

Particulars

About Your Organisation

1.1 Name of your organization

The Estee Lauder Companies Inc.

1.2 What is/are the primary activity(ies) or product(s) of your organization?

- Oil Palm Growers
 - Palm Oil Processors and/or Traders
 - Consumer Goods Manufacturers
 - Retailers
 - Banks and Investors
 - Social or Development Organisations (Non Governmental Organisations)
 - Environmental or Nature Conservation Organisations (Non Governmental Organisations)
 - Affiliate Members
 - Supply Chain Associate
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1.3 Membership number

4-0596-15-000-00

1.4 Membership category

Ordinary

1.5 Membership sector

Consumer Goods Manufacturers

Consumer Goods Manufacturers

Operational Profile

1.1 Please state what your main activity(ies) is/are within manufacturing

- End-product manufacturer
- Home & Personal Care Goods
- Own-brand-Manufacturer
- Manufacturing on behalf of other third party brands

Operations and Certification Progress

2.1.1 In the markets where you operate, in which do you manufacture goods with palm oil and oil palm products?

- Applies Globally

2.1.2 Do you have a system for calculating how much palm oil and oil palm products you use?

Yes

2.1.3 Does this system only cover your own-brand or all the brands you manufacture?

all-brand

2.1.4 In the markets where you operate, in which do you calculate how much palm oil and oil palm product there is, in the goods you manufacture?

- Applies Globally

2.2.1 Total volume of Crude and Refined Palm Oil used in the year (Tonnes)

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2.2.2 Total volume of Crude and Refined Palm Kernel Oil used in the year (Tonnes)

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2.2.3 Total volume of Palm Kernel Expeller used in the year (Tonnes)

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2.2.4 Total volume of other palm-based Derivatives and Fractions used in the year (Tonnes)

3,086

2.2.5 Total volume of all palm oil and oil palm products used in the year (Tonnes)

3,086

2.3 Volume of palm oil and oil palm products used in the year in your own brand products that are RSPO-certified (in tonnes):

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.3.1 Book & Claim	-	-	-	2,271.27
2.3.2 Mass Balance	-	-	-	801.86
2.3.3 Segregated	-	-	-	-
2.3.4 Identity Preserved	-	-	-	12.71
2.3.5 Total volume	-	-	-	3,085.84

2.4 Volume of RSPO certified sustainable palm oil and oil palm products sold to other RSPO certified companies ? (in tonnes)

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.4.1 Book & Claim	-	-	-	-
2.4.2 Mass Balance	-	-	-	-
2.4.3 Segregated	-	-	-	-
2.4.4 Identity Preserved	-	-	-	-
2.4.5 Total volume	-	-	-	-

2.5 What is the percentage of RSPO certified sustainable palm oil and oil palm products in the total volume used by your company in the following regions:

2.5.1 Africa	100%
2.5.2 Australasia	100%
2.5.3 China	100%
2.5.4 Europe	100%
2.5.5 India	100%
2.5.6 North America	100%
2.5.7 South America	100%
2.5.8 Indonesia	100%
2.5.9 Malaysia	100%
2.5.10 Middle East	100%
2.5.11 Rest of Asia	100%

Time-Bound Plan

3.1 Date of first supply chain certification (planned or achieved)

Comment:

As a consumer goods manufacturer, The Estee Lauder Companies does not plan to certify supply chain facilities at this time.

3.2 Date expected to/or started to use any RSPO certified sustainable palm oil and oil palm products in your own brand products

2015

3.3 Date expected to be using 100% RSPO certified sustainable palm oil and oil palm products from any supply chain option in your own brand products

2015

Comment:

Our ability to maintain use of 100% RSPO certified sustainable palm oil and oil palm products from any supply chain option for volumes that we procure directly is dependent on acquisitions we may make in the future.

3.4 Date expected to be using 100% RSPO certified sustainable palm oil and oil palm products from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) in your own brand products

2030

3.5 In which markets where you operate do these commitments cover?

Applies Globally

3.6 Does your company use RSPO certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?

Yes

3.7 Does your company have a Time-Bound Plan to only use RSPO certified sustainable palm oil and oil palm products in the goods you manufacture on behalf of other companies brands?

Yes

Trademark Related

4.1 Do you use or plan to use the RSPO Trademark on your own brand of products?

No

Please explain why

Trademark usage on our products is evaluated on a case by case basis. At this time we do not have plans to use the RSPO trademark on our product packaging.

Actions for Next Reporting Period

5.1 Outline actions that you will take in the coming year to promote the use of RSPO certified sustainable palm oil and oil palm products along the supply chain

The Estee Lauder Companies plans to continue substituting existing palm kernel oil derivative ingredients with RSPO-certified Mass Balance and/or Segregated alternatives by partnering with strategic suppliers on our palm oil sourcing policy. Additionally, the Company plans to maintain membership and participation in the Natural Resources Stewardship Circle (NRSC) and is supporting a palm oil traceability/supply chain mapping project led by the member-organization, in partnership with The Forest Trust (TFT). The Estee Lauder Companies acknowledges that traceability is a first step towards ensuring that our high volume suppliers comply with our zero-deforestation policy.

Reasons for Non-Disclosure of Information

6.1 If you have not disclosed any of the above information, please indicate the reasons why

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- Others:

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Application of Principles & Criteria for all members sectors

7.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:

Water, land, energy and carbon footprints

Land Use Rights

Ethical conduct and human rights

Uploaded file: [M-Policies-to-PNC-ethicalconducthr.pdf](#)

For administration purpose, attachment files are renamed automatically

Labour rights

Uploaded file: [M-Policies-to-PNC-laborrights.pdf](#)

For administration purpose, attachment files are renamed automatically

Stakeholder engagement

None of the above

7.2 What best practice guidelines or information has your organization provided in the past year to facilitate the uptake of RSPO certified these guidelines available in?

All new materials are reviewed for PO/PKO content, and verification that such content is sourced sustainably, before they can be approved for use. PO/PKO sourcing information and are prioritized for movement to sustainable sources (if they are not already sustainably sourced) by volume and sourcing. These guidelines are not available in print.

Uploaded files: --

GHG Emissions

8.1 Are you currently assessing the GHG emissions from your operations?

Yes

Related link: [https://www.cdp.net/en/responses/5885?back_to=https%3A%2F%2Fwww.cdp.net%2Fen%2Fresponses%3Fpage%3D3200%](https://www.cdp.net/en/responses/5885?back_to=https%3A%2F%2Fwww.cdp.net%2Fen%2Fresponses%3Fpage%3D3200%2F)

8.2 Do you publicly report the GHG emissions of your operations?

Yes

Related link: [https://www.cdp.net/en/responses/5885?back_to=https%3A%2F%2Fwww.cdp.net%2Fen%2Fresponses%3Fpage%3D3200%](https://www.cdp.net/en/responses/5885?back_to=https%3A%2F%2Fwww.cdp.net%2Fen%2Fresponses%3Fpage%3D3200%2F)

Support for Smallholders

9.1 Are you currently supporting any independent smallholder groups?

No

Do you have any future plans to support independent smallholders?

No

Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

The personal care products industry represents less than 1% of global palm oil usage. Within that 1%, The Estée Lauder Companies is a comparatively low-volume user of palm oil, palm fruit oil, palm kernel oil (PKO) and PKO derivatives, and consequently, we possess limited leverage to impact the global palm oil market through individual action. With this in mind, we are sensitive to the social and environmental issues and complexities around the production and traceability of palm/palm derived ingredients and we are making efforts to mitigate and/or contribute to their resolution. The Estée Lauder Companies predominantly sources PKO derived materials, similar to most other personal care products companies. The complexity of the PKO derivative ingredient supply chain poses significant challenges to establishing source traceability for the Company as well as our tier 1 direct suppliers. Additionally, we are working to increase procurement of certified sustainable PKO derived ingredients through physical supply chains in a market environment that offers limited availability of RSPO-certified PKO and PKO-derived ingredients. Resolution/Mitigation Efforts: The Estée Lauder Companies is collaborating with stakeholder groups and other companies to identify mechanisms to improve traceability in the PKO and PKO derivatives supply chain with a goal to increase our procurement of CSPKO ingredients and collectively engage key actors in the supply chain. The Estée Lauder Companies is also continuing to search for higher volumes of Mass Balance products as the oleo-chemical industry evolves to meet growing demand for CSPO/PKO materials, specifically Segregated and Identity-Preserved products. Additionally, in 2016 we began developing a responsible sourcing framework that will help ensure the sustainable use of materials from areas rich in biodiversity. This effort is planned to further strengthen our corporate commitment to zero-deforestation and sustainable sourcing practices.

2 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

We believe that through partnership and continuous improvement, we can make strides in improving our activities related to palm oil sourcing. Our approach includes partnership and collaboration with our suppliers to enhance traceability of PKO derivative ingredients we use, addressing the social and environmental issues present in the supply chain, and encouraging the development of sustainably sourced alternatives for our Company. In 2016, The Estée Lauder Companies increased procurement of PKO derivative ingredients through RSPO certified physical supply chains (Mass Balance/Segregated) to 20% from 5% in 2015. Our remaining volume of PKO derivative ingredients is covered annually through the Book and Claim supply chain via the purchase of Green Palm Certificates, to ensure that every ton of PKO purchased supports the production of sustainable palm oil. Additionally, in 2016, we registered as credit buyers on RSPO Palm Trace and intend to use the trading platform for future purchases under the Book and Claim supply chain model. Our aim is for at least 50% of our supply to come from certified-sustainable physical supply chains by 2020. Lastly, we have continued to ask our suppliers to provide information about their processes and their own suppliers, with the ultimate goal of engaging with first refiners to determine that their practices are consistent with our palm oil sourcing policy. As members of the Natural Resource Stewardship Circle (NRSC), The Estée Lauder Companies is partnering with other NRSC members and The Forest Trust (TFT) to improve traceability of several of our high volume suppliers.

3 Other information on palm oil (sustainability reports, policies, other public information)

- No files were uploaded

Link: http://www.elcompanies.com/~media/Files/E/Estee-Lauder/resources-and-reports/reports/ELC_Citizenship_Sustainability_Report_2016.pdf