



**DRIVING GLOBAL MANUFACTURING
EXCELLENCE THROUGH LEAN PRACTICES AND
DIGITAL INNOVATION**

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ABOUT THE ESTÉE LAUDER COMPANIES



\$15.91

billion in net sales:
International 76%; U.S. 24%

4 Major Product
Categories

Skin Care, Makeup, Fragrance,
Hair Care

~150
Countries & Territories

GLOBAL SUPPLY CHAIN OPERATIONS



9 Plants
+8,000 in SC
+20,000 suppliers

-  **MANUFACTURING + FULLFILMENT**
-  **FULLFILMENT**
-  **R&D / INNOVATION**

GLOBAL SUPPLY CHAINS HAVE FACED DISRUPTIVE HEADWINDS



Yesterday's solutions won't solve tomorrow's challenges. We must rethink how we operate our business by unlocking KEY ENABLERS...

WINNING MINDSET

EVOLVED CAPABILITIES

RUN CONSISTENTLY

TRANSFORM WITH AGILITY

PEOPLE AS MULTIPLIERS

WINNING MINDSET IS NOT A ONE TIME ACTION...IT'S A JOURNEY

"V" Formation

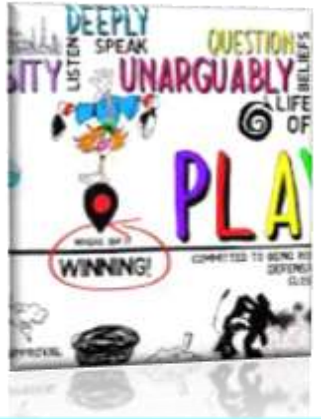
4 Min Mile

Staying Above the Line

Butterfly Strong

Performance Paradox

Synchronization



STRENGTHEN OUR ABILITY TO RUN THE OPERATIONS

ACCELERATE BUSINESS TRANSFORMATION

Aligned on a **Shared Vision**

Reason to **Believe**

High expectations with a **Positive Mindset**

Struggle gives **Strength**

Amazing Results despite unfavorable circumstances

Synchronizing our Operations to Win as an Enterprise

Aug '22

Jan '23

Jul '23

Jan '24

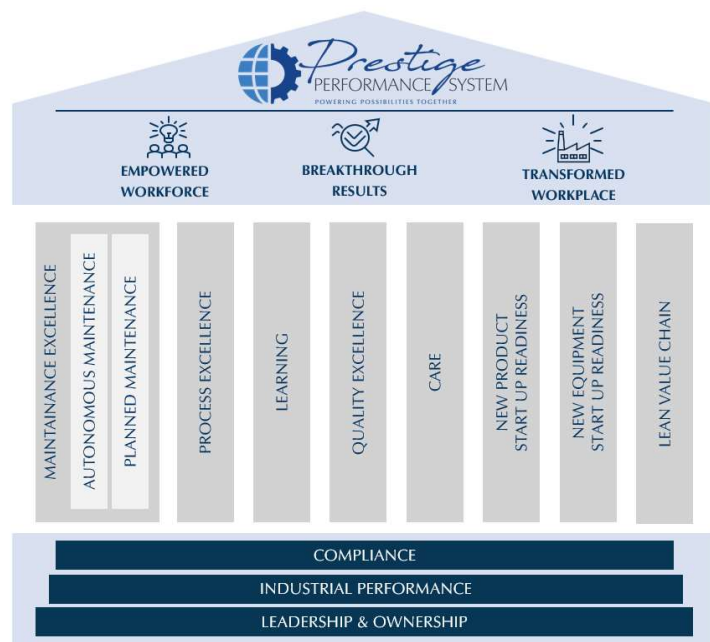
Jul '24

Jul '25

We must
RUN & TRANSFORM

WE HAVE DEVELOPED SPECIFIC INITIATIVES TO RUN & TRANSFORM...

PRESTIGE PERFORMANCE SYSTEM
(PPS) IS OUR "RUN" FRAMEWORK



Continuous Improvement

*...like farming will provide us food in the future, but
not immediately*

WHILE PROGRAM PHOENIX IS
HOW WE "TRANSFORM" OUR
OPERATIONS

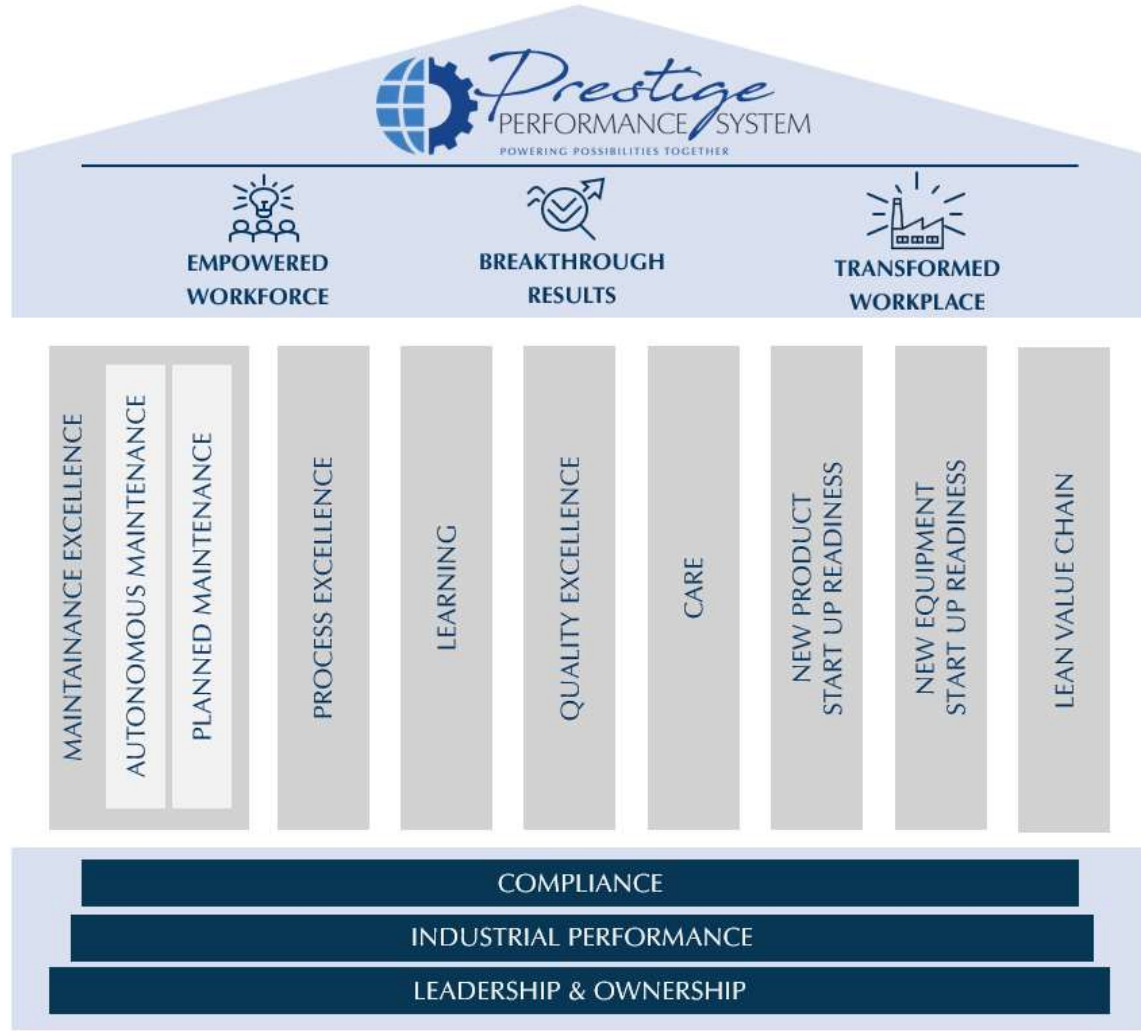


PROGRAM PHOENIX

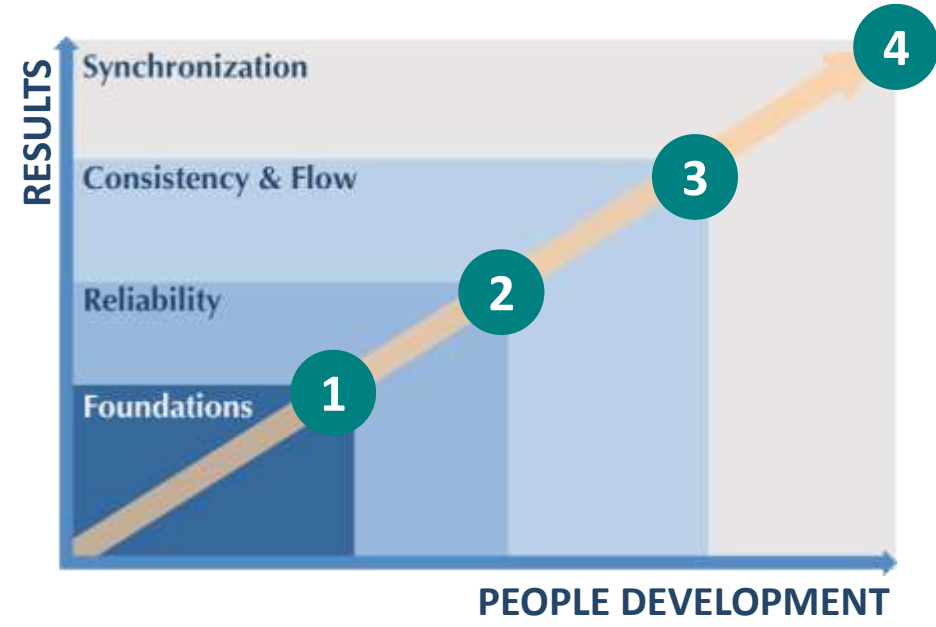
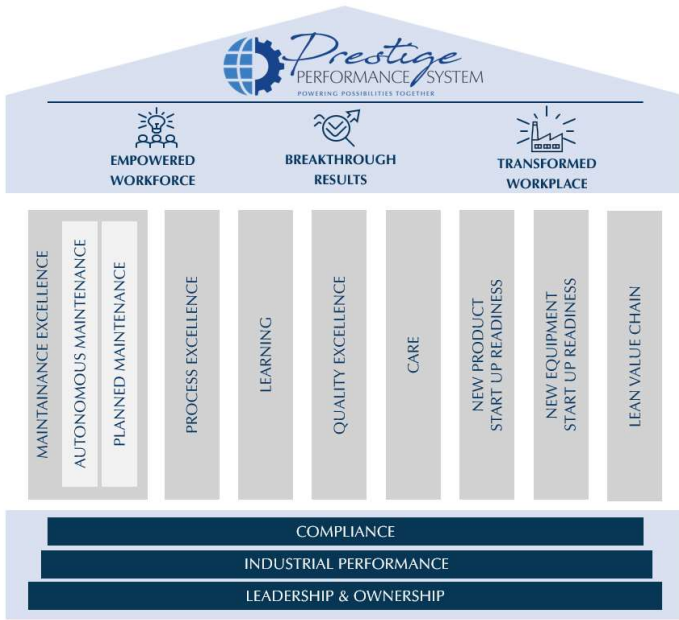
Accelerated Transformation

*...and hunting will feed us now, but not necessarily
secure the food of tomorrow...*

PRESTIGE PERFORMANCE SYSTEM (PPS) HOW WE RUN!



PRESTIGE PERFORMANCE SYSTEM (PPS) HOW WE RUN!



...and accelerated by our BOOSTERS for higher engagement and faster replication...

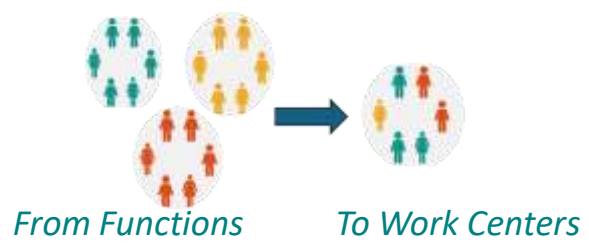
- ✓ **Fast Replication Through ARMS**
(Automated Replication Management System)
- ✓ **Activated and Integrated CoPs**
(Communities of Practice)
- ✓ **Powered up by Awards & Recognition**
(Best of the Best Awards)
- ✓ **Enabled by Connected Worker**

PPS forms multi disciplinary teams to BUILD CAPABILITY & UNLEASH PERFORMANCE, where Work Centers break the silos and help to align and synchronize...

...like in an educational curriculum, PPS is organized in levels of RESULTS & PEOPLE DEVELOPMENT...

...to deliver...

- BREAKTHROUGH RESULTS**
- TRANSFORMED WORKPLACE**
- HIGHLY COMPETENT PEOPLE**



PROGRAM PHOENIX HOW WE TRANSFORM!

ESTÉE LAUDER

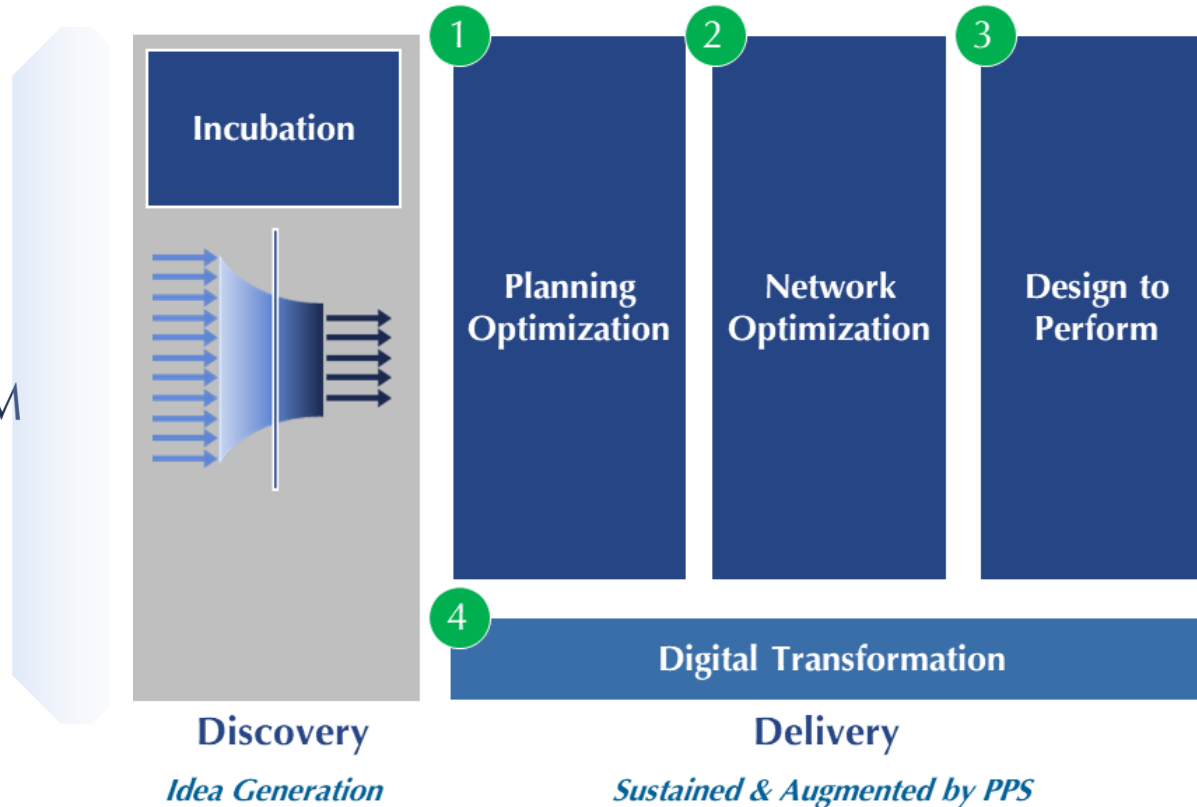


PROGRAM
PHOENIX



PROGRAM PHOENIX

PROGRAM PHOENIX HOW WE TRANSFORM!



- ✓ Breaks Silos amongst Functions
- ✓ Strong Governance Model
- ✓ Key Stakeholders Engaged
- ✓ Faster Decision Making
- ✓ Flow to Work Opportunities for All Functions
- ✓ Talent Development Enables Succession Pipeline & Planning

FAST IMPACT

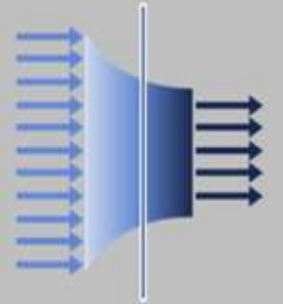
CROSS FUNCTIONAL

TALENT POOL

...Accelerate Transformational Initiatives across the Entire Supply Chain Focused on 4 Main Workstreams based on the Needs of the Business...

RUN & TRANSFORM ECOSYSTEM

Incubation



Discovery
Idea Generation



ACCELERATED BY OUR BOOSTERS

CoP's

Communities of Practice

Over 120 SME's supporting across all Regions and Functions

ARMS

Automated Replication Management System

Over 180 Best Practices Shared since 2023
On pace for a 50% increase in Best Practices shared in 2026
Best Practice Replication has increased by 58% YOY

Digital

Connected Worker

Powered by digital, we are bringing visibility, agility, and intelligence to the front lines. From connected workers to smart workflows, it's how we bring data to life—simplifying decisions and accelerating execution.

BoB

Best of the Best Recognition Program

Started with 1 Global Winner in 2023
Expanded to 6 Category Winners in 2024
Expanded to 9 Category Winners including the Synchronization Award



Digital Transformation Use Cases

Powered by digital, we are bringing visibility, agility, and intelligence to the front lines. From connected workers to smart workflows, it's how we bring data to life—simplifying decisions and accelerating execution.

PHASE 3 – TURNING INSIGHTS TO ACTION
PROJECT ELLA (Estee Lauder Line Assistant)
DIGITAL TWINS



PHASE 2 – PROJECT PULSE
DATA ANALYTICS & INSIGHTS
VALUE IDENTIFICATION

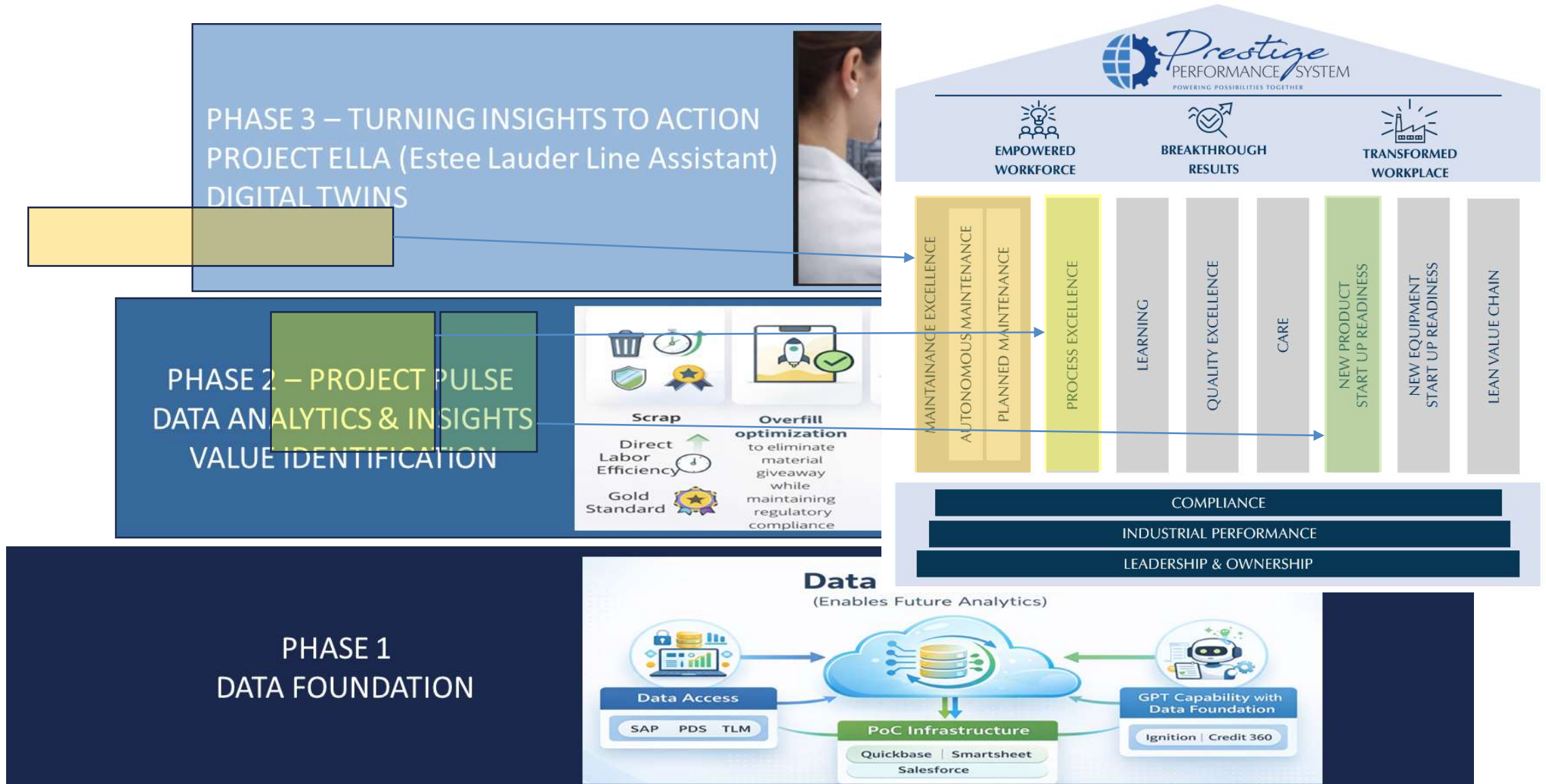


PHASE 1
DATA FOUNDATION

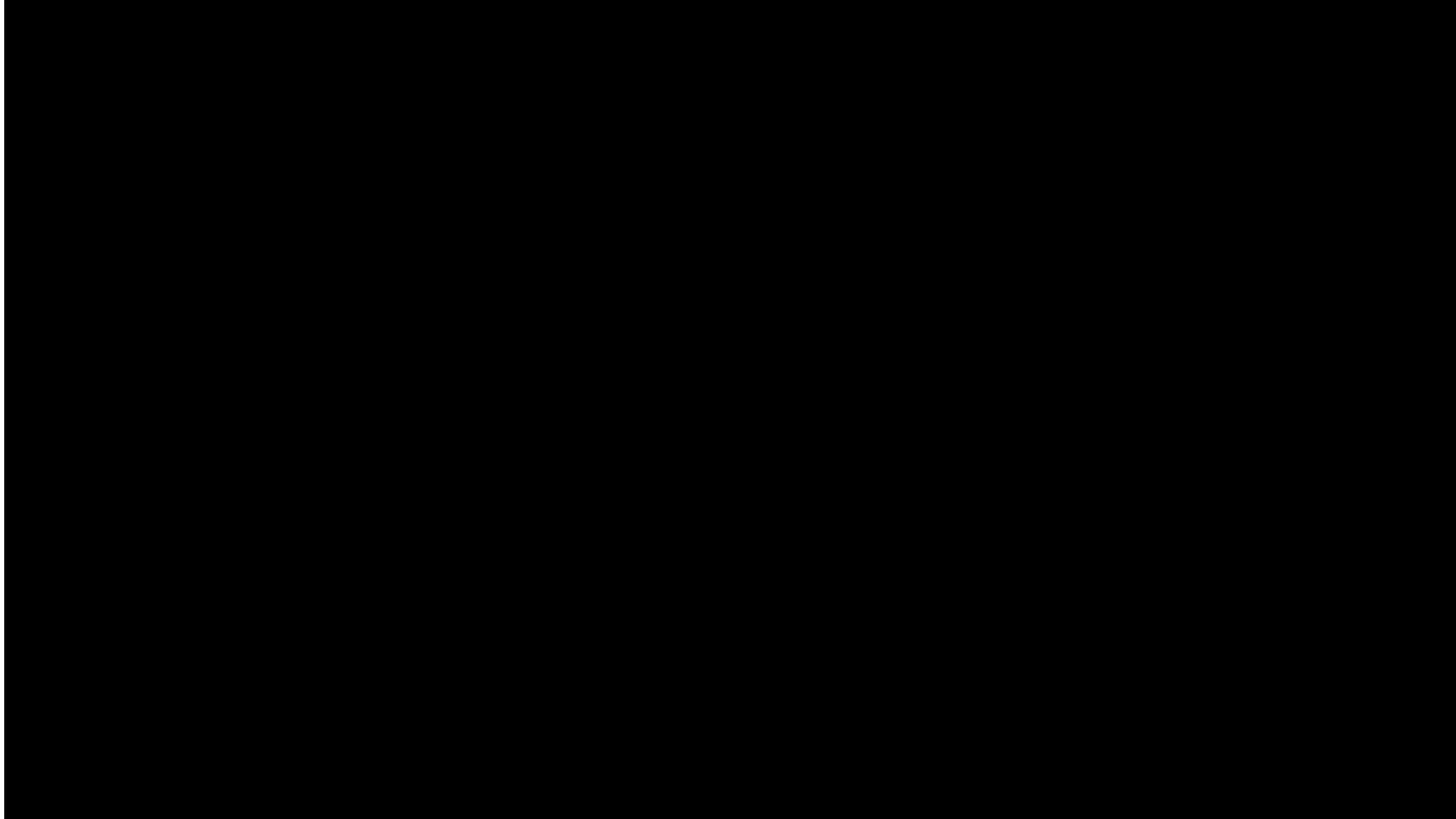


Governing the Digital Transformation

Powered by digital, we are bringing visibility, agility, and intelligence to the front lines. From connected workers to smart workflows, it's how we bring data to life—simplifying decisions and accelerating execution.



ELLA at Work



Delivering Performance and Culture

Performance Paradox



Workplace Transformation



People Development

- ✓ Development of **120 SMEs** by Squads and CoPs
- ✓ **60% increase** in training hours without overtime
- ✓ Improved People Engagement



THANK YOU