THE ESTĒE LAUDER COMPANIES INC.

OUR FISCAL 2025

SOCIAL IMPACT & SUSTAINABILITY REPORT

ABOUT THIS REPORT

This report provides information about the social impact and sustainability activities and performance for The Estée Lauder Companies Inc. (referred to herein as the "company," "ELC," "our", or "we"). The content covers our priority focus areas. Unless otherwise noted, this report covers activities during fiscal 2025 (i.e. July 1, 2024 through June 30, 2025) and includes data for most facilities we operate. This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. This report is also aligned to the recommendations outlined by the Sustainability Accounting Standards Board (SASB), the Task Force for Climate-related Financial Disclosures (TCFD) and the Task Force for Nature-related Financial Disclosures (TNFD). The GRI, SASB, TCFD, and TNFD indices for this report can be found on pages 81-89.

Certain environmental and social metrics have been subjected to independent limited assurance.
To read more, please see PricewaterhouseCoopers LLP's Report on page 91.

To read more about our social impact and sustainability initiatives, please see https://www.elcompanies.com/en/our-impact. Please see our Annual Report on Form 10-K for the fiscal year ended June 30, 2025 for other information including our business performance. ↗

CAUTIONARY NOTE

This report contains information about social impact and sustainability goals, targets, initiatives, commitments, and activities of ELC (which includes The Estée Lauder Companies Inc. and its subsidiaries). These efforts involve certain risks and uncertainties, such as changes in our business (e.g., acquisitions, divestitures, or new manufacturing or distribution locations), financial performance, the standards by which achievement is measured, the assumptions underlying a particular goal or matter, and our ability to accurately report particular information. Actual results could differ materially from our stated goals or the results we expect. Changing circumstances, including evolving expectations for social impact and sustainability generally or to specific focus areas, changes in standards or the way progress or achievement is measured, may lead to adjustments in, or the discontinuation of, our pursuit of certain goals, commitments, or initiatives. Moreover, the standards by which social impact and sustainability efforts and related matters are measured are developing and evolving, and certain areas are based on assumptions. The standards and assumptions could change over time. The selection by management of alternative acceptable measurements could have resulted in materially different amounts or metrics reported herein. In addition, statements made about our company, business, or efforts may not apply to all business units (e.g., ones that were more recently acquired).

This report may use certain terms that third parties refer to as "material" in connection with certain social impact and sustainability matters. Used in this context, however, these terms are distinct from, and should not be confused with, the terms "material" and "materiality" as defined by, or construed in accordance with, securities or other laws and regulations. Therefore, matters considered to be material for purposes of this report may not be considered material in the context of our financial statements, reports with the U.S. Securities and Exchange Commission ("SEC"), or our other public statements, and the inclusion of information in this report is not an indication that such information is necessarily material to the company in those contexts.

This report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our social impact and sustainability goals, targets, initiatives, commitments, and activities, as well as our future operations and long-term strategy. Although we believe that our expectations are based on reasonable assumptions within the bounds of our knowledge of our business and operations, we cannot assure that actual results or outcomes will not differ materially from any future results or outcomes expressed or implied by such forward-looking statements. Forward-looking statements include all statements that do not relate solely to historical or current facts and involve a number of known and unknown risks, uncertainties, and other important factors such as those described above and in our recent SEC filings including in "Item 1A. Risk Factors" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended June 30, 2025 and in our subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. We assume no responsibility to update the information contained in this report or to continue to report any information.

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ABOUT
THE ESTÉE LAUDER COMPANIES

The Estée Lauder Companies Inc. (ELC) is one of the world's leading manufacturers, marketers, and sellers of quality skin care, makeup, fragrance, and hair care products, and is a steward of luxury and prestige brands globally. The company's products are sold in approximately 150 countries and territories under brand names including: Estée Lauder, Aramis, Clinique, Lab Series, Origins, M•A•C, La Mer, Bobbi Brown Cosmetics, Aveda, Jo Malone London, Bumble and bumble, Darphin Paris, TOM FORD, Smashbox, AERIN Beauty, Le Labo, Editions de Parfums Frédéric Malle, GLAMGLOW, KILIAN PARIS, Too Faced, Dr.Jart+, the DECIEM family of brands, including The Ordinary and NIOD, and BALMAIN Beauty.

ESTĒE LAUDER COMPANIES

BEAUTY**REIMAGINED**

IN FISCAL 2025 WE INTRODUCED OUR STRATEGIC VISION

Accelerate Best-in-Class Consumer Coverage

Rapidly expand our portfolio presence in consumer-preferred, high-growth channels, markets, media, and prestige price tiers.

Create Transformative Innovation

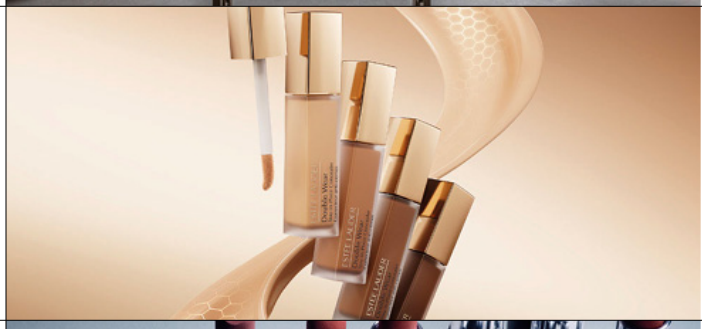
Step-change innovation across prestige price tiers, to deliver fast-to-market, on-trend innovation focused on in-demand subcategories, benefits, and occasions.

Boost Consumer-Facing Investments

Increase visible advertising, optimize marketing programs, and eliminate low-return activities to accelerate new consumer acquisition.

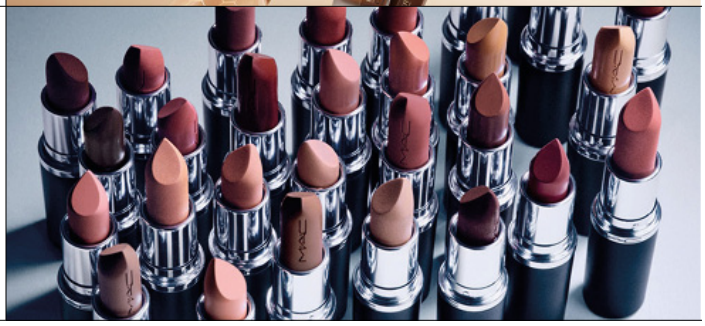
Fuel Sustainable Growth Through Bold Efficiencies

Expand Profit Recovery & Growth Plan to address the impact of volume deleverage and fund consumer-facing investments.



Reimagine the Way We Work

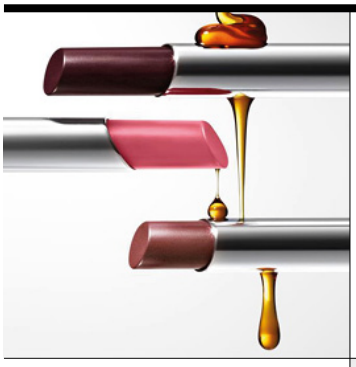
Remove complexity and simplify how we work.



$14.33 Billion in net sales: International 74%; U.S. 26%

4 Major Product Categories: Skin care, Makeup, Fragrance, Hair Care

~150 Countries & Territories



Recognized by CDP with ratings of

A in Climate Change
A- in Water Security
B in Forests
for 2024

Ranked as one of the

'100 Most Sustainable U.S. Companies'

by Barron's in 2025, for the fourth time

Ranked as one of

'America's Best Employers for Women'

by Forbes in 2025, for the seventh time

Recognized as one of the

'World's Most Admired Companies'

by Fortune in 2025, for the sixth time

Listed as a

'Best Place to Work for LGBTQ+ Equality'

by The Human Rights Campaign (HRC)'s 2025 Corporate Equality Index, for the 15th time

Included on the

Dow Jones Best-In-Class Index

for North America, for the fifth time

Ranked top 100 on

'America's Most Responsible Companies'

by Newsweek for 2025, for the sixth time

ESTĒE LAUDER · aramis · CLINIQUE · LAB SERIES · ORIGINS · MAC

LA MER · BOBBI BROWN · AVEDA · JO MALONE LONDON · Bumble and bumble.

DARPHIN PARIS · TOM FORD · smashbox · AERIN BEAUTY · LE LABO GRASSE – NEW YORK · EDITIONS DE PARFUMS FREDERIC MALLE

GLAMGLOW HOLLYWOOD, CALIFORNIA · Kilian PARIS · Too Faced · Dr.Jart+ · DECIEM The Ordinary. NIOD · BALMAIN BEAUTY

LETTER FROM STÉPHANE DE LA FAVERIE

Dear Stakeholders,

It is both an honor and a privilege to have stepped into the role of President and CEO of this extraordinary company earlier this year. As we continue to chart a path toward long-term, sustainable growth, I am deeply optimistic about what lies ahead —for The Estée Lauder Companies, for our consumers, and for the communities we proudly serve.

This year, we introduced Beauty Reimagined, our strategic vision and action plan to become the best, most consumer-centric prestige beauty company. In today's dynamic landscape, staying agile and innovative is essential to maintaining our long tradition of excellence. With the consumer as our north star, and grounded in our entrepreneurial roots, we will continue to build the desirability of our extraordinary brands through disruptive products and unique experiences that inspire consumers around the world.

Our environmental and social impact efforts are rooted in our values and strongly support the vision of Beauty Reimagined. As we transform our company to better capture growth and drive profitability, we remain steadfast in our commitment to advancing environmental stewardship and social impact. From product development to packaging and distribution, we are consciously embedding sustainability into the way we operate, while supporting communities where we live, work, and source.

As we highlight our company's sustainability and social impact progress in this year's report, we also honor the memory of Leonard A. Lauder, our Chairman Emeritus, whose values are woven into the fabric of our company. A true visionary and industry icon, Mr. Lauder was renowned for his passionate leadership and service to the community. He was beloved by many, and we will continue to honor his legacy by leading with integrity, never compromising on quality, and striving to make a positive impact.

Finally, I would like to thank our exceptional teams across the company for their commitment to the values that have shaped The Estée Lauder Companies. Their creativity and innovation are what make our achievements possible and our future so promising. With our talented employees, exceptional brand portfolio, and shared purpose, we will continue to shape the future of beauty together.

STÉPHANE DE LA FAVERIE

President and Chief Executive Officer
The Estée Lauder Companies Inc.

LETTER FROM NANCY MAHON

Dear Stakeholders,

As we continue to transform our business, our efforts to drive positive impact are integral to the strategic vision of Beauty Reimagined. Guided by the values of our consumers, we are committed to creating meaningful, long-term value as we work toward becoming the world's most consumer-centric prestige beauty company. I am proud of the progress we have made and am pleased to share The Estée Lauder Companies' Fiscal 2025 Social Impact & Sustainability Report.

Over the past year, our talented teams across brands, regions, and functions delivered exceptional, innovative products while embedding our social impact and sustainability goals into every aspect of our business. This fiscal, we surpassed many of our ambitious 2025 goals, delivering on commitments that are important to our stakeholders. Notably, we exceeded our objective to source 95% of our palm-based ingredients from RSPO-certified physical supply chains and made significant developments surpassing our water withdrawal targets. Despite industry-wide challenges, we continued to progress toward our packaging goals, including our '5Rs,' while improving our FSC-certified material usage year-over-year and working to restore and exceed past levels. Finally, for the sixth consecutive year, we sourced 100% renewable electricity for our direct operations, demonstrating the strength and consistency of our commitments.

Our progress in social impact this year reflects the same dedication that has long defined our company. In fiscal 2025, we exceeded our goal of mobilizing employees to contribute a total of $25 million, since the launch of our program in 2015, to nonprofits through giving and volunteering. Our brands and employees also championed causes that reflect their identities and values, with 100% of our brands supporting initiatives focused on environmental stewardship, education, and health equity.

This work builds on the remarkable legacy of the late Mr. Leonard A. Lauder, whose values have inspired generations to make an impact within our company and beyond. A passionate advocate for causes close to his heart, he advanced breast cancer research as Honorary Chairman of the Breast Cancer Research Foundation, co-founded the Alzheimer's Drug Discovery Foundation, and championed MAC VIVA GLAM's fight against HIV/AIDS. He also established The Estée Lauder Companies Charitable Foundation and launched the ELC Cares Fund, which began as a way to support employees in crisis and has grown into a global resource helping colleagues through natural disasters and personal hardships.

As we celebrate meaningful progress toward our current commitments, we are proud to introduce our new 2030 goals in this year's report. This reflects the strides we have made and reaffirms our commitment to transparency, sustainability, and social impact. Looking ahead, I am inspired by the opportunities to deepen our impact, contribute meaningfully to the communities we serve, and drive long-term, sustainable growth. Together, we will continue to lead with purpose, staying true to our shared vision of transformative innovation.

NANCY MAHON
Chief Sustainability Officer
The Estée Lauder Companies Inc.

PROGRESS ON OUR GOALS AND COMMITMENTS

Our goals are an important part of our strategy to embed social impact and sustainability into business operations. Below is our progress toward our goals as of, or for the fiscal year ended, June 30, 2025. Please see metrics tables (pages 67-80) for year-over-year goal progress.

TARGET MET AND MAINTAINED ON TRACK OFF TRACK

GOAL[1]		FY25 METRICS	TARGET	NOTES	STATUS
SUSTAINABILITY					
Climate & Energy	Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 50% by 2030 from a 2018 base year.[2]	37.6% reduction	50% reduction	In fiscal 2025, we saw a small net reduction in our emissions year-over-year. Downward drivers included reductions from our electric vehicle transition, offices, and freestanding stores. These improvements were partially offset by higher natural gas use at some sites due to colder winters, expanded innovation activity, and changes in manufacturing processes. *To read more, please see the Climate section.*	On track
	Reduce Scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, and business travel 60% per unit revenue by 2030 from a 2018 base year.[3]	14.2% reduction	60% reduction	In fiscal 2025, year-over-year progress was flat. Downward drivers included reduced air freight usage and lower overall spending, while emissions from business travel increased. Progress reflects data collection and methodology improvements. *To read more, please see the Climate section.*	Off track
	By 2030, 100% of our global corporate fleet vehicles will transition to electric.[4]	20.1 %	100%	Progress continues in countries where EV adoption is more developed (e.g., Europe). *To read more, please see the Climate section.*	On track
	For each year starting with fiscal 2020 through fiscal 2025, we have sourced 100% renewable electricity for our direct operations and purchased carbon offsets to cover our residual emissions. *To read more, please see the Climate section.*[5]				Target met and maintained
Water	By 2025, we are committed to reducing our water withdrawal from our direct manufacturing sites by 20%, from a fiscal 2019 baseline, focusing on our high and extremely high water-stressed sites.[6]	41% reduction	20% reduction	We continued to focus on efficiency and implementation of water management best practices as well as execution of capital projects. In fiscal 2025, our water withdrawal reduction improved significantly, driven mainly by the decommissioning of a water-intensive system. *To read more, please see the Water section.*	Target met and maintained
Waste	We have an annual commitment to maintain zero industrial waste-to-landfill for all global manufacturing, distribution, and innovation sites.[7]	100% diverted	100% diverted	In fiscal 2025, we met our annual target for zero industrial waste-to-landfill for all global manufacturing, distribution, and innovation sites. *To read more, please see the Waste section.*	Target met and maintained
Sourcing	As part of our continuous efforts to address issues that may exist within complex supply chains, by 2025 we will have identified sensitive ingredient supply chains and developed robust biodiversity and social action plans for them.	In fiscal 2025, we continued to strengthen and implement biodiversity and social action plans for priority ingredients, and to embed related programs and partnerships across our operations. *To read more, please see the Sourcing section.*			On track

[1] "By 20XX" means by the end of calendar year 20XX, unless otherwise noted.
[2] Reduction is from a fiscal 2018 baseline and reflects Scope 1 and Scope 2 market-based emissions including renewable energy sourced from contractual agreements. By 2030 means by the end of fiscal year 2030.
[3] Reduction is calculated from a fiscal 2018 Scope 3 baseline (Scope 3 in metric tons CO_2 equivalents / net sales in million USD). By 2030 means by the end of fiscal year 2030.
[4] Global corporate fleet vehicles are vehicles that are owned or leased by ELC, including those provided to employees pursuant to their role within the organization (e.g., sales or executive management). Electric vehicles are defined as battery-electric vehicles and plug-in hybrid vehicles with an all-electric range of at least 50 km.
[5] Electricity consumption for all global activities within ELC's operational control. Renewable electricity sourced reflects on-site solar electricity generated and consumed at ELC locations, renewable off-site generation (utility contracts), Energy Attribute Certificates (EACs) purchases, and a Virtual Power Purchase Agreement (VPPA).
[6] Reduction is from a fiscal 2019 baseline of 1.5 million cubic meters water withdrawal at ELC-operated manufacturing sites. Excludes any manufacturing sites not fully operated by ELC within the target timeline.
[7] Excludes DECIEM.

GOAL[1]		FY25 METRICS	TARGET	NOTES	STATUS
SUSTAINABILITY					
Sourcing (continued)	By 2025, at least 95% of our palm-based ingredients (palm oil and its derivatives) will be certified sustainable from Roundtable on Sustainable Palm Oil (RSPO) physical supply chains.[8]	97%	95%	100% of our palm-based ingredients[8] are certified under one of RSPO's four certification types. In calendar year 2024, we exceeded our RSPO physical supply target. *To read more, please see the Sourcing and Nature & Biodiversity sections.*	✓
Packaging[9]	By 2025, 75-100% of our packaging will be recyclable, refillable, reusable, recycled, or recoverable ('5Rs').	72%	75-100%	We've made meaningful progress while navigating challenging recycling infrastructure and evolving regulatory requirements across markets. *To read more, please see the Packaging section.*	◔
	By 2025, increase the amount of post-consumer recycled (PCR) material in our packaging to 25% or more.	20%	≥ 25%	We have continued to progress toward our enhanced goal of 25% even with shifts of business and inflationary pressures. *To read more, please see the Packaging section.*	–
	Our ambition is to use responsibly sourced paper products whenever possible with a goal to have 100% of our forest-based fiber cartons Forest Stewardship Council (FSC) certified by 2025.[10]	98%	100%	We improved our FSC use in fiscal 2025 and are committed to restoring and exceeding past levels by reinforcing sustainable sourcing standards across our supplier network. *To read more, please see the Packaging section.*	◔
	By 2030, reduce the amount of virgin petroleum content in our plastic packaging to 50% or less.	79%	≤ 50%	We continue to make progress on this goal by leveraging a broad range of packaging solutions, including advanced recycling, exploration of bio-based resins, and innovative uses of materials such as paper. *To read more, please see the Packaging section.*	◔
Ingredient Transparency	We will develop a glossary of key ingredients that includes descriptions of the ingredients' purpose and will make this information available online by 2025.	We continue to maintain our corporate ingredient glossary on our website. In addition, brands including Aveda, Bobbi Brown Cosmetics, Bumble and bumble, Clinique, Darphin, DECIEM, Dr.Jart+, Estée Lauder, Editions de Parfums Frédéric Malle, Jo Malone London, La Mer, Lab Series, M·A·C, Origins, Smashbox, TOM FORD, and Too Faced have also published key ingredient glossaries on their respective brand websites. *To read more, please see the Product Formulation section.*			✓
SOCIAL INVESTMENTS					
Brand Cause	Each brand will focus on and support at least one social or environmental cause by 2025.[11]	100%	100%	In fiscal 2025, we achieved our goal of having 100% of our brands support at least one social or environmental cause. *To read more, please see the Brands in Action feature story.*	✓
Employee Safety	We will drive safety to continue decreasing the Total Recordable Incident Rate (TRIR)[12] to ensure continued world-class leading levels, with a goal of 0.15 by 2025.[12]	0.17	0.15	Our global TRIR significantly improved to 0.17, reflecting our continued progress and reinforcing our position as having one of the best-in-class TRIRs in the industry. *To read more, please see the Employee Health & Safety section.*	◔
Employee Volunteerism & Giving	By 2025, we will engage and mobilize employees to contribute a total of $25 million, by completing actions such as donating or volunteering, to nonprofits through ELC's social impact and sustainability engagement program, since its launch in 2015.[13,14]	$27.39 million[13,14]	$25 million	We achieved our target by engaging and mobilizing employees to contribute over $25 million to nonprofits through a portfolio of employee engagement initiatives. *To read more, please see the Employee Experience section.*	✓

[8] Excludes palm-based ingredients not directly procured by ELC, such as those procured by third-party manufacturers (TPMs) and directly procured and received by DECIEM. Palm oil sourcing is reported by calendar year.
[9] Product packaging is defined as any item to be used for the containment, protection, handling, and presentation of products and delivery to ELC's distribution centers that is included on the bill of materials. For additional information, see Management Assertion.
[10] Forest-based fiber cartons are defined as folding cartons or sleeves made from solid bleached sulfate paperboard, folding box board, or an equivalent board made with post-consumer waste.
[11] For purposes of this metric the number of brands is 23.
[12] TRIR is the number of Occupational Safety and Health Administration (OSHA) recordable incidents per 100 workers. Excludes DECIEM.
[13] Metrics reflect information self-reported to ELC's employee social impact and sustainability engagement program, the ELC Good Works platform, used to report employee volunteerism, employee monetary donations, and ELC charitable matching gifts. The platform was available in 31 markets at the end of fiscal 2025. Eligible employees are those who meet certain criteria, which varies by market, and have access to the platform.
[14] Metric includes total cumulative ELC employee donations and amount matched, inclusive of volunteer rewards, by ELC since the launch of the ELC Good Works platform in November 2015.

PROGRESS ON OUR INCLUSION COMMITMENTS

Our inclusion commitments, set in 2020, led to significant progress in fostering a more open and inclusive workplace for all of our employees. This progress is now embedded in our culture and business.[1] We are proud to look back on what we have accomplished over this past fiscal year to create a workplace where every employee can thrive.[2]

ON TRACK

COMMITMENT		FY25 PROGRESS	STATUS
Leadership	Gender representation in senior leadership positions (SVP+) globally.	Women representation at the SVP+ level globally was 49.7% in fiscal 2025. Male representation at the SVP+ level globally was 50.3% in fiscal 2025.	
	Expand leadership development programs.	In fiscal 2025, we completed our expansion of ELC Grow, our internal leadership development platform, to all corporate employees globally. Programs offered include the Emerging Leaders Program, People Leadership Program, and Open Doors.	
Health and Education	Sustain position as #1 global corporate donor to the Breast Cancer Research Foundation® (BCRF).	ELC continues to be the largest annual corporate donor to BCRF, funding research worldwide. In fiscal 2023, the ELC Charitable Foundation (ELCCF) made a $15 million commitment over five years to fund a new BCRF research initiative. As of June 30, 2025, $9 million has been funded for this study. To read more, please see the Social Investments section.	
	Launch and expand select philanthropic partnerships in health and education.	ELC is committed to advancing girls' education worldwide. Several of our ELCCF partnerships in this area include continued support of Co-Impact's Gender Fund with a multi-year commitment of $15 million over five years, as well as partnerships with Pratham India, The Student Leadership Network, and Spelman College. To read more, please see the Social Investments section.	
Listening and Learning	Foster a strong internal culture of advocacy and inclusion to help employees share their perspectives, be heard, and collectively affect change.	ELC continues to partner with Employee Resource Groups (ERGs), global brands, and leadership programs to help inform our employee engagement strategy and develop global employee recognition programs.	
Talent and Opportunity	Ensure all our employees have equal access to professional development and advancement opportunities and strive to create a workplace that supports people of all backgrounds.	ELC continues to invest in our employees, and ensures equitable access to professional development and advancement opportunities through programs and resources like Leading with High Touch and the Open Doors Course Collection. In fiscal 2025, the From Every Chair Leadership Program evolved from externally-led sessions to impactful, executive-led experiences —amplifying stakeholder voices and strengthening networking, cross-cultural engagement, and meaningful connections.	
Brand Marketing & Creative Representation	Ensure that the end-to-end creative process and our products meet the needs of all our global consumers.	In fiscal 2025, we continued to identify, qualify, and help to grow a broad array of suppliers, including small businesses, to ensure operational excellence. We also continued to leverage toolkits and enhanced resources to help brands, regions, and functions find and consider a more expansive cross-section of suppliers.	

[1] Inclusion commitments that have been met in prior years have been removed from the progress tables.
[2] The company is committed to compliance with federal, state, and local laws. Employment decisions are made on a non-discriminatory basis. Accordingly, trainings and initiatives are periodically reviewed for compliance.

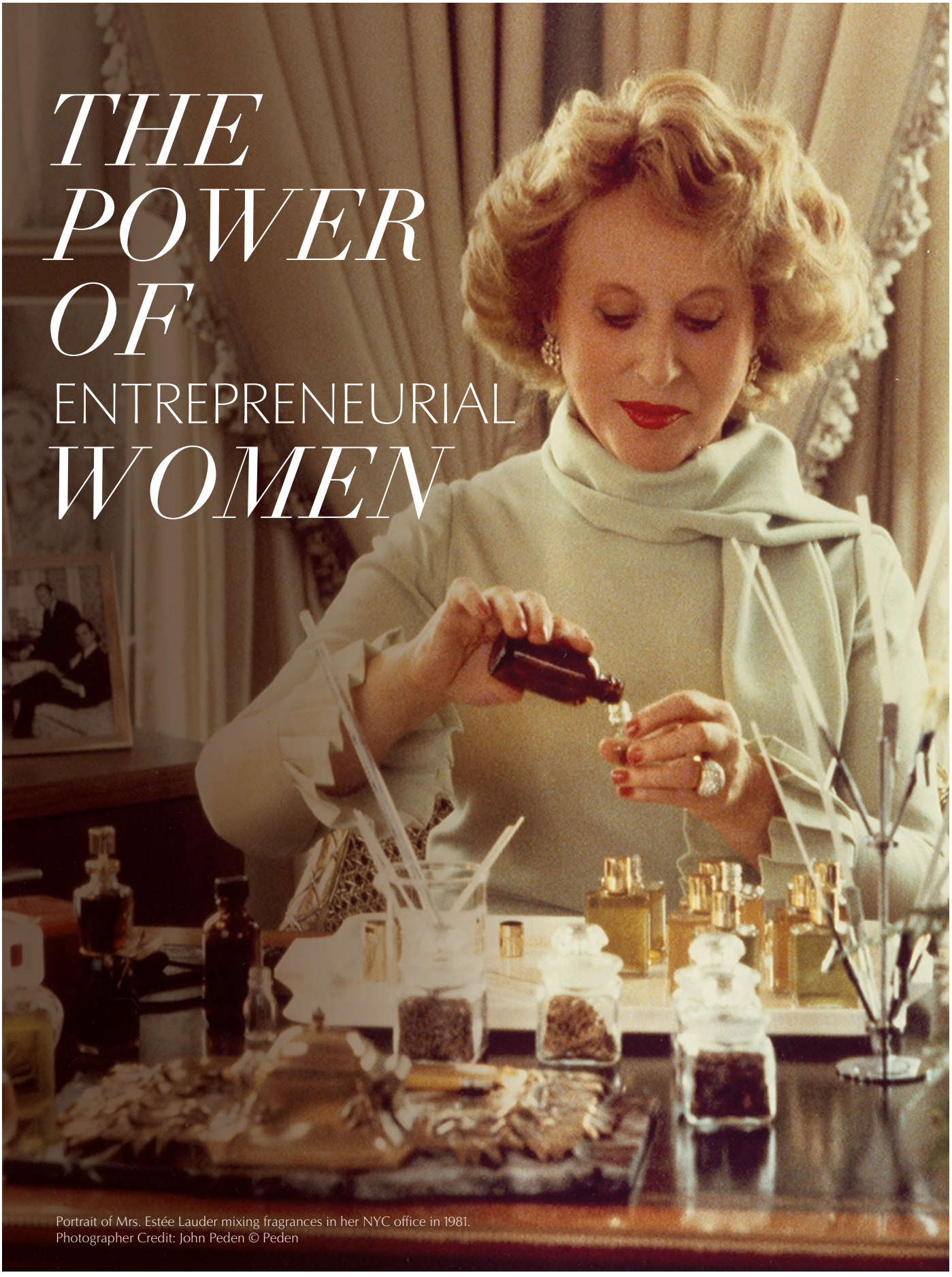
NEW 2030 SOCIAL IMPACT AND SUSTAINABILITY GOALS

As we celebrate meaningful progress toward our 2025 commitments, we are proud to introduce our new 2030 goals, reflecting the progress we have made and our continued commitment to transparency, sustainability, and social impact. See Cautionary Note ↗

	NEW 2030 GOALS[1]
Climate & Energy	Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 50% by 2030, from a 2018 base year.[2] Reduce Scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, and business travel 60% per unit revenue by 2030, from a 2018 base year.[3] By 2030, we will transition 100% of our global corporate fleet to electric vehicles.[4] We will continue to source 100% renewable electricity for our direct operations each year.[5]
Water	By 2030, we will reduce our water withdrawal by 40% from our direct manufacturing sites, focusing on our high and extremely high water-stressed sites, from a fiscal 2019 baseline.[6]
Waste	By 2030, we will reduce our waste intensity by 10% from our direct manufacturing and distribution sites, from a fiscal 2023 baseline.[7]
Sourcing	We will continue to source at least 95% of our palm-based ingredients (including palm oil and its derivatives) from Roundtable on Sustainable Palm Oil (RSPO) certified sustainable physical supply chains each year.[8]
Packaging	By 2030, we will transition at least 70% of our packaging to be recyclable. By 2030, we will increase our refillable packaging by at least 50%, from a fiscal 2025 baseline. By 2030, we will use at least 25% post-consumer recycled (PCR) material in our packaging. By 2030, we will use at least 95% responsibly sourced paper products in our paper packaging.[9] By 2030, we will use at least 50% non-virgin petroleum content in our plastic packaging.
Ingredient Transparency	We will continue to maintain an online corporate glossary of key ingredients that includes descriptions of the ingredients' purpose.
Philanthropic Giving	By 2030, we will contribute $50 million through social impact investments to support women's and girls' health, education, leadership, and entrepreneurship.[10]
Employee Volunteerism & Giving	By 2030, we will engage employees to contribute $10 million to nonprofits through our employee volunteerism and giving program.[11]
Employee Safety	By 2030, we will achieve a 0.15 Total Recordable Incident Rate (TRIR), maintaining world-class levels of employee safety.[12]

[1] "By 20XX" means by the end of calendar year 20XX, unless otherwise noted.
[2] Reduction is from a fiscal 2018 baseline and reflects Scope 1 and Scope 2 market-based emissions including renewable energy sourced from contractual agreements. By 2030 means by the end of fiscal year 2030.
[3] Reduction is calculated from a fiscal 2018 Scope 3 baseline (Scope 3 in metric tons CO_2 equivalents / net sales in million USD). By 2030 means by the end of fiscal year 2030.
[4] Global corporate fleet vehicles are vehicles that are owned or leased by ELC, including those provided to employees pursuant to their role within the organization (e.g., sales or executive management). Electric vehicles are defined as battery-electric vehicles and plug-in hybrid vehicles with an all-electric range of at least 50 km.
[5] Electricity consumption for all global activities within ELC's operational control. Renewable electricity sourced reflects on-site solar electricity generated and consumed at ELC locations, renewable off-site generation (utility contracts), Energy Attribute Certificates (EACs) purchases, and a Virtual Power Purchase Agreement (VPPA).
[6] Reduction is from a recalculated fiscal 2019 baseline of 1.6 million cubic meters water withdrawal at ELC-operated manufacturing sites.
[7] Excludes DECIEM.
[8] Excludes palm-based ingredients not directly procured by ELC, such as those procured by third-party manufacturers (TPMs) and directly procured and received by DECIEM.
[9] Paper packaging includes carriers, cartons, dividers, liners, shippers, sleeves on the bill of materials. Excludes labels, set boxes, tissue, leaflets, etc. Responsibly sourced paper includes Forest Stewardship Council (FSC), Sustainable Forestry Initiative (SFI), or Programme for the Endorsement of Forest Certification (PEFC) certified.
[10] This commitment is measured cumulatively from the end of fiscal year 2025 through 2030. ELC contributions are inclusive of ELCCF, brand, region, and corporate giving.
[11] This commitment is measured cumulatively from the end of fiscal year 2025 through 2030. Metrics reflect information self-reported to ELC's employee social impact and sustainability engagement program, the ELC Good Works platform, used to report employee volunteerism, employee monetary donations, and ELC charitable matching gifts. The platform was available in 31 markets at the end of fiscal 2025. Eligible employees are those who meet certain criteria, which varies by market, and have access to the platform. Metric includes total cumulative ELC employee donations and amount matched, inclusive of volunteer rewards, by ELC since the launch of the ELC Good Works platform in November 2015.
[12] TRIR is the number of Occupational Safety and Health Administration (OSHA) recordable incidents per 100 workers. Excludes DECIEM.

THE POWER OF ENTREPRENEURIAL *WOMEN*



Portrait of Mrs. Estée Lauder mixing fragrances in her NYC office in 1981.
Photographer Credit: John Peden © Peden

The Estée Lauder Companies is an embodiment of the power of entrepreneurial, creative, and innovative women. With vision, grit, and the courage to do things differently, Mrs. Estée Lauder built a beauty empire from the ground up, long before it was common for women to lead global companies. Her story is the blueprint for what entrepreneurial spirit looks like: bold, imaginative, and unapologetically ambitious.

Today, ELC is not only honoring that legacy, we're scaling it. We are building a company and supporting an industry where women can think like founders, execute with ownership, and turn bold ideas into lasting impact. Whether we're launching new ideas within our own walls or supporting women through external initiatives and partnerships, entrepreneurship is not just part of our history, it is a pillar for a more resilient future.[1]

CULTIVATING AN ENTREPRENEURIAL CULTURE FROM THE INSIDE OUT

At ELC, entrepreneurial spirit is a way of thinking that defines how we create, innovate, and lead. It lives in our labs and on our brand teams, in product development, throughout creative and marketing processes, and even our approach to leveraging the latest technology to benefit our consumers.

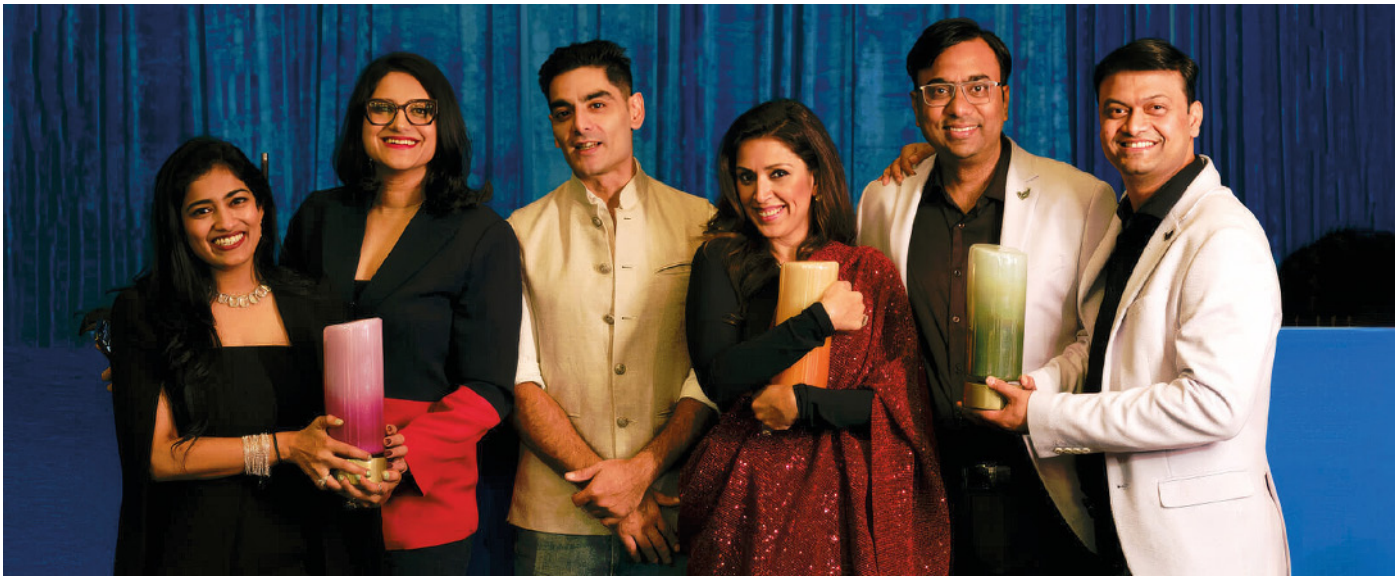
We believe the best ideas can come from anywhere and anyone. That's why we've built a culture where employees are encouraged to harness an entrepreneurial mindset by navigating with curiosity, creativity, and resilience, and by accessing the skills, resources, and opportunities they need to thrive and lead in the workplace of the future. ELC employees globally have access to hundreds of programs that support continued education and career development, including those that focus specifically on developing critical management skills, learning emerging technologies, and enhancing creative capabilities and artistry.

This entrepreneurial mindset also extends to our brands, from their brand-building to the products they deliver. With a portfolio of more than 20 prestige beauty brands, each with its own distinctive voice, heritage, and creative point of view, ELC is a source of visionary ideas within our own walls and for our consumers.

Externally, we recognize that for women particularly, entrepreneurial thinking is as much about economic independence and personal agency as it is about business success. According to the World Economic Forum's 2025 Global Gender Gap Report, entrepreneurship is a vital pathway to economic empowerment for women, particularly where access to formal employment remains limited. Yet despite persistent structural barriers, research shows that gender-balanced entrepreneurial societies and systems have a ripple effect, boosting national productivity, strengthening communities, and fueling innovation.[2]

Mrs. Estée Lauder with her customers at a Sakowitz counter, in Houston, TX, May 1951.

[1] Aspen Network of Development Entrepreneurs. (2023, November 8). Women entrepreneurs: Fueling growth in uncertain times.
[2] The World Economic Forum's 2025 Gender Gap Report.



Fiscal 2025 BEAUTY&YOU India Awardees (L to R): Vaishnavi Maganti (Amright); Kritika Rathi & Akshay Bawa (Not Just Vanilla); Alia Allana (Journey of Objects); Piyush Jain & Dr. Prashant Agrawal (SkinInspired). Photographer Credit: Farhan Hussain

BEAUTY&YOU INDIA: A PLATFORM FOR EMERGING GLOBAL TALENT

Entrepreneurial thinking at ELC doesn't stop at our walls. With BEAUTY&YOU India, we are extending that commitment to one of the world's fastest-growing and most dynamic beauty markets.

Launched in 2022, with support from leading Indian beauty retailer Nykaa, BEAUTY&YOU India is designed to discover and propel the next generation of India-focused beauty brands and founders. Now in its fourth edition, the program has attracted thousands of applications from 150+ cities across India and around the world, with the majority from women entrepreneurs.

Each year, winners receive funding, mentorship, and platforms to scale their beauty brands. This includes financial support from a prize pool of up to $500,000, mentorship from global industry experts, and brand-building and distribution support from Nykaa.

FISCAL 2025 AWARDEES:

SKININSPIRED: a science-backed skin care line tailored to South Asian skin needs.

NOT JUST VANILLA: a body care brand solving underserved concerns with targeted treatments.

AMRIGHT: a female-focused hair wellness brand merging Swiss ingredients with genetic research.

JOURNEY OF OBJECTS: an e-commerce platform celebrating India's diverse beauty heritage through sustainable products.

In March 2025, ELC expanded the program's impact by establishing a groundbreaking partnership with Startup India, the Government of India's national platform for innovation and entrepreneurship. Formalized through a Memorandum of Understanding with the Department for Promotion of Industry and Internal Trade (DPIIT), this collaboration brings Startup India's expertise and ecosystem insights to ELC's flagship program and marks the first partnership of its kind between a global beauty company and the Indian government.

MoU Signing Ceremony for The Estée Lauder Companies and Startup India Partnership (L to R): Sumeet Jarangal, Director, Startup India, DPIIT; Rohan Vaziralli, General Manager, The Estée Lauder Companies India; Sanjiv Singh, Joint Secretary, DPIIT; Stéphane de La Faverie, President and CEO, The Estée Lauder Companies; Nadine Graf, President, EMEA, UK & Ireland, and the Emerging Markets, The Estée Lauder Companies; and Geeta Bajaj, Public Affairs & Regulatory Affairs Director, India.

Additionally, ELC also announced an expansion of BEAUTY&YOU India to include a new initiative to support women entrepreneurs. In 2025, the program launched a new Visionary Women's Award, inspired by ELC's legacy as a beauty company founded by a trailblazing woman, and presented with Startup India.

DEVELOPING THE WORKFORCE OF TOMORROW: ADVANCING ACCESS, OPPORTUNITY, AND SKILLS

Through the Estée Lauder Companies Charitable Foundation (ELCCF) and signature partnerships around the world, we are helping to fund the next generation of innovators while strengthening pathways to entrepreneurship by supporting programs focused on education, skills training, and leadership development.

PRATHAM EDUCATION FOUNDATION

Since 2016, ELCCF has partnered with Pratham to help address gaps in the education system, improve learning outcomes for girls and women, and provide training and entrepreneurship opportunities for youth across India.

ELCCF supports Pratham's Second Chance Program, which enables young women who have left school to resume and complete their secondary education. In addition, ELCCF supports Pratham's Vocational Skilling Program, which offers job training and placement across 10 industries, including beauty. Through this program, women from under-resourced communities gain the skills, training, and certifications necessary to enter the workforce with confidence.

During ELC's Good Works Purpose Week in June 2025, we were honored to partner with Pratham to host a hybrid fireside education event, 'Partners for Women's Entrepreneurship: A Conversation with the ELC Charitable Foundation & Pratham'. The event, open to all ELC employees, was hosted by our Chief Sustainability Officer and the Director, Strategy and Partnerships at Pratham in order to share the impact of this longstanding partnership.

Through support of these programs, ELCCF's long-term partnership with Pratham has helped improve access to education and opportunity for more than 6,000 girls and women.

Young women participate in Pratham's vocational skilling program, gaining hands-on training in hair styling.

Celebrating graduates of The Young Women's Leadership Schools, where nearly 100% of students earn college acceptance.

THE YOUNG WOMEN'S LEADERSHIP SCHOOLS

For nearly two decades, ELC and ELCCF have partnered with Student Leadership Network to support The Young Women's Leadership Schools (TYWLS) and help girls and gender-expansive youth from diverse and underserved communities access the leadership, college, and career readiness skills and resources they need for success.

Since 2017, ELCCF has supported Student Leadership Network's College Bound Initiative programs at TYWLS across New York City, supporting students in achieving their higher education and career potential. In the years since, our partnership has scaled to also support affiliates in markets across the U.S., such as Los Angeles, CA; Wilmington, DE; Atlanta, GA; Las Vegas, NV; and Baltimore, MD.

Through our unique, 360-degree partnership model, ELC employees connect with TYWLS students through mentorship, internship opportunities, career exploration events, and skill-building workshops, fostering a pipeline of future leaders who are empowered to pursue higher education and careers in various fields. Programs include the annual Project Beauty Showcase, an event where twelfth-grade TYWLS students work directly with ELC employees and brands to hone their entrepreneurial, creative, marketing, and campaign development skills.

Notably, nearly 100% of TYWLS students gain college acceptance and TYWLS students' graduate college more than twice the rate of their national peers.

ESTÉE LAUDER EMERGING LEADERS FUND: INVESTING IN GLOBAL CHANGEMAKERS

Launched in 2022, the Estée Lauder Emerging Leaders Fund (ELELF), a charitable fund under ELCCF, supports global organizations that provide opportunities for leadership development, cultivate supportive communities, and advocate for emerging women leaders with bold visions for positive change.

In partnership with Vital Voices Global Partnership, ELELF introduced the Beautiful Forces Grants in fiscal 2025, awarding $200,000 allocated between four women leading innovative projects addressing critical issues in their communities.

FISCAL 2025 AWARDEES:

AMINA MOHAMED (CANADA): Founder, Cameras for Girls, an organization that challenges gender disparities in media, equipping girls in Africa with cameras to empower them with greater access and opportunity in media-based careers.

CONSUELO HERMOSILLA GONZÁLEZ (CHILE): Founder, Fundación Antonia, an organization that works to eliminate intimate partner violence by providing free care and support to survivors, while raising awareness to eradicate gender violence in Chile.

RENATA KOCH ALVARENGA (BRAZIL): Founder, EmpoderaClima, a youth-led organization that raises awareness about the impacts of climate change on women and the role of gender-transformative climate education.

OLASUMBO ADELEKE (NIGERIA): Executive Director, Gender Power Africa, which works to improve the livelihoods of small holder farmers, especially women and youth, in rural communities through economic empowerment, training, and capacity building.

Estée Lauder Global Brand Ambassadors Imaan Hammam and Karlie Kloss take a selfie with winners of the inaugural Estée Lauder Emerging Leaders Fund Beauty Forces grants.

At ELC, we are proud to take part in the systemic work of advancing gender equity and expanding economic opportunity across our communities and through our long-standing partnerships. We are committed to building bridges—listening, co-creating with partners, and leveraging our global resources to help ensure women and girls have the tools, confidence, and opportunities to thrive as the changemakers, leaders, and entrepreneurs of tomorrow.

THE SUSTAINABILITY OF BIOTECH: *ADVANCING RESPONSIBLE INNOVATION*

BIOTECHNOLOGY IN BEAUTY

At The Estée Lauder Companies, transformative innovation is a strategic priority rooted in science and driven by purpose. To deepen our understanding, expand the boundaries of possibility, and deliver lasting impact, we focus deliberately on new technologies and pioneering research, partnering with trusted institutions so that the science we pursue today becomes the solutions we offer our consumers tomorrow. Biotechnology plays a pivotal role in this journey. More than a tool or scientific frontier, we view biotechnology as a bridge to a more beautiful and responsible future where our beauty products increasingly honor the environment and reflect our core commitments.

ELC has long leveraged biotechnology, with decades of experience applying advanced longevity science and fermentation to drive innovation across our portfolio. As biotechnology transforms the beauty industry, we are building on this scientific legacy. Harnessing the power of biotechnology leads to the development of high-performance products and bio-engineered ingredients that can help reduce environmental impact without compromising the efficacy and luxury our consumers expect. At ELC, we are furthering this transformation through strategic scientific partnerships that build on our commitment to responsible innovation. These efforts leverage bio-engineered ingredients that reduce environmental impact while enhancing product performance for our consumers.

Employees join William P. Lauder, Chair of the Board of Directors, and Roberto Canevari, Chief Value Chain Officer, outside ELC's Oevel campus in Belgium.

OEVEL BIOTECH HUB: IN-HOUSE EXCELLENCE

In December 2024, ELC opened the doors to our new BioTech Hub in Olen, Belgium, located near our manufacturing and distribution campus in Oevel, Belgium. This state-of-the-art facility focuses on the production of bio-based raw materials derived from plants, yeast, and bacteria. By leveraging biotechnology, we are redefining traditional ingredient sourcing.

The hub enables the production of nature-inspired alternatives that help preserve biodiversity and conserve natural resources. It expands on our existing biotech capabilities in Melville, NY, creating a complementary network of innovation. These facilities exemplify our commitment to embed sustainability at the core of product development and support our long-term innovation goals across formulation, sourcing, and environmental performance.

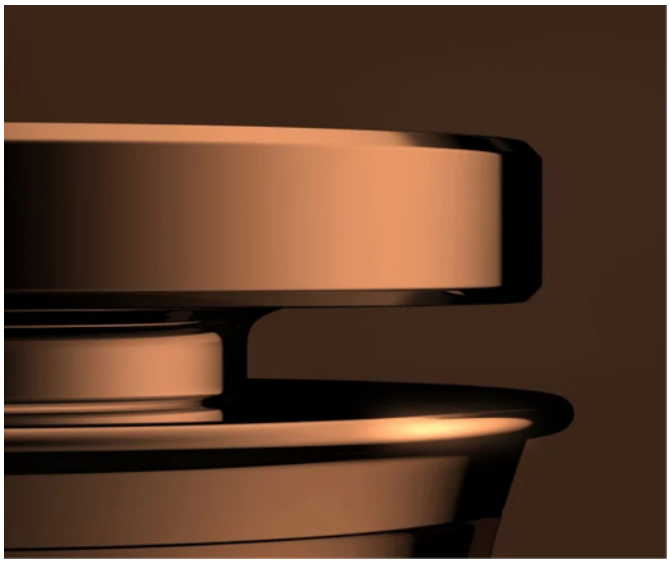
STRATEGIC PARTNERSHIPS

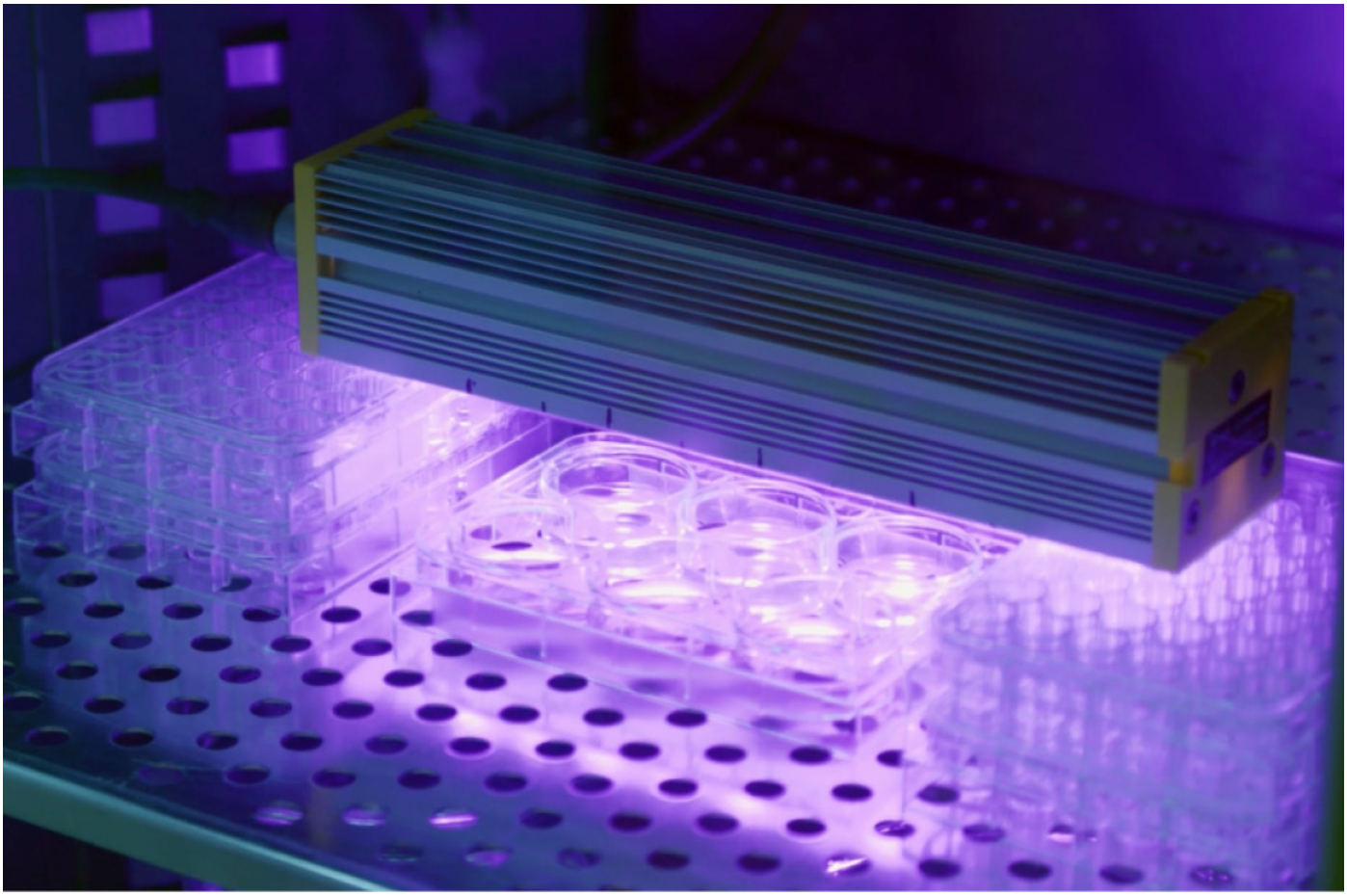
At ELC, we recognize the value of collaboration in advancing research and innovation across scientific disciplines, including biotechnology. Our strategic partnerships with leading research institutions and forward-thinking biotechnology companies play a vital role in our approach to driving sustainability across our value chain. Over the past year, we have made significant progress advancing these collaborations.

EXUUD: REVOLUTIONIZING FRAGRANCE DELIVERY

In January 2025, ELC announced an exclusive partnership with technology start-up Exuud to introduce a breakthrough in scent delivery that advances sustainability in fragrance. Powered by Exuud's proprietary Soliqaire™ technology, the system transforms liquid fragrance into solid beads made from biodegradable, plant-derived materials. The beads absorb and release scent without the use of heat or aerosols, offering a clean, consistent, and long-lasting diffusion method. Combined with new hardware that precisely controls fragrance release, the result is a customizable scent experience that combines beauty, precision functionality, and sustainability.

This collaboration advances ELC's strategic focus on cutting-edge innovation in prestige and luxury fragrance, delivering a more responsible, efficient, and tailored approach to scent for consumers.





3D skin modeling in ELC's Advanced Technology laboratories to compare the effects on skin of environmental stressors.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY (MIT): ADVANCING BIOMOLECULAR SUSTAINABILITY

In February 2025, ELC announced an exciting collaboration with the esteemed Langer and Jaklenec Labs at Massachusetts Institute of Technology (MIT) that seeks to explore how biotechnology can unlock the future of sustainability for cosmetics.

This multi-year research focuses on developing biodegradable delivery systems and protective technologies using bio-polymers that safeguard skin from environmental stressors and sunlight, while embracing green chemistry to help reduce environmental impact.

This collaboration exemplifies ELC's broader commitments to investing in scientific discovery that supports long-term sustainability and advances the science of skin care.

BIOTECH'S ROLE IN THE FUTURE OF RESPONSIBLE BEAUTY

As a leader in prestige beauty, we are advancing product innovation through a deliberate approach that aligns scientific excellence with environmental responsibility. Enhancing our capabilities and forging strategic partnerships are only the beginning of ELC's action to innovate through biotechnology. Biotechnology is one of several powerful tools we are using to rethink how ingredients are sourced, how formulas are developed, and how innovation enables sustainability and high-performance to coexist. This vision supports ELC's broader Beauty Reimagined strategy by positioning us at the forefront of the industry with products that meet evolving consumer needs, while shaping the future of responsible beauty through science, values, and the power of biotechnology.

THE ESTĒE LAUDER COMPANIES INC.

BRANDS IN ACTION

In addition to the efforts led by The Estée Lauder Companies Charitable Foundation and ELC's Breast Cancer Campaign, our brands continue to help drive meaningful impact by supporting the causes that matter most to their teams, their consumers, and the communities where they live, work, and source. Through bold campaigns, thoughtful partnerships, and purpose-driven investments, our brands are helping advance health equity, champion education,promote environmental stewardship, and create opportunity-rich communities worldwide.

THE ESTÉE LAUDER COMPANIES' BREAST CANCER CAMPAIGN

30+ Years of Impact in Breast Cancer Awareness, Research, and Advocacy

The Estée Lauder Companies has been at the forefront of supporting the global breast cancer community for more than 30 years. At a time when breast cancer wasn't openly discussed, Evelyn H. Lauder saw an opportunity to bring awareness to the disease and address stigmas in women's health. In 1992, she co-created the pink ribbon and founded The Estée Lauder Companies' Breast Cancer Campaign, inspiring a global movement around its mission to help create a breast cancer-free world for all. Together, The Estée Lauder Companies Charitable Foundation (ELCCF) and ELC's Breast Cancer Campaign have funded, through the end of fiscal 2025, more than $156 million for lifesaving research, education, and medical services around the world, with more than $123 million funding medical research through the Breast Cancer Research Foundation (BCRF). As part of its global impact, the Breast Cancer Campaign funds numerous grants and programs that help accelerate opportunities for women in STEM, having funded more than 440 annual research grants through BCRF. By supporting scientific research and education, ELC's Breast Cancer Campaign continues to help empower women across generations to advocate for their breast health.

30+Years
of a global movement

$156 Million
for lives for lifesaving research, education, and medical services

440+
annual research grants through BCRF

60+
organizational partners worldwide

BCC Global Ambassador, Elizabeth Hurley, joins ELC-funded BCRF researcher Dame Lesley Fallowfield and UK&I BCC Ambassadors: Lauren Mahon, Dr. Zoe Williams, Kreena Dhiman, and Leanne Pero MBE.

AVEDA

Every April since 1999, Aveda has mobilized its global network of employees, salons and spas, Institutes, Experience Centers, and customers during Earth Month to raise funds for clean water access. Through fiscal 2025, Aveda has raised more than $72 million for nonprofit partners, including long-standing global partner charity: water, helping deliver safe drinking water to more than 1.5 million people and protect thousands of watersheds.

In fiscal 2025, Aveda U.K. & Ireland brought this mission to life through raffles, bake sales, yoga events, and the annual #WalkForWater, in partnership with women's empowerment group Athene Club. The team also launched a limited-edition Botanical Repair™ Bond-Building Styling Crème, with a portion of each sale supporting charity: water.

This fiscal year also marked the global rollout of Aveda's first fully recyclable, paper-based sample sachets. Developed with supplier Xela Pack, the new design reduces plastic use by over 80%, compared to the prior 10ML sample tube, and reflects Aveda's ongoing commitment to sustainable packaging.

LA MER

As a brand born from the power of the Giant Sea Kelp used to create the cell-renewing Miracle Broth™, La Mer's mission is to help it thrive by supporting kelp restoration projects, educating the world on kelp's crucial role in helping regulate the climate, and inspiring positive action.

Through the La Mer Blue Heart Oceans Fund, La Mer champions ocean conservation with a focus on marine habitat restoration and youth education. In fiscal 2025, the brand deepened its commitment through renewed grant-support of EarthEcho International's youth advocacy efforts and GreenWave's regenerative farmer advancement program, focused on restoring marine habitats in Long Island, NY.

BOBBI BROWN COSMETICS

The Bobbi Brown Pretty Powerful Fund supports global nonprofit organizations that champion education and economic empowerment for women and girls. One of its longest-running partnerships is with U.K.-based charity Smart Works, which provides coaching, clothing, and confidence to help women enter the workforce.

In fiscal 2025, Bobbi Brown Cosmetics launched its annual Pretty Powerful campaign in support of Smart Works, marking 12 years of partnership. Proceeds from a limited-edition Highlighting Powder helped fund the charity's mission to transform the lives of unemployed women across the U.K. Bobbi Brown Cosmetics PRO Artists also dedicate their time to support Smart Works clients with makeup lessons and events.

Through fiscal 2025, Bobbi Brown Cosmetics has donated over $1.9M to women's empowerment organizations, with the Pretty Powerful campaign continuing to be a key expression of the brand's commitment to advancing equality for all genders.

BUMBLE AND BUMBLE

In fiscal 2025, Bumble and bumble deepened its commitment to empowering and uplifting professional hairstylists through advocacy, education, community relief, and long-term equity.

The brand partnered with The Point Foundation to establish inaugural scholarships and amplify LGBTQIA+ voices pursuing careers in beauty. It also supported the Texture Education Collective (TEC) in the successful passage of legislation across eight states—Washington, Louisiana, California, New York, Connecticut, Minnesota, Vermont, and Maine—requiring textured hair education in cosmetology licensing programs, ensuring all stylists are trained to serve all hair types.

Bumble and bumble provided product donations to stylists impacted by the Southern California wildfires, helping them rebuild their businesses. The brand continued its support for Keya Neal's Masterclass to advance inclusive education and challenge bias in the salon industry. Additionally, through sustained contributions to the NAACP, Bumble and bumble is helping drive positive change and advance equity within the beauty industry.

CLINIQUE

Since its founding as a dermatologist guided brand in 1968, Clinique has continued its close relationship with the dermatological community to create great skin for all. It is this deep commitment that drives Clinique to cultivate future generations of dermatologists and support health equity. In fiscal 2025, the brand was proud to announce its partnership with the Skin of Color Society Foundation (SOCSF) for a scholarship program to broaden access to the specialty of dermatology.

The Dermatologists of Tomorrow Scholarship presented by Clinique and SOCSF provides financial support and mentorship to medical students who are committed to achieving health equity in their pursuit of a career in dermatology. The distribution of funds focuses on grants to a projected 100 medical students over 3 years to provide financial support for the expenses incurred during the residency program application process.

JO MALONE LONDON

Jo Malone London deepened its long-standing commitment to mental health by advancing its global partnership with UNICEF, the brand's official charity partner since 2023. Together, they are working to support the mental well-being of children, young people, and caregivers in more than 190 countries.

In fiscal 2025, Jo Malone London continued to make donations in line with its $3.5 million pledge to UNICEF through the sale of its Charity Candle collection, checkout donations, and employee fundraising. This contribution helps fund UNICEF's mental health and psychosocial support programs, which have reached more than 47 million children and caregivers globally.

DECIEM

Belonging is at the heart of DECIEM's purpose, guiding their efforts to build a world where everyone can show up as they are. In fiscal 2025, DECIEM deepened its long-term commitment to mental health by partnering with the Centre for Addiction and Mental Health (CAMH), a globally recognized leader in brain health research.

Building on a C$1 million donation in fiscal 2024 to support CAMH's No One Left Behind campaign, the world's largest fundraising effort for hospital-based mental health research, DECIEM has pledged an additional C$1 million over the next five years.

The partnership is deeply personal to DECIEM. Following the tragic loss of its founder, Brandon Truaxe, DECIEM committed to reshaping the conversation around mental health and addiction. CAMH's Brain Health Imaging Centre conducts groundbreaking research on psychiatric disorders, neurological diseases, and addiction, advancing brain science that could transform mental health care for future generations.

Through this collaboration, DECIEM is not only helping drive scientific progress but also honoring a legacy, breaking stigmas, expanding access, and reimagining what belonging can look.

ESTÉE LAUDER

The Estée Lauder Emerging Leaders Fund (ELELF) is redefining what leadership looks like by investing in a new generation of changemakers around the world. In fiscal 2025, the Fund launched its inaugural Beautiful Forces grants in partnership with longtime collaborator Vital Voices (VV), awarding four Vital Voices network alumni for bold, community-focused projects spanning climate action, media equity, economic empowerment, and gender-based violence prevention.

Since its launch, ELELF has trained over 450 emerging leaders from more than 78 countries through the VV Visionaries Leadership Program.

ORIGINS

Launched in 2009, the Origins Green the Planet™ Fund collaborates with environmental nonprofits, such as One Tree Planted, on tree planting efforts that benefit local communities and help address the impact of climate change. As of the end of fiscal 2025, the Origins Green the Planet™ Fund has planted more than 2.3 million trees, helping to add greenery to underserved urban areas and create green belts within cities.

TOM FORD BEAUTY

In 2020, Tom Ford partnered with Lonely Whale to launch the TOM FORD Plastic Innovation Prize, the only global competition focused on creating scalable and biologically degradable alternatives to traditional thin-film plastic polybags. Sponsored also in partnership with The Estée Lauder Companies, the TOM FORD Plastic Innovation Accelerator is advancing awareness of thin-film plastic and accelerating market adoption of prize-winning seaweed-based alternatives. In fiscal 2025, The Accelerator received a gold Anthem Award in the Sustainability, Environment & Climate Partnership or Collaboration Awareness category, as well as a bronze Award and Community Voices Award in the Product, Innovation, or Service category. Created by The Webby Awards 20 years ago, The Anthem Awards honor the purpose and mission-driven work of people, companies, and organizations worldwide.

M·A·C

Through June 2025, M·A·C VIVA GLAM has raised over $534 million for charity since its launch in 1994—more than any other beauty brand globally—and continues to donate 100% of the selling price of every VIVA GLAM Lipstick to organizations advancing equality and healthy futures for all.

In fiscal 2025, M·A·C donated $4.5 million across 65 NGOs worldwide. The brand also released a special edition VIVA GLAM Lipglass in partnership with Grammy-winning artist and VIVA GLAM ambassador Kim Petras. Aptly named VIVA KIMmitment, the shimmering red gloss donates every cent raised to charities who are dedicated to driving equality for all.

VIVA GLAM's expanded commitment to environmental equality and pledge to benefit the planet included continued support for Plastics for Change, a nonprofit that removes plastic waste from coastal communities in India while creating economic opportunity for local waste collectors.

Three decades in, VIVA GLAM remains one of the beauty industry's most powerful philanthropic forces.

In addition to the previously mentioned initiatives, several of our brands have also achieved some of the highest levels of certification for social impact and sustainability efforts.

Certified B Corporation

Aveda ↗
Le Labo ↗

Positive Luxury

TOM FORD BEAUTY ↗
Balmain Beauty ↗

SI&S GOVERNANCE OVERVIEW

The Estée Lauder Companies' social impact and sustainability initiatives help drive innovation, growth, and efficiency across the business and within our brand portfolio. Our social impact and sustainability goals are designed to support value creation, acting as a catalyst to continually transform our business and seize future opportunities.

In fiscal 2025, our new President and CEO, Stéphane de La Faverie, announced Beauty Reimagined, a bold, strategic vision to restore the company's sustainable sales growth and achieve stronger profitability as it aims to become the best consumer-centric prestige beauty company. Through an ambitious action plan, the company is significantly transforming its operating model, while taking decisive actions to expand consumer coverage, step-change innovation, and increase consumer-facing investments to better capture growth and drive profitability. The Profit Recovery and Growth Plan (PRGP), an enabler of Beauty Reimagined designed to help fuel sustainable growth, remains an important part of the growth narrative as we continue to improve efficiencies.

GOVERNANCE APPROACH

Our governance approach to social impact and sustainability initiatives spans multiple levels within the organization. With the oversight of our Board of Directors (Board), we manage these efforts through executive leadership, cross-functional committees, and operational teams to ensure accountability and alignment across the company.

BOARD OF DIRECTORS

Our Board has developed corporate governance practices to fulfill its responsibilities to stockholders, providing general direction and oversight of the management of the company's business and affairs. Our Board is led by the Chair, who is a member of the Lauder family. In addition, we have an independent director who serves as Lead Independent Director. A majority of the directors on our Board are independent. As of June 30, 2025, our Board was comprised of 14 directors, including nine independent members, four members of the Lauder family, and our President and CEO.

The Board has established the following standing Board committees: the Nominating and ESG Committee; the Compensation Committee, which includes the Stock Plan Subcommittee; and the Audit Committee. *To read more about our Board and committees, please see the Corporate Governance web page.* ↗

Our Nominating and ESG Committee has oversight responsibility for our company's ESG activities and practices, including social impact and sustainability matters. The Nominating and ESG Committee receives updates during its meetings on social impact and sustainability topics, including climate and nature and biodiversity; progress toward the company's commitments; and other related matters. The Board also receives periodic updates on these matters. Our Compensation Committee establishes and approves compensation plans and arrangements with respect to the company's executive officers and administers the company's Executive Annual Incentive Plan. The Stock Plan Subcommittee has authority over decisions regarding awards to executive officers under the company's Share Incentive Plan.

Our compensation program for executive officers is designed to attract and retain world-class talent and to motivate achievement of both our long-term and short-term (annual) goals. We believe that the design and governance of our compensation program supports the business strategy.

The Audit Committee oversees the integrity of the company's financial reporting, internal controls, and compliance with legal and regulatory requirements. The committee is responsible for appointing independent auditors, reviewing audit results, and assessing risk management practices. *To read more on our governance practices and information about executive compensation matters, please see our 2025 Proxy Statement.* ↗

ENTERPRISE RISK MANAGEMENT

Enterprise Risks are risks that could impact the company's ability to achieve its strategic objectives. Enterprise Risk Management (ERM) at ELC is a structured and dynamic process to identify, assess, and prioritize risks, drive effective mitigation strategies, and provide regular updates to the Executive Team. The process is governed by the Enterprise Risk Management Committee (ERMC), which is chaired by the Chief Financial Officer and supported by active participation and engagement from the Chief Executive Officer and his leadership team. The ERM team also leverages internal and external partnerships to identify emerging risks and adopt industry-leading practices. In parallel with the ERM process, additional ELC teams monitor and manage social impact, sustainability, and regulatory risks through ongoing engagement with internal and external stakeholders. These teams provide periodic updates to the ERM team on key identified social impact and sustainability risks, when applicable.

CROSS-FUNCTIONAL INTEGRATION

We recognize the importance of integrating social impact and sustainability into our business and continually refine our approach to managing social impact and sustainability. Our social impact and sustainability strategy is further directed by a Governance subcommittee composed of senior leaders and subject matter experts. The subcommittee guides and makes decisions around social impact and sustainability initiatives across the business, driving progress toward related goals and commitments.

Our Chief Sustainability Officer (CSO) leads the Global Corporate Citizenship and Sustainability (GCCS) function. The GCCS function is responsible for managing corporate-wide social impact and sustainability initiatives; supporting corporate, brand, channel, and region-led sustainability strategies and commitments; as well as leading our social impact and sustainability reporting and goals governance work.

We drive horizontal integration of social impact and sustainability initiatives across the business through close partnerships among senior leaders from Finance; Global Communications and Public Affairs; GCCS; Human Resources; Legal; Research & Development; and Supply Chain, as well as representatives across brands, regions, channels, and other functions. In the following sections, we provide additional details around the governance structure guiding each of our social impact and sustainability topic workstreams, underscoring our commitment to accountability and strategic oversight.

ETHICS AND INTEGRITY

We cultivate a culture of uncompromising ethics and integrity, expecting our employees and business partners to conduct themselves in compliance with applicable laws and regulations and with the ethical standards and policies set forth in our Code of Conduct (CoC) and Supplier Code of Conduct (SCoC).

Newly-hired employees are required to sign and acknowledge that they have received, read, and will comply with the CoC. In addition, annually, employees above certain levels are required to complete Ethics and Anti-Bribery and Corruption trainings and acknowledge their understanding and compliance with the CoC. We periodically conduct trainings on the CoC for groups of our employees.

Employees globally are expected to raise questions or concerns about conduct that may be inconsistent with the law, the CoC, or other policies to their supervisor, Human Resources contact, the Global Ethics team, and through the company's Integrity Helpline. Employees can communicate and report suspected violations confidentially and anonymously, where permitted by law. Employees can raise questions or concerns by calling the toll-free number, visiting the Integrity Helpline website, or sending a text message (text communication available in North America only).

Questions or concerns related to questionable accounting, internal controls, or auditing matters can also be raised directly to the Audit Committee of the Board. We have standard operating procedures to manage reports, ensuring consistent investigation and response procedures across incident types and reporting channels. Serious violations are reviewed by the company's Ethics and Compliance Committee, which oversees implementation of the CoC.

The Ethics and Compliance Committee reports to the Audit Committee regularly regarding the effectiveness of our Global Ethics Program. The company's Internal Audit function periodically reviews business unit operations using a risk-based audit plan. Internal Audit regularly assesses the effectiveness of the company's Ethics and Anti-Bribery and Corruption program through routine and targeted audits of business functions and/or sales affiliates.

DATA PRIVACY AND CYBERSECURITY

As outlined in our CoC, the company is committed to respecting privacy and protecting the security of our employees and consumers. Our cybersecurity and privacy programs are managed by dedicated teams in our organization, governed by an executive, cross-functional steering committee. Both privacy and cybersecurity are also included in the company's enterprise risk management process. The Audit Committee's oversight responsibilities include information technology, cybersecurity, and legal matters.

In addition to privacy laws applicable to our global operations, we maintain privacy policies and standards, and follow a set of global Privacy Principles for the processing of personal data: (1) collect and use data purposefully, (2) provide notice and choice, (3) safeguard personal data, and (4) maintain data integrity. To support compliance, our privacy team conducts regular reviews, and our internal audit team conducts periodic privacy audits based on risk. We have a privacy page on the ELC Corporate website, which provides details of our privacy program within our CoC and SCoC. In fiscal 2025, we expanded this page with additional privacy policies and FAQs. *To read more, please see our the Privacy web page.* ↗

Our cybersecurity program is designed to mitigate risk from current and potential cyber-driven threats, aiming to protect the company's data, networks, and systems. Our cybersecurity function has fit-for-purpose tools, controls, and capabilities based on best practices. This blended capability strategy leverages a mix of internal and external resources, supported by robust processes, policies, and technologies. It includes protective technologies, access controls, proactive services, active defense, and security resilience.

Our numerous information security policies cover topics such as acceptable use of information technology, training and awareness, regulatory compliance, disaster recovery, third-party risk management, and incident response. We have dedicated resources to monitor for and respond to incidents, including a 24/7 Security Operations Center, and various ways for employees to report suspicious activities. In the event of a data breach, our policy requires that we notify data subjects in accordance with applicable law.

To promote compliance and awareness, we take a risk-based approach to training employees on privacy and cybersecurity requirements and best practices at least annually. Other awareness and education activities occur throughout the year such as data privacy day events, cybersecurity video blogs, an intranet site with resources, and monthly global newsletters.

HUMAN RIGHTS

We are committed to respecting and promoting human rights throughout our operations, value chain, and communities. We have policies, processes, training, and systems in place to identify, assess, monitor, and mitigate or eliminate actual or potential impacts in compliance with applicable laws and regulations.

FRAMEWORKS GUIDING HUMAN RIGHTS COMPLIANCE

We are committed to transparency in how we uphold human rights across our operations and value chain. By clearly outlining our policies and actions, we aim to foster trust with stakeholders and demonstrate accountability in addressing human rights risks.

- Our Human Rights Policy defines our global approach to respecting human rights and aligns with global expectations. This approach is informed by international protocols including the UN Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights.
- Our Enterprise Modern Slavery statement, published annually to meet regulatory requirements, outlines our actions to identify and minimize risks relating to modern slavery in our own operations and across our value chain. Building on our pilot program in fiscal 2024, we continue to develop modern slavery prevention training to raise awareness of modern slavery risks and warning signs.
- Our CoC outlines our expectations for promoting a respectful workplace, engaging in ethical business practices, and operating in a socially responsible and fair manner. We require our employees, service providers, and suppliers to operate in compliance with applicable laws, including, but not limited to, employment laws pertaining to child labor, minimum wage, overtime compensation, hiring, and occupational safety.
- Our SCoC sets forth the basic requirements we expect of suppliers, including vendors, service providers, independent contractors, and consultants, as a condition to doing business with our company. It is based on internationally recognized standards, including the Universal Declaration of Human Rights and International Labor Organization's Conventions.

Our Human Rights Policy ↗, Modern Slavery Statement ↗, CoC ↗ , and SCoC ↗ are all available on the ELC Corporate website.

HUMAN RIGHTS ASSESSMENT AND SALIENT RISKS

In fiscal 2022, we conducted a corporate-level Human Rights Assessment (HRA) based on the methodology outlined by the UN Guiding Principles on Business and Human Rights, the global standard for HRAs. The HRA has provided us with a framework to help identify and prioritize the salient human rights risks and potential impacts for ELC and our industry. Some of the actions we have taken include:

- Access to Grievance Mechanisms: ELC provides access to grievance mechanisms across the enterprise and supply chain by integrating human rights violations reporting into our integrity helpline and including our helpline in our SCoC to raise awareness with our suppliers. *To read more, please see the Sourcing section.*
- Child Labor and Juvenile Work: ELC prohibits the use of child labor, and we believe the rights of all children should be protected. Our SCoC outlines our mandate for suppliers and includes our policy against employment of children as a condition of doing business with our company. *To read more about our related actions, please see the Sourcing section.*
- Forced Labor and Modern Slavery: As mentioned above, our SCoC, along with ELC's Human Rights Policy and Supplier Sustainability Guidelines, outlines our expectations for suppliers with respect to human rights, including provisions on forced labor and modern slavery. *To read more about our due diligence program, please see the Sourcing section and our Enterprise Modern Slavery Statement.* ↗
- Impacts on Local Communities: Our sustainability efforts described herein and elsewhere are designed to promote health, clean water, responsible sanitation, and hygiene (WASH). *To read more about WASH and other community engagement activations, please see the Water section. To read more about our commitment to uphold sustainable, rights-based sourcing principles, such as free and prior informed consent (FPIC), please see the Sourcing section and our Viewpoints web page.* ↗
- Occupational Health and Safety: We have taken actions to uphold our commitment to keeping our workplace safe, healthy, and welcoming. *To read more, please see the Employee Health and Safety section.*
- Working Hours, Wages and Benefits: We require our employees, service providers, and suppliers to operate in compliance with all applicable laws, including, but not limited to, employment laws pertaining to minimum wages and overtime compensation. *To read more, please see the Employee Experience and Sourcing sections.*

PRIORITY FOCUS AREAS FOR SOCIAL IMPACT AND SUSTAINABILITY

We continually evaluate areas of risk and opportunity for our business as part of our strategic planning process. As part of our periodic assessments, we evaluate the relevance of social impact and sustainability topics in relation to our corporate strategy and objectives, as well as their significance to both internal and external stakeholders across the value chain.

Our most recent assessment was completed in fiscal 2025.

As of the end of our fiscal 2025, our priority focus areas are:

1. Employee Health and Safety
2. Employee Experience
3. Climate
4. Sourcing
5. Product Formulation
6. Packaging

We also continue to monitor interest among some stakeholders in nature and biodiversity, water, waste, and social investments, all of which are also included in our SI&S reporting.

Our priority focus areas are embedded in our corporate goals and commitments, and are integrated across our strategic planning, risk management, and reporting processes. We align these focus areas with leading global frameworks, including the Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), and Task Force on Nature-related Financial Disclosures (TNFD), as well as the United Nations Sustainable Development Goals (SDGs).

While our work is aligned to many SDGs, we concentrate our efforts on those most closely aligned with our priority areas including:

STAKEHOLDER ENGAGEMENT

We seek to build productive relationships with our key stakeholders, including employees, consumers, investors, retailers, nongovernmental organizations (NGOs), suppliers, policymakers, regulators, and local communities. These relationships depend on active engagement and meaningful dialogue to strengthen bonds, expand trust, and develop areas of mutual interest and opportunity for advancement.

The types of stakeholder engagements and topics discussed concerning social impact and sustainability matters vary. For example:

- Consumers: We engage with consumers through direct interaction online and in-store settings, consumer feedback portals (including Consumer Care), satisfaction surveys, third-party market research vendors, and social media and influencer channels. Consumer interest in social impact and sustainability includes product formulation and ingredient transparency; sourcing practices and biodiversity; packaging; climate action; and social issues.
- Employees: We engage with employees through a variety of channels, both in person and digitally, including direct interaction with managers and Human Resources business partners, our company intranet, social media, town halls, special presentations, and learning events. Other employee engagement initiatives, such as Employee Resource Groups (ERGs) and pulse surveys, also serve as important avenues for dialogue and connection throughout the year.We utilize the results from our fiscal 2025 ELC Listens Enterprise Baseline Survey and our most recent fiscal 2025 ELC Listens Townhall Feedback Survey to focus on topics employees identified as most important.
- Investors: We engage with investors through our multi-faceted, strategic investor relations program to help communicate with the investment community about our company's performance and corporate values. We also inform current and prospective investors and the sell-side analyst community about our business strategies and social impact and sustainability goals and initiatives. In fiscal 2025, we continued our social impact and sustainability-oriented investor outreach, participating in numerous one-on-one calls and external events and conferences. We also gathered feedback through our annual social impact and sustainability investor perception study, and continue to work to integrate insights and recommendations into our social impact and sustainability strategy and disclosure.
- Regulators: We engage with regulators as a key stakeholder to ensure compliance, foster transparency, and uphold the highest standards of safety, quality, and ethical business conduct. The company is committed to compliance with applicable national, state, provincial, and local laws in the markets where our products are sold.
- Retailers: We engage with our key retailers around the world on their consumer-facing sustainability programs and to partner on sustainability initiatives. In fiscal 2025, we continued to build relationships with our retailers' sustainability teams through one-on-one conversations and by participating in select retailers' sustainability summits. We provided feedback from the brand perspective to inform the evolution of our retail partners' sustainability programs, offered guidance on setting sustainability goals and targets, provided data and identified sustainability partnership opportunities.
- Suppliers: We engage with suppliers regularly through business review meetings and partnerships such as Supplier Leadership on Climate Transition (Supplier LOCT), The TRaceability Alliance for Sustainable CosmEtics (TRASCE), and Action for Sustainable Derivatives (ASD). Through these and other initiatives, we solicit input and feedback to better understand the complexities of our supply chain. We also conduct webinars and assessments to uncover insights and learn about key areas of focus for our suppliers. *To read more about supplier engagement and our SCoC, please see the Sourcing section.*

EMPLOYEE HEALTH & SAFETY

The Estée Lauder Companies strives to provide a healthy and safe workplace for our employees. We are committed to strengthening our safety culture through continuous improvement and innovation and seek to be an industry leader in workplace safety.

GOVERNANCE

The Environment, Health, and Safety (EHS) team, within the Global Value Chain function, establishes our EHS philosophy. They are responsible for program development and implementation across the company.

The EHS team is organized into 5 key pillars: Value Chain, Commercial Regions, Environmental Sustainability, Technical Programs and Compliance, and EHS Center of Excellence. These pillars are designed to standardize, streamline, and implement best practices, while strengthening employee engagement programs and awareness campaigns.

The Environmental and Safety Management System includes a structured process for preventing, investigating, and reporting workplace incidents, including injuries, property damage, spills, and near misses. Safety incident reports are documented, corrective actions are identified and tracked, and safety alerts and best practices are issued globally for sites to take preventative actions. The Environmental and Safety Management System defines criteria for serious accidents and incidents that could result in a high-consequence injury. We comply with legal requirements regarding whistleblower protections around employees' rights to remove themselves from, and report on, what they believe are unsafe conditions.

STRATEGY AND FISCAL 2025 PROGRESS

At The Estée Lauder Companies, we uphold our commitment to employee health and safety through established policies, bespoke programs, and a strategic risk-based approach. Through continued training, employee engagement, and safety improvement initiatives, we aim to foster a culture of safety across our global operations.

POLICIES AND CERTIFICATIONS

- EHS Policy Statement ↗

- Safety Awards: ELC received 112 Safety Awards from the National Safety Council (NSC) in three categories—Occupational Excellence, Perfect Record Award, and Million Work Hours Award—across 32 supply chain and Research and Development (R&D) facilities and 49 global brand operations, with some facilities receiving multiple awards.

ACTIONS

Throughout fiscal 2025, we continued to work toward eliminating risk within our operations by leveraging tools such as risk mapping assessments, employee engagement programs, and platforms for employee recognition.

RISK ASSESSMENTS

We conduct risk assessments to identify, evaluate, and mitigate potential safety hazards across our operations, including manufacturing facilities, distribution centers, R&D sites, retail, and office locations. The insights gained inform decision-making and development of internal reduction goals, action tracking, and regular safety reviews. Sites actively work to close out action items identified through these assessments, supporting continuous improvement and helping to prevent accidents and injuries.

In addition to driving site-specific improvements, these assessments support the implementation of proactive safety measures tailored to the needs of employee roles. These include virtual ergonomic education and support for office-based employees, on-site ergonomic consultations at manufacturing sites, and job-specific and leadership training focused on injury prevention.

EMPLOYEE ENGAGEMENT

Our Behavior Based Safety (BBS) program is our long-standing employee engagement initiative, designed to promote an actively caring safety culture through employee-led steering team initiatives.The program is supported by representatives across regions and functions, who meet regularly across our manufacturing and distribution sites to coordinate efforts and share best practices. In fiscal 2025, we launched BBS at our Shimotsuma, Japan manufacturing facility, bringing us to a total of 22 facilities in 11 countries with active BBS steering teams. These teams supported more than 2,600 employees, completed more than

30,100 BBS observations, and identified more than 400 possible projects to improve safety and increase awareness of safe behaviors at their sites. Our formal BBS training programs include Management Awareness Training, Employee Awareness Training, Steering Team Training, and Hazard Identification Training.

We also host employee engagement events across our facilities to raise awareness and foster involvement in key EHS initiatives. Throughout the year, our global EHS teams run campaigns to further reinforce safety priorities, including:

- Take Action!, which encourages employees to identify unsafe conditions or near-miss events.
- Employee roundtables and EHS engagement committees to improve overall EHS team performance.
- Take Action for Safety program which helped support the reduction in slip, trip, and fall incidents across many of our locations to further embed safety controls into operational practices across manufacturing, distribution, R&D, retail, and office locations.

EMPLOYEE RECOGNITION

Recognition is an important facet of driving engagement and highlighting the valuable contributions of our employees to our EHS goals. Our Safety Ambassador Program, active at several of our manufacturing facilities, recognizes employees for their contributions to maintaining and improving safety performance. In fiscal 2025, we received over 1,000 nominations through the program.

In addition to our manufacturing-focused initiatives, we also recognize safety excellence across our retail operations. The Safety Crown and the Retail Partner Safety Gems recognition programs celebrate the positive actions of ELC freestanding stores and Retail Field Leaders respectively, who meet or exceed defined safety metrics over a given time period. In fiscal 2025, we expanded these programs to several additional commercial regions, broadening opportunities for recognition across retail.

TARGETS

Total Recordable Incident Rate: Globally, ELC had a Total Recordable Incident Rate (TRIR)[1] of 0.17 in fiscal 2025, which is lower than our rate reported in fiscal 2024. This progress underscores our continued efforts in this space, as we maintain one of the best-in-class TRIRs in the industry and remain committed to achieving our ongoing goal of reducing the rate to 0.15.

Total Recordable Incidents: ELC achieved zero recordable accidents across many of our facilities, including 5 manufacturing sites, 13 distribution centers, and 7 R&D sites.

ADDITIONAL RESOURCES

Employee Safety Goal	p. 10
Employee Safety Metrics	p. 74

[1]TRIR is the number of Occupational Safety and Health Administration (OSHA) recordable incidents per 100 workers. Excludes DECIEM.

EMPLOYEE EXPERIENCE

Our longstanding guiding principles of respect for the individual, uncompromising ethics and integrity, generosity of spirit, and fearless persistence underpin the employee experience at The Estée Lauder Companies. Our employees are integral to the long-term success and resilience of our business. We are committed to providing a workplace that is collaborative, inclusive, compassionate, and motivating, where our employees can innovate, lead, and drive our company forward.[1]

GOVERNANCE

The Global Human Resources function, in alignment with and in support of ELC's corporate strategy, defines key workforce practices and priorities that enable people-related outcomes to support enterprise-wide goals. This function is comprised of multiple teams that execute this strategy.

Our Total Rewards team, which includes Global Compensation and Global Benefits, provides competitive compensation and benefit packages to support our employees' holistic well-being, including their financial, physical, and mental health.

Our Global Talent team, which includes Talent, Talent Acquisition, and Enterprise Learning and Development, drives recruitment and offers our employees career development and learning opportunities. The Enterprise Learning and Development team implements our strategy around fostering continuous innovation and growth, aligning with the strategic objectives outlined in the Global Human Resources strategy.

Our Global Inclusion, Diversity, and Equity (ID&E) Center of Excellence (COE) and the Global Equity and Engagement COE lead our efforts to create a working environment that respects, values, and celebrates all identities. Our Global Diversity Council, composed of senior leaders from across the company, guides the execution of the ID&E strategy. The council provides strategic direction, ensures accountability across business units, and champions initiatives that foster a more inclusive and equitable workplace culture globally.

The Volunteerism and Giving Team within the Global Corporate Citizenship and Sustainability (GCCS) function manages activities that offer employees opportunities to engage with the communities we support.

STRATEGY AND FISCAL 2025 PROGRESS

Hiring, retaining, and developing the best talent globally is key to our success in sustaining long-term growth. Our talent strategy is focused on employee engagement and investments in career development, as well as measuring and recognizing performance through employee reviews. Attracting, developing, and retaining talent of all backgrounds across all levels of the organization fosters an environment where every employee feels respected and valued.

POLICIES AND CERTIFICATIONS

- ELC Code of Conduct ↗
- Human Rights Policy ↗

ACTIONS

Our investments include providing programs to equip our employees with the appropriate knowledge and skill sets, as well as opportunities to transfer to other functions or regions through short-term and long-term assignments. We believe these programs and opportunities create a pipeline of talent and leadership necessary to drive and deliver on our long-term strategy.

EMPLOYEE ENGAGEMENT

To enhance our culture and measure our human capital objectives, we regularly engage with our employees throughout their journey with ELC. In fiscal 2025, the Equity and Engagement COE continued hosting Listening Sessions across the enterprise to help transform insights to actions and cultivate a workplace environment that understands and is responsive to employee needs. We are committed to fostering a strong internal culture of advocacy and inclusion to help employees share their voices, be heard, and collectively affect change. Respect for the individual and for their passions, perspectives, and experiences guides our mission. As part of this effort, we aim to engage employees at all levels, reinforcing a culture where every voice matters.

We provide several mechanisms for our employees to provide their feedback, including direct discussions with managers, employee surveys (onboarding, engagement, and exit surveys),

[1]The company is committed to compliance with federal, state, and local laws. Accordingly, trainings and initiatives are periodically reviewed for compliance.

and interactive town hall meetings. Key topics covered during employee engagement include workplace inclusion, career opportunities and development, work-life balance, and employee benefits. Based on our review of employee survey results, we implement action plans to enhance employee satisfaction and to ensure alignment with our overall human capital strategy.

We also continue to take a data-driven approach, utilizing the results of our fiscal 2025 ELC Listens Enterprise Baseline Survey, an employee engagement survey which gathered feedback from over 28,000 employees globally, to create action plans that focus on the areas that matter most to our employees and fuel our business for the future. These include recognition for achievements, expanding career and skill development opportunities, work-life balance, and leading through change. With on-going global volatility, our leaders are focused on communicating our strategy and strong path forward to ensure employees have clarity around prioritization and the direction for our future.

We act on our values through our Employee Resource Groups (ERGs) and events to strengthen employee connections. We are committed to fostering a positive workplace environment where a culture of inclusion sparks creativity and innovation. Our ERGs, which are open to all employees, help foster a work environment where employees can feel a sense of community and empowerment through support, mentorship, community-building, and networking opportunities. They also play a key role in furthering our understanding of our consumer base, allowing us to tap into the various perspectives of our employees. We have 44 active ERGs in 36 countries worldwide, reflecting membership of more than 7,500 employees globally.

In fiscal 2025, the company hosted a dynamic slate of in-person and virtual events throughout the year that celebrated cultural heritage, deepened awareness, and fostered belonging across our global community. This year also marked the launch of a year-long commemoration of the 20th anniversary of ID&E at The Estée Lauder Companies, featuring a series of global activations and storytelling moments that celebrated two decades of our enterprise-wide commitment.

EMPLOYEE COMPENSATION AND BENEFITS

We are committed to supporting our employees in their professional and personal lives as they navigate an increasingly complex and dynamic world. We aim to provide resources that allow employees to choose the benefits and development opportunities that are right for them, no matter their region or role.

Our competitive compensation and benefits packages are designed to attract and retain top talent, and we are committed to fair and equitable pay across the organization. Compensation is based on individual circumstances such as role, experience, location, and performance. We offer base pay, annual incentives, and equity awards for certain job grades. Benefit packages may include pension and post-retirement benefit plans, health and wellness programs, flexible work arrangements, parental (maternal, paternal, and adoptive) leave, adoption and surrogacy assistance, back-up childcare, primary care assistance, and educational benefits. We aim to provide inclusive services and comprehensive programs accessible to all employees. Our benefit programs support this philosophy while adapting to the unique needs and regulatory contexts of each country.

In fiscal 2025, we launched well@elc, a global branding created to unify and amplify our holistic approach to employee well-being and strengthen related communications and activities across the organization. The branding highlights the six elements of well-being as prioritized by the organization: emotional, physical, intellectual, social, financial, and spiritual. The well@elc identity has been adopted globally to reinforce all efforts that contribute to employee health and well-being, increase employee awareness and participation, and ensure cohesive messaging regarding global and local Total Rewards and health-related programming. The following examples illustrate some of these offerings:

- Well-being benefits are offered to global employees and the members of their households, including 10 free sessions of one-on-one mental health counseling per topic, per year, plus crisis services. In fiscal 2025, mental health app offerings were expanded globally with the introduction of more robust tools.
- Family-building benefits are offered globally. For example, in the U.S., the U.K., and Ireland, eligible employees receive 20 weeks of paid parental leave, exceeding the legally required minimums in these jurisdictions. U.S.-based employees also have access to a back-to-work flexibility program following parental leave, along with adoption and surrogacy reimbursement benefits that cover eligible expenses regardless of an employee's gender, marital status, or sexual orientation. In fiscal 2025, we expanded adoption and surrogacy reimbursement benefits to employees in Canada. Additionally, fertility support programs are available to eligible employees in both the U.S. and Canada, reflecting our commitment to inclusive, family-supportive policies.
- Education-related benefits for eligible U.S.-based employees include a student loan contribution program, offering up to $100 per month toward eligible loans with a lifetime maximum of $10,000, and a tuition-reimbursement program, which offers reimbursement for pre-approved academic courses and pre-pay options for approved institutions.

Employees' needs continue to change as they navigate challenges and changes in our world. We regularly review and refine our diverse portfolio of benefit programs to support them across the various stages of their lives.

EMPLOYEE LEARNING

We offer an enriching array of educational offerings to inspire our talent. Our education programs are available to all employees and are designed to raise awareness, inform, and educate our workforce on important topics through a combination of in-person and digital training. These programs help create a stimulating, inclusive environment, equipping our people with competitive, in-demand skills. We seek to help our employees expand both core and advanced competencies, while creating value and long-term growth for our company.

We provide a blended approach to instructional design consisting of digital learning, virtual instructor-led and classroom trainings, and project experiences, while providing a suite of coaching and

mentoring opportunities. On-the-job training and peer-to-peer knowledge sharing across our global employee populations round out the learning landscape and help accelerate our employees' success. Brand Education teams continue to advance our High-Touch capabilities by creating new innovative learning experiences to train point-of-sale employees globally on products, services, and artistry.

Our learning and development offerings are curated to enable key business objectives by upskilling our talent with a focus on people leadership, artificial intelligence (AI), data and analytics, digital fluency, advanced marketing, creative and operational excellence, accelerated omni retail capability, and sustainability. At any given time, we have over 300 active learning projects and initiatives across business verticals to support the development of employees in accordance with the company's strategic goals and objectives.

INTERNAL RESOURCES

The ELC Learning Hub is our internal central digital training and education destination. This personalized, interactive online learning tool offers more than 30,000 learning experiences and is accessible to our global workforce, including office, retail, and manufacturing employees, and is currently available in over 30 languages.

Highlights of recently launched offerings on the ELC Learning Hub include:

- Marketing Academy: To support our vision of being the best consumer-centric beauty company in the world, this curated learning collection aims to build essential capabilities while fueling the evolution of our marketing function. From on-demand, best-in-class digital learning and instructor-led workshops by industry experts to internal talent spotlights, we seek to equip marketers through a strategic approach around a shared goal: delivering value at every stage of the customer journey.
- AI Academy: A digital destination for employees to explore and learn about AI for all skill levels. Offerings cover foundational concepts, responsible AI, hands-on AI-tool use, advanced courses, and access to industry experts.
- IT Academy: A curation of learning programs and practical activities to accelerate and deepen IT employees' expertise and growth through advanced skill development.
- Social Impact and Sustainability Education: A one-stop shop for education and discovery aimed at driving innovation, best practices, and employee engagement on key social impact and sustainability topics. These include Women's Advancement, Equity, Rising Leadership, Product Sustainability and Innovation, and Climate and Environment.

EXTERNAL RESOURCES

We also provide employees with access to training and educational opportunities offered through external content providers, including:

- LinkedIn: Since the program launched in 2018, more than 23,400 employees have participated in learning on the LinkedIn Learning platform, with over 132,000 courses completed and 3.8M videos viewed, accounting for a total of over 177,000 hours spent advancing our learning objectives.
- Coursera: Curated learning is available on Coursera for ELC employees in partnership with top universities and industry thought leaders around the world. Since the launch of Coursera at ELC in fiscal 2023, more than 2,100 learners enrolled in a course, resulting in over 2,000 completions, 140 guided projects, and 150 specialization certifications.
- General Assembly Boot Camps: ELC provides employees with an opportunity to transform their careers by participating in award-winning General Assembly boot camps offering extensive training. Since the launch of General Assembly at ELC in fiscal 2023, over 100 high-potential employees have participated in instructor-led boot camps covering a range of topics including Advanced Analytics, Data Analytics, Digital Marketing, Product Management, Data Science, Python, and UX Design, accumulating a total of 4,600 learning hours.

EMPLOYEE DEVELOPMENT

PERFORMANCE AND DEVELOPMENT PLANS

Our Performance and Development Plan (PDP) is a critical component of our employee development process. This corporate-wide tool covers office-based employees across brands, regions, functions, and channels. It allows employees and managers to set goals, have ongoing coaching conversations, and review performance at the end of each year. We have expanded Digital PDP to additional brands and affiliates, and reached more than 15,500 employees in fiscal 2025. We continue to modernize the digital tool with enhancements to improve the user experience.

Our High-Performance Leadership Competencies are used in performance evaluations to set individual goals and guide employees in leveraging their strengths throughout their career journeys. These competencies provide the framework to build the skills, knowledge, and behaviors that enable every member of the company, no matter role or position, to be an agent of progress and positive change.

INTERNAL TALENT DEVELOPMENT PROGRAMS

ELC Grow, our internal talent marketplace, offers corporate employees the opportunity to develop their careers through short-term projects, internal networking, and open positions while offering added capability to the business and building our talent pipeline. In fiscal 2025, we completed our expansion of ELC Grow to all corporate employees globally. This expansion included the introduction of a new skill and proficiency feature which empowers development conversations between employees and managers. Over 8,800 corporate employees globally are currently registered on the ELC Grow Platform.

We understand the value of rising talent and offer robust resources to support our high performers so they can drive growth and inspire us toward greater success. We continue to be responsive to the needs of our workforce and are committed to investing in our talent pool through development programs, talent management, and expanded flexible work principles that acknowledge the needs of individuals in their personal and professional growth. Our internal development programs include:

- CEO Global Presidential Program: This program recruits a broad group of highly talented recent graduates (BA/BS or MA/MS/MBA) and supports them through a series of curated on-the-job learning experiences, strengths-based coaching, mentorship, professional development sessions, and exposure to senior leaders during an 18- to 24-month period.
- CEO Global Reverse Mentor Program: This initiative pairs emerging leaders with senior executives across brands, regions, and functions to exchange generational insights, spark new thinking, and shape business strategy. The program aims to foster mutual learning and drive cultural relevance by embedding next-generation voices into decision-making conversations.
- ELC and Wharton: This ELC-sponsored, immersive, multi-day business symposium at The Wharton School of the University of Pennsylvania allows high-potential leaders to learn from top faculty, industry experts, external speakers, and each other. In addition, the ELC x Wharton Virtual Series, delivered by top-tier Wharton faculty, provides the opportunity for full-time employees at all levels to gain new perspectives and explore innovative thinking through actionable insights.
- Leading with High Touch: This development program empowered participants to leverage their unique perspectives and experiences to serve the consumers of the future by supporting organizational visibility and professional development opportunities.
- People Leadership Program: This innovative, multi-award winning, 5-month high-performance global leadership program provides our experienced leaders with the strengths-based skills and inclusive mindset needed for success. As of fiscal 2025, more than 1,000 leaders have graduated from the program, expanding their competencies in areas such as accountability, connectedness, agile leadership, influence, and confidence.
- Emerging Leaders Program: This global program is designed to inspire, equip, and empower newer people leaders with the inclusive strengths-based mindsets, skills, and capabilities they need for success at this critical point in their leadership advancement. As of fiscal 2025, more than 970 graduates have completed the program.
- ELCoach Executive Coaching Program: This global program provides one-to-one and team coaching opportunities through an integrated connected coaching approach and consistent coaching framework by leveraging internally and externally certified coaches.
- The Open Doors Course Collection: This online, self-guided leadership development program has been used by thousands of employees globally, and has given rise to employee-led programs sponsored by brands, regions, functions, and ERGs for employees to learn together.
- Open Doors Live: These experiential learning events provide employees with opportunities to participate in inspiring conversations and interactive workshops designed to support skill-building and foster connection.
- From Every Chair Leadership Program: This program, which has evolved from externally-led sessions to impactful, executive-led experiences, amplifies internal stakeholder voices and strengthens networking, cross-cultural engagement, and meaningful connections.

EXTERNAL TALENT DEVELOPMENT PROGRAMS

In fiscal 2025, we continued our commitment to various external programs to inspire future generations of industry creatives, researchers, and innovators, including but not limited to:

- National Black MBA Association (NBMBAA): We evolved our local and national partnerships with NBMBAA to support underrepresented professionals and emerging leaders.
- Reaching Out MBA (ROMBA): We upheld our support of the organization's goal of educating, inspiring, and connecting communities through panels and fireside chats.
- ELC Travel Retail x Florida A&M University (FAMU): We continued our dynamic partnership with FAMU with networking opportunities, scholarships, and an advanced marketing course co-taught by Travel Retail executives.
- She's Howard: Own Your Power: We collaborated with Howard University on delivering career coaching and professional development for alumnae.
- Society of Women Engineers (SWE): We partnered with SWE, an organization dedicated to empowering women in engineering and technology through education, advocacy, and professional development.
- Grace Hopper Celebration: We engaged with the Grace Hopper Celebration, the largest annual gathering of women and nonbinary technologists, to support representation and connection in computing and tech.

VOLUNTEERISM AND GIVING

Our employees are committed to supporting causes close to their hearts. We honor and celebrate their generosity of spirit and goodwill, and work to amplify their collective impact by providing tools and resources that further drive their efforts.

ELC GOOD WORKS

ELC's employee social impact and sustainability engagement program, ELC Good Works, provides personalized employee initiatives, such as Volunteer Time Off (VTO), virtual and in-person team volunteer opportunities, and company matching campaigns to enhance the employee experience and empower employees. ELC Good Works is available to eligible employees[2] in 31 markets globally. In fiscal 2025, eligibility expanded to include full-time regular and part-time regular DECIEM employees.

[2] ELC Good Works eligibility includes full-time regular and part-time regular employees in Argentina; Australia; Belgium; Brazil; Canada; Chile; Colombia; France; Germany; Hong Kong, SAR of China; India; Luxembourg; Mexico; Netherlands; New Zealand; Panama; Peru; Switzerland; and the U.S., as well as full-time regular and part-time regular corporate employees in Denmark; Italy; Japan; Norway; Philippines; Poland; Portugal; Romania; South Africa; Spain; and Sweden. In the U.K., eligible employees include corporate regular full-time, regular part-time, and fixed-term contract employees; all Jo Malone Global and Travel Retail employees; and regular full-time, regular part-time, and fixed-term contract employees at the Whitman manufacturing site.

We encourage employees to stay involved in their communities and in the causes that matter most to them. Our VTO program allows eligible employees[3] to receive paid time off for individual volunteerism with their favorite nonprofits during standard work hours and to receive $20/volunteer hour (or local currency equivalent) to donate to the nonprofit of their choice.

ELC GOOD WORKS PURPOSE WEEK

In fiscal 2025, we hosted our third annual ELC Good Works Purpose Week. This five-day series of global education, engagement, and volunteering opportunities was designed to empower employees to drive positive change in communities where we live, work, and source. Highlights of this week included:

- Employee Giving: More than 7,300 employees globally donated over $240,000 as part of the $25 ELC Good Works rewards campaign. Through this program, eligible employees received a $25 charitable giving credit, which they could donate to a nonprofit of their choice via the ELC Good Works platform.
- Global Volunteering: Every region with access to ELC Good Works hosted a volunteer event. Volunteers participated in in-person and virtual events throughout the week.

ELC CARES EMPLOYEE RELIEF FUND

Initially created to support eligible applicants[4] impacted by COVID-19, the ELC Cares Employee Relief Fund (ELC Cares Fund) provides immediate and critical financial relief to employees impacted by disasters and qualified personal hardships. The ELC Cares Fund has provided more than $11.9 million in funding and more than 19,700 grants to support our employees globally. Additionally, we help maximize employee contributions to the ELC Cares Fund through ELC Good Works' year-round, global crisis relief double-match campaign.

TARGETS

Employee Volunteerism & Giving: Employee engagement remains a key priority, and we achieved our fiscal 2025 target of engaging and mobilizing employees to contribute a total of $25 million, through actions such as donating or volunteering, to nonprofits via ELC's social impact and sustainability engagement program, launched in 2015.[5,6] We reached this milestone ahead of schedule, driven by a strong portfolio of initiatives that inspire participation, amplify impact, and foster a culture of purpose across the organization.

ADDITIONAL RESOURCES

Employee Volunteerism & Giving Goal	p. 10
Employee Metrics	pp. 67-74
ELC Benefits web page ↗	
Employee Engagement web page ↗	

[3] VTO eligible employees are active, full-time, and part-time regular corporate employees in Argentina, Brazil, Benelux, Canada, China, Mexico, Nordic, Romania, South Africa, United States, and the United Kingdom, and active manufacturing and fulfillment employees in Canada, the United States and the United Kingdom.

[4] Eligible applicants include equivalent of managers and below who are not equity eligible at the time of application, excluding freelance and on-call employees, employees under notice, employees on leave of absence, U.S.-based employees on furlough, and employees based in Lebanon, Russia, and Ukraine (except for one-time emergency grants).

[5] Metrics reflect information self-reported to ELC's employee social impact and sustainability engagement program, the ELC Good Works platform, used to report employee volunteerism, employee monetary donations, and ELC charitable matching gifts. The platform was available in 31 markets at the end of fiscal 2025. Eligible employees are those who meet certain criteria, which varies by market, and have access to the platform.

[6] Metric includes total cumulative ELC employee donations and amount matched, inclusive of volunteer rewards, by ELC since the launch of the ELC Good Works platform in November 2015.

SOCIAL INVESTMENTS

We leverage our resources, time, and talent to establish partnerships with organizations that create positive social impact. Our social investments are grounded in The Estée Lauder Companies' values and our business goals. Our employees are also passionate about contributing to the causes that are meaningful to them. We amplify their efforts by providing opportunities for them to donate and volunteer their time.

GOVERNANCE

We make financial, product, matching, and in-kind donations across our company, our brands, and through The Estée Lauder Companies Charitable Foundation (ELCCF). ELCCF is governed by a board of directors (ELCCF Board), composed of senior company leaders and independent directors, who guide the strategy of its grant-making. The ELCCF Board meets twice a year to review funding priorities and approve grants. Our Chief Sustainability Officer serves as Executive Director of ELCCF, overseeing its governance and financial accountability.

In addition, the Global Corporate Citizenship and Sustainability function advises and supports strategic grant-making, corporate and philanthropic partnership development, finance and audit, and impact tracking.

STRATEGY AND FISCAL 2025 PROGRESS

Our social impact strategy is anchored in two core pillars: advancing the potential of women and girls, and investing in the resilience and well-being of communities. Through ELCCF and a range of strategic partnerships, we support programs that focus on education, health, leadership, and economic empowerment, as well as initiatives that strengthen community systems where we live, work, and source. We recognize the importance of partnering with private and public sector entities to enhance our impact in key business markets and areas of great need.

ACTIONS

ADVANCING OPPORTUNITIES FOR WOMEN AND GIRLS

We have a longstanding commitment to support women and girls in achieving their highest potential. Through our social impact investments, including ELCCF, we aim to improve girls' equitable access to quality education, foster leadership and entrepreneurship opportunities for women, and support women's advancement and health initiatives. We strive to be long-term partners to support the continuum of young women's leadership and life skills. We partner with a range of organizations that help advance this work, including those highlighted below.

CO-IMPACT

Co-Impact is a global philanthropic collaborative supporting initiatives to make systems and societies more just and inclusive so people can live fulfilling lives. We believe that to help facilitate systemic change we must partner with other private and public sector partners to advance shared objectives. ELCCF was the inaugural corporate partner of Co-Impact's Gender Fund, dedicated to advancing gender equality and women's leadership and, as of fiscal 2025, has completed the fourth year of its $15 million, five-year commitment to the initiative. Through the Gender Fund, ELCCF helps to support grassroots organizations in Africa, Asia, and Latin America working to accelerate progress toward gender equity and women's leadership. With support from ELC, to date, the Gender Fund has made grants of over $140 million in support of 105 initiatives in 8 countries to advance equitable outcomes in health, education, economic opportunity, and women's leadership.

GIRLS LEADERSHIP

Girls Leadership teaches girls to exercise the power of their voices through programs rooted in social-emotional learning and shaped by the lived experiences of girls themselves. The organization offers programming for girls, workshops for parents and caregivers, and professional development for teachers, counselors, coaches, and nonprofit staff across the United States. In fiscal 2025, with support from ELCCF, Girls Leadership reached more than 2,400 girls and provided trainings for 165 professionals.

PRATHAM EDUCATION FOUNDATION

Pratham provides high-quality interventions to help address gaps in the education system, improve learning outcomes for children and women, and provide training and entrepreneurship opportunities for youth across India. ELCCF's long-term partnership with Pratham has supported more than 6,000 girls and women in completing their secondary education or pursuing vocational and entrepreneurship training.

SPELMAN COLLEGE

Through our partnership with Spelman College, we support the Women in Cosmetic Science Summer Intensive, an in-person learning and development program for young women who are pursuing a certificate in Cosmetic Science. This program aims to promote the development of the best and most relevant products for women of color in the beauty industry by increasing representation of women of color in cosmetic science roles.

THE BREAST CANCER CAMPAIGN

The Estée Lauder Companies' Breast Cancer Campaign (The Campaign) remains steadfast in its mission to help create a breast-cancer-free world for all. Together, The Campaign and ELCCF have funded more than $156 million for life-saving global research, education, and medical services, including more than $123 million to the Breast Cancer Research Foundation (BCRF). For over 30 years, BCRF has been The Campaign's leading partner in this work, and ELC continues to be BCRF's largest annual corporate donor. Today, The Campaign supports more than 65 organizations worldwide aligned with the needs of local communities.

In fiscal 2025, during October's Breast Cancer Awareness Month, we launched 'Breast Care is Self-Care', a program reframing self-care to include breast health awareness, early detection, and prevention. The initiative aimed to educate and empower women of all ages to become advocates for their own breast health. Through digital and centralized resources, we encourage proactive engagement with breast care as a critical part of overall wellness routines.

THE YOUNG WOMEN'S LEADERSHIP SCHOOLS

The Student Leadership Network (SL Network) operates a number of school networks, including The Young Women's Leadership Schools (TYWLS). TYWLS is a network of 6 public secondary schools in New York City, serving girls and gender-expansive youth of color who are often the first in their families to attend college. ELCCF funding helps support 5,000 students per year through their college access and STEM programs at TYWLS and other SL Network affiliate schools across the United States.

INVESTING IN COMMUNITIES

We are committed to supporting programs at the intersection of environmental sustainability and social impact in the communities where we live, work, and source. Our initiatives across our supply chains focus on improving the well-being of people in and around geographies where we source key ingredients. In addition to general community investment, we also respond to disasters and other urgent needs, including through the ELC Cares Employee Relief Fund which provides vital support to employees facing unexpected hardships. *To read more, please see the Sourcing and Employee Experience sections.*

DISASTER RELIEF

We are committed to supporting our employees and communities impacted by humanitarian, economic, and environmental disasters. ELC typically supports relief efforts through philanthropic and product donations, and the ELC Cares Employee Relief Fund.

The ELC Cares Employee Relief Fund provides immediate and critical financial relief to eligible impacted employees[1] globally who have been impacted by disasters and personal hardships. The ELC Cares Employee Relief Fund is powered by generous donations from the company, the Lauder family, as well as employee donations and related company matches. For eligible contributing employees[2] who wish to donate, ELC provides a year-round, double match on donations made to the ELC Cares Employee Relief Fund. *To read more about the ELC Cares Employee Relief Fund, please see the Employee Experience section.*

PLASTICS FOR CHANGE

Through ELCCF's partnership with Plastics for Change, we are advancing social equity and environmental sustainability by improving livelihoods for waste collectors in India while reducing ocean-bound plastic pollution. With ELCCF's support, the organization is working to formalize the waste-collection economy by establishing women-owned fair trade scrap shops, providing entrepreneurship trainings, and providing transportation where possible. To strengthen their environmental impact, ELCCF has supported initiatives such as the installation of optical sorting machines and a 25kW solar rooftop power plant. Plastics for Change's efforts have collectively resulted in diverting over 5.2 million pounds of plastic from the ocean or ocean-bound waterways, benefiting more than 480 families.

SUPPORTING CHILDREN IN MICA COMMUNITIES

ELC has a long standing partnership with Kailash Satyarthi Children's Foundation (KSCF) to help address child labor in the mica-mining industry. KSCF works to help eliminate child labor in India by partnering with local communities to develop proactive and sustainable solutions, all while keeping children's voices central to solutions. Through the end of fiscal 2025, we have supported the establishment of Child Friendly Villages in all 684 villages across the mica belt of Jharkhand, empowering youth, addressing critical social challenges, and enabling continued follow-up and monitoring of existing projects in mica-dependent communities.

WOMEN IN THE SHEA SUPPLY CHAIN

With support from ELCCF, BSR has continued to scale its financial resilience initiative for women in the shea supply chain in northern Ghana. By leveraging a network of cooperatives, community leaders, and local officers, the program aims to deliver training on financial planning, budgeting, and money management to women across the region. In fiscal 2025, BSR, with the support of ELCCF and local partners, focused on building the capacity of existing stakeholders to embed the curriculum into long-term community efforts, expanding the program's reach into more rural areas, and strengthening the business case for broader adoption across the supply chain. The program aims to meaningfully improve women's financial resilience and well-being, fostering positive changes in saving practices, income stability, and reduced household conflicts over finances.

[1] Eligible impacted employees consist of ELC employees who are managers and below and not equity eligible at time of application. Excludes freelance and on-call employees, employees under notice, employees on leave absence, U.S.-based employees on furlough, and employees based in Lebanon, Russia, and Ukraine (except for one-time emergency grants).
[2] Eligible contributing employees include equivalent of active and qualifying full-time regular and part-time regular employees globally, excluding non-integrated brand employees. Not available in India, Lebanon, Russia, UAE, and Ukraine.

TARGETS

Brand Cause: The Estée Lauder Companies is committed to leveraging the unique voices and platforms of our brands to drive meaningful social and environmental impact. As part of our goal, each brand is expected to focus on and support at least one cause that aligns with its values and identity. In fiscal 2025, we achieved our goal for 100% of our brands to support at least one social or environmental cause.[3] This milestone reflects our company-wide commitment to purpose-driven impact and underscores the dedication of each brand to advancing initiatives that resonate with their consumers and communities. By empowering our brands to champion causes that matter to them, we are fostering authentic, mission-aligned impact across our portfolio.

ADDITIONAL RESOURCES

Brand Cause Goal	p. 10
The Power of Entrepreneurial Women Feature	pp. 13-17
Brands in Action Feature	pp. 22-27
The Breast Cancer Campaign web page ↗	
WRITING CHANGE web page ↗	

[3] For purposes of this metric the number of brands is 23.

CLIMATE

At The Estée Lauder Companies, our climate work focuses on driving impactful change throughout our value chain. We are leveraging our position as a global company, as well as our strong relationships with industry peers and partners, to implement steps that we believe will drive lasting transformations.

GOVERNANCE

The Global Corporate Citizenship and Sustainability (GCCS) function oversees the advancement of our overall climate strategy, grounded by our science-based targets (SBTs) established through a management-led process and validated by the Science Based Targets initiative in 2020. Approved by our then President and CEO, these targets guide GCCS in aligning efforts across brands, regions, channels, and functions, including Research and Development (R&D), Packaging, and Responsible Sourcing.

The Global Supply Chain function, which includes the Environment, Health, and Safety (EHS) team, is responsible for managing energy use and greenhouse gas (GHG) emissions from our facilities.

The Climate Action Management Committee brings together management-level and other employees across functions to align on implementing our climate action workstreams, managing emissions reduction projects and partnerships, developing internal policies, and engaging with brands and regions to advance our climate goals. *To read more about our climate strategy and governance, please see our Climate Transition Plan ↗ and our 2025 CDP response.↗*

STRATEGY AND FISCAL 2025 PROGRESS

We focus on addressing climate change through our GHG emissions reduction efforts. We seek innovative solutions to gain efficiencies and help reduce impact throughout our operations and value chain. We emphasize governance and alignment across internal functions to drive emissions reduction actions in the areas of greatest impact, as determined by our GHG inventory. We also continue to expand our portfolio of projects and initiatives and make further investments that can help us achieve our SBTs.

Since we established these targets, our company and the business environment have evolved, introducing challenges to emissions reduction. We recognize that our goal progress may face risks and uncertainties as this evolution continues, including potential impacts of acquisitions and divestitures that take place after we set our targets, our financial performance, the availability of low-emissions technologies, financial feasibility of implementation, new regulation, data availability, and performance of suppliers. In fiscal 2025, we saw effects from bringing a major new manufacturing facility online, macroeconomic challenges in certain markets, and beginning to lower our cost base.

POLICIES AND CERTIFICATIONS

- EHS Policy Statement ↗
- International WELL Building Institute (WELL): We have 6 WELL certified sites. ↗
- ISO 14001: Our manufacturing sites[1] have been externally certified to ISO 14001. ↗
- Leadership in Energy and Environmental Design (LEED): We have 20 LEED certified sites. ↗
- Recognized on the CDP Climate A List 2024
- Responsible Store Design: 100 locations[2] globally align with our internal retail sustainability program. ↗

ACTIONS

IDENTIFYING AND ASSESSING CLIMATE-RELATED RISK

We conducted a climate risk assessment in 2025, refreshing the previous assessment last completed in fiscal 2022. We expanded our focus to analyze the integration of climate, nature, and water risks to our direct operations and select value chain locations. The analysis took both a quantitative and qualitative lens and included a range of plausible climate scenarios to evaluate physical and transition risks across time horizons of 2030 and 2050.

PHYSICAL RISK SCENARIOS: Multiple climate scenarios (SSP2-4.5, SSP3-7.0, and SSP5-8.5, with RCP equivalents where relevant[3]) were applied across the chosen time horizons to capture medium- and long-term uncertainties and a range of high and low degree warming pathways. The physical climate risks assessed included damage due to acute weather events, business interruption costs due to physical climate and water risk, increased water utility spend related to increased water stress, and suitability and yield shifts and related price changes for key commodities linked to chronic and acute climate risks. We evaluated relevant physical climate hazards, including acute (e.g., cyclones, hurricanes, typhoons, acute drought, flood, and heavy precipitation) and chronic (e.g., water stress, changing temperatures and precipitation patterns, heat stress, and sea level rise). The assessment spanned 1,700+ sites across our global operations, including manufacturing, distribution, and innovation

[1] Excludes the Shimotsuma, Japan manufacturing facility, and DECIEM manufacturing sites.
[2] Includes free-standing stores. shop-in-shop, and visual merchandising units.
[3] "SSP" is Shared Socioeconomic Pathway; "RCP" is Representative Concentration Pathways.

sites as well as offices and free-standing stores. We also assessed select value chain locations, including key supplier facilities, leased data centers, and major ports and shipping nodes.

Results indicated that the uncertainties most relevant to ELC sites are chronic water stress and acute risks from tropical cyclone and fluvial flooding. Key insights suggest that while exposures vary across geographies and facility types, potential climate-related physical risks could present both direct threats to operational continuity and indirect risks through supply chain dependencies. In addition, the assessment examined implications of resource scarcity and price volatility across seven key commodities, underscoring the linkages between physical climate change impacts, agricultural yield shifts, and supply chain resilience.

TRANSITION RISK SCENARIOS: Transition risks were evaluated using three International Energy Agency (IEA) World Energy Outlook scenarios—the Stated Policies Scenario (STEPS), the Announced Pledge Scenario (APS), and the Net Zero Emissions by 2050 scenario (NZE) as well as three NGFS[4] scenarios—"Net Zero 2050," "Current Policies," and "Fragmented World." The same medium- and long-term time horizons of 2030 and 2050 were used to evaluate the relative impact of identified transition risks. This analysis focused on impacts from reputational, regulatory, packaging technology, and market risks with a focus on energy supply and price variability.

Results indicated that transition risks are more pronounced under a lower-emissions, Paris-aligned 1.5°C scenario, reflecting heightened regulatory requirements, reputational pressures, and evolving packaging standards. Potential transition-related impacts include increased compliance costs, potential revenue effects from reputational shifts, and incremental spend on materials such as virgin plastic. We identified both reputational and revenue opportunities by strengthening brand value through sustainability leadership.

MANAGING CLIMATE-RELATED RISK

The integrated approach we employed to identify and assess climate-related risks helps us assess the resilience of our global business strategy under a range of possible climate futures. While physical and transition risks can occur simultaneously, their level of impact varies across scenarios, suggesting the need for ongoing monitoring and management. We continually evaluate areas of risk and opportunity for our business as part of our strategic planning process. We also embed climate-related risk management into existing practices; for example, our Enterprise Risk Management (ERM) process, and business operations across ELC. These recent results will help inform our ongoing climate action strategy by highlighting priority areas for risk mitigation, investment, and operational resilience. *To read more about our ERM process, please see the SI&S Governance Overview section.*

TRAINING AND ENGAGEMENT

As part of our ongoing climate strategy, we continued our internal and external engagement through a series of employee climate trainings, cross-functional collaboration opportunities, and industry partnerships.

INTERNAL ENGAGEMENT

In fiscal 2025, we expanded our employee climate action training program across brands, regions, channels, and functions. This year, we hosted trainings in New York City, London, and Paris that engaged senior leaders from across our business. We educated on the underlying science of climate change, global and industry GHG emissions drivers, ELC's carbon footprint, and brand- and region-specific reduction opportunities.

We hosted our first ever Climate Innovation Ideathon, a full-day event convening employees in the greater New York area to brainstorm climate solutions in support of our Scope 3 SBT. Representatives from four brands and over 20 functions attended, allowing for broader conversations and cross-functional collaboration.

We once again celebrated Earth Day, with this year's campaign centered on the theme "Beauty for You, Care for the Planet." Throughout the month, we spotlighted our end-to-end, consumer-centric approach to sustainability on our internal channels and saw employee engagement from brands and Employee Resource Groups (ERGs). Employees had access to resources and tools to explore topics such as ingredient transparency, product refill options, carbon neutral shipping, and more. The campaign showcased how sustainability is embedded across our value chain and emphasized the role ELC employees play in driving impact across the business and with our consumers. Across regions, employees brought Earth Day to life through community, education, and impact. From EMEA's "Educate, Lead, Contribute" theme, featuring knowledge-sharing events with senior leaders, to other regional activations like GenNEXT and Origins' bird-watching walk in North America, Aveda's Walk for Water in APAC, and U.K. fundraising with charity: water, teams united to drive environmental awareness and action.

EXTERNAL ENGAGEMENT

We continue to engage and partner with our broader industry to encourage collective action on climate change. Fiscal 2025 marked our eighth consecutive year sponsoring Climate Week NYC. Our CSO joined The Climate Group onstage at the Hub Live to emphasize the importance of partnerships and innovation needed to drive climate action. We also hosted an Executive Series roundtable with industry peers to discuss Scope 3 challenges and the expansion of renewables in the supply chain. In the same week, at The Nest Climate Campus, we partnered with Net Impact and Fordham University's Responsible Business Center to host an event to mentor young people pursuing careers in sustainability. At London Climate Action Week 2025, our U.K. & Ireland regional team hosted a roundtable to discuss Scope 3 emissions in media and marketing, specifically how to strengthen measurement frameworks and data capture, integrate sustainability practices across media value chains, and further explore the role we play in influencing consumer sustainability choices.

[4] NGFS refers to the Network for Greening the Financial System.

PROGRESS ON OUR CLIMATE TRANSITION PLAN

Our most recent Climate Transition Plan, published in 2023, outlines our strategic approach to reducing GHG emissions across our operations and value chain. Since its publication, we have issued annual progress updates and aim to update the standalone plan every three years in alignment with global frameworks.

The Climate Transition Plan is structured around our SBTs which aim for a 50% reduction in Scope 1 and 2 emissions[5] and a 60% reduction in select Scope 3 emissions per unit revenue[6] by fiscal 2030, compared to a fiscal 2018 baseline. *To read more about our progress toward these targets, please see page 48.*

Our Climate Transition Plan, and subsequent progress updates, are organized in line with our climate management strategic framework. This framework centers around nine cross-functional Climate Action Workstreams, each of which is positioned to implement emissions reductions in a focused category or sub-category of our GHG inventory. These workstreams are led by the GCCS team with support from brands, regions, channels, and functions. The workstreams span our own operations (Scope 1 and 2 emissions)—which covers building operations (including our Responsible Store Design program), electric vehicles, and manufacturing—and our value chain (Scope 3 emissions), including raw materials, packaging, third-party manufacturing, indirect procurement, transportation and distribution, and business travel.

Our fiscal 2025 progress updates to these workstreams and our science-based targets performance, detailed in the rest of this section, reflect our ongoing implementation of the Climate Transition Plan.

OWN OPERATIONS (SCOPE 1 AND 2 EMISSIONS)

We apply a portfolio approach to reducing GHG emissions, including the use of on-site renewables, energy-efficiency projects, green utility contracts, and Energy Attribute Certificates (EACs). In addition, we invest in carbon offsets to address remaining emissions from our direct operations. Our goal is to reduce our operational carbon footprint by identifying high-quality solutions and investing in projects to bring additional renewable energy options, capital equipment upgrades, and electrification efficiency to our manufacturing, distribution centers, innovation, and other operational sites.

BUILDING OPERATIONS

Our green building standards provide a road map to help new construction and major renovations incorporate sustainability practices for energy, water, waste, and indoor air quality into their design. These include energy-saving initiatives such as lighting retrofits, air flow and temperature management systems, occupancy sensors, and equipment upgrades. These standards also include water-efficiency requirements that all new facilities are expected to meet, and our sites pursuing LEED certification are required to have water-efficient indoor and outdoor fixtures.

Our Sustainability Champions Program, covering our offices over 5,000 square feet, allows select employees ("Champions") to partner with key internal stakeholders to implement sustainability best practices and engage fellow employees in sustainability efforts. To date, more than 90 Champions are leading this work across 30+ countries. In fiscal 2025, we enhanced our sustainability practices by aligning with the latest green building guidance and introducing a new wellness category to support a more holistic approach to sustainability across our buildings. By focusing on educating and empowering our employees through the Champions program, we aim to assist the reduction of our operations' environmental impact across our offices and value chain.

RENEWABLE ELECTRICITY PORTFOLIO

Our renewable electricity portfolio reflects a variety of renewable technologies and approaches, including ground-mounted and rooftop solar and our wind energy virtual power purchase agreement (VPPA) for North America. For our operations in Europe and other regions, we source renewable electricity through a combination of utility contracts and EACs. Our portfolio includes:

- Wind Energy: ELC was the first prestige beauty company to execute a VPPA in November 2020, for 22 megawatts (MW) of wind power from the Ponderosa wind farm in Oklahoma. This arrangement represents ELC's largest renewable energy initiative in our portfolio to date. The Ponderosa wind farm VPPA generated more than 100,000 megawatt hours (MWh) of power in fiscal 2025.
- On-Site Solar Power: Installing solar technology is a key component of our strategy. For our owned and operated sites, we focus our solar installations on facilities that have the most potential for productive output. We consider factors such as the size of the facility's rooftops or its positioning near vacant land. In fiscal 2025, we generated 6.7 GWh of electricity from our solar installations and acquired 0.6 MW of additional capacity at our Melville, New York facility. As of the end of fiscal 2025, our total solar capacity was 8.9 MW across our portfolio, including sites in Lachen and Galgenen, Switzerland; Melville, New York; Petersfield, United Kingdom; Blaine, Minnesota; Markham, Canada; Shimotsuma, Japan; and Oevel, Belgium.

RESPONSIBLE STORE DESIGN

Our Responsible Store Design (RSD) program is an internally developed, third-party assured program that helps individual retail locations (e.g., our freestanding stores and authorized retailers) identify opportunities to optimize store build-out, energy and water use, sourcing of materials, visual merchandising, day-to-day operations, and in-store technology and innovation. An internal Retail Sustainability Leadership Council further drives sustainability efforts in retail spaces.

Thoughtful material selection is a core requirement of the RSD Program. We focus on replacing virgin materials with recycled, bio-based sources, utilizing non-toxic paints and adhesives, and on using Forest Stewardship Council (FSC)-certified cardboard, paper, and wood where possible. We also consider end-of-life when designing fixtures and visual merchandising, with an emphasis on modular design, easy disassembly, and prioritization of recyclable materials.

[5] Reflects Scope 1 and Scope 2 market-based emissions including renewable energy sourced from contractual agreements. By 2030 means by the end of fiscal year 2030.
[6] Reduction is calculated from a fiscal 2018 Scope 3 baseline (Scope 3 in metric tons CO_2 equivalents / net sales in million USD). By 2030 means by the end of fiscal year 2030.

Growing from a pilot of 4 brands in fiscal 2023, we now have 15 brands involved in the program across all regions. In fiscal 2025, 60 additional locations were opened or underwent major renovation in alignment with the program, bringing the total number of locations to 100 globally.

In addition to core energy efficiency practices such as LED lighting and efficient mechanical equipment required by RSD, we provide our retail locations with a complementary global toolkit to help them take advantage of additional energy efficiency best practices. The toolkit includes low-cost solutions including weather stripping, UV glazing for exterior windows, and recommendations for mechanical and lighting improvements. This toolkit is based on audits conducted at select retail stores in partnership with the New York State Energy Research and Development Authority (NYSERDA).

ELECTRIC VEHICLES

We were the first in prestige beauty to join the Climate Group's EV100 initiative, which brings together companies committed to accelerating the transition to electric vehicles (EVs). In fiscal 2025, we made significant strides, nearly doubling the number of EVs in our EMEA fleet. This, along with reducing our fleet in other regions, helped us increase the percentage of EVs in our global corporate fleet to 20.1%. We are in the process of executing our strategy globally, building upon our initial efforts to reach our goal of transitioning 100% of our global corporate fleet to electric by the end of calendar year 2030.

In addition to investing in transitioning the corporate fleet, we offer free electric charging stations for employees at certain sites in North America and Europe.

MANUFACTURING SITES AND DISTRIBUTION CENTERS

To help us progress toward our SBTs, a cross-functional group develops and implements a sustainability strategy specific to our manufacturing sites, research and development centers, and distribution centers. At our manufacturing sites, we emphasize ways to reduce carbon through process improvements, upskilling our people, and implementing technologies such as building energy management systems. We also provide guidance to our distribution centers, including examples of best practices for topics such as energy conservation, green purchasing, sustainable freight transport, and waste reduction.

We continuously seek to improve our environmental and safety management performance. We conduct internal compliance audits at our manufacturing sites[7] approximately once every two years. New facilities, including those resulting from acquisitions, are assessed for risk, and plans are made to integrate those operations within our existing safety policies and protocols.

VALUE CHAIN (SCOPE 3 EMISSIONS)

Our climate impact extends beyond the boundaries of our own operations. We are taking steps to understand and manage these impacts, working to implement integrated solutions, and foster joint value creation with suppliers.

Each year, we update our Scope 3 emissions calculations using improvements in methodology and activity data in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The recalculation of our Scope 3 GHG inventory extends to the base year of our Scope 3 SBT (fiscal 2018), where appropriate, to allow for accurate tracking of progress toward this goal.

RAW MATERIALS

We seek to reduce the GHG emissions associated with our raw materials and continue to explore opportunities to select lower-emission raw materials that meet our requirements, including those for safety, performance, and value, for use in our new and existing formulations. For instance, raw material GHG emissions are included in ELC R&D's green chemistry performance metric, the Green Score. In fiscal 2025, we published the first significant methodological enhancement to this tool in Green Chemistry.[8] The enhanced Green Score features a refined GHG emissions metric that integrates supplier specific, cradle-to-gate raw material emissions data from ELC-validated supplier life cycle assessments (LCAs) as available. The provision of increasingly robust and relevant emissions data to our formulation teams via the enhanced Green Score helps formulators understand the impact of their design choices and can inform more conscious raw material selections.

PACKAGING

In fiscal 2025, we continued to focus on addressing the GHG emissions associated with our packaging while maintaining the high-quality experience our consumers expect. We employ a data-driven approach to manage and track our packaging sustainability strategy. We also focus on educating our employees and providing tools to support packaging design in line with our 5Rs. These tools are an important step in aligning our packaging processes with our climate transition. They include our internal packaging GHG tool, which helps to assess the climate impacts of packaging materials earlier in the design process, and our product category menus, which help our brand designers and developers consider the trade-offs of packaging design and make more informed decisions. We continue to revise these tools and conduct internal trainings in line with best practices in packaging design and development.

THIRD-PARTY MANUFACTURING

While most of our products are manufactured at our own facilities, we also work with third-party manufacturers (TPMs) and engage them to achieve our climate goals. In fiscal 2025, we closed a three-year initiative designed to drive continuous improvement with our top 20 TPMs (by spend). This initiative encouraged participating suppliers to set and meet sustainability goals, resulting

[7] Excludes the Shimotsuma, Japan manufacturing facility, and DECIEM manufacturing sites.
[8] To read more, please see our peer-reviewed article, "Advancing green chemistry performance assessment: the Estée Lauder Companies' continuing journey towards meaningful transparency," on the Green Chemistry journal website.

in progress across several areas including climate. As a result, more TPMs are setting GHG emissions reduction targets, using renewable energy, and responding to CDP. In addition, top TPMs have been invited to join our Supplier LOCT program, which offers climate-related support and capacity-building opportunities.

INDIRECT PROCUREMENT

Indirect procurement relates to purchases of goods and services that are not components of our products. These include services such as advertising and promotions, corporate services, and information technology. In fiscal 2025, our company joined Ad Net Zero, a nonprofit industry group that provides advertisers, agencies, and marketing services companies with voluntary action plans for reducing the carbon impact of advertising and promoting more sustainable behaviors. We are an active member of the Global Media Sustainability Framework's Climate Science Expert Group, which is developing emissions data collection methodologies for the media and advertising industry.

Our technology function continues to provide educational activities and awareness programs to encourage and empower technology employees to make more sustainable choices in their work. This includes a monthly newsletter, a dedicated sustainability e-learning path as part of the IT Academy learning hub, and an Earth Day event for the Global IT community. Approximately 100 employees attended the Earth Day event, explored the topic of innovation at the intersection of technology and sustainability, and highlighted sustainable tech initiatives within our company. In fiscal 2025, we became a member of SustainableIT.org, a nonprofit trade association led by technology executives dedicated to developing sustainability standards as well as providing training and education around technology best practices.

TRANSPORTATION & DISTRIBUTION

In many cases, our transportation carriers have already introduced emissions reduction targets, and we include data collected directly from several of these partners in our Scope 3 emissions calculations. We continue to engage with our carrier partners to drive emissions reductions and to support them in implementing best practices displayed by our top carriers, such as setting GHG reduction targets.

In addition, we are working toward optimizing transportation by reducing the distance our goods travel from manufacturing to the consumer and seeking lower-emission transportation alternatives, such as ocean, road, or rail freight instead of air freight.

BUSINESS TRAVEL

In fiscal 2025, about 3.8% of our estimated Scope 3 GHG emissions came from employee business travel. As part of ELC's climate goals, we have integrated various policies to promote responsible travel. ELC's travel policy encourages virtual meetings and provides recommendations on carbon-efficient modes of transportation, such as using electric vehicles, trains, and lower-emission routes for air travel, where possible.

SUPPLIER ENGAGEMENT

Our suppliers are partners in helping to reduce our Scope 3 emissions. Our Global Supplier Management team leads on supporting their climate action efforts by providing access to education and resources to calculate and disclose emissions, set reduction targets, and implement abatement strategies. We collect data through industry-standard platforms and provide resources and training to build supplier capabilities.

Fiscal 2025 marked the 4th year we participated in Supplier Leadership on Climate Transition (Supplier LOCT), a brand consortium created to accelerate action throughout the supply chain toward net zero GHG emissions. The consortium provides an online climate training program to suppliers to support them in their journey of developing a GHG footprint, setting an SBT, adopting GHG-abatement measures, and disclosing progress. More than 150 of our suppliers have participated in Supplier LOCT. Through Supplier LOCT, 109 of our suppliers have developed a footprint and 32 of them have committed to or set a Science-Based Target. As a consortium, Supplier LOCT has seen more than 1,900 suppliers participate overall.

We also request that key suppliers participate in the CDP Supply Chain program to encourage accountability and action for emissions reductions, identify areas of opportunity and collaboration, and gather data to help us calculate our Scope 3 footprint. We have participated in CDP Supply Chain for 5 years, and have seen a year-over-year increase in the number of suppliers participating.

Our dedicated engagement with suppliers regarding CDP Supply Chain participation has yielded positive results in terms of suppliers setting SBTs, using renewable energy, and demonstrating other efforts to reduce emissions. In calendar year 2024, over 300 of our suppliers disclosed through CDP Supply Chain, our highest participation rate and largest supplier cohort to date.

TARGETS

Scope 1 and 2 SBT: In fiscal 2025, we achieved a 37.6% reduction in our Scope 1 and 2 emissions as part of our efforts to reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 50% by 2030 from a 2018 base year.[9] This represents a less than 1% decrease in absolute emissions from fiscal 2024. The decrease was driven primarily by our electric vehicle transition with additional reductions from offices and freestanding stores. This decrease was partially offset by increased natural gas consumption due to colder winters, expanded activity at some innovation centers, and manufacturing process changes. Emissions from our manufacturing facility in Japan remained elevated due to the temporary use of generators as we awaited completion of an electrical substation by the local utility at the end of the fiscal year.

Scope 3 SBT: We continue our efforts to reduce Scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, and business travel 60% per unit revenue by 2030 from a 2018 base year.[10] In fiscal 2025, Scope 3 emissions intensity for the covered categories decreased by 14% from our fiscal 2018 baseline. Year-over-year progress was flat. In absolute terms, emissions decreased by 8% from fiscal 2024, in line with the decrease in net sales. The largest contributors to this emissions decrease from fiscal 2024 are our reduction in usage of air freight and reduction in purchased goods and services. A small increase was observed in business travel. Improvements in data collection and methodology were applied in fiscal 2025 and prior years' greenhouse gas metrics.

Renewable Electricity: For each year starting with fiscal 2020 through fiscal 2025, we have sourced 100% renewable electricity for our direct operations and purchased carbon offsets to cover our residual emissions.[11] We met these commitments again in fiscal 2025.

ADDITIONAL RESOURCES

Climate Goals	p. 9
Energy and GHG Metrics	pp. 75-77
2025 CDP Response ↗	
Climate Transition Plan ↗	

[9] Reduction is from a fiscal 2018 baseline and reflects Scope 1 and Scope 2 market-based emissions including renewable energy sourced from contractual agreements. By 2030 means by the end of fiscal year 2030.
[10] Reduction is calculated from a fiscal 2018 Scope 3 baseline (Scope 3 in metric tons CO_2 equivalents / net sales in million USD). By 2030 means by the end of fiscal year 2030.
[11] Electricity consumption for all global activities within ELC's operational control. Renewable electricity sourced reflects on-site solar electricity generated and consumed at ELC locations, renewable off-site generation (utility contracts), Energy Attribute Certificates (EACs) purchases, and a Virtual Power Purchase Agreement (VPPA).

WATER

Water stewardship is central to The Estée Lauder Companies' commitment to environmental sustainability. Water is used in many aspects of our product development and manufacturing, and is a key ingredient in many of our products. Additionally, many of the raw materials and ingredients we procure depend on water. We recognize that water stewardship is a factor in both mitigating and adapting to the effects of climate change.

GOVERNANCE

The Global Supply Chain function, which includes the Environment, Health, and Safety (EHS) team, is responsible for driving our water stewardship strategy. Within EHS, the Water Stewardship team collaborates with cross-functional teams including our Responsible Sourcing, Global Engineering, and Global Corporate Citizenship and Sustainability (GCCS). These teams implement and help to expand our water stewardship strategy, including working toward our water withdrawal reduction goal, as well as supporting programs to preserve and protect nature and biodiversity.

STRATEGY AND FISCAL 2025 PROGRESS

We are committed to reducing our impact on local water resources through the implementation of our water stewardship strategy. By implementing water efficiency measures across operations, conducting watershed-level risk assessments, and engaging in partnerships for sustainable water access and quality, ELC strives to responsibly manage water resources and contribute to global water resilience.

POLICIES AND CERTIFICATIONS

- EHS Policy Statement ↗
- International WELL Building Institute (WELL) ↗
- ISO 14001: Our manufacturing sites[1] have been externally certified to ISO 14001 ↗
- Leadership in Energy and Environmental Design (LEED) ↗
- Received an A- score for CDP Water Security 2024
- Water Stewardship Policy ↗

ACTIONS

Our current water stewardship strategy focuses on our operations, supply chain,[2] and local communities. The strategy aligns with guidance developed by the Alliance for Water Stewardship (AWS), an international organization committed to the sustainability of water resources. We plan to continue to report on our water stewardship progress through our CDP Response. We received an A- score for our most recent CDP water disclosure, which acknowledges our ongoing initiatives, including our progress on reducing water withdrawal.

WATER RISK MANAGEMENT

As we implement our strategy, we conduct water-risk assessments, Source Water Vulnerability Assessments (SVAs), and nature assessments.

Our annual water-risk assessments cover the majority of ELC sites, including our manufacturing, R&D, distribution centers, offices, salons, and freestanding store locations. These assessments identify locations that could be subject to business risks such as water stress, water quality issues, drought, and flooding. Through the completion of site-specific SVAs, we gather information required by the AWS International Water Stewardship Standard to inform our internal stakeholders of the potential vulnerabilities related to the local water supply. Utilizing the results of the nature assessment, completed in fiscal 2023, we analyzed where water and biodiversity risks intersect, and identified key risk drivers and priority watersheds across our owned and operated locations. The results of all three of these studies inform our water stewardship program and guide stakeholder engagement, employee education, and funding decisions for projects that enhance resilience to water risks.

In fiscal 2025, we advanced our water stewardship strategy by launching a project that harnesses technology and localized, data-driven insights to prioritize key manufacturing sites based on water and biodiversity risk. As part of this initiative, we developed context-based water targets tailored to the specific conditions of local watersheds. These efforts, aligned with our broader nature and biodiversity commitments, are designed to deliver measurable environmental impact through solutions that protect and enhance natural resources and local ecosystems. *To read more about the results of our nature assessment, please see the Nature & Biodiversity section.*

[1] Excludes the Shimotsuma, Japan manufacturing facility, and DECIEM manufacturing sites.
[2] For the purposes of our water stewardship strategy, "supply chain" means third-party manufacturers (TPMs) and other key suppliers of ELC. Excludes DECIEM.

DIRECT OPERATIONS

Within our operations, we focus on efficiency and implementing water management best practices across our largest manufacturing facilities in water-stressed areas. In fiscal 2025, we enhanced metering and measuring of water withdrawal and usage across our manufacturing facilities, enabling us to identify inefficiencies and implement improvements. For example, at our Melville, New York facility, local teams focused on optimizing non-contact cooling water use and collecting data to evaluate potential reuse opportunities. These efforts resulted in a reduction of non-contact cooling water use by more than 8%. Similarly, at our Northtec campus in Pennsylvania, newly installed meters detected elevated water usage, prompting timely repairs that improved overall efficiency.

In fiscal 2025, we also advanced our global initiative to standardize cleaning and sanitization best practices, aiming to reduce water usage and improve cleaning times across our manufacturing facilities. For example, at our Shimotsuma, Japan Manufacturing facility, this effort resulted in a 30% reduction in purified water usage for kettle cleaning. For other select processes, the team achieved a 63% reduction in cleaning and sanitization cycle time, a 76% reduction in hot domestic water, a 50% reduction in hot purified water, and a 94% reduction in cleaning chemical use, on average.

In fiscal 2025, we also pursued site-specific projects at key manufacturing facilities to further support reductions in water withdrawals:

- At our Melville, New York manufacturing facility, we completed a two-year project in fiscal 2025 to decommission the site's groundwater-cooled HVAC system. This project plays a key role in supporting our 2025 water withdrawal reduction target with approximately 180,000 cubic meters in water savings, representing a 34% reduction from fiscal 2024. Furthermore, by implementing smart irrigation controllers programmed to account for local weather conditions, we reduced the site's landscaping water usage by approximately 14% in fiscal 2025 compared to fiscal 2023, further enhancing our outdoor water conservation efforts.
- At our Oevel, Belgium manufacturing facility, in fiscal 2025 we treated and recycled approximately 41% of its total water usage, reusing the treated process water for cleaning purposes. We also completed on-site pilot trials and conceptual engineering for a multi-year capital project aimed at deploying next-generation water treatment and recycling technologies, including rainwater harvesting. These upgrades were designed with the intention to support increased water recycling, reduce reliance on incoming water, and help lower operational expenditures.
- At our Shimotsuma, Japan manufacturing facility, while emissions in water discharges remain low, we still view this as an opportunity to apply Best Available Technologies (BAT) in our treatment system. In fiscal 2025, the site treated and recycled over 90,000 cubic meters of water, supporting building utilities, landscaping, and water closets. These measures not only support regulatory compliance, but also reflect our broader commitment to protecting surrounding freshwater ecosystems.

SUPPLY CHAIN

In fiscal 2025, we completed a three-year initiative with key third-party manufacturers (TPMs) focused on raising awareness of water reduction measures, promoting water efficiency and encouraging participating suppliers to set and meet broader sustainability goals. Through this supplier engagement we saw more suppliers' sites establishing measures to reduce water consumption.

We also continued to leverage tools such as the EcoVadis platform and CDP Supply Chain to track and measure suppliers' environmental impact. In fiscal 2025, 108 of our suppliers responded to the water module in CDP Supply Chain. We analyzed these supplier responses to better understand water risks and opportunities in our upstream supply chains, helping to guide our plans for future engagement and capability building. Through these efforts, we aim to strengthen ties with suppliers and further engage with them on water-related issues. *To read more about supplier engagement initiatives and our progress, please see the Sourcing section.*

ENGAGEMENT CAMPAIGNS

In fiscal 2025, for the second year in a row, employees participated in Every Drop Counts, a water conservation campaign for employees across our global manufacturing facilities to promote awareness of the role each employee plays in meeting organizational sustainability goals. Through monthly internal newsletters, webinars, and manufacturing campus competitions, we fostered a proactive and collaborative environment committed to reducing water usage and supporting sustainability initiatives. The campaign engaged nearly 600 employees in a friendly competition to test their local watershed knowledge, with employees taking hands-on environmental action such as reducing single-use plastics, collecting waste, endorsing water conservation, and ensuring proper pet waste disposal, all contributing to watershed health. Notably, about 300 employees pledged to become ELC Water Stewards, committing to promoting conservation and advocating for responsible water use at work and at home.

We are also working to expand on existing corporate and brand initiatives that support increasing access to clean, safe water. In alignment with our water strategy, we are committed to the WASH Pledge, developed by the World Business Council for Sustainable Development (WBCSD), which promotes access to safe drinking water, sanitation, and hygiene. After conducting WASH surveys for employees, we incorporated our findings into our global strategy to help ensure that all employees have consistent and reliable access to these essential resources in the workplace. In addition, we embedded WASH requirements into our internal Green Building Standards for New Construction, Green Leasing Guidelines, Sustainability Practices for Existing Spaces, and Responsible Store Design User Manual. *To read more about other water-focused initiatives within our local communities, please see the Sourcing and Nature & Biodiversity sections.*

TARGETS

Water Withdrawal: We achieved and surpassed our goal of reducing our water withdrawal from our direct manufacturing sites by 20%, from a fiscal 2019 baseline, focusing on our high and extremely high water-stressed sites.[3] This goal was achieved ahead of schedule in fiscal 2024, and our progress was further advanced in fiscal 2025, with a 41% reduction in water withdrawal, mainly driven by the decommissioning of a water-intensive system. This milestone reflects our continued investment in water-efficient technologies, process optimization, and our broader commitment to sustainable manufacturing practices.

ADDITIONAL RESOURCES

Water Goal	p. 9
Water Metric	p. 79
2025 CDP Response ↗	

[3] Reduction is from a fiscal 2019 baseline of 1.5 million cubic meters water withdrawal at ELC-operated manufacturing sites. Excludes any manufacturing sites not fully operated by ELC within the target timeline.

WASTE

We believe that by striving to eliminate waste, we can optimize resource use, minimize cost, and improve efficiencies. Where waste cannot be eliminated or reused, we aim to recycle and/or manage it in a way that is sensitive to potential impacts to the environment, including biodiversity and nature. These operational efforts help support the principles of a circular economy, increase our resilience in a resource-constrained environment, and mitigate supply chain disruptions.

GOVERNANCE

The Global Supply Chain function, which includes the Environment, Health, and Safety (EHS) team, is responsible for setting our operational sustainable waste management strategy.

Within EHS, the Zero Waste team collaborates cross-functionally across the enterprise with Packaging, Operations and Demand Planning teams to implement waste-reduction and recycling efforts across our manufacturing, distribution centers, and innovation sites. In addition, the Global Corporate Citizenship and Sustainability function partners with the EHS team and oversees the Sustainability Champions Program, which supports employee engagement and the implementation of local waste reduction initiatives across our largest corporate offices.

STRATEGY AND FISCAL 2025 PROGRESS

We incorporate waste reduction strategies throughout key stages of the product lifecycle, from production to disposal. By prioritizing innovative packaging solutions and responsible waste management, ELC aims to drive circularity across our operations.

POLICIES AND CERTIFICATIONS

- EHS Policy Statement ↗
- International WELL Building Institute (WELL) ↗
- ISO 14001: Our manufacturing sites[1] have been externally certified to ISO 14001 ↗
- Leadership in Energy and Environmental Design (LEED) ↗

ACTIONS

We prioritize best practices by following a common waste minimization hierarchy of prevention, reduction, reuse, and recycling, rather than relying on incineration with energy recovery or landfill disposal. If we cannot reuse or recycle waste, it is converted to energy, either through waste-to-energy plants or by co-processing at cement kilns.

Our global strategy to improve the sustainability of our excess materials management includes creating internal processes and guidelines to repurpose materials internally, donate high-quality products externally, and partner with regional vendors to beneficially reuse or recycle select excess empty packaging, visual merchandising, and finished products. To achieve this, we established a governance structure that connects cross-functional teams, enabling us to continuously drive progress alongside our broader strategy to implement long-term solutions.

In fiscal 2025, we launched an internal platform to manage excess materials across regions, resulting in the redeployment of more than 49 million units. We also formalized two task forces, one in North America and one in Europe, aiming to creatively and proactively reduce excess from the source and improve our recovery of materials. In addition to our internal platform, we leverage our "Dynamic Re-Deployment" tool, developed in partnership with Noodle.ai, to enhance excess material management. This tool enables the transfer of surplus inventory between locations based on real-time needs and inventory shortages. In fiscal 2025, this tool successfully enabled the redeployment of $277 million worth of excess inventory for productive use. We also collaborated with several donation partners to successfully donate 1.5 million units of collateral materials and products that would have otherwise been discarded.

Our Green Building Standards also outline sustainability-focused practices for all building types within our enterprise. They serve as a roadmap to help the company meet its sustainability goals and incorporate best practices for waste management. This includes a variety of core practices and ambitions to reduce waste, increase reuse, and recycle unavoidable waste throughout both the construction process and ongoing operations. We also continue to leverage our Sustainability Champions Program, as outlined in the Climate section, to share waste reduction strategies within our largest corporate offices and help embed sustainability into daily operations.

[1] Excludes the Shimotsuma, Japan manufacturing facility, and DECIEM manufacturing sites.

PREVENT AND REDUCE

We strive to optimize our workflows to minimize waste generation and excess products, given that the most impactful management approach to waste is to prevent its occurrence from the start. In fiscal 2025, we set a 2030 waste reduction roadmap that aims to minimize waste and enhance resource efficiency, while also proactively preparing for emerging global regulations, with a focus on elevating environmental sustainability. From a product perspective, this involves improving consumer demand forecasting, standardizing ingredient categories, and enhancing supplier synchronization.

We continue to reduce waste in our manufacturing operations and production lines by evaluating the necessity of incoming materials, returning reusable materials to suppliers, using smaller shipping boxes to minimize customer packaging, and replacing single-use items with durable alternatives wherever possible. We leverage our manufacturing operating model, the Prestige Performance System, to promote shop floor waste awareness and implement targeted initiatives to reduce operational waste and scrap. In fiscal 2025, these efforts resulted in a 16% reduction in manufacturing operational scrap.

Each year, we conduct waste minimization audits at select locations across our business portfolio, with the aim to build momentum and empower our sites to achieve their waste goals. In fiscal 2025, we conducted waste minimization audits at select facilities in the United States, Canada, the United Kingdom, and Belgium. The audits provided insights into current waste practices at each site and identified opportunities for further waste reduction and the reuse of our more commonly managed materials.

REUSE

Identifying reuse opportunities for materials and products is a key component to our waste management strategy. In fiscal 2025 we established internal reuse intensity targets across manufacturing and supporting distribution centers where we operate. These targets are foundational for our 2030 waste reduction roadmap, and require partnership with our suppliers in certain cases. In fiscal 2025, over 7,000 metric tons of materials were reused across global operations. This included initiatives such as resale of once-used cartons, cleaning and reusing component trays, internal and external pallet reuse, internal bucket reuse and employee product giveaways[2]. We also prioritize donating usable products to minimize disposal and extend their value to communities in need.

For the past decade, we have collaborated with g2 Revolution, an organization that takes difficult-to-handle items and finds new and innovative ways to reuse them in efforts to more sustainably manage the disposal of unsold products or components that have exceeded their useful lives. Our freestanding stores in the United States and Canada transfer a portion of their unsold products and testers to g2 Revolution, where they are repurposed as ingredients to make other products. In fiscal 2025, over 165,000 pounds of our product have been successfully reused or recycled through g2 Revolution's interventions.

RECYCLE

Where reduction and reuse are not feasible, our attention turns to recycling. We analyze both incoming and outgoing materials within our manufacturing and distribution facilities to identify hard-to-recycle items. We then work with our vendors and our Global Packaging teams to switch to reusable or recyclable options where possible. In fiscal 2025, we continued our initiative to divert excess empty packaging to recycling by collaborating with select partners at designated locations. The project recycled 800 metric tons of packaging, effectively minimizing waste disposal.

TARGETS

Zero Industrial Waste-to-Landfill: In fiscal 2025, we met our annual target for zero industrial waste-to-landfill for all global manufacturing, distribution, and innovation sites.[3] We intend to maintain this commitment going forward each year.

ADDITIONAL RESOURCES

Waste and Packaging Goals	pp. 9-10
Waste Metrics	p. 78

[2] Reuse intensity is defined as metric tons per 1,000 units produced or cartons shipped, depending on facility type.
[3] Excludes DECIEM.

SOURCING

Our extensive network of suppliers is an integral part of our global operations and supports the success of our company. We're committed to helping our suppliers uphold the same ethical standards to which we hold ourselves accountable, within the context of local jurisdictions.

GOVERNANCE

Within the Global Supplier Management function, the Responsible Sourcing team establishes, implements, and monitors environmentally and socially responsible and ethical sourcing strategies and practices to align supplier performance with our goals and objectives. The team works cross-functionally with the Research and Development (R&D), Global Corporate Citizenship and Sustainability, and Packaging functions, and collaborates closely with our brands, suppliers, industry groups, and peers to continuously advance our sourcing practices.

STRATEGY AND FISCAL 2025 PROGRESS

We source high-quality ingredients and materials from around the world to manufacture our products, working diligently to source responsibly and with attention to potential impacts on people and environment. We collaborate with a wide and diverse network of suppliers. In doing so, we aim to continuously improve and strengthen our sourcing practices while remaining sensitive to the local communities in which we operate. Our policies and programs embody our deeply held values and long heritage of responsibility.

POLICIES AND CERTIFICATIONS

- Enterprise Modern Slavery Statement ↗
- Human Rights Policy ↗
- No Deforestation, No Peat, No Exploitation (NDPE) Policy ↗
- Palm Action Plan ↗
- Roundtable on Sustainable Palm Oil (RSPO) Certification ↗
- Supplier Code of Conduct ↗
- Timber Action Plan ↗

ACTIONS

We work with our global suppliers to develop long-lasting relationships, with a common basis of shared values and commitment to operating responsibly and ethically. Our strategy for supplier engagement is underpinned by our Supplier Code of Conduct (SCoC) and includes efforts to ensure our suppliers reflect our broad consumer base.

SUPPLIER CODE OF CONDUCT

Our SCoC is the foundation of our program to source responsibly. It outlines our expectations for suppliers with respect to human rights; safe, healthy, and equitable workplaces; and the protection of the environment and local communities. Our SCoC is organized into 3 sections:

- Engage in lawful and ethical business practices
- Promote a respectful, fair, and positive workplace
- Provide a safe, healthy workplace and protect the environment and community

Our SCoC includes provisions covering confidentiality and privacy, wages, child labor, forced labor, and freedom of association. To meet the needs of our global network of suppliers, our SCoC is available in several languages. In fiscal 2025, we evaluated our SCoC to align with evolving stakeholder expectations, evolving regulatory requirements, and to address new and emerging ESG matters. Stakeholders included internal teams within Global Supplier Management, GCCS, Environmental Affairs & Safety, Legal, Global Communications, and Global Public Affairs. Externally, stakeholders included select NGOs and select strategic direct and indirect suppliers. The updated SCoC will be published and communicated in fiscal 2026. In addition to our SCoC, our Supplier Sustainability Guidelines provide suppliers with practical actions they can take to manage the environmental and social impacts of their own operations.

Our direct suppliers are those who provide raw materials, ingredients, packaging, and third-party manufacturing to the company, while our indirect suppliers are those who sell us goods and services not directly used in the manufacturing of our products. Tier 1 suppliers are those with whom we have a contractual relationship, while Tier 2 suppliers are the upstream partners of our Tier 1 suppliers. Our Tier 1 direct and indirect suppliers and select Tier 2+ direct suppliers acknowledge to comply with our SCoC, or an equivalent. Suppliers representing approximately 99% of our direct spend have acknowledged compliance with the SCoC.[1]

[1] Excludes certain suppliers that only interact with DECIEM.

Our suppliers are expected to make all reasonable efforts to communicate our SCoC to their workers, as appropriate, and provide workers with the opportunity to ask questions and raise concerns. Included within our SCoC, The Estée Lauder Companies' Integrity Helpline provides a direct line for suppliers to raise questions or concerns about conduct that may be inconsistent with the law, our SCoC, or other policies.

SUPPLIER EVALUATION AND MONITORING

We monitor our direct suppliers for adherence to our SCoC and pay careful attention to potential risks of noncompliance. We continue to advance our efforts to include our indirect supply chain in our monitoring.

We use EcoVadis, an online ratings service, to help us assess Tier 1 and Tier 2+ direct and indirect suppliers on their environmental, labor and human rights, ethics and procurement policies, practices, and reported results. The EcoVadis tool ranks suppliers with numerical scores that reflect the maturity level of their sustainability programs, practices, and initiatives. We expect our direct strategic suppliers[2] to achieve an "advanced" EcoVadis score and other direct suppliers to achieve at least a "satisfactory" score. We engage with direct suppliers to help them improve.

SUPPLIER RISK ASSESSMENTS

We take a risk-based approach to supplier due diligence. We conduct due diligence as part of new direct supplier qualifications and assess the risk of existing direct and indirect suppliers annually. We risk-rank direct and indirect suppliers globally based on pre-established criteria, such as location of operations, type of goods or services being sourced, and potential impact to our business.

To help us determine location and goods and services risks, we use a third-party provider that assesses social impact and sustainability topics including environment, health and safety, social issues, and human rights risks. Based on the resulting risk ranking of the supplier, we conduct additional due diligence using third-party on-site audits or assessments, as appropriate.

Our core due diligence team meets monthly to review progress, discuss complex cases, and align on enhancements to our supplier evaluation and monitoring program. On a periodic basis, we share insights with the broader Global Procurement team on trends and information derived from our supplier due diligence program. These actions, among others, help shape periodic enhancements or changes to our due diligence strategy.

In fiscal 2025, some findings included compliance gaps with health and safety, environmental, working hours, and wage and benefits requirements. If we determine that an ELC supplier is not in compliance, potential remedies may include, among other actions, the development and implementation of a corrective action plan within a specified timeframe or, if necessary, termination of the business relationship with ELC. To assess compliance, ELC may also follow up with an audit, as deemed appropriate.

SUPPLIER CAPABILITY BUILDING

Our direct and indirect suppliers are key partners in meeting our sustainability goals. We periodically provide training and access to resources to support our suppliers in improving their sustainability performance.

In fiscal 2025, we completed a three-year initiative designed to drive sustainability progress with our top 20 third-party manufacturers (TPMs) (by spend). This initiative encouraged participating suppliers to set and meet sustainability goals, resulting in progress across several areas:

- Environmental management: Broader adoption of comprehensive environmental management systems aligned with ISO14001 standards.
- Energy and greenhouse gas (GHG) emissions: More suppliers have set GHG emissions reduction targets, are using renewable energy, and are responding to CDP.
- Waste and water: Increased efforts in waste and water reduction, with more suppliers' sites establishing measures to reduce water consumption.
- Sustainable procurement: Progress was made in embedding sustainable procurement practices, with more suppliers establishing a Supplier Code of Conduct.

To support our TPMs to achieve these goals and help other suppliers implement and measure effective programs, we provide resources and conduct best practice sharing webinars on key sustainability impact areas. This initiative underscores the impact of our collaborative efforts with suppliers and the importance of our continued focus on sustainability practices to drive meaningful changes across our supply chain.

Since supplier action is particularly important to achieve our climate goals, we have established a supplier climate engagement strategy aligned with our emissions reduction plan across many types of purchased goods and services. We aim to support and encourage our suppliers to make business decisions with positive climate impacts. We engage our suppliers through a variety of complementary methods, including our participation in CDP Supply Chain, offering suppliers climate training through Supplier Leadership on Climate Transition, and meeting with select suppliers individually to discuss their progress and offer support.

To track supplier progress and performance, we have employed external monitoring tools including EcoVadis and CDP Supply Chain. EcoVadis sustainability analysts evaluate suppliers' answers and supporting documents. We then use supplier EcoVadis assessment results to assess suppliers' implementation of required practices.

[2] Strategic suppliers include those with broad and unique capabilities, proven value creation, and a high level of collaboration. In fiscal 2025, these suppliers comprised more than half of ELC direct spend. Excludes DECIEM.

BUILDING OUR SUPPLIER PORTFOLIO

We aim to support businesses owned by a wide cross-section of individuals. Our objective is to ensure that our suppliers reflect our broad consumer base. In fiscal 2025, we continued to identify, qualify, and help to grow a broad array of suppliers, including small businesses, to ensure operational excellence. We also continued to leverage toolkits and enhanced resources to help brands, regions, and functions find and consider a more expansive cross-section of suppliers.

OUR FOCUS ON SENSITIVE INGREDIENTS

We are committed to better understanding the state of biodiversity within the ecosystems that support the production of our raw materials. We have developed biodiversity and/or social action plans for many key sensitive ingredients, focusing on mitigating risks and fostering sustainable practices. We periodically assess our priorities and adapt our biodiversity and social action plans to address changing environmental and socio-economic factors. While these plans vary depending on the ingredient, examples of actions we are taking include:

- Consolidating spend with strategic suppliers who are committed to responsible sourcing practices
- Enhancing traceability through solutions tailored to supply chains
- Implementing projects to positively impact sourcing communities and surrounding ecosystems, addressing social, environmental, and market challenges
- Promoting the certification of ingredients and other applicable third-party programs
- Leveraging EcoVadis to continue to assess supplier performance and enable suppliers to improve their performance

We have developed action plans for many sensitive ingredients, such as mica, jasmine, shea, palm, and coconut oil, among others. By investing in local communities and cultivating a deeper connection to nature, these action plans aim to enhance biodiversity conservation and overall environmental stewardship.

MICA

The mica supply chain is complex, and we work closely with our suppliers and local sourcing communities to address challenges that may exist. A portion of the mica used in the cosmetics industry comes from the Indian states of Jharkhand and Bihar, the 'mica belt,' where the mica mining industry remains a key contributor to the regional economy.

ELC has a long standing partnership with Kailash Satyarthi Children's Foundation (KSCF) to address some of the issues surrounding child labor in the mica mining industry. KSCF works with local communities in the region to develop proactive and sustainable solutions for eradicating child labor in the Indian mica mining industry, including the development of Bal Mitra Grams or Child Friendly Villages. *To read more, please see our Responsible Sourcing web page.* ↗

JASMINE

Jasmine is used as a fragrance component in select products across our portfolio. In recent years, there have been concerns of child labor in the jasmine industry in Egypt. ELC prohibits the use of child labor, and we believe the rights of all children should be protected. Our Supplier Code of Conduct includes our policy against the employment of children as a condition of doing business with our company.

We are actively engaged with our suppliers on this matter and are working in collaboration with industry peers, local NGOs, and local government agencies as part of the Harvesting the Future coalition to address critical child rights, including access to education. *To read more about our activities around Egyptian Jasmine, please see our Viewpoints web page.* ↗

SHEA

Shea butter is a natural emollient that helps hydrate skin and hair. In northern Ghana, the shea supply chain is predominantly composed of women, who play a vital role in protecting the shea tree ecosystems which are a key source of biodiversity in the region. The Estée Lauder Companies Charitable Foundation (ELCCF) has supported the development of a financial resilience training with BSR for women working in the shea supply chain. ELC continued to be a member of the Global Shea Alliance, a nonprofit industry association that promotes sustainability, quality practices, and standards for shea in food and cosmetics. *To read more, please see our Responsible Sourcing web page.* ↗

PALM OIL

Palm-based ingredients are used in some of our formulations, such as surfactants, emulsifiers, and emollients. In calendar year 2024, we purchased approximately 3,295 metric tons of palm oil-based derivatives[3], which represent less than 0.01% of the world's annual production of palm-based derivatives. While this amount makes us a comparatively low-volume user of palm-based ingredients relative to other sectors, we are committed to taking concrete action with our suppliers to build sustainable and ethical palm supply chains.

We strive to source our palm-based ingredients from suppliers that can demonstrate adherence to the principles outlined in our SCoC and NDPE Policy. We assess compliance with these policies by, among other things, third-party certification to RSPO's Principles and Criteria, and evaluating supplier policies, processes, and progress through the Sustainable Palm Index evaluation scorecard. In addition to engaging with our direct suppliers, we have also communicated to our third-party manufacturers (TPMs) our expectation that they source from an RSPO physically certified sustainable source.

We communicate our progress with respect to palm oil procurement on a yearly basis through the RSPO Annual Communication of Progress (ACOP) in accordance with RSPO requirements. Through CDP Forests, we disclose additional

[3] Excludes palm-based ingredients not directly procured by ELC, such as those procured by third-party manufacturers (TPMs) and directly procured and received by DECIEM. Palm oil sourcing is reporting by calendar year.

information on our work on palm oil. In WWF's 2024 Palm Oil Buyers Scorecard, ELC received the highest ranking in the personal care and cosmetics sector. *To read more, please see our Responsible Sourcing web page.* ↗

COCONUT OIL

Coconut oil is one of the technical alternatives to palm kernel oil due to its similar fatty acid profile. Along with other manufacturers, we have investigated substituting palm oil ingredients with coconut-derived ingredients. The coconut supply chain, however, also faces social and environmental challenges, including workers' safety and health, child labor, poor waste management, monoculture, and overuse of fertilizers and pesticides.

For example, in the Philippines, one of the key countries where coconuts are grown, we are looking for ways to identify practical solutions that address social and environmental matters in key production locations. Through ELCCF, we are co-funding a multi-stakeholder project aimed at improving smallholder livelihoods.

TRACEABILITY

Technology has an important role in advancing transparency and traceability across our supply chain. We leverage Transparency-One, a digital platform as part of the Traceability Alliance for Sustainable CosmEtics (TRASCE), that enables our suppliers to collect and share detailed supply chain mapping. This tool helps build a more complete view of our ingredient and packaging supply chains, enhancing visibility and accountability across multiple tiers.

PARTNERSHIPS AND INDUSTRY INITIATIVES

We participate in industry initiatives to encourage the sharing of information and best practices, especially as related to ingredient traceability and sourcing. These initiatives include:

- Action for Sustainable Derivatives (ASD): ELC has been a member of ASD since its inception five years ago. ASD is a collaboration of brands and suppliers aimed at addressing responsible sourcing in complex derivative supply chains. We are engaged in key ASD workstreams such as traceability, grievance management, and satellite monitoring of deforestation risks. The collaboration with ASD also allows ELCCF to support on-the-ground projects in palm-producing communities through the ASD Impact Fund hosted by Tides Foundation. With contributions from ELCCF and other donors, ASD has continued to support Kaleka's Mosaik Initiative in two of the largest palm-producing districts in Central Kalimantan, Indonesia. This project focuses on a jurisdictional approach to certification of palm-producing smallholder farmers, restoring degraded land through agroforestry, conserving community forests, and empowering local communities. Through this collaboration, ELCCF is also able to support impactful, community-based initiatives in coconut-producing regions. In partnership with other donors, ELCCF is also contributing to the Integrated Rural Development Foundation's (IRDF) efforts to enhance the livelihoods of coconut farmers in the Philippines.
- Harvesting the Future: We are a member of this industry coalition comprised of suppliers, industry peers, local communities, and nonprofits. The coalition aims to strengthen human rights due diligence systems and improve labor conditions in sensitive supply chains such as Egyptian jasmine, Turkish rose, and other botanical ingredients. As part of our coalition efforts related to Egyptian jasmine, we are contributing to funding interventions for vocational training, financial literacy, and entrepreneurship and social protection programs. To date, the coalition has supported the distribution of protective equipment, including headlamps, waterproof boots, and aprons, to over 7,500 jasmine pickers. Financial education and economic empowerment programs for jasmine pickers and workers have also been launched. The Harvesting the Future of Rose project primarily aims to enhance the working and living conditions of seasonal agricultural workers and support children's education among migrant families. Through funding from member companies of the coalition, the project focuses on developing support mechanisms for rose pickers, including the establishment of child-friendly spaces, training programs, and enhanced occupational health and safety measures.
- Global Shea Alliance: Shea butter is an important ingredient in many of our products, used as a softening and moisturizing agent. Shea trees grow naturally in the wild in central Africa, and shea nuts are typically harvested by women. This industry collaboration helps us deliver on our commitments to both women and sustainability.
- Roundtable on Sustainable Palm Oil (RSPO): RSPO is the leading convening body that develops and sets the standards for palm oil sustainability and enables palm oil certification. We have been a member of the RSPO since 2014. We are also signatories to the RSPO's North American Sustainable Palm Oil Network (NASPON) Charter Agreement. NASPON is a multi-stakeholder platform to collaborate, educate, inform, and build momentum to help North American companies make and deliver on commitments to source palm oil sustainably.
- The TRaceability Alliance for Sustainable CosmEtics (TRASCE): ELC is a founding member of this consortium of 18 cosmetics industry companies. The group collaborates to enhance traceability in key ingredients and packaging supply chains across the industry, using a common digital platform.

TARGETS

Sensitive Supply Chains: As part of our continuing efforts to address potential issues that may exist within raw material supply chains, we set the goal to identify sensitive supply chains and develop robust biodiversity and social action plans for them by 2025. In fiscal 2025, we continued to strengthen and implement such action plans for priority ingredients, working to integrate them into our sourcing practices and supplier engagement strategies. We also deepened partnerships and programs that support biodiversity conservation and community well-being. These actions reflect our holistic approach to sustainable ingredient sourcing and our belief that protecting nature and supporting local communities are critical to long-term business resilience and ethical leadership.

Palm Oil: In calendar year 2024, we exceeded our goal of sourcing at least 95% of our palm-based ingredients (palm oil and its derivatives) from RSPO-certified physical supply chains. We achieved 97% RSPO certification for these ingredients, up from 95% in calendar year 2023. Since 2015, 100% of the palm-based ingredients we source have been RSPO-certified, either through physical supply chains or the purchase of RSPO Credits.[4]

ADDITIONAL RESOURCES

Sourcing Goals	pp. 9-10
Palm Oil Metrics	p. 80
Supplier Evaluation and Monitoring Metrics	p. 79
2025 CDP Response ↗	
Responsible Sourcing web page ↗	
Supplier Sustainability Guidelines ↗	

[4] Excludes palm-based ingredients not directly procured by ELC, such as those procured by third-party manufacturers (TPMs) and directly procured and received by DECIEM. Palm oil sourcing is reported by calendar year.

NATURE AND BIODIVERSITY

Our business is connected to nature—from the ingredients, materials, and water used to manufacture our products and packaging, to the energy that powers our facilities, buildings, and stores. We understand the importance of enhancing and preserving biodiversity to help build resilience in our supply chain and to help support the continued well-being of both the local communities where we operate and the resources they depend on. We continue to make efforts to advance nature and biodiversity protection and restoration in our operations and our sourcing through our policies, practices, and sustainability and social impact goals.

GOVERNANCE

Our approach to nature and biodiversity is led and informed by cross-functional partnerships across our Responsible Sourcing, Global Corporate Citizenship and Sustainability (GCCS), Environment Health & Safety, Packaging, Research and Development (R&D), and Supply Chain Operation teams. Local teams drive the implementation of biodiversity and nature-related initiatives, often in coordination with site-level environmental programs and partnerships designed to preserve ecosystems and natural resources. *To read more about nature-related risks, please see the Climate section and our 2025 CDP Response.*↗

STRATEGY AND FISCAL 2025 PROGRESS

Protecting nature and biodiversity is one of our focus areas as we continue to advance our sustainability strategy. Through responsible sourcing, habitat restoration, and strategic partnerships, we strive to help conserve natural ecosystems and promote ecological balance in places where we operate or source materials across our global operations.

POLICIES AND CERTIFICATIONS

- EHS Policy Statement ↗
- Enterprise Modern Slavery Statement ↗
- Forest Stewardship Council (FSC) certification ↗
- Human Rights Policy ↗
- No Deforestation, No Peat, No Exploitation (NDPE) Policy ↗
- Palm Action Plan ↗
- Roundtable on Sustainable Palm Oil (RSPO) Certification ↗
- Supplier Code of Conduct ↗
- Timber Action Plan ↗

ACTIONS

We have a history of managing biodiversity in our own operations and across our supply chain. Our existing water, waste, sourcing, climate, and packaging goals are an important part of our strategy to embed nature and biodiversity considerations into business operations. As we continue to evolve our strategy, we are expanding the scope of our biodiversity protection and restoration efforts.

In fiscal 2025, we continued to align with the Taskforce on Nature-related Financial Disclosures (TNFD) voluntary framework. We leverage this framework to assess our nature-related risks and opportunities across our value chain.

NATURE IMPACT AND DEPENDENCIES

OWN OPERATIONS

We partner with BSR, a sustainability consultancy, to assess and identify potential nature-related risks within our owned and operated locations. As part of the initial assessment conducted in fiscal 2023, we leveraged the World Wildlife Fund (WWF) Biodiversity Risk Filter Tool to assess our biodiversity-related risks. We identified our highest priority nature-related risks and opportunities as greenhouse gas (GHG) emissions, the use of terrestrial ecosystems, and water stewardship.

Our nature assessment was then further expanded to identify key geographies exhibiting a higher biodiversity risk or heightened biodiversity pressures. This assessment was conducted across more than 1,500 sites, which included distribution centers, manufacturing facilities, offices, retail stores, and warehouses. This screening found less than 1% of these sites to be considered high-risk, with risk mostly concentrated around distribution centers in the APAC region. We are in the process of further evaluating the results of the assessment to inform next steps.

In fiscal 2025, building on this work, we initiated a pilot of Steps 1 and 2 of the Science Based Targets Network (SBTN) methodology to better understand and map our prioritized nature-related impacts. This pilot focused on our direct operations and aimed to evaluate how our sites contribute to environmental pressures such as land

conversion, water use, and pollution. By overlaying these operational impacts with ecosystem vulnerability data, we were able to assess the environmental stress associated with each location. This comprehensive analysis enabled us to develop a ranked list of sites based on their land and water use, pinpoint the top 10 sites contributing most to each pressure category, and quantify site-level risks by examining local ecological conditions.

The results of this analysis are now guiding our strategic approach to nature and biodiversity. By identifying the sites associated with key environmental pressures, we can prioritize action where it matters. We are using the insights, particularly those related to water use, to inform the development of contextual water targets tailored to the specific needs of local ecosystems. These findings will also support the creation of integrated nature action plans in priority watersheds, ensuring that our interventions align with both operational needs and ecological imperatives.

By embedding nature-related risk assessment into our operational planning, we are strengthening our ability to mitigate impacts, protect biodiversity, and contribute to global environmental resilience. *To read more about how we are integrating nature and biodiversity with our water strategy, please see the Water section.*

SUPPLY CHAIN

Our initial assessment also evaluated biodiversity-related risks across our supply chain. We similarly identified GHG emissions, terrestrial ecosystem use, and water stewardship as priority nature-related risks and opportunities associated with ingredient sourcing and packaging feedstocks. We continue to engage with our suppliers on nature topics through our annual CDP Forests and CDP Water requests and through our No Deforestation, No Peat, No Exploitation (NDPE) Policy, which outlines our expectations of suppliers regarding no deforestation, no conversion, and no exploitation.

PARTNERSHIPS AND INDUSTRY INITIATIVES

We participate in industry initiatives to encourage the sharing of information and best practices, especially as related to ingredient traceability and sourcing. These initiatives, in addition to ones listed in the Sourcing section, include:

- Project Revere: In 2021, ELC pledged £500,000 over five years to Revere, a nature restoration project development facility led by Palladium and National Parks, to seed-fund pioneering efforts to restore natural habitats across the U.K. This project will enable more landowners and farmers in the South Downs area to participate in woodland creation, transforming the pace and scale of this work for years to come. Another component of this project enabled Revere to identify nature-based solutions that could reduce phosphorus pollution in Lake Windermere. In partnership with Viridian Logic and supported by ELC funding, Revere modelled data to gain an overview of the phosphorus pollution sources in the catchment, including septic tanks, farmyards and land use types. Revere is now piloting several solutions to reduce phosphorous pollution, with the potential to reduce annual phosphorus by up to 484.6 kg per year and create biodiversity uplifts.
- Conservation International: Through a multi-year partnership entered in 2021 with Conservation International (CI), ELCCF continues to help support work to sequester carbon and mitigate global climate change by engaging Indigenous women and their communities to conserve high-carbon forests across the Amazon in Brazil, Peru, Bolivia, and Ecuador. ELCCF provides support to CI's Amazonia Indigenous Women's Fellowship Program in these key ecosystems, enhancing the voice and agency of Indigenous women.

TARGETS

Palm Oil: In calendar year 2024, we exceeded our goal of sourcing at least 95% of our palm-based ingredients (palm oil and its derivatives) from RSPO-certified physical supply chains. We achieved 97% RSPO certification for these ingredients, up from 95% in calendar year 2023. Since 2015, 100% of the palm-based ingredients we source have been RSPO-certified, either through physical supply chains or the purchase of RSPO Credits.[1]

ADDITIONAL RESOURCES

Sourcing Goals	pp. 9-10
Palm Oil Metrics	p. 80
2025 CDP Response ↗	
Responsible Sourcing web page ↗	

[1] Excludes palm-based ingredients not directly procured by ELC, such as those procured by third-party manufacturers (TPMs) and directly procured and received by DECIEM. Palm oil sourcing is reported by calendar year.

PRODUCT FORMULATION

Consumers around the world trust our brands to deliver the best beauty performance and to do so safely. We consider safety, performance, sustainability, and overall well-being throughout the product development process. We rely on the deep expertise of our scientists and researchers to bring our innovative products to market using advanced methods of development.

GOVERNANCE

Our Research & Development (R&D) Product Formulation, Process Development, and Advanced Technology Pioneering teams manage formula development, including upstream innovation, ingredient selection, formula design, and qualification. Our R&D leadership also oversees product sustainability efforts and green formulation, facilitating cross-functional collaboration throughout the process.

Our Global Product Stewardship team manages ingredient and product safety, including management of our safety review process, regulatory, and analytical and microbiological compliance. Green chemistry is integrated into our formula design efforts with Product Formulation and Global Product Stewardship partnering closely to enable this work across our portfolio.

Our global Green Chemistry Scientific Advisory Board advises on green chemistry best practices and the application of green chemistry methodologies that are scientifically robust and transparent. We also have a second, independent scientific advisory board, representing a focus on the Asia Pacific (APAC) region. These boards are part of our overall commitment to rigorous scientific credentialing, which also encompasses publishing in peer-reviewed journals, partnering with universities, and filing for patents.

These teams, in partnership with our Global Public Affairs team, continue to support legislative and regulatory efforts around the world to modernize and reform cosmetics regulation, including in the European Union, United States, and Canada.

STRATEGY AND FISCAL 2025 PROGRESS

The Estée Lauder Companies approaches product formulation with a strong focus on sustainability, safety, and transparency. By prioritizing sustainable ingredient selection, comprehensive safety science, and ingredient transparency, ELC aims to deliver high-performing products that align with evolving consumer expectations and global sustainability standards.

POLICIES AND CERTIFICATIONS

- Animal Testing Policy ↗
- ISO 16128: We have established standard operating procedures to formulate using the ISO 16128: % Natural and % Naturally Derived standards and have also developed a self-service formulation tool and training program for our formulators. ↗

ACTIONS

We are committed to formulating with safe ingredients and continue to work toward increased ingredient transparency of our products. We continuously explore new ingredients through the lens of sustainability and safety, as well as performance, seeking to embed benefits such as renewability, biodegradability, and lower greenhouse gas (GHG) emissions in our formulations.

PRODUCT SAFETY

We evaluate product safety through a robust quantitative risk assessment process. We employ a sophisticated evaluation plan that incorporates a selection of relevant tools, including, for example, a suite of tests such as stability, consumer, and clinical tests, as well as ophthalmologist and dermatologist testing.

When we consider using an ingredient, we evaluate it to be sure that it meets our safety standards and the requirements of governmental, regulatory, and scientific bodies around the world. If needed, experiments are conducted through in vitro tests and/or computer-based models to further inform our understanding of the ingredient's safety profile.

This ingredient information guides us as we formulate our products. We then evaluate the full formula for safety, which may include comparing it to similar formulas within our extensive database of clinical and safety data. Additional clinical and in vitro testing may also be conducted among volunteer panels to further confirm safety. ELC continues to enhance and evolve our underlying scientific understanding of the ingredients used to formulate our products and the assessment processes by which product safety is demonstrated.

Once the cosmetic formula meets our performance, safety, and quality standards, it is further evaluated for compatibility with packaging, and then the finished product is placed on the market for our consumers to enjoy. We continuously monitor feedback from our consumers, allowing us to understand the impact of our products as they are being used.

OUR APPROACH TO CLEAN BEAUTY

We recognize there is no standard definition of "clean beauty." Some of our brands opt to formulate without specific ingredients or engage in various retailer clean beauty programs at the product or brand level. We evaluate evolving standards for retailer sustainability program requirements to inform brand alignment and participation. ELC uses the ISO 16128 standard to evaluate the natural origin content of our raw materials and formulations. In fiscal 2025, we also developed an ISO 16128 module to enable more team members to access and use the standard consistently across raw materials and formulations.

At ELC, the use of natural, naturally derived, and synthetic ingredients plays an essential role in developing high-performing, safe, and effective products. This includes innovating with natural and naturally derived ingredients through biotechnology, leveraging plant-, yeast-, and ferment-based ingredients. We are also exploring ways to incorporate synthetic materials from renewable bio-based feedstocks, among other emerging solutions. Our R&D teams work closely with our brands to apply the right technologies based on consumer needs and business goals. *To read more about our position on synthetic and natural ingredients, please see our Corporate Ingredient Philosophy web page.* ↗

ANIMAL WELFARE

More than 30 years ago, The Estée Lauder Companies was one of the first cosmetics companies to eliminate animal testing as a method of determining cosmetic product safety. We don't test our products on animals and we don't ask others to test for us. We acknowledge some of our brands are sold in countries where animal testing on cosmetics or cosmetic ingredients is required by law. *To read more about our position against animal testing and approach to promoting acceptance of alternatives, and to see a list of our cruelty free certified brands, please see our Viewpoints web page.* ↗

GREEN CHEMISTRY

We have long understood the importance of green chemistry in embedding sustainability into product formulation. We have spent more than a decade collaborating with experts in the field, assessing our own internal capabilities, and developing tools to enable our teams to seamlessly leverage green chemistry in their daily work. We use green chemistry methods to score our ingredients, innovate across our ingredient portfolio, and design our products. Alongside these processes, we focus our efforts on our talent, continually training our formulators on green principles and practices as we strive for excellence in our green chemistry work. For example, in fiscal 2025, our R&D team led a sustainability training for formulators, highlighting practical ways their formulation decisions can support progress toward enterprise climate goals.

GREEN SCORE PROGRAM

We leverage a proprietary Green Score tool to quantify and systemically assess the green chemistry performance of each raw material. This provides formulators with an overall product Green Score that highlights the formula's impact on human health, ecosystem health, and the environment.

We continue to use the Green Score tool to inform our decision-making, communicate expectations with suppliers, and prioritize raw materials, product types, and product forms. Green Scores have been calculated for individual materials and formulations across our in-house skin care, hair care, and makeup portfolios. We are also dedicated to ongoing research into new ingredient technologies, focusing on improving the sustainability of the raw materials in our formulas. The Green Score supports this effort by providing ingredient-level emissions data that helps guide more sustainable formulation decisions aligned with our Scope 3 GHG emissions reduction goals.

All ELC brand formulators have access to the Green Score quantitative tool to assess the sustainability of their formulations in real time, so they can make educated choices about which ingredients to include. In addition to enterprise-wide trainings for ELC formulators, the Green Score program is integrated across our in-house product development process, providing visibility into the Green Score for new product launches.

In fiscal 2025, in alignment with the Green Score philosophy of continuous improvement, our team published a peer-reviewed scientific journal article detailing the first significant methodological enhancements to the Green Score tool. The article, titled 'Advancing green chemistry performance assessment: the Estée Lauder Companies' continuing journey towards meaningful transparency,' ↗ was featured on the cover of Green Chemistry, highlighting the tool's relevance to the broader scientific community. By incorporating new endpoints for biodegradability, waste generation, and manufacturing process hazard, along with more robust environmental impact data sources, the enhanced Green Score can provide higher resolution material selection guidance and design analytics to formulation teams. The methodological enhancements also enable improved differentiation between the environmental performance of individual ingredients. *To read more, please see the full article in 'Green Chemistry'.* ↗

GREEN CHEMISTRY AND OUR VALUE CHAIN

Our green chemistry work began with a focus on the formulations and ingredients over which we have direct control. Our approach has been to gain a thorough and strategic understanding of our own impacts before expanding to our suppliers, third-party manufacturers, and newly acquired businesses. We continue to expand our work to score fragrances, which are often supplied to us by our partners. In fiscal 2025, we continued working with key fragrance houses to score fragrance products, building on our prior efforts to evaluate our palette of more than 1,500 fragrance ingredients.

BIOTECHNOLOGY

We continue to invest in biotechnology and bio-based materials as part of our broader commitment to sustainability and have a strong focus on external innovation and collaborations. In fiscal 2025, ELC opened our new BioTech Hub in Belgium, expanding our in-house capacity to produce greater volumes of bio-based ingredients while

also enabling future innovations. This facility, along with our existing BioTech Hub in Melville, NY, allows us to manufacture our proprietary technologies at scale to optimize output and reduce batch cycle time. We are actively identifying and developing proprietary bio-based ingredients to drive long-term advancements in product development and manufacturing. *To read more about our developments in biotechnology, please see the feature story on pages 18-21.*

INGREDIENT TRANSPARENCY

Our ingredient palette is composed of thousands of materials. We aim to provide information to our consumers about the ingredients in our products and are developing new ways to share ingredient information and ensure compliance with government transparency measures.

Building on some of our individual brands' ingredient glossaries, we have published a corporate glossary, which includes ingredients of interest to consumers, including vitamin C, ceramides, hyaluronic acid, glycolic acid, lactobacillus ferment, niacinamide, retinol, resveratrol, and peptides, among many others.

We continue to support our individual brands to create online ingredient glossaries featuring key ingredients along with descriptions of their purposes. As of fiscal 2025, 17 brands have launched ingredient glossaries on their websites, and several have expanded existing content. These glossaries serve as a valuable channel for consumers to gain insights into the key ingredients found in their favorite products, understand the reasons for their inclusion, and discover their associated benefits.

SERVING OUR DIVERSE CONSUMERS

We continue to work to ensure that all consumers are authentically and consistently represented and designed for in the products and services that we create. We are committed to ensuring that our products and messaging, as well as our in-store and online experiences, connect with and reflect the cultural, generational, and regional preferences of our consumers.

Staying attuned to the unique needs, preferences, and values of our consumer base allows us to deliver differentiated products, services, and experiences to meet their evolving expectations.

For decades, our brands have recognized the connection between innovation and inclusivity, and we will continue to innovate to meet the needs of our broad global consumer base meaningfully and authentically.

PARTNERSHIPS

Our participation and membership in industry initiatives seek to ensure our company continues to work alongside industry leaders in accordance with safety, regulatory, and sustainability development criteria. These initiatives include:

- Personal Care Products Council, Cosmetics Europe, the European Personal Care Products Association: ELC is a member of these industry associations and similar organizations worldwide, collaborating to advance shared goals in product safety, regulatory alignment, and sustainability development.
- Cosmetics Europe: As members, ELC contributes to and supports COSMILE Europe, an initiative of Cosmetics Europe, in partnership with the German Cosmetic, Toiletry, Perfumery and Detergent Association (IKW), in collaboration with the French Fédération des Entreprises de la Beauté (FEBEA) and with the technological development support of health&media GmbH.
- International Cooperation on Cosmetics Regulation (ICCR): ELC supports this global initiative along with other legislative and regulatory efforts to modernize and reform cosmetics regulation in key markets, including the European Union, United States, and Canada.

TARGETS

Ingredient Glossary: As part of our goal to develop and publish a glossary of key ingredients with descriptions of their purpose by 2025, ELC launched an ingredient glossary on the company's corporate website in fiscal 2024. This corporate glossary, featuring over 100 key ingredients to give consumers greater insight into the products they love. In addition, brands such as Aveda, Bobbi Brown Cosmetics, Bumble and bumble, Clinique, Darphin, DECIEM, Dr.Jart+, Estée Lauder, Editions de Parfums Frédéric Malle, Jo Malone London, La Mer, Lab Series, M·A·C, Origins, Smashbox, TOM FORD, and Too Faced have also published brand-specific ingredient glossaries on their respective websites.

ADDITIONAL RESOURCES

Ingredient Transparency Goal	p. 10
Clean Beauty Viewpoint ↗	
Corporate Ingredient Glossary ↗	
Green Chemistry Website ↗	
Ingredient and Product Testing and Safety Viewpoint ↗	
Ingredient Philosophy web page ↗	

PACKAGING

Product packaging is integral to the high-touch experience our consumers expect from our brands. Increasingly, sustainability considerations can influence prestige packaging—for example, through the removal of unnecessary packaging components, the application of design-for-recyclability principles, and efforts to replace virgin petroleum-based plastics. Our packaging framework, crafted with a sustainability lens, further supports our efforts to foster a more circular economy.

GOVERNANCE

The Global Packaging function is accountable for developing our packaging strategies through an end-to-end approach to innovation. This collaborative effort involves multiple teams including Environment, Health, and Safety (EHS), Global Research & Development (R&D), Global Product Stewardship, Engineering, Global Communications and Public Affairs, Marketing, Creative, and Procurement, as well as the Global Corporate Citizenship and Sustainability functions. Together, these teams share accountability for achieving our packaging sustainability goals.

Within the Global Packaging function, our Packaging Sustainability team drives sustainability initiatives and ensures alignment between our brands and corporate organization. Packaging Sustainability assists the brands, who are responsible for delivering on ELC packaging sustainability strategies, to drive commercial value creation and corporate goal achievement.

STRATEGY AND FISCAL 2025 PROGRESS

We view packaging as a key opportunity to advance our overall sustainability strategy. Through our comprehensive guidelines, ELC strives to minimize packaging waste and promote circularity across our product portfolio.

POLICIES AND CERTIFICATIONS

- Forest Stewardship Council (FSC) certification ↗
- No Deforestation, No Peat, No Exploitation (NDPE) Policy ↗
- Timber Action Plan ↗

ACTIONS

From concept to consumer, packaging is vertically integrated throughout much of the enterprise. Our Materials Science team seeks to incorporate sustainability elements into the development of luxury packaging innovations. Packaging developers help brands stay up to date on the most recent and innovative design principles. As part of our New Product Launch (NPL) process, developers in partnership with our packaging sustainability team consider the potential environmental impacts of our packaging design.

Our Packaging Sustainability Guidelines outline our priorities, which include:

- Reducing and removing packaging where possible
- Designing packaging that is reusable and refillable
- Building designed-in recyclability
- Increasing amounts of recycled content and prioritizing post-consumer recycled (PCR) material in packaging
- Replacing petroleum-based plastics with bioplastics (if the bioplastic can be recycled and does not contaminate traditional recycling streams)

Along with the Guidelines, we use various tools to advance packaging sustainability. These include custom-developed tools to calculate the sustainability profiles of different packaging formats and materials such as our greenhouse gas assessment calculator, as well as third-party reviewed lifecycle assessments for select product packaging. In addition, internal assessment tools were developed to allow users to determine the recyclability profile of given packaging components and to help align our packaging designs with the evolving key regulatory priorities.

TRAININGS

INTERNAL TRAININGS

Training allows us to keep employees and suppliers up to date on packaging sustainability initiatives while capturing ideas and feedback to evolve our programs. In fiscal 2025, we increased the number of internal training courses we offer to help improve employees', retailers, and suppliers' understanding of current and emerging sustainability-related topics. These courses cover retailer demands for sustainability in packaging, consumer insights, packaging sustainability trends, data collection accuracy, and regulatory requirements, in order to help brands implement and communicate packaging-related efforts. In fiscal 2025, we also continued to offer a dedicated Earth Month edition of ELC UnPack It, an ongoing packaging education series which offers information to more than 250 employees on packaging sustainability solutions at ELC.

In fiscal 2025, we continued to expand upon internal training courses to support ELC leaders in further embedding sustainability principles across the enterprise, and advance our goals and commitments related to product formulation and packaging. The objective of the training was to prepare and empower leaders to

more fully incorporate formula and packaging sustainability innovations into each brand's product design. We also hosted our first Sustainability in Brand Product Design Training, for cross-functional brand VPs that influence ELC's formula design and packaging work, focusing on:

- Understanding ELC's broader formula and packaging sustainability strategy, commitments, and progress/impact
- Highlighting enablers of brand growth through key sustainability drivers
- Identifying potential barriers to action, capabilities, resources, and next steps required to help ensure success

EXTERNAL ENGAGEMENT

In addition, in fiscal 2025 we hosted dedicated trainings to continue to expand our talent's understanding of recyclability, reusability, and tools created to support the design of these attributes into our packages. We shared our learnings with our industry peers during various conferences and events, such as the FRESH Food, Packaging, & Sustainability Summit at Clemson University, the Florida Chapter of the Society of Cosmetic Chemists Sustainability Symposium, and Luxe Pack NY, sharing case studies and best practices with peers to help lead the industry forward in adopting packaging sustainability improvements.

We continue to engage with our external stakeholders, such as our suppliers and industry peers, to collaborate on packaging solutions across our value chain. We train our suppliers in life cycle assessment (LCA) methodologies based on ISO 14040 and ISO 14044[1] to help promote a more circular economy.

TARGETING THE "5RS"

We aim to design our packaging to be recyclable, refillable, reusable, recycled, or recoverable—our "5Rs." We define these characteristics as follows:

- Recyclable: Package or packaging component that can be widely recycled through current recycling streams. Its recyclability may depend on size, decoration, and material, as well as the location in which it is sold.
- Refillable: Packaging that allows containers to be used multiple times, helping to reduce single-use waste and contribute to a circular economy.
- Reusable: Containers are designed to be used multiple times for the same purpose, decreasing the need for single-use items and promoting long-lasting sustainability practices.
- Recycled: Packaging materials that are post-consumer recycled, which is material generated by consumers in their role as end-users of the product which can no longer be used for its intended purpose. This includes returns of material from the distribution chain and excludes pre-consumer material, such as industrial scrap.
- Recoverable: Packaging materials that would have otherwise been disposed of, including to landfill, but have instead been collected through take-back programs offered by select ELC brands in certain markets including parts of North America, Europe, Asia, and Australia. These efforts reflect our commitment to recover packaging materials that would have been otherwise sent to landfill.

We understand that transforming packaging to meet these characteristics at scale takes time, especially as it requires change across the entire value chain. For example, existing recycling infrastructure often cannot recover small size packaging; post-consumer recycled materials supply might be limited and not meet quality or compatibility specifications; roll out of refillable components must take into account new delivery systems; and consumers might not always have recycling options in places where cosmetic packaging is most often disposed.

For our part, we continue to work through these challenges. We are investing in innovative packaging sustainability solutions, process improvements, supplier collaborations, and alternative materials, as supported by consumer feedback.

PLASTICS

We are committed to minimizing the use of virgin petroleum content in our plastic packaging. Our internal plastic guidelines help drive the reduction of virgin petroleum and non-recyclable plastic in our packaging, products, offices, facilities, and retail spaces. Our guidelines include options such as pursuing alternatives to single-use virgin petroleum plastic packaging, replacing plastic applicators used in our retail stores with paper or wood versions, reducing plastic water bottles and cutlery in our spaces, and reducing virgin petroleum and non-recyclable plastic used in our visual merchandising.

Our goal of reducing the amount of virgin petroleum content in our plastic packaging, as well as regulations around the world that target plastic reduction, encourages a holistic approach to addressing the challenges related to plastic and complex packaging formats. To support our efforts to achieve this goal, we continue to leverage a broad range of packaging solutions, including the use of advanced recycling as a complementary solution to mechanical recycling and innovative uses of materials such as paper. In fiscal 2025, Origins engaged in a packaging redesign to reduce plastic use by an average of 35% compared to previous packaging portfolios.

Advanced recycling returns hard-to-recycle plastic back to its basic chemical building blocks. This is important because traditional mechanical recycling streams for plastics are limited, and plastics can only be recycled a finite number of times. Once the plastic has been broken down to its molecular state through advanced recycling, it can be used to create high-performance plastics akin to a virgin material. Our work with leading suppliers in the material-to-material molecular recycling technology space has helped us incorporate advanced recycling technologies into PCR content used in our packages.

As part of our commitment to packaging sustainability, The Estée Lauder Companies continue to evolve our packaging through a multifaceted approach grounded in our "5Rs."

Building on our founder's pioneering use of sampling to enhance consumer experience, we are continuously reimagining our sampling packaging to embed sustainability at its core. Our brands have been instrumental in this transformation:

- AVEDA: In 2021, Aveda introduced a locally recyclable, paper-based sachet with a refined three-dimensional structure for haircare applications. In fiscal 2025, this design was further enhanced,

[1] ISO 14040: Environmental Management—Life Cycle Assessment—Principles and Framework, and ISO 14044: Environmental Management—Life Cycle Assessment—Requirements and Guidelines.

improving the design to scale this recyclable sampling concept globally. This globally recyclable paper sample sachet reduces plastic use by more than 80% compared to Aveda's 10ml plastic tubes.

- ORIGINS: In fiscal 2025, after extensive cross-functional collaboration, Origins launched a new paper-based recyclable sample packette to replace traditional aluminum and multi-material packettes, expanding sustainability solutions into new categories such as skin care.

These milestones from our brands reflect our continued commitment to material innovation, supplier partnerships, and consumer engagement on our sustainability journey.

SECONDARY AND TERTIARY PACKAGING

Secondary and tertiary packaging materials protect the integrity of our products while in transit. We focus on improving the sustainability profile of shipping packaging materials through various methods. For example, we work with suppliers to use alternative materials and increase the percentage of PCR content in tertiary packaging. Certain brands also provide consumers with the choice to opt out of gift boxes to reduce excess packaging. These efforts help improve packaging sustainability while maintaining a luxurious experience throughout the consumer journey. At our manufacturing sites, we have implemented pilot projects with local suppliers to reuse and return component trays to help reduce waste.

PARTNERSHIPS

We engage in partnerships and collaborations with sustainability organizations, recyclers, suppliers, and other stakeholders to address industry-wide challenges and inform our approach to meeting our packaging targets. The knowledge gained through partnerships allows us to further enhance design choices related to packaging features such as color, dimensions, separability, and decoration. Understanding how these features impact the packaging's end-of-life enables us to improve our guidelines, internal tools, and trainings to help us deliver packaging designed with sustainability in mind. In fiscal 2025, we continued our multi-year study in partnership with Sibelco dba Strategic Materials, Inc., the largest glass recycler in North America, to identify ways to enhance the recyclability of cosmetic glass packaging.

We invest in industry-leading collaborations as a critical component of our holistic approach to addressing the challenges related to complex packaging formats. We are members of, or collaborate with, the following organizations focused on reducing the environmental impacts of packaging:

- Business Coalition for a Global Plastics Treaty
- Material ConneXion
- Sustainable Packaging Coalition (SPC)
- The Sustainable Packaging Initiative for CosmEtics (SPICE)
- Sibelco dba Strategic Materials Inc.
- 4evergreen

TARGETS

5R's: By the end of 2025, our goal is for 75–100% of our packaging to be recyclable, refillable, reusable, recycled, or recoverable. We've made meaningful progress while navigating challenging recycling infrastructure and evolving regulatory requirements across markets. As of now, 72% of our packaging meets these criteria, demonstrating adaptability in advancing sustainable design principles across our portfolio.

Post-Consumer Recycled (PCR) Content: We are working toward incorporating 25% or more PCR material in our packaging by 2025. As of now, we have reached 20%, building on our initial 2021 goal of 15%. Progress continues despite widespread industry challenges, including limited PCR availability and fluctuating costs. We are actively collaborating with suppliers, and exploring material innovations to help close this gap and advance the circular use of plastics.

Forest Stewardship Council® (FSC®) Certification: Our aim is to use responsibly sourced paper products wherever possible, with a target of achieving 100% FSC® certification for all forest-based fiber cartons by 2025.[2] Currently, 98% of our cartons are FSC certified, helping us reinforce our approach to sustainable sourcing standards across our supplier network.

Reducing Virgin Plastic Use: Looking ahead to 2030, we aim to reduce the virgin petroleum content in our plastic packaging to 50% or less. By the end of fiscal 2025, 79% of our plastic use originated from virgin sources, but we continue to drive progress by embracing diverse solutions. These include leveraging advanced recycling technologies, incorporating bio-based resins, and utilizing alternative materials such as paper. This multifaceted approach helps us reduce dependency on fossil fuel-derived plastics while enhancing the sustainability of our packaging portfolio.

ADDITIONAL RESOURCES

Packaging Goals	p. 10
Packaging Metrics	p. 80
Plastics Viewpoint ↗	

[2] Forest-based fiber cartons are defined as folding cartons or sleeves made from solid bleached sulfate paperboard, folding box board, or an equivalent board made with post-consumer waste.

METRICS

SELECT FINANCIAL DATA

(IN MILLIONS, EXCEPT PER SHARE DATA)

		FY25	FY24	FY23
Net sales	$	14,326	$15,608	$15,910
Net (loss) earnings attributable to The Estée Lauder Companies Inc.	$	(1,133)	$390	$1,006
Net (loss) earnings attributable to The Estée Lauder Companies Inc. per common share—Diluted	$	(3.15)	$1.08	$2.79

GLOBAL EMPLOYEES[1]

Amounts may not sum due to rounding

	JUNE 30 2025
Total employees (Thousands)	56.3*
% Total employees, by region	
The Americas	34.9%*
Asia/Pacific	30.7%*
Europe, the Middle East & Africa	34.4%*
% Total employees, by age group	
<30 yo	26.3%*
30-50 yo	56.2%*
>50 yo	17.5%*
% Total employees, by gender	
Female	80.8%*
Male	19.2%*
% Total corporate employees by job level, by gender	
Female Vice President and above	60.8%*
Male Vice President and above	39.2%*
Female Director and Executive Director	64.4%*
Male Director and Executive Director	35.6%*
Female Manager and below	78.0%*
Male Manager and below	22.0%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

[1] Total employees, in this and the following metric tables unless noted otherwise, include global regular and temporary full-time and part-time employees on active assignment or on leave with pay and exclude approximately 1,300+ DECIEM employees. DECIEM is in the process of being fully integrated into the principal ELC HR Data System.

GLOBAL EMPLOYEES[1]

(continued)

Amounts may not sum due to rounding

	JUNE 30 2025
% Total employees by role type, by gender	
Female in Corporate	75.0%*
Male in Corporate	25.0%*
Female in Retail	87.9%*
Male in Retail	12.1%*
Female in Manufacturing and Distribution	50.1%*
Male in Manufacturing and Distribution	49.9%*
Female in STEM	62.2%*
Male in STEM	37.8%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

GLOBAL EMPLOYEES BY EMPLOYEE TYPE

(THOUSANDS)
Amounts may not sum due to rounding

TOTAL EMPLOYEES BY EMPLOYEE TYPE, BY REGION	JUNE 30 2025
Regular employees, by region	
The Americas	13.1*
Asia/Pacific	16.1*
Europe, the Middle East & Africa	18.2*
Temporary employees, by region	
The Americas	6.6*
Asia/Pacific	1.2*
Europe, the Middle East & Africa	1.2*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

GLOBAL EMPLOYEES BY EMPLOYEE TYPE *(continued)*

(THOUSANDS)
Amounts may not sum due to rounding

TOTAL EMPLOYEES BY EMPLOYEE TYPE, BY GENDER	JUNE 30 2025
Regular full-time employees, by gender	
Female	30.7*
Male	9.0*
Regular part-time employees, by gender	
Female	6.9*
Male	0.6*
Temporary full-time employees, by gender	
Female	1.1*
Male	0.2*
Temporary part-time employees, by gender	
Female	6.8*
Male	1.0*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

U.S. EMPLOYEES[2]

Amounts may not sum due to rounding

% TOTAL U.S. EMPLOYEES, BY RACE/ETHNICITY[3]	JUNE 30 2025
American Indian or Alaskan Native	0.5%*
Asian	15.0%*
Black or African American	12.9%*
Hispanic or Latino	19.3%*
Native Hawaiian or Pacific Islander	0.5%*
White	46.8%*
Two or More Races	3.5%*
Not Self-Identified	1.5%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

[2] Data is only available for U.S.-based employees and race/ethnicity category is defined according to Equal Employment Opportunity Commission (EEOC) guidelines as American Indian or Alaskan Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, Two or More Races, and White. Excludes DECIEM.
[3] ELC's consolidated EEO-1 report is available to download here and represents the ELC U.S.-based employee population as of the end of calendar year 2024, in alignment with federally mandated Job Category and Level definitions.

U.S. EMPLOYEES

Amounts may not sum due to rounding

	JUNE 30 2025
% U.S. CORPORATE EMPLOYEES, BY RACE/ETHNICITY	
American Indian or Alaskan Native	0.1%*
Asian	17.6%*
Black or African American	6.8%*
Hispanic or Latino	11.3%*
Native Hawaiian or Pacific Islander	0.3%*
White	61.2%*
Two or More Races	2.1%*
Not Self-Identified	0.6%*
% U.S. RETAIL EMPLOYEES, BY RACE/ETHNICITY	
American Indian or Alaskan Native	0.9%*
Asian	6.0%*
Black or African American	16.3%*
Hispanic or Latino	28.0%*
Native Hawaiian or Pacific Islander	0.7%*
White	40.0%*
Two or More Races	5.7%*
Not Self-Identified	2.4%*
% U.S. MANUFACTURING & DISTRIBUTION EMPLOYEES, BY RACE/ETHNICITY	
American Indian or Alaskan Native	0.6%*
Asian	34.4%*
Black or African American	18.4%*
Hispanic or Latino	14.0%*
Native Hawaiian or Pacific Islander	0.3%*
White	30.9%*
Two or More Races	0.7%*
Not Self-Identified	0.8%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

U.S. CORPORATE EMPLOYEES BY JOB LEVEL

Amounts may not sum due to rounding

	JUNE 30 2025
% U.S. VICE PRESIDENT AND ABOVE CORPORATE EMPLOYEES, BY RACE/ETHNICITY	
American Indian or Alaskan Native	0.0%*
Asian	14.9%*
Black or African American	5.3%*
Hispanic or Latino	7.1%*
Native Hawaiian or Pacific Islander	0.2%*
White	69.3%*
Two or More Races	1.8%*
Not Self-Identified	1.3%*
% U.S. DIRECTOR AND EXECUTIVE DIRECTOR CORPORATE EMPLOYEES, BY RACE/ETHNICITY	
American Indian or Alaskan Native	0.1%*
Asian	20.1%*
Black or African American	4.0%*
Hispanic or Latino	7.8%*
Native Hawaiian or Pacific Islander	0.1%*
White	65.6%*
Two or More Races	1.9%*
Not Self-Identified	0.4%*
% U.S. MANAGER AND BELOW CORPORATE EMPLOYEES, BY RACE/ETHNICITY	
American Indian or Alaskan Native	0.1%*
Asian	16.7%*
Black or African American	8.3%*
Hispanic or Latino	13.3%*
Native Hawaiian or Pacific Islander	0.4%*
White	58.2%*
Two or More Races	2.2%*
Not Self-Identified	0.7%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

GLOBAL TURNOVER RATE[4]

Amounts may not sum due to rounding

	FY25
Total turnover rate	21.7%*
Total turnover rate, by leave reason	
Voluntary turnover rate	16.4%*
Involuntary turnover rate	5.3%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

GLOBAL HIRING & RETENTION[5,6]

	FY25
% GLOBAL HIRING, BY GENDER	
Female	82.8%*
Male	17.2%*
% GLOBAL RETENTION RATE, BY GENDER	
Female	76.8%*
Male	78.2%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

U.S. EMPLOYEE HIRING[5]

Amounts may not sum due to rounding

	FY25
% U.S. EMPLOYEE HIRING, BY RACE/ETHNICITY	
American Indian or Alaskan Native	1.0%*
Asian	9.9%*
Black or African American	17.9%*
Hispanic or Latino	25.5%*
Native Hawaiian or Pacific Islander	0.6%*
White	35.9%*
Two or More Races	5.5%*
Not Self-Identified	3.6%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

[4] Includes regular full-time and regular part-time employees. Excludes temporary full-time and temporary part-time employees. Turnover rate is calculated by dividing the total global regular employees who exited during the fiscal year by the average month-end global regular employee headcount during the fiscal year. Fiscal year average month-end global regular employee headcount is calculated by adding headcount on the last day of each month and dividing by 12.

[5] The gender or race/ethnicity percentage of hiring is calculated by dividing the number of employees of the specified gender or race/ethnicity hired during the fiscal year by the total number of employees hired during the fiscal year.

[6] Retention rate for a specified gender or race/ethnicity is calculated by dividing the number of employees of the specified gender or race/ethnicity that remained from the beginning of the fiscal year to the end of the fiscal year by the total number of employees of that specified gender or race/ethnicity at the beginning of the fiscal year.

U.S. EMPLOYEE RETENTION[6]

% U.S. EMPLOYEE RETENTION RATE, BY RACE/ETHNICITY	FY25
American Indian or Alaskan Native	62.7%*
Asian	75.5%*
Black or African American	66.0%*
Hispanic or Latino	66.8%*
Native Hawaiian or Pacific Islander	79.4%*
White	71.1%*
Two or More Races	59.5%*
Not Self-Identified	79.4%*

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

BOARD OF DIRECTORS

Amounts may not sum due to rounding

	JUNE 30 2025
Total Board count	14
% Female	42.9%
% Male	57.1%
% People of Color	21.4%
% White	78.6%
% Board composition, by age group	
<30 yo	0.0%
30-50 yo	14.3%
>50 yo	85.7%

SOCIAL INVESTMENTS

	FY25	FY24	FY23
Total charitable contributions ($ Millions)[7]	$36.1	$41.4	$31.2

[7] Amounts represent cash and product donations recorded by ELC for such period and include ELC matching contributions related to employee contributions (amounts do not include charitable contributions made by employees). Changes in contribution levels from year to year reflect, in part, the timing of contributions to the ELC Charitable Foundation, the ELC Cares Fund, and the ELC Good Works program.

EMPLOYEE VOLUNTEERISM & GIVING[8]

(THOUSANDS)

Amounts may not sum due to rounding

	FY25	FY24	FY23
Employee volunteer hours	22.6*	23.7+	19.7+
Employee donations	$998*	$1,083+	$1,134+
Amount matched by ELC[9]	$2,164*	$2,327+	$1,944+
Total cumulative employee donations and company matches through ELC's social impact and sustainability engagement program[10]	$27,386	$24,224	$20,815

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

+Metrics previously assured by an external third party. See Report of Independent Accountants in the Fiscal 2024 Social Impact & Sustainability Report and Report of Independent Accountants in the Fiscal 2023 Social Impact & Sustainability Report.

EMPLOYEE SAFETY[11]

	FY25	FY24	FY23
Total Recordable Incident Rate (TRIR)	0.17*	0.22+	0.20+
Days Away, Restricted or Transfer Rate (DART)	0.16*	0.17+	0.17+
Lost Time Frequency Rate (LTFR)	0.14*	0.13+	0.15+
Total fatalities	0.00*	0.00+	0.00+
Total Recordable Incidents[12]	82*	107+	102+
Recordable work-related injuries, by main types[13]			
Slips, trips, and falls	36*	37+	40+
Ergonomic injuries	10*	14+	8+
Struck by	15*	14+	24+

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

+Metrics previously assured by an external third party. See Report of Independent Accountants in the Fiscal 2024 Social Impact & Sustainability Report and Report of Independent Accountants in the Fiscal 2023 Social Impact & Sustainability Report.

[8] Metrics reflect information self-reported to ELC's employee social impact and sustainability engagement program, the ELC Good Works platform, used to report employee volunteerism, employee monetary donations, and ELC charitable matching gifts. The platform was available in 31 markets at the end of fiscal 2025. Eligible employees are those who meet certain criteria, which varies by market, and have access to the platform.

[9] Due to volunteer and company rewards, as well as campaigns that provide more than a 1-to-1 match, amount matched by ELC is higher than employee donation amount. For additional information, see Management Assertion. ELC match amount is also included as part of the "Total Charitable Contributions" metric in the Social Investments data table.

[10] Metric includes total cumulative ELC employee donations and amount matched, inclusive of volunteer rewards, by ELC since the launch of the ELC Good Works platform in November 2015, through the end of FY25, FY24 and FY23, respectively.

[11] Data includes employees and contractors under direct supervision. Breakdown by direct employees and contractors is not available. Rates are calculated using the Occupational Safety and Health Administration (OSHA) recordability criteria and are based on 200,000 hours worked and the ELC Total Hours Worked for the fiscal year. Excludes DECIEM. For additional information, see Management Assertion.

[12] Recordable Incidents are measured using OSHA recordability criteria.

[13] Main types include the top three most frequently occurring types of recordable injuries as observed over a five-year lookback period.

ENERGY

(THOUSAND MWH EXCEPT FOR PERCENTAGES)

Amounts may not sum due to rounding

	FY25	FY24	FY23
Total energy consumption within the organization	388.8*	382.0+	331.4+
Total fuel consumption, by source[14]	196.6*	194.2+	152.4+
Non-renewable	195.1*	193.0+	151.4+
Renewable	1.5*	1.2+	1.0+
Total electricity consumption, by source[15]	192.2*	187.8+	179.0+
Non-renewable	0.0*	0.0+	0.0+
Renewable	192.2*	187.8+	179.0+
Energy intensity (MWh normalized to million dollars of net sales)	27.1*	24.5+	20.8+
% Global energy sourced from renewable energy	49.8%*	49.5%+	54.3%+
% Global electricity sourced from renewable electricity	100%*	100%	100%
Reduction of energy consumption due to conservation and efficiency measures[16]	0.9*	2.8+	2.3+
% Global corporate fleet electric vehicles[17]	20.1%	10.7%	5.3%

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

+Metrics previously assured by an external third party. See Report of Independent Accountants in the Fiscal 2024 Social Impact & Sustainability Report and Report of Independent Accountants in the Fiscal 2023 Social Impact & Sustainability Report.

[14] Fuel consumption for all global activities within ELC's operational control. Non-renewable fuel includes diesel, natural gas, mobile gasoline, mobile diesel, fuel oil, liquefied natural gas (LNG), propane, and purchased energy (purchased steam, district heat from natural gas and blended feedstocks, and purchased chilled water). Renewable fuel includes bio-fuel and district heat from wood and wood residuals. For additional information, see Management Assertion.

[15] Electricity consumption for all global activities within ELC's operational control. Non-renewable electricity sourced reflects utility purchases not covered by renewable off-site generation (utility contracts), Energy Attribute Certificate (EAC) purchases, or a Virtual Power Purchase Agreement (VPPA). Renewable electricity sourced reflects on-site solar electricity generated and consumed at ELC locations, renewable off-site generation (utility contracts), EAC purchases, and a VPPA. For additional information, see Management Assertion.

[16] Total estimated annual savings from projects implemented in the reporting period. Total energy savings are attributed to the year in which projects launched, regardless of timing during the fiscal year. For additional information, see Management Assertion.

[17] Global corporate fleet vehicles are vehicles that are owned or leased by ELC, including those provided to employees pursuant to their role within the organization (e.g., sales or executive management). Electric vehicles are defined as battery-electric vehicles and plug-in hybrid vehicles with an all-electric range of at least 50 km.

GREENHOUSE GAS (GHG) EMISSIONS: SCOPE 1 AND 2

(THOUSAND METRIC TONS CO_2 EQUIVALENT EXCEPT FOR PERCENTAGES)

	FY25	FY24	FY23
Scope 1[18]	36.9*	36.6+	29.5+
Scope 2 Market-based, by source[19]	1.5*	1.9+	1.3+
Electricity	0.0*	0.0	0.0
Thermal	1.5*	1.9	1.3
Scope 2 Location-based[19]	62.3*	63.1+	60.2+
Scope 1 and 2 GHG intensity (normalized to million dollars of net sales)[20]	0.0*	0.0+	0.0+
% Scope 1 and 2 reduction[21]	37.6%	37%	51%
Reduction of emissions due to conservation and efficiency measures[22]	0.5*	0.8+	0.7+

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

+Metrics previously assured by an external third party. See Report of Independent Accountants in the Fiscal 2024 Social Impact & Sustainability Report and Report of Independent Accountants in the Fiscal 2023 Social Impact & Sustainability Report.

[18] Scope 1 emissions include direct emissions associated with fuel consumption and refrigerant usage for the operation of ELC owned and leased locations and vehicles, except emissions associated with refrigerant sources at freestanding store, salon, office, and certain regional distribution and innovation locations. The base year for Scope 1 and Scope 2 emissions is fiscal 2018. Global warming potential (GWP) factors are taken from the Intergovernmental Panel on Climate Change's Fifth (AR5) and Sixth Assessment Reports (AR6) (select refrigerant GWPs are pulled from AR5 if not provided by the more recent AR6). For additional information on emissions and emissions accounting standard used, see Management Assertion.

[19] Scope 2 emissions include indirect emissions associated with purchased electricity, purchased steam, district heat, and purchased chilled water for the activities of all ELC owned and leased locations. Market-based emissions include renewable electricity sourced from contractual agreements and the application of country or regionally specific residual mix emission factors for electricity (where available). For additional information on emissions and emissions accounting standard used, see Management Assertion.

[20] GHG intensity is calculated based on Scope 1 and Scope 2 market-based emissions including carbon offsets and renewable electricity sourced from contractual agreements.

[21] Reduction is from a fiscal 2018 baseline and reflects Scope 1 and Scope 2 market-based emissions including renewable electricity sourced from contractual agreements.

[22] Total estimated annual savings from projects implemented in the reporting period. Total energy and GHG emission savings are attributed to the year in which projects launched, regardless of timing during the fiscal year. For additional information, see Management Assertion.

GREENHOUSE GAS (GHG) EMISSIONS: SCOPE 3

(THOUSAND METRIC TONS CO_2 EQUIVALENT)

Amounts may not sum due to rounding

	FY25	FY24	FY23
Scope 3, by category[23,24]	1,523.6	1,663.6	1,994.7
Category 1: Purchased goods and services[25]	728.1	762.5	801.5
Category 2: Capital goods[26]	144.3*	156.6+	261.0+
Category 3: Fuel and energy-related activities[27]	22.6*	22.9+	25.5+
Category 4: Upstream transportation and distribution	414.1	497.2	692.7
Category 5: Waste generated in operations[28]	28.6	34.7	42.8
Category 6: Business travel[29]	57.9	52.2	31.1
Category 7: Employee commuting	31.8	33.4	36.0
Category 8: Upstream leased assets			
Category 9: Downstream transportation and distribution	10.3	11.2	11.1
Category 10: Processing of sold products			
Category 11: Use of sold products	18.1	18.5	15.7
Category 12: End-of-life treatment of sold products	62.7	69.7	76.6
Category 13: Downstream leased assets			
Category 14: Franchises[30]	4.5	3.9	
Category 15: Investments	0.8	0.7	0.6
% Scope 3 reduction per unit revenue[31]	14%	14%	2%

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

+Metrics previously assured by an external third party. See Report of Independent Accountants in the Fiscal 2024 Social Impact & Sustainability Report and Report of Independent Accountants in the Fiscal 2023 Social Impact & Sustainability Report.

[23] Scope 3 emissions are reported for all categories that are relevant to ELC. Please refer to ELC's 2025 CDP Response for additional information.
[24] Select fiscal 2023 and 2024 Scope 3 metrics previously reported have been revised due to methodology improvements or the availability of more complete data. Refer to fiscal 2023 Social Impact & Sustainability Report and fiscal 2024 Social Impact & Sustainability Report for the previously reported metrics.
[25] Category 1 includes Raw Materials, Packaging, third-party manufacturers (TPMs), and indirect procurement of goods and services.
[26] In calculating the metric value, for fiscal 2025, ELC adjusted spend for inflation, for fiscal 2024, ELC adjusted the respective emission factor for inflation, and for fiscal 2023 ELC did not adjust for inflation.
[27] Category 3 includes fuel and energy-related activities associated with global activities within ELC's operational control. Assurance was completed after publication of the fiscal 2023 metrics.
[28] Category 5 data for fiscal 2024 includes Q4 FY23 and Q1-Q3 FY24 data due to data availability constraints.
[29] Category 6 includes air travel, hotel stays, rail travel, and car rentals, but excludes out-of-pocket employee travel expenses.
[30] Category 14 is included for the first time in fiscal 2024 as a result of the acquisition of TOM FORD and subsequent licensing of fashion and eyewear production.
[31] This metric includes purchased goods and services, upstream transportation and distribution, and business travel. Reduction is calculated from a fiscal 2018 Scope 3 baseline (Scope 3 in metric tons CO_2 equivalents / net sales in million USD). See pp. 43-48 for additional details.

WASTE[32]

(THOUSAND METRIC TONS)

Amounts may not sum due to rounding

	FY25	FY24	FY23
HAZARDOUS WASTE			
Total hazardous waste, by management method	1.7	1.3	1.4
Diverted from disposal			
Recycling	0.01	0.01	0.02
Other recovery[33]	0.01	0.04	0.11
Directed to disposal			
Energy recovery	1.6	1.1	1.0
Landfill	0	0	0
Incineration	0.03	0.14	0.23
Other treatment method[34]	0.05	0.01	<0.01
NON-HAZARDOUS WASTE			
Total non-hazardous waste, by management method (excluding reuse)	20.0	20.8	29.6
Diverted from disposal			
Reuse[33]	7.1	7.5	7.7
Recycling[33]	11.4	11.3	16.4
Composting	0.02	0.03	0.04
Other recovery[33]	0.23	0.26	0.57
Directed to disposal			
Energy recovery	8.11	9.02	12.24
Landfill[35]	0.04	0.11	0.10
Incineration	0.16	0.06	0.19
Other treatment method[34]	<0.01	<0.01	0.02

[32] Fiscal 2025 waste data reflects production and surplus waste from 47 locations (14 manufacturing sites, 26 distributions sites, and 7 innovation sites). Sludge waste and product giveaways are not included. Excludes DECIEM.
[33] Other recovery methods in fiscal 2025 include anaerobic digestion and co-processing.
[34] Other treatment methods in fiscal 2025 include a combination of chemical, biological, and/or physical.
[35] Metric includes municipal solid waste, a non-industrial waste stream that is not in scope of ELC's zero industrial waste-to-landfill goal.

		FY25	FY24	FY23
WATER	Withdrawal (Million cubic meters)[36]	1.3*	1.6+	1.6+
	Consumption (Million cubic meters)[36]	0.1*	0.2+	0.2+
	Discharge (Million cubic meters)[36]	1.2*	1.4+	1.4+
	% Water consumption from all areas with high or extremely high water stress[37]	59.6%*	53.0%+	46.4%+
	% Water withdrawn from all areas with high or extremely high water stress[37]	75.3%*	80.2%+	67.8%+
	Water consumption intensity (Cubic meters normalized to million dollars of net sales)	10.1*	10.6+	10.3+
	% Reduction in water withdrawal at manufacturing sites[38]	41%	23%	18%
	COD emissions to water (metric tons)[39]	1.4		

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

+Metrics previously assured by an external third party. See Report of Independent Accountants in the Fiscal 2024 Social Impact & Sustainability Report and Report of Independent Accountants in the Fiscal 2023 Social Impact & Sustainability Report.

		FY25	FY24	FY23
SUPPLIER EVALUATION AND MONITORING[40]	% of new suppliers screened using environmental and social criteria[41]	100%	100%	100%
	% of strategic suppliers screened using environmental and social criteria[42]	100%	100%	100%
	Number of third-party supplier audits[43]	153	124	97

[36] Fiscal 2025 Withdrawal, Consumption, and Discharge data reflects 167 locations operated by ELC (16 manufacturing sites, 43 distribution sites, 7 innovation sites, and 101 offices). For additional information, see Management Assertion.

[37] Water risk assessments conducted in fiscal 2023, 2024, and 2025 indicate 75, 79, and 77 locations are present in areas of high or extremely high water stress, respectively, as defined by the World Resources Institute's Water Risk Atlas tool (Aqueduct v3.0 for fiscal 2023, and v4.0 for fiscal 2024 and 2025). The version update reclassified several sites, including two manufacturing campuses. For consistently stressed sites, water withdrawal and consumption decreased in fiscal 2024 and 2025 compared to fiscal 2023. For additional information, see Management Assertion.

[38] Reduction is from a fiscal 2019 baseline of 1.5 million cubic meters water withdrawal at ELC-operated manufacturing sites. Excludes any manufacturing sites not fully operated by ELC within the target timeline.

[39] Chemical Oxygen Demand (COD) emissions to water represent oxygen-consuming substances in treated wastewater, based on compliance monitoring at the one ELC-operated manufacturing site permitted to discharge to a freshwater body. Excludes discharges sent to third-party treatment, where removal efficiencies are outside company control.

[40] Suppliers are those that provide direct raw material, ingredient, packaging, and third-party manufacturing to ELC.

[41] Excludes DECIEM.

[42] Strategic suppliers include those with broad and unique capabilities, proven value creation, and a high level of collaboration. These suppliers comprise more than half of ELC direct spend in the periods reported. Excludes DECIEM.

[43] Includes third-party audits requested by ELC, as well as other mutually recognized audits that (i) align to ELC's audit standard; (ii) are conducted by third-party auditors; and (iii) meet ELC's validity date criteria.

PALM OIL[44]

Amounts may not sum due to rounding

	CY24	CY23	CY22
Total amount of palm oil sourced (Thousand metric tons)	3.3*	3.2[+]	5.1[+]
% Total palm oil certified by RSPO, by certification type	100%*	100%[+]	100%[+]
Identity Preserved	<1%*	<1%[+]	<1%[+]
Segregated	<1%*	<1%[+]	<1%[+]
Mass Balance	97%*	95%[+]	91%[+]
RSPO Credits	3%*	5%[+]	9%[+]
% Total palm-based ingredients sourced through certified-sustainable physical supply	97%*	95%[+]	91%[+]
% Palm derivative volume traceable to the mill level	80%	87%	84%
% Palm derivative volume traceable to the plantation level	62%	58%	47%

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

[+]Metrics previously assured by an external third party. See Report of Independent Accountants in the Fiscal 2024 Social Impact & Sustainability Report and Report of Independent Accountants in the Fiscal 2023 Social Impact & Sustainability Report.

PACKAGING[45]

	FY25	FY24	FY23
% Packaging that is recyclable, refillable, reusable, recycled, or recoverable	72%*	71%[+]	71%[+]
% Post-consumer recycled (PCR) material	20%*	20%[+]	19%[+]
% Forest-based fiber carton codes FSC certified[46]	98%*	95%[+]	99%[+]
% Virgin petroleum content in plastic packaging	79%*	82%[+]	83%[+]
Total weight of product packaging, by type (Thousand metric tons)	56.2*	61.3[+]	66.2[+]
Non-renewable	45.5*	49.1[+]	52.2[+]
Renewable[47]	10.7*	12.2[+]	14.0[+]
Total weight of materials reclaimed through consumer take back programs (Thousand metric tons)[48]	0.1*	0.1[+]	0.2[+]
% Packaging reclaimed through consumer take back programs[48]	0.10%*	0.20%*	0.25%[+]
% Packaging made from PCR content and/or renewable materials	39%*	40%[+]	40%[+]

*Metrics assured by PricewaterhouseCoopers LLP. See PwC's Report of Independent Accountants and ELC's Management Assertion.

[+]Metrics previously assured by an external third party. See Report of Independent Accountants in the Fiscal 2024 Social Impact & Sustainability Report and Report of Independent Accountants in the Fiscal 2023 Social Impact & Sustainability Report.

[44] Palm oil sourcing is reported by Calendar Year (CY) in alignment with the Roundtable on Sustainable Palm Oil (RSPO) Annual Communication of Progress (ACOP) guidelines. Excludes palm-based ingredients not directly procured by ELC, such as those procured by third-party manufacturers (TPMs) and directly procured and received by DECIEM.

[45] Product packaging is defined as any item to be used for the containment, protection, handling, and presentation of products and delivery to ELC's distribution centers that is included on the bill of materials. For additional information, see Management Assertion.

[46] Forest-based fiber cartons are defined as folding cartons or sleeves made from solid bleached sulfate paperboard, folding box board, or an equivalent board made with post-consumer waste.

[47] Renewable materials are those composed of biomass from a living source and are replenished at a rate equal to or greater than the rate of depletion.

[48] Materials collected in North America, Latin America, EMEA, and Australia only.

GRI/SASB/TCFD/TNFD INDEXES

GRI CONTENT INDEX

STATEMENT OF USE

The Estée Lauder Companies has reported the information cited in this GRI content index for the period July 1, 2024–June 30, 2025 (fiscal year 2025) with reference to the GRI Standards.

GRI 1 USED

GRI 1: FOUNDATION 2021

GRI STANDARD	DISCLOSURE		LOCATION
GRI 2: GENERAL DISCLOSURES 2021	2-1	Organizational details	The Estée Lauder Companies Inc. 767 Fifth Avenue, New York, New York FY25 Form 10-K, pp. 2-9, 20 ↗
	2-2	Entities included in the organization's sustainability reporting	This report covers The Estée Lauder Companies and its subsidiary operations unless otherwise specified. FY25 Form 10-K, p. 2 ↗
	2-3	Reporting period, frequency, and contact point	July 1, 2024-June 30, 2025 Fiscal year (annual reporting) The fiscal 2025 Social Impact & Sustainability Report was published on October 28, 2025. Please use our online form for inquiries regarding this report. ↗
	2-4	Restatements of information	Information on restatements of social impact and sustainability data are included in the footnotes to the tables in the Metrics section.
	2-5	External assurance	About this Report section Report of Independent Accountants and The Estée Lauder Companies Management Assertion ↗
	2-6	Activities, value chain, and other business relationships	FY25 Form 10-K, pp. 2-9, 12, 21, 30-34 ↗ Climate Transition Plan, pp. 15-22 ↗ Climate section (Progress on Our Climate Transition Plan) Sourcing, Packaging, and Nature and Biodiversity sections
	2-7	Employees	There are no significant seasonal variations in our workforce. Metrics, pp. 67-74
	2-8	Workers who are not employees	We do not use non-employees to perform a significant portion of the organization's activities.

GRI STANDARD	DISCLOSURE		LOCATION
GRI 2: GENERAL DISCLOSURES 2021 (*continued*)	2-9	Governance structure and composition	The Nominating and ESG Committee is responsible for social impact and sustainability oversight. 2025 Proxy Statement, pp. 11-33 ↗ Corporate Governance Guidelines, p. 7 ↗ Nominating and ESG Committee Charter, p. 1 ↗
	2-10	Nomination and selection of the highest governance body	2025 Proxy Statement, pp. 11-19, 25-31 ↗
	2-11	Chair of the highest governance body	2025 Proxy Statement, pp. 13, 21-23 ↗
	2-12	Role of the highest governance body in overseeing the management of impacts	The Nominating and ESG Committee is responsible for social impact and sustainability oversight. Nominating and ESG Committee Charter, p. 1 ↗ SI&S Governance Overview section
	2-13	Delegation of responsibility for managing impacts	SI&S Governance Overview section
	2-15	Conflicts of interest	2025 Proxy Statement, pp. 11, 20-33, 66-69 ↗ Code of Conduct, pp. 13-14 ↗
	2-19	Remuneration policies	2025 Proxy Statement, pp. 44-94 ↗ SI&S Governance Overview section (Board of Directors)
	2-20	Process to determine remuneration	2025 Proxy Statement, pp. 44-94 ↗ SI&S Governance Overview section (Board of Directors)
	2-21	Annual total compensation ratio	2025 Proxy Statement, pp. 89-90 ↗
	2-22	Statement on sustainable development strategy	Letter from Stéphane de La Faverie ↗
	2-23	Policy commitments	Code of Conduct ↗ Enterprise Modern Slavery Statement ↗ Human Rights Policy ↗ Our Values and Beliefs ↗
	2-24	Embedding policy commitments	SI&S Governance Overview section
	2-26	Mechanisms for seeking advice and raising concerns	Code of Conduct, pp. 6-8, 14-20 ↗ SI&S Governance Overview section (Ethics and Human Rights)
	2-27	Compliance with laws and regulations	In fiscal 2025, we were not subject to any environmental fines or penalties. FY25 Form 10-K, pp. 17-23 ↗
	2-28	Membership associations	We maintain membership in various social impact and sustainability related associations, many of which are referenced throughout this report.
	2-29	Approach to stakeholder engagement	We engage with certain stakeholders (individuals and organizations) who have the potential to influence our business strategy and operations and whom our business impacts in turn. SI&S Governance Overview section (Priority Focus Areas for Social Impact and Sustainability and Stakeholder Engagement)
	2-30	Collective bargaining agreements	FY25 Form 10-K, p. 13 ↗

GRI STANDARD	DISCLOSURE		LOCATION
GRI 3: MATERIAL TOPICS 2021	3-1	Process to determine material topics	We conducted engagement with internal and external stakeholders as part of our priority focus areas analysis. This input helped to define, validate, and prioritize social impact and sustainability topics and to inform the content of this report. SI&S Governance Overview section (Priority Focus Areas for Social Impact and Sustainability and Stakeholder Engagement)
	3-2	List of material topics	Our Social Impact and Sustainability Goals and Commitments reflect our priority focus areas, as informed by stakeholder concerns and sentiments. Additional information on specific stakeholder topics of interest are included throughout this report. SI&S Governance Overview section (Priority Focus Areas for Social Impact and Sustainability)
	3-3	Management of material topics	Please refer to individual priority focus areas in this report for related disclosures on governance, policies, strategy, and fiscal 2025 progress. Goals Progress Table
GRI 201: ECONOMIC PERFORMANCE 2016	201-2	Financial implications and other risks and opportunities due to climate change	2025 CDP Response, pp. 54-98 ↗ Climate Transition Plan, pp. 7-8 ↗ Climate section
GRI 301: MATERIALS 2016	3-3	Management of material topics	More information about the topic boundary and definitions is included in the About This Report section and in footnotes to the Metrics tables. Packaging section
	301-1	Materials used by weight or volume	Metrics, p. 80 (Packaging)
	301-2	Recycled input materials used	Metrics, p. 80 (Packaging)
	301-3	Reclaimed products and their packaging materials	We do not currently track reclaimed product and packaging materials by product category. Metrics, p. 80 (Packaging)
GRI 302: ENERGY 2016	3-3	Management of material topics	More information about the topic boundary and definitions is included in the About This Report section and in footnotes to the Metrics tables. 2025 CDP Response, pp. 18-218 ↗ Climate Transition Plan, pp. 1-27 ↗ Climate section
	302-1	Energy consumption within the organization	Metrics, p. 75 (Energy)
	302-3	Energy intensity	Metrics, p. 75 (Energy)
	302-4	Reduction of energy consumption	Metrics, p. 75 (Energy)
GRI 303: WATER AND EFFLUENTS 2018	303-1	Interactions with water as a shared resource	2025 CDP Response, pp. 43-45, 647-701 ↗ Water section
	303-3	Water withdrawal	2025 CDP Response, pp. 647-701 ↗ Metrics, p. 79 (Water)
	303-4	Water discharge	2025 CDP Response, pp. 647-701 ↗ Metrics, p. 79 (Water)
	303-5	Water consumption	2025 CDP Response, pp. 647-701 ↗ Metrics, p. 79 (Water)

GRI STANDARD	DISCLOSURE		LOCATION
GRI 304: BIODIVERSITY 2016	304-3	Habitats protected or restored	2025 CDP Response, pp. 702-768 ↗ Climate Transition Plan, p. 22 ↗ Nature and Biodiversity section
GRI 305: EMISSIONS 2016	3-3	Management of material topics	More information about the topic boundary and definitions is included in the About This Report section and in footnotes to the Metrics tables. 2025 CDP Response, pp. 18-218 ↗ Climate Transition Plan, pp. 1-27 ↗ Climate section
	305-1	Direct (Scope 1) GHG emissions	Metrics, pp. 76-77 (GHG Emissions) Management Assertion, p. 103
	305-2	Energy indirect (Scope 2) GHG emissions	Metrics, pp. 76-77 (GHG Emissions) Management Assertion, p. 103
	305-3	Other indirect (Scope 3) GHG emissions	Metrics, pp. 76-77 (GHG Emissions)
	305-4	GHG emissions intensity	Metrics, pp. 76-77 (GHG Emissions)
	305-5	Reduction of GHG emissions	Metrics, p. 76-77 (GHG Emissions) 2025 CDP Response, pp. 221-246, 527-539 ↗
GRI 306: WASTE 2020	306-2	Management of significant waste-related impacts	Waste section
	306-3	Waste generated	Metrics, p. 78 (Waste)
	306-4	Waste diverted from disposal	Metrics, p. 78 (Waste)
	306-5	Waste directed to disposal	Metrics, p. 78 (Waste)
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1	New suppliers that were screened using environmental criteria	Metrics, p. 79 (Supplier Evaluation and Monitoring)
GRI 401: EMPLOYMENT 2016	401-1	New employee hires and employee turnover	Metrics, p. 72 (Turnover Rates)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Experience section (Employee Compensation and Benefits)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	3-3	Management of material topics	More information about the topic boundary and definitions is included in the About This Report section and in footnotes to the Metrics tables. Employee Health and Safety section
	403-1	Occupational health and safety management system	Employee Health and Safety section
	403-2	Hazard identification, risk assessment, and incident investigation	Employee Health and Safety section
	403-3	Occupational health services	Employee Health and Safety section
	403-4	Worker participation, consultation, and communication on occupational health and safety	Employee Health and Safety section
	403-5	Worker training on occupational health and safety	Employee Health and Safety section

GRI STANDARD	DISCLOSURE		LOCATION
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018 (continued)	403-6	Promotion of worker health	Employee Health and Safety section Employee Experience section (Employee Compensation and Benefits)
	403-9	Work-related injuries	Metrics, p. 74 (Employee Safety)
GRI 404: TRAINING AND EDUCATION 2016	404-2	Programs for upgrading employee skills and transition assistance programs	FY25 Form 10-K, p. 13 ↗ Employee Experience section (Employee Engagement)
	404-3	Percentage of employees receiving regular performance and career development reviews	Employee Experience section (Employee Development)
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	3-3	Management of material topics	More information about the topic boundary and definitions is included in the About This Report section and in footnotes to the Metrics tables. Employee Engagement and Social Investments sections
	405-1	Diversity of governance bodies and employees	Metrics, pp. 67-73
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1	New suppliers that were screened using social criteria	Metrics, p. 79 (Supplier Risk Assessments)
GRI 415: PUBLIC POLICY 2016	415-1	Political contributions	Political Engagement Viewpoint ↗
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	3-3	Management of material topics	More information about the topic boundary and definitions is included in the About This Report section and in footnotes to the Metrics tables. Corporate Ingredient Glossary ↗ Ingredient Philosophy ↗ Product Formulation section
	416-1	Assessment of the health and safety impacts of product and service categories	We assess 100% our products for health and safety. Ingredient and Product Testing and Safety Viewpoint ↗
GRI 417: MARKETING AND LABELING 2016	3-3	Management of material topics	More information about the topic boundary and definitions is included in the About This Report section and in footnotes to the Metrics tables. Goals Progress Table (Ingredient Transparency goal) Product Formulation section
	417-1	Requirements for product and service information and labeling	Ingredient and Product Testing and Safety Viewpoint ↗ Product Formulation section

SASB HOUSEHOLD & PERSONAL PRODUCTS STANDARD

DISCLOSURE TOPIC AND ACCOUNTING METRICS		RESPONSE
WATER MANAGEMENT		
CG-HP-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Goals Progress Table Metrics, p. 79 (Water)
CG-HP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water section
PRODUCT ENVIRONMENTAL, HEALTH, AND SAFETY PERFORMANCE		
CG-HP-250a.1	Revenue from products that contain REACH substances of very high concern (SVHC)	At The Estée Lauder Companies (ELC), the health and safety of our consumers is a top priority. We select our ingredients for many reasons, including safety, efficacy, and sustainability. We work diligently to ensure that our products are formulated to meet the requirements of governmental, regulatory, and scientific bodies wherever our products are sold, as well as our own high-quality standards. *To read more about the ingredients used in our products, please see our Ingredient Philosophy web page.* ↗
CG-HP-250a.2	Revenue from products that contain substances on the California DTSC Candidate Chemical List	
CG-HP-250a.3	Discussion of process to identify and manage emerging materials and chemicals of concern	Ingredient and Product Testing and Safety Viewpoint ↗ Product Formulation section
CG-HP-250a.4	Revenue from products designed with green chemistry principles	We incorporate green chemistry principles in our product development process. Our Green Score program provides a quantifiable method for our formulators to benchmark and inform their formulation choices based on the principles of green chemistry, specifically through the lenses of human health, ecosystem health, and the environment. We have assigned green scores to thousands of our active ingredients and formulas. *To read more, please see the Product Formulation section.*
PACKAGING LIFECYCLE MANAGEMENT		
CG-HP-410a.1	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Metrics, p. 80 (Packaging)
CG-HP-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Packaging section
ENVIRONMENTAL & SOCIAL IMPACTS OF PALM OIL SUPPLY CHAIN		
CG-HP-430a.1	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) identity preserved, (b) segregated, (c) mass balance, or (d) Book and Claim	Metrics, p. 80 (Palm Oil)
ACTIVITY METRIC		
CG-HP-000.B	Number of manufacturing facilities	FY25 Form 10-K, p. 25 ↗

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX

Pursuant to California's Climate-related Financial Risk Act, as incorporated in California Health & Safety Code § 38533, we are disclosing information related to our processes on identifying, assessing, and managing climate-related risks. We have organized the applicable information in alignment with TCFD recommendations within this report and our other publications as indicated below.

DISCLOSURE	RESPONSE
GOVERNANCE	
Describe the board's oversight of climate-related risks and opportunities.	2025 CDP Response, pp. 99-108 ↗ SI&S Governance Overview section (Governance Approach)
Describe management's role in assessing and managing climate-related risks and opportunities.	2025 CDP Response, pp. 20-43, 108-116 ↗ Climate section (Governance) SI&S Governance Overview section (Governance Approach; Priority Focus Areas for Social Impact and Sustainability)
STRATEGY	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2025 CDP Response, pp. 54-98 ↗ Climate section (Identifying and Assessing Climate-related Risk)
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	2025 CDP Response, pp. 54-98, 178-185 ↗ Climate section (Identifying and Assessing Climate-related Risk)
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2025 CDP Response, pp. 142-218 ↗ Climate section
RISK MANAGEMENT	
Describe the organization's processes for identifying and assessing climate-related risks.	2025 CDP Response, pp. 18-47 ↗ Climate section (Identifying and Assessing Climate-related Risk)
Describe the organization's processes for managing climate-related risks.	2025 CDP Response, pp. 18-47 ↗ Climate section (Governance; Managing Climate-related Risk)
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2025 CDP Response, pp. 18-47 ↗ Climate section (Managing Climate-related Risk)
METRICS AND TARGETS	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics, pp. 75-80 (Energy, GHG Emissions, Water, Waste, Supplier Evaluation and Monitoring, Palm Oil, Packaging)
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	2025 CDP Response, pp. 221-300 ↗ Metrics, pp. 76-77 (GHG Emissions)
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2025 CDP Response, pp. 527-539, 596-612, 689-701 ↗ Goals Progress Table Metrics, pp. 75-80 (Energy, GHG Emissions, Water, Waste, Supplier Evaluation and Monitoring, Palm Oil, Packaging) Climate section (Progress on Our Climate Transition Plan; Targets)

THE TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD) INDEX

DISCLOSURE	RESPONSE
GOVERNANCE	
A. Describe the board's oversight of nature-related dependencies, impacts, risks, and opportunities.	2025 CDP Response, pp. 99-106 ↗ Nature and Biodiversity section SI&S Governance Overview section
B. Describe management's role in assessing and managing nature-related dependencies, impacts, risks, and opportunities.	2025 CDP Response, pp. 108-114 ↗ SI&S Governance Overview section
C. Describe the organization's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organization's assessment of, and response to, nature-related dependencies, impacts, risks, and opportunities.	2025 CDP Response, pp. 208-218, 628-646 ↗ Enterprise Modern Slavery Statement ↗ Human Rights Policy ↗ No Deforestation, No Peat, No Exploitation (NDPE) Policy ↗ Palm Oil Action Plan ↗ Supplier Code of Conduct ↗ Water Stewardship Strategy ↗ SI&S Governance Overview section (Human Rights)
STRATEGY	
A. Describe the nature-related dependencies, impacts, risks, and opportunities the organization has identified over the short, medium, and long term.	Climate Transition Plan, p. 26 ↗ 2025 CDP Response, pp. 18-44, 54-98 ↗ Climate section (Identifying and Assessing Climate-related Risk) Nature and Biodiversity section
B. Describe the effect nature-related dependencies, impacts, risks, and opportunities have had on the organization's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	2025 CDP Response, pp. 18-44, 54-98, 176-186 ↗ FY25 Form 10-K, p. 20-21 ↗ Climate Transition Plan, pp. 22, 26 ↗
C. Describe the resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	2025 CDP Response, pp. 142-218 ↗ Climate section (Progress on Our Climate Transition Plan) Nature and Biodiversity section
D. Disclose the locations of assets and/or activities in the organization's direct operations, and where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	2025 CDP Response, pp. 44-45, 73-98, 675-687, 703-768 ↗ Water section

DISCLOSURE	RESPONSE
RISK MANAGEMENT	
A. (i) Describe the organization's processes for identifying, assessing, and prioritizing nature-related dependencies, impacts, risks, and opportunities in its direct operations. (ii) Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks, and opportunities in its upstream and downstream value chain(s).	2025 CDP Response, pp. 18-45, 120-127, 188-218, 702-705 ↗ Nature and Biodiversity section
B. Describe the organization's processes for managing nature-related dependencies, impacts, risks, and opportunities.	2025 CDP Response, pp. 18-44, 178-185, 187-194 ↗ Climate section (Progress on Our Climate Transition Plan) SI&S Governance Overview section
C. Describe how processes for identifying, assessing, prioritizing, and monitoring nature-related risks are integrated into and inform the organization's overall risk management processes.	2025 CDP Response, pp. 18-44, 179-182 ↗ Nature and Biodiversity section
METRICS AND TARGETS	
A. Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	2025 CDP Response, pp. 18-47 ↗ Goals Progress Table
B. Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature.	2025 CDP Response, pp. 18-47 ↗ Goals Progress Table
C. Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks, and opportunities and its performance against these.	2025 CDP Response, pp. 527-539, 596-612, 689-701 ↗ No Deforestation, No Peat, No Exploitation (NDPE) Policy ↗ Water and Sourcing sections

FISCAL 2025 CARBON OFFSET PURCHASES

For each year starting with fiscal 2020 through fiscal 2025, we have sourced 100% renewable electricity for our direct operations and purchased carbon offsets to cover our residual emissions.[1] For further details on Scope 1 and 2, please refer to the Greenhouse Gas (GHG) Emissions: Scope 1 and 2 table in the Metrics section.

We apply a portfolio approach to reducing GHG emissions, including the use of on-site renewables, energy efficiency projects, green utility contracts, and Energy Attribute Certificates (EACs). In addition, we invest in carbon offsets to address residual emissions from our direct operations. Pursuant to California's act on Voluntary Carbon Market Disclosures (Cal. Health & Saf. Code § 44475.1), we are disclosing the details the carbon offset projects we sourced to cover our Scope 1 and 2 emissions, travel retail, and carbon neutral shipping in fiscal 2025. *To read more about our science-based targets and portfolio approach, please see the Climate section.*

PROJECT NAME (as listed in registry/program)	PROJECT DETAILS
RESTAURACIÓN FORESTAL X-PICHIL	Selling Entity: Anthesis LLC Offset Registry: Climate Action Reserve (CAR) Project ID: CAR1739 Project Type: Forestry (carbon removal) Project Location: X-Pichil, Quintana Roo, Mexico Protocol: Mexico Forest Protocol 3.0 Third-party Verified: Yes
ANEW—DOE MOUNTAIN FORESTRY PROJECT	Selling Entity: 3Degrees Group, Inc. Offset Registry: American Carbon Registry (ACR) Project ID: ACR398 Project Type: Improved forest management (carbon removal) Project Location: Tennessee, US Protocol: ACR Forest Carbon Project Standard version 5.1 Third-party Verified: Yes
BIGCOAST FOREST CLIMATE INITIATIVE	Selling Entity: Mosaic Forest Management Corp. Offset Registry: Verified Carbon Standard (VCS) Project ID: VCS3018 Project Type: Improved forest management (carbon removal) Project Location: British Columbia, Canada Protocol: British Columbia Forest Carbon Offset Protocol 1.0 Third-party Verified: Yes
Sabah Rainforest Rehabilitation Malaysia	Selling Entity: Climate Impact Partners, LLC Offset Registry: Verified Carbon Standard (VCS) Project ID: VCS672 Project Type: Agriculture forestry and other land use (carbon removal); improved forest management Project Location: Malaysia Protocol: VM0005 Third-party Verified: Yes

[1] Electricity consumption for all global activities within ELC's operational control. Renewable electricity sourced reflects on-site solar electricity generated and consumed at ELC locations, renewable off-site generation (utility contracts), Energy Attribute Certificates (EACs) purchases, and a Virtual Power Purchase Agreement (VPPA).

REPORT OF INDEPENDENT ACCOUNTANTS

To the Management of The Estée Lauder Companies Inc.

We have reviewed the accompanying management assertion of The Estée Lauder Companies Inc. that the metrics, as of or for the year ended June 30, 2025, other than the palm oil metrics, which are presented for the year ended December 31, 2024 in management's assertion, are presented in accordance with the assessment criteria set forth therein. The Estée Lauder Companies Inc.'s management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the metrics. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The firm applies the Statements on Quality Control Standards established by the AICPA.

The procedures we performed were based on our professional judgment. In performing our review, we performed inquiries, performed tests of mathematical accuracy of computations on a sample basis, read relevant policies to understand terms related to relevant information about the metrics, reviewed supporting documentation in regard to the completeness and accuracy of the data in the metrics on a sample basis, and performed analytical procedures.

Greenhouse gas (GHG) emissions quantification is subject to inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of alternative measurement techniques could have resulted in materially different amounts or metrics being reported.

The preparation of employee, employee volunteerism & giving, employee safety, water, palm oil, and packaging metrics requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make assumptions that affect reported information. The selection by management of alternative acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

As discussed in management's assertion, The Estée Lauder Companies Inc. has estimated GHG emissions for certain emissions sources and consumption for certain energy and water sources for which no primary usage data is available.

Based on our review, we are not aware of any material modifications that should be made to The Estée Lauder Companies Inc.'s management assertion in order for it to be fairly stated.

PricewaterhouseCoopers LLP

New York, New York
October 21, 2025

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THE ESTĒE LAUDER COMPANIES INC. MANAGEMENT ASSERTION

OVERVIEW

With respect to the following metrics reported by The Estée Lauder Companies Inc. ("ELC" or the "company") as of or for the fiscal year ended June 30, 2025 (fiscal 2025), other than palm oil metrics, which are presented for the calendar year ended December 31, 2024 (calendar year 2024), ELC's management asserts that such metrics, which are also included in the Fiscal 2025 Social Impact & Sustainability Report metrics tables as identified by the "*" symbol, are presented in accordance with the assessment criteria set forth below.

Management is responsible for the completeness, accuracy, and validity of the metrics and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the metrics. The selection by management of alternative acceptable measurements could have resulted in materially different amounts or metrics reported herein.

The preparation of select metrics (i.e. Employees, Employee Volunteerism & Giving, Employee Safety, Water, Palm Oil, and Packaging) requires management to establish the criteria, make determinations as to the relevancy of the information to be included, and make assumptions that affect reported information.

EMPLOYEES

Employee metrics are reported based on information recorded in the ELC Human Resources data system (ELC HR Data System). Gender, age, and race/ethnicity information is self-identified by employees. Employee metrics include global regular and temporary full-time and part-time employees on active assignment or on leave with pay unless otherwise noted in the management criteria. Other than turnover, retention, and hiring employee metrics which are based on activities reported for the fiscal year ended June 30, 2025, the other employee metrics are based on information as of June 30, 2025.

Employee data pertaining to DECIEM is excluded from the fiscal 2025 metrics as it is not yet integrated into the principal ELC HR Data System.

FISCAL 2025 METRIC VALUE (AMOUNTS MAY NOT SUM DUE TO ROUNDING)			MANAGEMENT CRITERIA
GLOBAL EMPLOYEES	Total employees (Thousands)	56.3	Age group and gender is reported according to the date of birth, and gender as self-identified by the employee and recorded in the ELC HR Data System. Region is based on the employee work location, as recorded in the ELC HR Data System. Job levels of Vice President and above, Director and Executive Director, and Manager and below are based on the internal ELC Global Grade System, as recorded in the ELC HR Data System. Role types of Corporate, Retail, Manufacturing and Distribution, and STEM (Science, Technology, Engineering, and Mathematics) are high level groupings of job roles classified based on specific Job Functions, Job Subfunctions, and Job Areas within the ELC Job Hierarchy, as recorded in the ELC HR Data System.
	% Total employees, by region		
	The Americas	34.9%	
	Asia/Pacific	30.7%	
	Europe, the Middle East & Africa	34.4%	
	% Total employees, by age group		
	<30 yo	26.3%	
	30-50 yo	56.2%	
	>50 yo	17.5%	
	% Total employees, by gender		
	Female	80.8%	
	Male	19.2%	
	% Total corporate employees by job level, by gender		
	Female Vice President and above	60.8%	
	Male Vice President and above	39.2%	
	Female Director and Executive Director	64.4%	
	Male Director and Executive Director	35.6%	
	Female Manager and below	78.0%	
	Male Manager and below	22.0%	
	% Total employees by role type, by gender		
	Female in Corporate	75.0%	
	Male in Corporate	25.0%	
	Female in Retail	87.9%	
	Male in Retail	12.1%	
	Female in Manufacturing and Distribution	50.1%	
	Male in Manufacturing and Distribution	49.9%	
	Female in STEM	62.2%	
	Male in STEM	37.8%	

GLOBAL EMPLOYEES BY EMPLOYEE TYPE

(THOUSANDS)

FISCAL 2025 METRIC VALUE (AMOUNTS MAY NOT SUM DUE TO ROUNDING)		MANAGEMENT CRITERIA
TOTAL EMPLOYEES BY EMPLOYEE TYPE, BY REGION		Regular employees include employees in the employment categories "Regular full-time" and "Regular part-time", as recorded in the ELC HR Data System. Temporary employees include employees in the employment categories of "Temporary full-time" (recorded as temporary full-time or intern in the ELC HR Data System) and "Temporary part-time" (recorded as temporary part-time or on-call/freelance in the ELC HR Data System). Region is based on the employee work location, as recorded in the ELC HR Data System. Gender is reported according to the gender as self-identified by the employee and recorded in the ELC HR Data System.
Regular employees, by region		
The Americas	13.1	
Asia/Pacific	16.1	
Europe, the Middle East & Africa	18.2	
Temporary employees, by region		
The Americas	6.6	
Asia/Pacific	1.2	
Europe, the Middle East & Africa	1.2	
TOTAL EMPLOYEES BY EMPLOYEE TYPE, BY GENDER		
Regular full-time employees, by gender		
Female	30.7	
Male	9.0	
Regular part-time employees, by gender		
Female	6.9	
Male	0.6	
Temporary full-time employees, by gender		
Female	1.1	
Male	0.2	
Temporary part-time employees, by gender		
Female	6.8	
Male	1.0	

FISCAL 2025 METRIC VALUE (AMOUNTS MAY NOT SUM DUE TO ROUNDING)			MANAGEMENT CRITERIA
U.S. EMPLOYEES	% TOTAL U.S. EMPLOYEES, BY RACE/ETHNICITY		Race/ethnicity is reported according to the race and ethnicity as self-identified by the employee and recorded in the ELC HR Data System. Data is only available for U.S.-based employees. Race/ethnicity category is defined according to Equal Employment Opportunity Commission (EEOC) guidelines as American Indian or Alaskan Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, Two or More Races, and White. Role types of Corporate, Retail, and Manufacturing and Distribution are high level groupings of job roles classified based on specific Job Functions, Job Subfunctions, and Job Areas within the ELC Job Hierarchy, as recorded in the ELC HR Data System.
	American Indian or Alaskan Native	0.5%	
	Asian	15.0%	
	Black or African American	12.9%	
	Hispanic or Latino	19.3%	
	Native Hawaiian or Pacific Islander	0.5%	
	White	46.8%	
	Two or More Races	3.5%	
	Not Self-Identified	1.5%	
	% U.S. CORPORATE EMPLOYEES, BY RACE/ETHNICITY		
	American Indian or Alaskan Native	0.1%	
	Asian	17.6%	
	Black or African American	6.8%	
	Hispanic or Latino	11.3%	
	Native Hawaiian or Pacific Islander	0.3%	
	White	61.2%	
	Two or More Races	2.1%	
	Not Self-Identified	0.6%	
	% U.S. RETAIL EMPLOYEES, BY RACE/ETHNICITY		
	American Indian or Alaskan Native	0.9%	
	Asian	6.0%	
	Black or African American	16.3%	
	Hispanic or Latino	28.0%	
	Native Hawaiian or Pacific Islander	0.7%	
	White	40.0%	
	Two or More Races	5.7%	
	Not Self-Identified	2.4%	
	% U.S. MANUFACTURING & DISTRIBUTION EMPLOYEES, BY RACE/ETHNICITY		
	American Indian or Alaskan Native	0.6%	
	Asian	34.4%	
	Black or African American	18.4%	
	Hispanic or Latino	14.0%	
	Native Hawaiian or Pacific Islander	0.3%	
	White	30.9%	
	Two or More Races	0.7%	
	Not Self-Identified	0.8%	

FISCAL 2025 METRIC VALUE (AMOUNTS MAY NOT SUM DUE TO ROUNDING)		MANAGEMENT CRITERIA
U.S. CORPORATE EMPLOYEES BY JOB LEVEL	% U.S. VICE PRESIDENT AND ABOVE CORPORATE EMPLOYEES, BY RACE/ETHNICITY	Race/ethnicity is reported according to the race and ethnicity as self-identified by the employee and recorded in the ELC HR Data System. Data is only available for U.S.-based employees. Race/ethnicity category is defined according to Equal Employment Opportunity Commission (EEOC) guidelines as American Indian or Alaskan Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, Two or More Races, and White. Role types of Corporate, Retail, and Manufacturing and Distribution are high level groupings of job roles classified based on specific Job Functions, Job Subfunctions, and Job Areas within the ELC Job Hierarchy, as recorded in the ELC HR Data System. Job levels of Vice President and above, Director and Executive Director, and Manager and below are based on the internal ELC Global Grade System, as recorded in the ELC HR Data System.
	American Indian or Alaskan Native	0.0%
	Asian	14.9%
	Black or African American	5.3%
	Hispanic or Latino	7.1%
	Native Hawaiian or Pacific Islander	0.2%
	White	69.3%
	Two or More Races	1.8%
	Not Self-Identified	1.3%
	% U.S. DIRECTOR AND EXECUTIVE DIRECTOR CORPORATE EMPLOYEES, BY RACE/ETHNICITY	
	American Indian or Alaskan Native	0.1%
	Asian	20.1%
	Black or African American	4.0%
	Hispanic or Latino	7.8%
	Native Hawaiian or Pacific Islander	0.1%
	White	65.6%
	Two or More Races	1.9%
	Not Self-Identified	0.4%
	% U.S. MANAGER AND BELOW CORPORATE EMPLOYEES, BY RACE/ETHNICITY	
	American Indian or Alaskan Native	0.1%
	Asian	16.7%
	Black or African American	8.3%
	Hispanic or Latino	13.3%
	Native Hawaiian or Pacific Islander	0.4%
	White	58.2%
	Two or More Races	2.2%
	Not Self-Identified	0.7%

FISCAL 2025 METRIC VALUE (AMOUNTS MAY NOT SUM DUE TO ROUNDING)			MANAGEMENT CRITERIA
GLOBAL TURNOVER RATE	Total turnover rate	21.7%	Includes regular full-time and regular part-time employees globally. Excludes temporary full-time and temporary part-time employees globally. Turnover rate is calculated by dividing total global regular employees who exited during the fiscal year by the average month-end global regular employee headcount during the fiscal year. Fiscal year average month-end global regular employee headcount is calculated by adding headcount on the last day of each month and dividing by 12. Voluntary and involuntary classifications are based on the reason for exit designation, as recorded in the ELC HR Data System.
	Total turnover rate, by leave reason		
	Voluntary turnover rate	16.4%	
	Involuntary turnover rate	5.3%	
GLOBAL HIRING & RETENTION	% GLOBAL HIRING, BY GENDER		Gender is reported according to the gender as self-identified by the employee and recorded in the ELC HR Data System. Hiring measures the percentage of employees of the specified gender that were hired during the fiscal year in relation to the total employees hired during the fiscal year. The global hiring percentage, by gender, is calculated by dividing the number of employees of the specified gender that were hired during the fiscal year by the total number of employees hired during the fiscal year.
	Female	82.8%	
	Male	17.2%	
	% GLOBAL RETENTION RATE, BY GENDER		Gender is reported according to the gender as self-identified by the employee and recorded in the ELC HR Data System. Retention rate measures the percentage of employees of the specified gender that remained employed during the fiscal year in relation to the total employees that were employed at the beginning of the fiscal year. The retention rate percentage, by gender, is calculated by dividing the number of employees of the specified gender that remained employed from the beginning of the fiscal year to the end of the fiscal year by the total number of employees of that specified gender that were employed at the beginning of the fiscal year.
	Female	76.8%	
	Male	78.2%	

FISCAL 2025 METRIC VALUE (AMOUNTS MAY NOT SUM DUE TO ROUNDING)			MANAGEMENT CRITERIA
U.S. EMPLOYEE HIRING	% U.S. EMPLOYEE HIRING, BY RACE/ETHNICITY		Race/ethnicity is reported according to the race and ethnicity as self-identified by the employee and recorded in the ELC HR Data System. The U.S. employee hiring percentage, by race/ethnicity is calculated by dividing the number of employees of the specified race/ethnicity that were hired during the fiscal year by the total number of employees hired during the fiscal year.
	American Indian or Alaskan Native	1.0%	
	Asian	9.9%	
	Black or African American	17.9%	
	Hispanic or Latino	25.5%	
	Native Hawaiian or Pacific Islander	0.6%	
	White	35.9%	
	Two or More Races	5.5%	
	Not Self-Identified	3.6%	
U.S. EMPLOYEE RETENTION	% U.S. EMPLOYEE RETENTION RATE, BY RACE/ETHNICITY		Race/ethnicity is reported according to the race and ethnicity as self-identified by the employee and recorded in the ELC HR Data System. The retention rate percentage, by race/ethnicity, is calculated by dividing the number of employees of the specified race/ethnicity that remained employed from the beginning of the fiscal year to the end of the fiscal year by the total number of employees of that specified race/ethnicity that were employed at the beginning of the fiscal year.
	American Indian or Alaskan Native	62.7%	
	Asian	75.5%	
	Black or African American	66.0%	
	Hispanic or Latino	66.8%	
	Native Hawaiian or Pacific Islander	79.4%	
	White	71.1%	
	Two or More Races	59.5%	
	Not Self-Identified	79.4%	

EMPLOYEE VOLUNTEERISM & GIVING

ELC Good Works is the company's internal platform used to report employee volunteerism, employee monetary donations, and ELC charitable matching gifts. The ELC Good Works guidelines outline program eligibility, criteria, and terms and conditions, as adapted to meet local requirements.

Metrics reflect information self-reported to ELC Good Works by eligible employees during fiscal 2025. At the end of fiscal 2025, ELC Good Works was available to eligible employees in 31 markets globally.

During fiscal 2025, "eligible employees" included regular full-time and regular part-time employees in Argentina; Australia; Belgium; Brazil; Canada; Chile; Colombia; Denmark; France; Germany; Hong Kong, SAR of China; India; Italy; Japan; Luxembourg; Mexico; Netherlands; New Zealand; Norway; Panama; Peru; Philippines; Poland; Portugal; Romania; South Africa; Spain; Sweden; Switzerland; and the United States. In the United Kingdom, "eligible employees" included corporate and point of sale regular full-time, regular part-time, and fixed-term contract[1]; all Jo Malone Global and Travel Retail employees; and regular full-time, regular part-time, temporary full-time, and temporary part-time employees at the Whitman manufacturing site.

METRIC	FISCAL 2025 METRIC VALUE (THOUSANDS)	MANAGEMENT CRITERIA
Employee volunteer hours	22.6	Employee volunteer hours are hours that eligible employees self-report through ELC Good Works with regard to leading, organizing, or participating in either company-organized volunteer efforts or individual eligible activities outside of normal working hours, in accordance with the ELC Good Works guidelines available to employees.
Employee donations	$998	Employee monetary donations are donations that eligible employees self-report through ELC Good Works and must be personal donations from employees' own assets that are given to a 501(c)(3) organization in the United States or to similar organizations outside of the United States. Eligible organizations are determined under the ELC Good Works guidelines available to employees.
Amount matched by ELC	$2,164	ELC charitable matching gifts include: company matches of employees' monetary donations at a 1:1 ratio unless specified otherwise by ELC; company matches of employees' volunteer time (volunteer rewards such as $20 per hour volunteered earned and redeemed by the employee to make donations to 501(c)(3) organizations in the United States); and company rewards which are gifted donation credits that employees can donate through ELC Good Works. To be eligible for matching, employees' donations and volunteer time must be recorded through ELC Good Works and be in accordance with the ELC Good Works guidelines. At specified times during fiscal year 2025, there were special matching campaigns during which ELC double matched (2x) eligible employee donations. Due to double match campaigns, volunteer rewards, and company rewards, the total amount matched by ELC was higher than the total employee donations. Rewards are gifted monetary credits that the company has added to the ELC Good Works accounts of eligible employees. Employees can use these rewards to make donations to organizations of their choosing through ELC Good Works. Fiscal 2025 metric includes rewards redeemed within the fiscal year.

[1] "Fixed-term contract" is an employment type unique to the United Kingdom, indicating someone who is employed for a set period of time under a full employment contract.

EMPLOYEE SAFETY

Employee Safety metrics include data related to ELC regular full-time, regular part-time, temporary full-time, and temporary part-time employees globally who are on active assignment or on leave with pay, and third party paid contractors under direct supervision of an ELC employee globally. Employee Safety data pertaining to DECIEM is excluded from the fiscal 2025 metrics.

All rate metrics in the table below are as of June 30, 2025. Other metrics in the table below are reported for the fiscal year ended June 30, 2025. The data used in the calculations is obtained from internal ELC systems and is based on the Occupational Safety and Health Administration (OSHA) definition for recordable incidents applied globally.

METRIC	FISCAL 2025 METRIC VALUE (THOUSANDS)	MANAGEMENT CRITERIA
Total Recordable Incident Rate (TRIR)	0.17	Total recordable incident rate is calculated using OSHA recordability criteria defined as follows: (Total number of Recordable Incidents* 200,000) / Total ELC Hours Worked for the fiscal year.
Days Away, Restricted or Transfer Rate (DART)	0.16	DART is calculated using the OSHA recordability criteria defined as follows: (Total number of Recordable Incidents that resulted in Days Away, Restricted, or Transferred* 200,000) / Total ELC Hours Worked for the fiscal year. DART incidents are any occupational injury or illness which results in an employee remaining away from work, restricted in their work activities, or transferring to another job.
Lost Time Frequency Rate (LTFR)	0.14	Lost time frequency rate is calculated using the OSHA recordability criteria defined as follows: (Total number of Recordable Incidents with Lost Time*200,000) / Total ELC Hours Worked for the fiscal year. Lost time incidents are any occupational injury or illness which results in an employee being unable to work a full assigned work shift [i.e. time off from work, or loss of productive work (absenteeism or delays)].
Total fatalities	0.00	Fatalities are calculated using the OSHA recordability criteria (defined as an employee death resulting from a work-related incident or exposure; in general, from an accident or an illness caused by or related to a workplace hazard). There were no reported fatalities for the fiscal year ended June 30, 2025.
Total Recordable Incidents	82	Total Recordable Incidents are measured using OSHA recordability criteria, by which an injury or illness is considered recordable if it results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, loss of consciousness, or a significant injury or illness diagnosed by a physician or other licensed health care professional.
Recordable work-related injuries, by main types		Main types include the top three most frequently occurring types of recordable injuries as observed over a five-year lookback period.
Slips, trips, and falls	36	Recordable work-related incidents using OSHA recordability criteria and classified as slips, trips, and falls.
Ergonomic injuries	10	Recordable work-related incidents using OSHA recordability criteria and classified as ergonomic injuries.
Struck by	15	Recordable work-related incidents using OSHA recordability criteria and classified as struck by injuries.

ENERGY AND GREENHOUSE GAS (GHG) EMISSIONS

ELC uses the operational control approach in accordance with the World Resources Institute (WRI) and the World Business Council for Sustainable Development's (WBCSD) The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard, and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Standard (together, "GHG Protocol") to report energy consumption and direct and indirect GHG emissions for all locations and corporate fleet vehicles within ELC's operational control. These locations include freestanding store, manufacturing, distribution, office, innovation, and salon locations that were in operation for all or part of fiscal 2025.

GHGs included as part of emissions reported below for Scope 1, Scope 2 and Scope 3, Category 3: Fuel and energy-related activities metrics are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and hydrofluorocarbons (HFCs). The other GHGs of sulfur hexafluoride (SF_6), perfluorocarbons (PFCs) and nitrogen trifluoride (NF_3), are not emitted by ELC locations or corporate fleet vehicles. Emissions data by individual gas are not disclosed as a majority of CO_2e for these metrics relates to CO_2.

Unless otherwise indicated in the management criteria, ELC uses the GHG Protocol to guide the criteria to assess, calculate, and report energy consumption and GHG emissions.

METRIC (AMOUNTS MAY NOT SUM DUE TO ROUNDING)	FISCAL 2025 METRIC VALUE	MANAGEMENT CRITERIA
ENERGY		
Total energy consumption within the organization	388.8 Thousand MWh	Energy from total fuel consumption and total electricity consumption.
Total fuel consumption, by source	196.6 Thousand MWh	Energy from consumption of non-renewable and renewable fuel sources.
Non-renewable	195.1 Thousand MWh	• Non-renewable fuels include diesel, fuel oil, natural gas, liquified natural gas (LNG), propane, mobile gasoline, mobile diesel, purchased steam, district heat from natural gas, district heat from blended feedstock, and purchased chilled water. Purchased chilled water was added for fiscal 2025 reporting. This is the first year this energy source is included in our reporting. • Diesel and fuel oil are used at certain manufacturing, distribution, office, and innovation locations. Natural gas is used at certain freestanding store, manufacturing, distribution, office, innovation, and salon locations. LNG is used at certain manufacturing locations. Propane is used at certain manufacturing and distribution locations. Mobile gasoline and mobile diesel are used by ELC owned and leased fleet vehicles in certain countries where ELC operates. Purchased steam is used at certain office locations. District heat from natural gas is used at certain distribution, freestanding store and office locations. District heat from blended feedstock is used at certain freestanding store, distribution, and office locations. Purchased chilled water is used at certain freestanding store, and office locations. • Actual activity data is sourced from direct measurement or third-party invoices when possible. Estimates are determined by fuel source type and are used when actual data is not available. Estimates are determined based on our estimation methodology described in the Estimation Methodology section.
Renewable	1.5 Thousand MWh	• Renewable fuels include bio-fuel and district heat from wood and wood residuals. • Bio-fuel (mobile ethanol) is transport fuel used by ELC owned and leased fleet vehicles in certain countries where ELC operates. District heat from wood and wood residuals are used at certain distribution locations. • Electricity from on-site solar is categorized as renewable electricity versus renewable fuel. • Actual activity data is sourced from direct measurement or third-party invoices when possible. Estimates are determined by fuel source type and are used when actual data is not available. Estimates are determined based on our estimation methodology described in the Estimation Methodology section.

METRIC (AMOUNTS MAY NOT SUM DUE TO ROUNDING)	FISCAL 2025 METRIC VALUE	MANAGEMENT CRITERIA
ENERGY (continued)		
Total electricity consumption, by source	192.2 Thousand MWh	Electricity consumed from non-renewable and renewable electricity sources.
Non-renewable	0.0 Thousand MWh	• Non-renewable electricity includes electricity purchased, other than electricity purchased through off-site generation (utility contracts), Energy Attribute Certificates (EACs), or a Virtual Power Purchase Agreement (VPPA) by manufacturing, distribution, innovation, office, salon, and freestanding store locations. • Actual activity data is sourced from direct measurement or third-party invoices when possible. Estimates are used when actual data is not available and are determined based on our estimation methodology described in the Estimation Methodology section.
Renewable	192.2 Thousand MWh	• Renewable electricity includes on-site solar and electricity purchased through off-site generation (utility contracts), EACs, and a VPPA. • Off-site generation of renewable electricity is through contractual agreements between ELC and a utility or energy service provider to have all or a percent of electricity supplied in whole or in part from renewable energy sources such as wind, solar, geothermal, hydropower, and/or biomass. On-site solar energy is generated at and consumed by certain manufacturing, distribution, and office locations through solar photovoltaic (PV) installations. • EACs (e.g., Renewable Energy Certificates (RECs) and Renewable Energy Guarantees of Origin (REGOs)) are tradable commodities that package the environmental benefit achieved from a specific renewable energy project. One EAC is issued for each MWh unit of renewable electricity produced. • The VPPA agreement generates RECs through the Ponderosa wind farm project in North America. • For accounting for on-site solar energy, we assume that on-site solar generation substitutes the consumption of "brown energy" (i.e. non-renewable consumption) on a one-to-one basis. • Actual activity data is sourced from direct measurement or third-party invoices when possible. Estimates are used when actual data is not available and are determined based on our estimation methodology described in the Estimation Methodology section.
Energy intensity (MWh normalized to million dollars of net sales)	27.1 MWh per $M of net sales	Energy intensity is calculated as follows: Total energy consumption within the organization in MWh/Net Sales for fiscal 2025 in million U.S. dollars from the Annual Report on Form 10-K.
% Global energy sourced from renewable energy	49.8%	Percentage of global energy sourced from renewable energy is calculated as follows: (Renewable fuel + renewable electricity in MWh) / (Total energy consumption within the organization in MWh) X 100.
% Global electricity sourced from renewable electricity	100%	Percentage of global electricity sourced from renewable electricity is calculated as follows: (Renewable electricity in MWh) / (Total electricity consumption, by source in MWh) X 100.
Reduction of energy consumption due to conservation and efficiency measures	0.9 Thousand MWh	• Energy reductions are based on estimated annual energy savings from projects implemented during fiscal 2025. Total energy savings are attributed to the year of project launch, regardless of timing during the fiscal year. • Includes projects implemented at certain manufacturing, distribution, and innovation locations where project plan, estimated savings, and funding is approved internally. • Reduction of energy consumption is based on the delta between baseline energy consumption prior to the implementation of conservation and efficiency measures which is measured based on actual energy consumption, and energy consumption after implementation, which is measured based on engineering analyses provided by vendors, external consultants, and internal sources.

METRIC	FISCAL 2025 METRIC VALUE	MANAGEMENT CRITERIA
GHG EMISSIONS		
Scope 1	36.9 Thousand metric tons CO_2 equivalent	• Direct GHG emissions associated with on-site fuel consumption (diesel, fuel oil, natural gas, LNG, and propane), stationary refrigerants for the operation of ELC owned and leased locations globally, transport fuel for ELC owned and leased non-electric fleet vehicles (mobile ethanol (biofuel), mobile gasoline and mobile diesel), and mobile refrigerants for the ELC owned and leased fleet vehicles. • Excludes refrigerant sources at freestanding store, salon, office, and certain regional distribution and innovation locations. • Does not take into account biogas/green gas certificates at locations that use natural gas (which are treated as offsets), offsets, or "carbon" offsets purchased to cover Scope 1 emissions. • Scope 1 emissions are based on direct on-site fuel consumption, stationary refrigerants and mobile refrigerants, and transport fuel consumption multiplied by their associated emission factor and/or global warming potential (GWP). • Our emission factors and estimation methodology used are described in the Emission Factors and Estimation Methodology sections.
Scope 2 Market-based, by source	1.5 Thousand metric tons CO_2 equivalent	• Indirect emissions associated with purchased electricity (inclusive of electric and hybrid vehicle charging at non-ELC locations), and purchased thermal services (district heat, purchased steam, and purchased chilled water) for the operation of ELC owned and leased locations globally. • Scope 2 location-based emissions are based on purchased electricity, and purchased thermal services (district heat, purchased steam, and purchased chilled water) multiplied by their associated country or regionally specific emission factor and GWP. • Scope 2 market-based emissions include renewable electricity sourced from contractual agreements including utility contracts, EACs, a VPPA, and the application of country or regionally specific residual mix emission factors for electricity (where available) or location-based emission factors for electricity, district heat, purchased steam, or purchased chilled water and GWP. The EACs and VPPA have been verified by a third party against an accepted standard and retired within the fiscal year of purchase. • Our emission factors and estimation methodology used are described in the Emission Factors and Estimation Methodology sections.
Electricity	0.0 Thousand metric tons CO_2 equivalent	
Thermal	1.5 Thousand metric tons CO_2 equivalent	
Scope 2 Location-based	62.3 Thousand metric tons CO_2 equivalent	
Scope 1 and 2 GHG intensity (Thousand metric tons CO_2 equivalent normalized to million dollars of net sales)	0.0 Thousand metric tons CO_2 equivalent per $M of net sales	• GHG intensity is calculated as follows: [(Scope 1 emissions (net of carbon offsets)) + (Scope 2 market-based emissions (net of renewables and carbon offsets))] / Net Sales for fiscal 2025 in million U.S. dollars from the Annual Report on Form 10-K. • Offset or "carbon" offset is a unit or CO_2 equivalent that is reduced, avoided, or sequestered to compensate for emissions occurring elsewhere. Carbon offsets have been verified by a third party against an accepted standard and retired within the fiscal year of purchase. • Renewables include off-site generation (utility contracts), EACs (e.g., RECs and REGOs), and a VPPA. • This metric is calculated in accordance with management's criteria and is not based on requirements set forth in the GHG Protocol (i.e. this metric includes carbon offsets)
Reduction of emissions due to conservation and efficiency measures	0.5 Thousand metric tons CO_2 equivalent	• Emissions reductions are based on estimated annual energy savings from projects implemented during fiscal 2025 multiplied by their associated country or regionally specific location-based emission factor and GWP. Total energy savings are attributed to the year of project launch, regardless of timing during the fiscal year. • For projects at locations based in the U.S., the U.S. Environmental Protection Agency (EPA) Emissions & Generation Resource Integrated Database (eGRID) 2023 (released January 2025) emission factors are used. For projects at locations based in Canada, the Environment and Climate Change Canada National Inventory Report 1990-2023: Greenhouse Gas Sources and Sinks in Canada —Annex 13 (updated March 2025) emission factors are used. For projects at locations in the United Kingdom, the DESNZ UK Government GHG Conversion Factors for Company Reporting 2025 (published June 2025) emissions factors are used. For projects at locations based in all other countries, International Energy Agency (IEA) Emissions Factors 2024 (published September 2024).

METRIC (AMOUNTS MAY NOT SUM DUE TO ROUNDING)	FISCAL 2025 METRIC VALUE	MANAGEMENT CRITERIA
Scope 3 Category 2: Capital goods	144.3 Thousand metric tons CO_2 equivalent	• Includes GHG emissions associated with upstream (cradle to gate) emissions from the production of capital goods purchased by ELC. • ELC's financial accounting policies and procedures are utilized to determine whether to account for a purchased product as a capital good. • Includes spend categories for all capital purchases during the fiscal year. • Scope 3, category 2 emissions are based on categorized capital goods spend data obtained from a financial accounting system, multiplied by the associated emission factors from the Comprehensive Environmental Data Archive (CEDA) 2024 Global Database, which are inclusive of GWPs. • GHGs included as part of emissions reported for the Scope 3, Category 2: Capital goods metric are CO_2, CH_4, N_2O, HFCs, SF_6, PFCs, and NF_3. Emissions data by individual gas is not disclosed as a majority of CO_2e for this metric relates to CO_2. • For fiscal 2025, ELC adjusted spend for inflation, whereas for fiscal 2024, ELC adjusted the respective emission factor for inflation. The adjustment for inflation was based on the U.S. inflation rate obtained from the World Bank's Annual Inflation database (issued May 2025 for fiscal 2025 and April 2024 for fiscal 2024).
Scope 3 Category 3: Fuel and energy-related activities	22.6 Thousand metric tons CO_2 equivalent	• Includes GHG emissions associated with fuel and energy-related activities that are not included in ELC's Scope 1 or Scope 2 GHG emissions. • Includes upstream (cradle-to-gate) emissions of purchased fuels and electricity (from raw material extraction up to the point of, but excluding, combustion by a power generator). • Scope 3, Category 3 emissions are based on actual and estimated activity data (on-site fuels, which includes diesel, fuel oil, natural gas, LNG, and propane; transport fuels, which includes mobile gasoline, mobile diesel, and mobile ethanol (biofuel); district heat; purchased steam; purchased chilled water; and purchased electricity) multiplied by the associated emission factor from these sources, which are inclusive of GWPs. • Our emission factors and estimation methodology used are described in the Emission Factors and Estimation Methodology sections.

BASE DATA

ELC uses fiscal 2018 as the baseline to which future years' GHG emissions are compared. Any changes in GHG emission methodology, emission factors, organizational boundary conditions (operational or financial control), or location portfolio are tracked against the fiscal 2018 GHG emissions.

For any acquisitions, base year data for the acquired location is added to the total base year data using actual data, if available, or estimated data based on the estimation methodology outlined below. For any divestitures, the base year data for the divested location is subtracted from total base year emissions.

EMISSION FACTORS

Carbon dioxide equivalent emissions are determined by multiplying measured or estimated energy or fuel usage or refrigerant loss by relevant carbon emission factors and/or GWPs from the Intergovernmental Panel on Climate Change's Fifth (AR5) or Sixth Assessment Report (AR6) (certain refrigerant GWPs from AR5 are used if not provided by the more recent AR6). The table below outlines the emission factor sources used in the fiscal 2025 GHG emissions calculations. If an emission source does not list separate emission factors for location-based and market-based, the listed factor is used for both.

METRIC	EMISSIONS SOURCE TYPE	EMISSION FACTOR EMPLOYED
Scope 1	Natural Gas	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 1	Fuel Oil No. 2	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 1	Diesel	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 1	LNG	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 1	Propane	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 1	Refrigerants (stationary and mobile)	Global Warming Potentials from the Intergovernmental Panel on Climate Change's Fifth (AR5) or Sixth (AR6) Assessment Reports (2013 and 2021) (certain refrigerant GWPs from AR5 are used if not provided by the more recent AR6)
Scope 1	Mobile Diesel	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 1	Mobile Gasoline	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 1	Mobile Ethanol (Bio-fuel)	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 2	Purchased Electricity (U.S.) (inclusive of electric and hybrid vehicle charging at non-ELC locations)	Market-based: 2024 Green-e® Residual Mix Emissions Rates (2022 Data) (issued December 2024) Location-based: U.S. EPA eGRID 2023 (released January 2025)
Scope 2	Purchased Steam (U.S.)	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 2	Purchased Chilled Water	Location-based (UK): Department for Energy Security and Net Zero (DESNZ) UK Government GHG Conversion Factors for Company Reporting (published June 2025) Market-based (UK): Association of Issuing Bodies European Residual Mixes 2024: Version 1.0 2025-05-3 China: IEA Emission Factors 2024 (published September 2024)
Scope 2	District Heat (Wood and Wood Residuals)	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025)
Scope 2	District Heat (Blended Feedstock)	U.S. EPA Emission Factors for Greenhouse Gas Inventories (issued January 2025) Blended feedstock is a weighted combination of the emission factors for wood and wood residuals, municipal solid waste, natural gas, and distillate fuel oil No. 2. It was calculated using a blended emissions factor tailored to the city's district heat production, which is a composite of U.S. EPA emissions factors for wood and wood residuals (30%), municipal solid waste (30%), natural gas (30%), and distillate fuel oil No. 2 (10%). In developing this emission factor, ELC assumes an 80% boiler thermal efficiency (same as U.S. EPA assumes for natural gas steam.)
Scope 2	District Heat (Natural Gas)	DESNZ U.K. Government GHG Conversion Factors for Company Reporting 2025 (published June 2025)
Scope 2	Purchased Electricity (Canada)	Environment and Climate Change Canada National Inventory Report 1990-2023: Greenhouse Gas Sources and Sinks in Canada—Annex 13 (updated March 2025)
Scope 2	Purchased Electricity (Australia)	Australian Government Department of Climate Change, Energy, the Environment and Water Australian National Greenhouse Accounts Factors 2024 (issued August 2024)

METRIC	EMISSIONS SOURCE TYPE	EMISSION FACTOR EMPLOYED
Scope 2	Purchased Electricity (United Kingdom) (inclusive of electric and hybrid vehicle charging at non-ELC locations)	DESNZ UK Government GHG Conversion Factors for Company Reporting 2025 (published June 2025)
Scope 2	Purchased Electricity (All other markets) (inclusive of electric and hybrid vehicle charging at non-ELC locations)	Market-based (Europe): Association of Issuing Bodies European Residual Mixes 2024: Version 1.0 2025-05-3 Location-based: IEA Emission Factors 2024 (published September 2024)
Scope 3 Category 2: Capital goods	Capital goods spend data	CEDA 2024 Global Database published in 2024 by Watershed. To adjust for 2025 inflation levels, inflation for the U.S. was taken from the World Bank's Annual Inflation database (issued May 2025). The calculated weighted average CEDA emission factor was applied to unclassified and bulk purchase spend. The weighted average factor was calculated by multiplying the CEDA factors utilized for each other spend type by the percentage of total spend of the appropriation request type (spend type) represented.
Scope 3 Category 3: Fuel and energy-related activities	Upstream well-to-tank (WTT) emissions associated with onsite fuels, transport fuels, district heat, and purchased steam	DESNZ U.K. Government GHG Conversion Factors for Company Reporting 2025 (published June 2025)
Scope 3 Category 3: Fuel and energy-related activities	Upstream WTT emissions associated with purchased electricity and purchased chilled water	IEA (2024), Life Cycle Upstream Emission Factors (published September 2024)
Scope 3 Category 3: Fuel and energy-related activities	Transmission and distribution loss emissions associated with purchased electricity and purchased chilled water	IEA (2023), Life Cycle T&D Emission Factors (published September 2024)

ESTIMATION METHODOLOGY

Estimation procedures were used to determine energy and GHG emissions data where measurement data is not readily available as noted in the table below. These estimates account for approximately 9% of reported Scope 1 emissions and approximately 26% of reported Scope 2 location-based emissions and approximately 85% of reported Scope 2 market-based emissions (representative of emissions after contractual agreements have been applied).

METRIC & EMISSION SOURCE TYPE	ESTIMATION METHODOLOGY
Scope 1: On-site Fuels	If actual fuel usage amounts are unavailable, but it is known that a location uses a fuel, usage data is estimated. Estimations are performed on an annual, or for all missing months, basis, in order to estimate usage across locations where the fuel was confirmed to be used. Where the type of fuel usage for a location could not be determined it was assumed to be natural gas. For locations that use natural gas that received no fuel data in fiscal 2025 but did in fiscal 2024, the historical fiscal 2024 actual usage was assumed for fiscal 2025. Otherwise, usage was estimated based on the building square footage, days open during fiscal 2025, and the average benchmark natural gas intensities (Btu/ft2 per day) from the Commercial Buildings Energy Consumption Survey (CBECS) (2018), by building type. For locations that use diesel that received no fuel data in fiscal 2025 but did in fiscal 2024, the historical fiscal 2024 actual usage was assumed for fiscal 2025. Otherwise, usage was estimated based on the building square footage, days open during fiscal 2025, and the average diesel consumption rate (Btu/ft2 per day) derived from locations that reported actual usage data of diesel fuel in fiscal 2025. For locations that use fuel oil no. 2 that received no fuel data in fiscal 2025 but did in fiscal 2024, the historical fiscal 2024 actual usage was assumed for fiscal 2025. Otherwise, usage was estimated based on the building square footage, days open during fiscal 2025, and the average fuel oil no. 2 intensities (U.S. gallons/ft2 per day) from the CBECS (2018), by building type. For LNG and propane, no estimates were made as actual data was available for all relevant locations.
Scope 1: Transport Fuels	Non-electric fleet vehicles—fuel consumption (captured in Scope 1 emissions) For countries where ELC operates non-electric owned and/or leased fleet vehicles, transport fuel usage and/or distance travelled data is provided by the fleet vendor and disaggregated by country, vehicle make, vehicle model, fuel type, and travel purpose (e.g., field or benefit vehicles). When distance travelled was provided, fuel usage was estimated for each individual vehicle by multiplying distance travelled by the average fuel efficiency of that specific make and model, or by extrapolating the average fuel consumption of internal combustion engine (ICE) vehicles from actual fuel consumption data for ELC's fleet vehicles. If actual transport fuel usage amounts are unavailable, usage is estimated based on other available transport data. Where both the distance travelled is known and the average fuel efficiency can be researched for the vehicle model, fuel usage is estimated from these variables. In other scenarios, transport fuel usage is estimated based on the average fuel consumption per vehicle by fuel type (e.g., gallons of motor diesel fuel used per vehicle per year) derived from actual fuel usage data received in fiscal 2025 for ELC's non-electric fleet vehicles.
Scope 2: Purchased Electricity (electric and hybrid vehicle charging at non-ELC locations)	Electric and hybrid fleet vehicles—purchased electricity consumption (captured in Scope 2 emissions) For countries where ELC operates electric and hybrid owned and/or leased fleet vehicles, no electricity data was available. To estimate electricity usage for electric fleet vehicles, distance travelled is provided by the fleet vendor and was multiplied by the model-specific miles per gallon (MPG) (reported in kwh/mile). Where distance travelled was unavailable for electric vehicles, it was estimated based on the average distance travelled per electric vehicles derived from actual distance travelled data in fiscal 2025 for ELC's electric fleet vehicles. To estimate electricity usage for plug-in hybrid fleet vehicles, distance travelled is provided by the fleet vendor and multiplied by the model-specific MPG and then multiplied by the model-specific percentage of distance travelled in electric vehicle (EV) mode. Model-specific MPG is based on available data from fueleconomy.gov for brands that are sold in the U.S. and fleetnews.co.uk for brands that are not sold in the U.S. Where model-specific MPG data is unavailable for the specific model or year, the closest available comparable vehicle MPG is used as an alternative. Model-specific percentage of distance travelled is based on available data from fueleconomy.gov. Estimated electricity usage for ELC's electric owned and/or leased fleet vehicles is reduced by 50 percent as it is assumed that 50 percent of the charging of ELC's electric fleet vehicles takes place at locations that ELC owns and/or leases, and therefore, the electricity usage is already reflected within the reported Scope 2 emissions metric. The remaining 50 percent of the charging is assumed to occur at non-ELC locations and is added to the reported Scope 2 emissions metric.

METRIC & EMISSION SOURCE TYPE	ESTIMATION METHODOLOGY
Scope 1: Mobile Refrigerants	Estimations are performed to calculate mobile refrigerant usage for ELC owned and/or leased fleet vehicles. Estimates are based on the total fleet vehicle count by country (provided by fleet vendor) and average refrigerant recharge and loss per vehicle. Mobile refrigerants are assumed to be HFC-134a (Freon) and are included in the inventory on a per country per year basis.
Scope 1: Stationary Refrigerants	No estimates were made as recharge fluctuates year-over-year. Only ELC locations with operational control over their heating, ventilation, and air conditioning (HVAC) systems report actual refrigerant recharge (usage) data. In fiscal 2025, actual refrigerant usage was reported at manufacturing and certain distribution and innovation locations. It is assumed that the amount of refrigerants used to recharge is the amount that has leaked into the atmosphere.
Scope 2: Purchased Electricity	ELC employs several methods to estimate electricity usage when actual activity data is unavailable. In some cases, locations provided estimates based on partial activity data, invoices, and cost data. In the case where locations are unable to provide relevant data (common for many ELC international leased freestanding store and office locations), the preferred method of estimation is based on intensity factors (kWh/ft2 per year) derived from actual historical electricity usage over a certain period based on the location type, brand, and/or location. The factors are applied to the building square footage of the location and days open during fiscal 2025 to estimate the amount of purchased electricity.
Scope 2: District Heat (Natural Gas, Blended Feedstock, and Wood and Wood Residuals)	Estimates are made using the district heat intensity factors (Btu/ft2 per day) from the CBECS (2018) by building type. The factors are applied to the building square footage and days open during fiscal 2025 to estimate the amount of district heat. If actual amounts are unavailable, but it is known that a location uses district heat, usage data is estimated.
Scope 2: Purchased Steam	Estimates are made using the purchased steam intensity factors (Btu/ft2 per day) from the CBECS (2018) by building type. The factors are applied to the building square footage and days open during fiscal 2025 to estimate the amount of purchased steam. If actual amounts are unavailable, but it is known that a location uses purchased steam, usage data is estimated.
Scope 2: Purchased Chilled Water	Where metered chilled-water data are unavailable, annual activity is estimated by multiplying each location's square footage by a benchmark intensity factor (kWh/sq ft) based on the available data during the fiscal year. The cool energy is divided by an assumed coefficient of performance for the cooling systems to determine the electricity used to generate the cooling energy. Using the resulting electricity consumption, emissions are estimated using the same methodology as purchased electricity.
Scope 3: Category 3	The estimation methodology for Scope 3 Category 3 uses the estimation techniques applied within Scope 1 and Scope 2 as the underlying activity data remains consistent across the calculations. For further details, please refer to the Scope 1 and Scope 2 estimation methods above. The Mobile Refrigerants and Stationary Refrigerants emission sources are not relevant for Scope 3, Category 3.

EXCLUSIONS

Each year, we aim to refine our energy and GHG emissions metrics reported. Metrics exclude GHG emissions associated with refrigerant sources at freestanding store, salon, office, and certain regional distribution and innovation locations.

UNCERTAINTY

GHG emissions quantification is subject to inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of alternative acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

WATER

ELC reports the water metrics for locations where ELC has operational control. These locations include manufacturing, distribution, innovation, and office locations that were in operation for all or part of fiscal 2025. Data for salon and freestanding store locations are excluded from the fiscal 2025 metrics.

METRIC	FISCAL 2025 METRIC VALUE	MANAGEMENT CRITERIA
Withdrawal	1.3 Million cubic meters	• Water withdrawal is sourced from third parties and groundwater. There was no water withdrawal directly from surface water. • Water withdrawal data is sourced from direct measurement or third-party invoices when possible. When actual data is not available for manufacturing, distribution, and innovation locations, estimates are formed using building square footage multiplied by a location type-specific intensity factor, which is derived from ELC manufacturing, distribution, or innovation locations reporting actual water withdrawal data. When actual data is not available for office locations, estimates are formed using a headcount-based methodology utilizing the following datapoints: office headcount as of the fourth quarter of the fiscal year, gender, workdays, and in-office capacity. Multiplying these datapoints by the standard or water-efficient plumbing fixture rates (as defined by the U.S. EPA, U.S. Green Building Council (USGBC) or Leadership in Energy and Environmental Design (LEED) and dependent on office location) for daily domestic water uses typical of office locations (drinking water, sanitation, and hygiene) results in an estimate of water withdrawal for each office. When the office headcount as of the fourth quarter of the fiscal year, gender, workdays, and in-office capacity datapoints are not available for offices, estimates are formed using rentable square footage multiplied by a location type-specific intensity factor, which is derived from the water withdrawal estimated using the headcount-based methodology. • Approximately 5% of the reported water withdrawal is estimated.
Consumption	0.1 Million cubic meters	Consumption is calculated as the difference between water withdrawal and water discharge.
Discharge	1.2 Million cubic meters	• Water is discharged to third parties, groundwater, and surface water. • Water discharge data is sourced from direct measurement or third-party invoices when possible. When actual data is not available for manufacturing, distribution, and innovation locations, estimates are formed using a discharge ratio based on a location type-specific intensity factor, which is derived from ELC manufacturing, distribution, or innovation locations reporting actual water discharge data. Actual discharge data was not available for office locations. Since the main water usage at these office locations is for domestic purposes (drinking water, sanitation, and hygiene), it was assumed that 95% of withdrawal is discharged. • Discharge associated with non-contact cooling water activities at the Melville manufacturing location is estimated based on the actual location water withdrawal minus known water discharge activities (industrial and sanitary wastewater), known water used in finished products, and estimated water consumption (irrigation and human consumption). • Approximately 25% of the reported water discharge is estimated.
% Water consumption from all areas with high or extremely high water stress	59.6%	• Areas of high or extremely high water stress include ELC locations in areas of high or extremely high water stress as defined by the World Resources Institute's Water Risk Atlas tool (Aqueduct 4.0).
% Water withdrawn from all areas with high or extremely high water stress	75.3%	• Areas of high or extremely high water stress include ELC locations in areas of high or extremely high water stress as defined by the World Resources Institute's Water Risk Atlas tool (Aqueduct 4.0).
Water consumption intensity (Cubic meters normalized to million dollars of net sales)	10.1	• Water consumption intensity is calculated as follows: Water consumption (cubic meters) / Net Sales for fiscal 2025 in million US dollars from the Annual Report on Form 10-K.

PALM OIL

Palm oil metrics indicate the volume and proportion of palm-based ingredients directly procured and received by ELC that were certified as sustainable by the Roundtable on Sustainable Palm Oil (RSPO). RSPO develops and sets standards for sustainable palm oil and enables sustainable palm oil certification.

The metrics in the table below are for the calendar year ended December 31, 2024 (calendar year 2024) which is consistent with ELC's Annual Communication of Progress (ACOP) report submitted to the RSPO. Calendar year 2024 metrics exclude information related to palm-based ingredients i) directly procured and/or received by third-party manufacturers (TPMs) and ii) directly procured and received by DECIEM. Unless otherwise indicated within the management criteria, relevant data (e.g., raw material volume) is obtained from internal ELC raw materials management and procurement systems.

METRIC (AMOUNTS MAY NOT SUM DUE TO ROUNDING)	CALENDAR YEAR 2024 METRIC VALUE	MANAGEMENT CRITERIA
Total amount of palm oil sourced	3.3 Thousand Metric Tons	Palm oil sourced is calculated by multiplying the percentage of palm-based ingredients in each raw material directly procured and received by ELC by the raw material volume. Palm-based ingredients include palm oil, palm kernel oil, and other relevant palm-based derivatives. Raw materials are determined to contain palm-based ingredients based on documentation provided by the raw material supplier. Composition of raw materials, including percentage of palm-based materials, is obtained from the raw material supplier.
% Total palm oil certified by RSPO, by certification type	100%	Raw material suppliers provide confirmation of RSPO certification status and type for palm oil producers who supplied the raw materials directly procured and received by ELC. Accredited RSPO Certifying Bodies certify palm oil producers through verification of the production process in alignment with RSPO Principles and Criteria for the Production of Sustainable Palm Oil. RSPO certification types include identity preserved, segregated, mass balance, and RSPO Credits.
Identity Preserved	<1%	Identity preserved is palm oil from a single identifiable certified source and is kept separately from ordinary palm oil throughout the supply chain.
Segregated	<1%	Segregated is palm oil from different certified sources and is kept separate from ordinary palm oil throughout the supply chain.
Mass Balance	97%	Mass balance is palm oil from certified sources and is mixed with ordinary palm oil throughout the supply chain.
RSPO Credits	3%	An RSPO Credit is proof that one tonne of certified palm oil was produced by an RSPO-certified company or independent producer, and has entered the global palm oil supply chain. By purchasing RSPO Credits, buyers encourage the production of certified sustainable palm oil. Includes palm oil and palm kernel oil credits purchased by ELC through RSPO from independent smallholders that were claimed for palm oil directly procured and received in calendar year 2024.
% Total palm-based ingredients sourced through certified-sustainable physical supply chain	97%	Certified-sustainable physical supply chains include the percentage of total palm oil certified by RSPO for the identity preserved, segregated, and mass balance certification types.

PACKAGING

Packaging metrics include information related to ELC's product packaging. Product packaging is defined as materials included on the ELC Bill of Materials (BOM) to be used for i) the containment, protection, handling, and presentation of products; or ii) delivery to ELC's distribution centers. Product packaging includes packaging that is i) directly purchased by ELC for products manufactured by ELC and/or third parties, and ii) purchased by third parties for products manufactured by third parties.

Product packaging excludes materials used to transport products (e.g., pallets, e-commerce shippers), if not included on the BOM. It is ELC's policy to include acquired brands in the reporting of its packaging metrics when actual data is available. Packaging data pertaining to DECIEM and Dr.Jart+ are partially included in the reported packaging metrics as integration into ELC packaging reporting systems continued during fiscal 2025.

Relevant weight and packaging attribute data (e.g., post-consumer recycled content (PCR), Forest Stewardship Council certification (FSC) is obtained from supplier information recorded in ELC's internal packaging management and procurement systems.

METRIC	FISCAL 2025 METRIC VALUE	MANAGEMENT CRITERIA
% Packaging that is recyclable, refillable, reusable, recycled, or recoverable	72%	Packaging is categorized as recyclable, refillable, reusable, recycled, or recoverable by ELC based on ELC's criteria as follows: • Recyclable means that a package or packaging component can be recycled through current recycling streams. • Refillable or reusable means that packaging is designed to be used for the same purpose multiple times. • Recycled means that materials are post-consumer recycled or have been recovered or diverted from the waste stream through ELC's consumer take back programs and are re-introduced into ELC's new packaging. • Recoverable means that materials would have otherwise been disposed of to a landfill but have instead been collected through ELC's take back programs. % Packaging that is recyclable, refillable, reusable, recycled, or recoverable, as defined by ELC, is calculated as follows: [(Total weight of packaging materials classified as recyclable, refillable, reusable, recycled, or recoverable / Total weight of product packaging material)* 100]. • Packaging material weight is only counted once across the categories of recyclable, refillable, reusable, recycled, or recoverable to avoid overstating goal progress through double counting (i.e. a material cannot be counted in multiple categories).
% Post-consumer recycled (PCR) material	20%	PCR material is material generated by consumers in their role as end-users of the product, and which can no longer be used for its intended purpose. PCR material includes returns of material from the distribution chain, but excludes pre-consumer material, such as industrial scrap. % PCR material is calculated as follows: (Total weight of packaging materials classified as PCR / Total product packaging material weight)* 100.
% Forest-based fiber carton codes FSC certified	98%	Forest-based fiber cartons FSC certified includes packaging cartons made from forest-based fiber materials (e.g., paper) that are certified through FSC. FSC certification is the practice of sourcing renewable materials that are grown and harvested, produced, packed, and transported using management practices that maintain the productivity of natural systems without compromising their capacity for future generations. % Forest-based fiber cartons FSC certified is calculated as follows: (Total distinct count of forest-based fiber carton codes classified as FSC certified / Total distinct count of forest-based fiber carton codes)* 100.
% Virgin petroleum content in plastic packaging	79%	Virgin petroleum content is plastic derived from fossil-based feedstock that is not made of recycled, bio-based, PCR, or post-industrial recycled (PIR) materials. % Virgin petroleum content in plastic packaging is calculated as follows: [(Total weight of plastic packaging—(Total weight plastic packaging classified as recycled + bio-based + PCR + PIR)) / Total weight of plastic packaging]* 100.

METRIC	FISCAL 2025 METRIC VALUE	MANAGEMENT CRITERIA
Total weight of product packaging, by type	56.2 Thousand Metric Tons	Weight of product packaging from non-renewable and renewable materials.
Non-renewable	45.5 Thousand Metric Tons	Non-renewable materials are all materials not classified as renewable.
Renewable	10.7 Thousand Metric Tons	Renewable materials, as categorized based on ELC criteria, are those composed of biomass from a living source and are replenished at a rate equal to or greater than the rate of depletion.
Total weight of materials reclaimed through consumer take back programs	0.1 Thousand Metric Tons	Materials reclaimed includes product packaging collected through ELC consumer take back programs, which are available in North America, Europe, Latin America, and Australia. Weight of materials reclaimed is obtained from take back vendors in each region where programs are available.
% Packaging reclaimed through consumer take back programs	0.10%	Includes product packaging collected through ELC consumer take back programs, which are available in North America, Europe, Latin America, and Australia, as a percentage of the total weight of product packaging.
% Packaging made from PCR content and/or renewable materials	39%	Includes packaging made from PCR and/or renewable materials, as defined above, as a percentage of the total weight of product packaging.

REFERENCE LINKS

- OUR IMPACT ↗
- FY25 FORM 10-K ↗
- 2025 PROXY STATEMENT ↗
- 2025 CDP RESPONSE ↗
- ALL VIEWPOINTS ↗
- ANIMAL TESTING POLICY ↗
- CLEAN BEAUTY ↗
- CLIMATE TRANSITION PLAN ↗
- CLIMATE TRANSITION PLAN 2024 PROGRESS UPDATE ↗
- CODE OF CONDUCT ↗
- CORPORATE GOVERNANCE GUIDELINES ↗
- CORPORATE INGREDIENT GLOSSARY ↗
- EMPLOYEE BENEFITS ↗
- EMPLOYEE ENGAGEMENT ↗
- ENVIRONMENT, HEALTH, AND SAFETY (EHS) POLICY STATEMENT ↗
- GOVERNANCE PRINCIPLES ↗
- GREEN CHEMISTRY ↗
- HUMAN RIGHTS POLICY ↗
- INCLUSION, DIVERSITY & EQUITY ↗
- INGREDIENT AND PRODUCT TESTING AND SAFETY ↗
- INGREDIENT PHILOSOPHY ↗
- MODERN SLAVERY ↗
- NO DEFORESTATION, NO PEAT, NO EXPLOITATION (NDPE) POLICY ↗
- NOMINATING AND ESG COMMITTEE CHARTER ↗
- ONLINE FORM FOR INQUIRIES REGARDING THIS REPORT ↗
- PALM OIL ACTION PLAN ↗
- PLASTICS VIEWPOINT ↗
- POLITICAL ENGAGEMENT ↗
- PRIVACY PAGE ↗
- RESPONSIBLE SOURCING ↗
- RESPONSIBLE STORE DESIGN ↗
- SUPPLIER CODE OF CONDUCT ↗
- SUPPLIER SUSTAINABILITY GUIDELINES ↗
- THE BREAST CANCER CAMPAIGN ↗
- TIMBER ACTION PLAN ↗
- VALUES AND BELIEFS ↗
- WATER STEWARDSHIP POLICY ↗
- WRITING CHANGE ↗

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