securities laws. The forward-looking statements include statements concerning our outlook for the future as well as other statements of beliefs, future plans and strategies or anticipated events and similar expressions concerning matters that are not historical facts. Our forward-looking information and statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statements. Among such risks and uncertainties are those set forth in our reports filed with the Securities and Exchange Commission under the caption “Risk Factors.”

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