

Estee Lauder Cosmetics Ltd.

Modern Slavery Statement Annex in response to *The Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act, 2024*

Introduction

This statement is produced by Estee Lauder Cosmetics Ltd. (“ELC Canada” or “our” or “we”) for the financial year ending June 30, 2024 (the “Reporting Period”). Estee Lauder Cosmetics Ltd. (“ELC Canada”) is a wholly owned subsidiary of Estee Lauder International Inc., which is a wholly owned subsidiary of Estee Lauder Inc., which is a wholly owned subsidiary of The Estée Lauder Companies Inc. (“ELC”). This statement also covers DECIEM Beauty Group Inc., DECIEM Inc. and DECIEM Distribution Inc. (collectively, “DECIEM”). DECIEM Inc. and DECIEM Distribution Inc. are wholly owned subsidiaries of DECIEM Beauty Group Inc. DECIEM Beauty Group Inc. is an indirect wholly owned subsidiary of The Estée Lauder Companies Inc.

This statement is an annex to the ELC enterprise-wide Modern Slavery statement ([ELC Modern Slavery Statement](#)), which outlines ELC’s approach to respecting human rights across its global operations and supply chain and steps it has taken to minimize the risk of modern slavery occurring in ELC’s business and supply chains. This annex statement provides additional details outlining the steps ELC has taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere or of goods imported into Canada by ELC Canada.

This annex statement provides additional details required by Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) and constitutes the second report prepared by ELC Canada pursuant to the Act. ELC is a reporting entity under section 54(1) of the UK Modern Slavery Act 2015, the Australian Modern Slavery Act 2018, and the California Transparency in Supply Chains Act.

A. Structure, activities and supply chains

See “Organizational Structure and Supply Chains” in the *ELC Modern Slavery Statement*.

The Estée Lauder Companies’ operations in Canada began in 1974 when the first facility opened in Agincourt, Ontario. Today, ELC and ELC Canada employ more than 3,000 people in Canada. The Canadian campus comprises five sites in Ontario – two facilities in Markham, two in Toronto and one in Agincourt – designed for multi-format capability and excellence in new product launch execution. The four Canadian sites represent the largest makeup campus in the company’s network and one of the largest manufacturing campuses globally. It is the global centre of excellence for liquid makeup, lipstick and small format skin care. In addition, ELC Canada has its headquarters in Toronto and has stores throughout Canada.

In addition to Canada, ELC manufactures its products primarily in its own facilities in the United States, Belgium, Switzerland, Japan and the United Kingdom, while also leveraging global third-party manufacturing networks. ELC Canada imports finished products that are manufactured either by ELC’s owned facilities or by approved third-party manufacturers.

DECIEM

DECIEM is a Canada-based manufacturer, marketer, and seller of quality skin care, fragrance, and hair care products. DECIEM's portfolio includes The Ordinary, an ingredient-focused brand; NIOD, a science-driven skin care brand; Avestan, a fragrance brand; and LOoPHA, a lifestyle body-care brand.

DECIEM's products are sold on its own and authorized retailer websites, on third-party online malls, in stores in airports, and in its own and authorized freestanding stores. In addition, its products are sold in brick-and-mortar retail stores, including department stores, specialty-multi retailers, upscale perfumeries and pharmacies and prestige salons and spas.

DECIEM is a member of ELC. On June 3, 2024, ELC announced it had completed its acquisition of DECIEM after first investing in DECIEM in 2017. In the case of recently acquired subsidiaries or businesses (e.g., DECIEM), application of ELC's enterprise-wide Modern Slavery statement is subject to a transition period, the length of which will depend on the status and capabilities of the acquired businesses and/or entities.

B. Policies and due diligence processes in relation to forced labour and child labour

See "Policies in Relation to Modern Slavery and Human Trafficking" in the *ELC Modern Slavery Statement*.

C. Forced labor and child labor risks

See "Supplier Due Diligence and Risk Assessment" in the *ELC Modern Slavery Statement*.

D. Remediation measures

See "Accountability: Remediation" in the *ELC Modern Slavery Statement*.

As stated in the ELC Supplier Code of Conduct, "If an ELC Supplier appears to be in non-compliance with the Supplier Code, we expect the ELC Supplier to cooperate and provide additional information, for us to decide whether such ELC Supplier is in compliance.

If we determine the ELC Supplier is not in compliance, then the remedies may include, among other things, termination of business with ELC or the development and implementation of a corrective action plan that would need to be implemented within a certain fixed time period. ELC may follow such implementation by a follow up audit, as it deems appropriate."

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. We recognize our suppliers operate in diverse legal and cultural environments throughout the world and we are committed to doing our part to take action.

Read more in the “Addressing Risks” section in the *ELC Modern Slavery Statement*.

E. Remediation of loss of income

In the last fiscal year, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

F. Training

See “Employee Education and Training” in the *ELC Modern Slavery Statement*.

G. Assessing effectiveness

See “Assessing Effectiveness” in the *ELC Modern Slavery Statement* for details on ELC’s Human Rights Assessment.

See “Supplier Due Diligence and Risk Assessment” in the *ELC Modern Slavery Statement* for details on how ELC ensures continuous improvements in its sourcing practices.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Quentin Roach
Chief Procurement Officer
May 16, 2025

Signature,



I have the authority to bind Estee Lauder Cosmetics Ltd. and DECIEM Beauty Group Inc., DECIEM Inc. and DECIEM Distribution Inc.

ESTÉE LAUDER COMPANIES

*MODERN SLAVERY
STATEMENT*

December 31, 2024

The Estée Lauder Companies Modern Slavery Statement

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Introduction

As we (The Estée Lauder Companies or ELC)¹ approach our operations and our supply chain, we aspire to foster respect for people and the environment and to be a positive influence in every community in which we operate and from which we source. This Modern Slavery statement

¹ ELC, we, us, and our refer to The Estée Lauder Companies Inc. and its subsidiaries. In the case of recently acquired subsidiaries or businesses (e.g., DECIEM), application of this policy will be subject to a transition period, the length of which will depend on the status and capabilities of the acquired businesses and/or entities. As part of an overall integration plan, ELC would bring non-shared suppliers (i.e. suppliers not already covered by ELC's program) into ELC's program. As such, there may be a gap in some elements of the program as the onboarding and integration plans take place.

outlines the actions undertaken in the fiscal year ended June 30, 2024, to identify and minimize risks relating to modern slavery in our business and enterprise.

As a global company, we comply with laws and regulations where we conduct business. We also look to those who provide us with services or goods (collectively “suppliers”) to operate in compliance with all applicable laws, including, but not limited to, supply chain integrity, employment laws pertaining to forced labor and human trafficking, child labor, minimum wages, overtime compensation, hiring, and occupational safety.

This statement outlines our approach to respect human rights across our global operations and supply chain and aligns with these international protocols:

- United Nations Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights

This Modern Slavery statement is made in accordance with section 54(1) of the UK Modern Slavery Act 2015, the Australian Modern Slavery Act 2018, the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023, and the California Transparency in Supply Chains Act.

Respect for Human Rights

ELC respects human rights across our global operations and supply chain. The UN Guiding Principles on Business and Human Rights provide a framework to help us identify and prioritize our human rights risks and impacts. Proactive human rights due diligence is an ongoing process, and we have policies, processes, training, and systems in place to identify, assess, monitor, and mitigate or eliminate actual or potential human rights impacts.

We are required by the aforementioned Guiding Principles and regulations to disclose publicly the steps we are taking to identify and eradicate forced labor and human trafficking in our supply chains. The following describes ELC’s relevant global commitments and initiatives.

Organizational Structure and Supply Chains

Business Structure

ELC is one of the world’s leading manufacturers, marketers, and sellers of quality skin care, makeup, fragrance, and hair care products. Established in New York in 1946, the company’s products are now 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+, and the DECIEM family of brands, including The Ordinary and NIOD.

ELC has three main geographic regions: Asia/Pacific; Europe, the Middle East & Africa (EMEA); and The Americas. Each region is composed of one or more affiliates. Today we have affiliates in 50+ countries and territories.

Our products are sold on our own and authorized retailer websites, on third-party online malls, in stores in airports, in duty-free locations and in our own and authorized freestanding stores. In addition, our products are sold in brick-and-mortar retail stores, including department stores, specialty-multi retailers, upscale perfumeries and pharmacies and prestige salons and spas.

Employee Population

With over 60K+ employees worldwide, we recognize that in order to properly serve the communities in which we live and work, our workforce and products must reflect and represent this global diversity.

We strive to promote a safe, inclusive, and diverse work environment where all employees feel welcome and valued. It is the policy and practice of this company to provide all employees and applicants for employment with equal employment opportunities without regard to race, creed, color, religion, sex, gender, age, national origin, alienage or citizenship status, sexual orientation, gender identity or expression, marital, partnership or familial status, disability, genetic information, veteran/military status, domestic violence victim status, or any other characteristic protected by law. This policy applies to all company activities, including, but not limited to recruitment, hiring, compensation, assignment, training, promotion, discipline and discharge.

Supply Chain

Our Global Supply Chain includes a vast network of direct and indirect suppliers (collectively, “ELC Suppliers”) through which we purchase materials and services that are an integral part of our operations. Our direct supply chain is comprised of suppliers that directly contribute to ELC’s products, packaging, and/or production, such as those that provide the raw ingredients for our product formulations, the materials that contribute to our packaging solutions, and third-party manufacturers. Our indirect supply chain is composed of suppliers who sell us goods and services not directly used in the manufacturing of our products, such as creative partners, stores/visual merchandise, IT services and more. We aim to develop long-lasting, trusting, and mutually beneficial relationships with a common basis of shared values and commitment to operating responsibly and ethically.

Our Global Supply Chain includes our world-class Manufacturing and Fulfillment, Distribution and Logistics, and Procurement and Planning operations. The collective team plans, crafts, and delivers the highest quality products and packaging for our consumers around the world. The Global Supply Chain partners closely with Global Research and Development (R&D)/Innovation as an end-to-end supply chain, which encompasses the lifecycle of the company’s products – from inception to delivery to our consumers’ hands. Underpinning the supply chain are shared teams that ensure the quality, sustainability, safety, and innovation that spans across all that we do.

We manufacture our products primarily in our own facilities in the United States, Belgium, Switzerland, Japan, the United Kingdom, and Canada, while also leveraging global third-party manufacturing networks. We continue to evaluate our manufacturing facilities and processes and identify sourcing opportunities to improve innovation, increase efficiencies, minimize our impact on the environment, ensure supply sufficiency, and reduce costs.

Sourcing Responsibly

As a condition of doing business with ELC, we expect our suppliers to honor our company values and our commitment to operating as a responsible and sustainable corporate citizen. In partnership with our suppliers and everyone we touch, we are committed to compliance with the law, ethical business practices, and fostering our heritage of respect for people and the environment and serving as a positive influence in the communities we serve and from which we source.

ELC sources 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.

Our Responsible Sourcing team is part of our Global Procurement organization and broader Global Supply Chain function. The team works closely with the Global R&D, Global Corporate Citizenship and Sustainability, Packaging, and Legal functions. The team establishes, implements, and monitors environmentally and socially responsible and ethical sourcing practices to ensure that performance is aligned with our goals and objectives. We collaborate with our brands, suppliers, industry groups, and peers to continuously advance our practices.

We aim to support businesses owned by a wide cross section of individuals, including ethnic minorities, women, the LGBTQIA+ community, veterans, and people with disabilities through our procurement practices. Our objective is to help drive economic development and growth of diverse and small businesses in the supplier base.

Policies in Relation to Modern Slavery and Human Trafficking

Human Rights Policy

We have 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. Through the HRA process, we assessed human rights risks and impacts across our operations, including our corporate policies and procedures, as well as our supply chain, manufacturing, and retail operations. The HRA has provided us with a framework to help identify and prioritize our salient human rights risks and impacts, and to identify key actions for improvement. Our Human Rights policy is available [here](#).

This policy applies to all ELC employees, locations, operating companies and employees of subsidiaries and joint ventures in which we hold a majority interest. We also expect our suppliers to respect human rights in their own operations and supply chains. We promote a culture of uncompromising ethics and integrity and put forth standards to uphold the principles and ideals

that make us a global leader in prestige beauty. We have tailored approaches for various stakeholder groups that focus on key risks and opportunities.

Supplier Code of Conduct

Our Supplier Code of Conduct (“SCoC”), along with ELC’s Human Rights Policy, outlines our expectations for suppliers with respect to human rights; safe, healthy, and equitable workplaces; and the protection of the environment and local communities. It is the foundation of our program to source responsibly. The SCoC, which is based on internationally recognized standards, including the Universal Declaration of Human Rights and International Labor Organization’s Conventions, is organized into three sections:

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

It covers areas including Confidentiality and Privacy, Fair Competition, Child Labor, and Forced Labor, among others. To meet the needs of our diverse and global network of suppliers, the Code is available in several languages. In conjunction with our standard purchasing contracts, the SCoC requires that suppliers be in full compliance with all applicable governmental, legal, regulatory, and professional rules and regulations governing minimum wages, work hours, overtime compensation, hiring, occupational safety, forced and/or child labor. This policy sets forth the basic requirements we expect of suppliers, including vendors, service providers, independent contractors and consultants, as a condition of doing business with ELC.

The SCoC specifies that ELC Suppliers must not employ child labor. The term “child” means any person employed under the age of 15 (or 14 where the law of the country permits) or under the minimum age for employment in the country, whichever is greater. ELC Suppliers employing young workers (workers above the minimum age of employment but under the age of 18) must comply with applicable laws and regulations regarding hours, compensation and must avoid conditions or restrictions that could be harmful to their morals, health, safety, development, and education. These same expectations are upheld at all ELC owned and operated sites.

The SCoC also specifies that ELC Suppliers must not use or benefit from any form of human trafficking, or forced or compulsory labor of any kind, be it prison, bonded, indentured or otherwise. Furthermore, mandatory overtime is not permitted, and workers must be allowed to leave their employment after giving reasonable notice. Imposing monetary fines, withholding identity papers (such as passports), work permits, remuneration or requiring recruitment deposits or other constraints as a condition of employment, is not allowed.

Supplier Sustainability Guidelines

In addition to the SCoC, our Supplier Sustainability Guidelines provide suppliers with practical actions they can take to manage the environmental and social impacts of their own operations. These Guidelines help suppliers to build on the foundation and standards of the SCoC

requirements and apply to its business sustainability and human rights best practices and continuously improve.

Supplier Sustainability Guidelines can be found [here](#).

Supplier Due Diligence and Risk Assessment

We take a risk-based approach to supplier due diligence. We conduct due diligence as part of new supplier qualifications and assess 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. Based on the risk ranking of the supplier, we conduct additional due diligence using third-party on-site audits or assessments, as appropriate. To help us determine country risk, we use a third-party provider that assesses each country based on its approaches to social impact and sustainability topics including environment, health and safety, social issues, corruption, and human rights risks.

Effectively addressing the challenges related to sustainable sourcing requires collaboration between governments, civil society, local communities, and private enterprise. As part of this process, we are committed to partnering with organizations that help us build and strengthen our sourcing strategies and participating in multi-stakeholder collaborative initiatives to ensure continuous improvements in our sourcing practices.

We are continuously working to strengthen our supplier monitoring and compliance program to ensure adherence to the SCoC and pay careful attention to potential risks. We conduct risk assessments and perform due diligence on select direct and indirect suppliers. In addition, we monitor supplier performance and implement corrective action plans as needed.

ELC works with ELC Suppliers, as appropriate, to ensure they fully understand the intent and requirements of the SCoC. ELC Suppliers are expected to make all reasonable efforts to communicate the SCoC, to their workers, as appropriate, and provide workers with the opportunity to ask questions and raise concerns.

ELC approves new suppliers or new manufacturing plants after suppliers meet the requirements set forth in the SCoC evaluation process, which requires all ELC Suppliers to sign the SCoC and applicable ELC Suppliers to complete an assessment or on-site audit. ELC then contracts with third parties to conduct on-site audits for ELC Suppliers that are selected based on criteria such as geography, type of material, and impact to the business.

We also use EcoVadis, an online ratings service, to help us assess 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 – those with the highest level of collaborative partnership – 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.

Accountability

We promote a culture of uncompromising ethics and integrity with standards to help us uphold the principles and ideals that make us a global leader in prestige beauty.

We expect our employees and business partners to conduct business in compliance with applicable laws and regulations and with the high ethical standards and policies set forth in our ELC Code of Conduct (“Code”) and SCoC.

Our Code helps to protect our reputation as an ethical corporate citizen. Newly hired employees are required to sign an acknowledgement that they have received, read, and will comply with the Code. In addition, annually, employees above certain levels are required to complete code of conduct training and acknowledge the code. From time to time, we conduct additional trainings on the Code for groups of our employees.

Addressing Risks

In fiscal 2024, allegations were raised of child labor in the jasmine industry in Egypt. Jasmine is an ingredient that is used as a fragrance component in certain of our products. ELC prohibits the use of child labor, and we believe the rights of all children should be protected. Our Supplier Code of Conduct (SCoC) outlines our mandate for suppliers, including vendors, service providers, independent contractors and consultants, and includes our policy against employment of children as a condition of doing business with our Company.

We are actively engaged with our suppliers on this matter and are deeply committed to achieving full understanding of this serious situation so that we can develop appropriate action plans in accordance with our policy, ethics, and values. We are also working in collaboration with industry peers, local NGOs, and local governments as part of the Harvesting the Future coalition to address critical child rights, including access to education. To learn more about our activities around Egyptian Jasmine, please visit our Viewpoints page.

Assessing Effectiveness

We monitor our direct suppliers for adherence to our SCoC and pay careful attention to potential risks of noncompliance.

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

If we determine that an ELC supplier is not in compliance, then the remedies may include, among other things, termination of business with ELC or the development and implementation of a corrective action plan that would need to be implemented within a certain fixed time period. ELC may follow up on such implementation with an audit, as it deems appropriate.

Remediation

We promote a speak-up culture and provide a mechanism for reporting suspected misconduct. The ELC Integrity Helpline (<https://integrity.elcompanies.com>) is a resource available for employees, suppliers, customers, and other stakeholders to report conduct that may be illegal, unethical or a violation of our Code, Human Rights Policy, or SCoC. Concerns may be reported to the ELC Integrity Helpline via telephone or web, 24 hours a day, 7 days a week and in many languages.

We have standard operating procedures to manage reports to ensure 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 Code.

We will not tolerate retaliation against anyone who in good faith raises questions or concerns about a potential violation of the law, our Code, or company policies, or who assists in an investigation of a reported violation. Retaliation in any form is itself a serious violation of our Code and is strictly prohibited. Acts of retaliation or potential retaliation should be reported immediately. Anyone found to have retaliated against an individual will be subject to disciplinary action, up to and including termination of employment.

For further information about our wider sustainability efforts, please see our latest Social Impact and Sustainability Report found [here](#).

Employee Education and Training

The Estée Lauder Code of Conduct

The ELC Code of Conduct ("Code") outlines our expectations for promoting a respectful workplace, engaging in ethical business practices, and operating in a socially responsible and fair manner.

ELC employees are expected to conduct themselves at all times within the letter and the spirit of the Code. Employees are required to sign off on the Code upon hire and certain employees receive Code refresher training. We conduct training for managers, supervisors and other appropriate employees on topics related to our Code, inclusive of unconscious bias and inclusion and diversity training. ELC has policies, processes, training, and systems in place to identify, assess, monitor, and mitigate or eliminate actual or potential human rights impacts. Our Code of Conduct is available [here](#).

Training

ELC provides a suite of internal training courses related to ethics, human rights, responsible sourcing, and social impact and sustainability. In addition to the Code training mentioned above, targeted employees in functions with proximity to our human rights due diligence program are required to take a modern slavery prevention training module. This training course explains key concepts and warning signs associated with modern slavery and forced labor across companies

and their supply chains, and outlines ELC's approach to modern slavery prevention, due diligence, and remediation.

We also lean on the tools of collaboration and partnerships to advance our responsible sourcing practices, and that includes bringing our employees along on our journey. ELC launched "Sourcing Responsibly at ELC", an E-learning program available on our internal ELC Learning Hub.

The primary objective of this course is to equip our employees with a comprehensive understanding of Sourcing Responsibly at ELC. Through this learning journey, participants are introduced to the internal and external initiatives undertaken by the Responsible Sourcing team, all of which are aligned with the core principles of ELC's Sourcing Responsibly Strategy.

In addition, our Social Impact and Sustainability Education hub is an online resource for employees to upskill on key social impact and sustainability topics, including Women's Advancement, Inclusion, Diversity & Equity, Generational Diversity and Leadership, Product Sustainability and Innovation, and Climate and Environment.