THE ESTÉE LAUDER COMPANIES

401(k) SAVINGS PLAN

ESTĒE LAUDER
COMPANIES

CONTENTS

HIGHLIGHTS OF THE 401(k) SAVINGS PLAN

The Estée Lauder Companies 401(k) Savings Plan is designed to make it easy for you to save for your future financial security. It's a significant benefit because it offers Employer Matching Contributions and the potential for tax-deferred earnings growth. The Plan works together with your other sources of retirement income—The Estée Lauder Companies Retirement Growth Account Plan, your Social Security benefit and any personal savings and investments you may have—to help prepare you for your financial future. The 401(k) Savings Plan is administered by Alight Solutions.

Three Sources of Retirement Income that can help you Build Your Financial Security

- 401(k) Savings Plan
- Retirement Growth Account Plan *(if you are eligible to participate)*
- Social Security

The 401(k) Savings Plan offers you several advantages:

- **Flexibility.** Employees may choose to contribute between 2% and 50% of **eligible compensation** to the Plan on a before-tax, after-tax, and/or Roth 401(k) basis. After-Tax Contributions for certain **highly compensated employees** may be limited. And, you can change your contribution rate and how your contributions are invested at any time after you enroll.
- **Free money.** After a one-year period, you get an automatic return on your money through Employer Matching Contributions. To receive the full Employer Matching Contribution, be sure to contribute at least 7% of your **eligible compensation**.
- **Convenient payroll deductions.** With the Plan, saving is automatic because your contributions to the Plan are deducted from your paycheck each pay period.
- **Important tax savings.** Before-Tax Contributions to the Plan are deducted from your paycheck before federal and, in most cases, state income taxes are calculated. Before-Tax Contributions lower your taxable income and, as a result, your current tax bill. In addition, taxes on your Before-Tax Contributions, Employer Matching Contributions and any earnings on these contributions are deferred until your account is paid to you.
- **After-tax Contributions.** You may also elect to make contributions to the Plan after federal, and most state and local taxes, are calculated (i.e., after-tax contributions). However, until you receive a distribution from the Plan, the investment earnings on these after-tax amounts invested under the Plan are tax-deferred.
- **Roth 401(k) Contributions.** You may elect to make contributions to a Roth 401(k) account. Roth 401(k) Contributions are made on an after-tax basis and are included in current taxable income. Earnings are tax-free if they are part of a "qualified distribution." A qualified distribution is one that is taken at least five tax years from the year of your first Roth 401(k) Contribution and after you have attained age 59½ or become disabled.
- **Range of investment choices.** The Plan offers a broad selection of funds, ranging from somewhat conservative to more aggressive, in which you can invest your savings.
- **Access to your money.** You can take a loan or, under certain conditions, a withdrawal from your account before retirement. In this way, your savings can help you with your shorter-term financial needs as well as with your retirement needs.

This booklet provides a comprehensive description of the 401(k) Savings Plan, including how the Plan works and important rules and limitations. You can find definitions of key terms, which are shown in **blue and bold** throughout this booklet, in *Terms You Should Know* beginning on page 26.

If You Have Questions...

You can learn more about the Plan by logging on to the Plan website ***Your Benefits Resources*** at **www.ybr.com/esteelauder** or calling *The Benefits Center* at **1-877-742-3520**.

Here's an overview of the Plan's advantages and how it works.

The 401(k) Savings Plan—At-a-Glance

What does it do for me?

- Helps you save some of your own money for retirement.
- Reduces your current taxable income when you save on a before-tax basis.
- Reduces your future taxable income when you save on a Roth 401(k) basis.
- Helps you invest your savings for tax-deferred growth until they are withdrawn.
- Provides some access to your savings before retirement.
- Helps you build financial security.

When am I eligible?

- Regular full-time employees scheduled to work at least 30 hours per week are eligible to participate in the Plan after 30 days following date of hire.
- Part-time employees scheduled to work less than 30 hours per week and certain temporary employees may be eligible to participate after a waiting period.

How do I enroll?

- Review the enrollment kit you will receive from Alight Solutions and decide how much to contribute and how to invest your contributions.
- Log on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** or call ***The Benefits Center*** at **1-877-742-3520** to enroll. Representatives are available Monday through Friday, 8:00 a.m. to 8:00 p.m. Eastern Time.

How much can I save?

- You are eligible to save 2% to 50% of your **eligible compensation** in most cases (up to the IRS maximum); the amount you elect will be deducted from your paycheck and deposited into your account following each pay period.

What happens if I do not enroll when I am first eligible to participate?

- If you are a regular full-time employee and you do not elect to participate when you first become eligible, you will be automatically enrolled after 60 days following your date of hire or rehire.

Where can I learn more?

- Log on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder**

OR

- Call ***The Benefits Center*** at **1-877-742-3520** to enroll. *Representatives are available Monday through Friday, 8:00 a.m. to 8:00 p.m. Eastern Time.*

PARTICIPATING IN THE PLAN

ELIGIBILITY

To be eligible for the Plan, you must work for The Estée Lauder Companies or an affiliated company that has adopted the Plan. A list of participating companies may be found on page 24.

If you are a regular full-time employee (this means you are scheduled to work at least 30 hours per week), you will be eligible to participate in the Plan after 30 days following your date of hire.

Eligibility for Employer Matching Contributions

All Plan **participants** are eligible to receive Employer Matching Contributions after completing one **year of vesting service**. See Employer Matching Contributions on page 9 for more information on these contributions.

If you are an eligible part-time employee (i.e., you are scheduled to work less than 30 hours a week) or a temporary employee,* you will be eligible to participate on the first day of the month after completing 12 months of employment in which you have at least 1,000 **hours of service**. If you do not have 1,000 **hours of service** during your first 12 months of employment, you will be eligible to participate in the Plan on the next January 1 following any calendar year (January 1 to December 31) in which you complete at least 1,000 **hours of service**.

Eligible part-time employees who have not met the 1,000 hours of service requirement may become eligible to participate in the Plan following completion of 500 hours of service in each of 3 consecutive calendar years beginning in 2021 or later. Such part-time employees (meeting eligibility through 500 hours worked in 3 consecutive calendar years) will be able to make Before-Tax, After-Tax or Roth 401(k) Contributions, but will not be eligible to receive Employer Matching Contributions until they complete 1,000 hours of service in one calendar year.

Please note that eligible employees in Puerto Rico can only participate on an after-tax basis *(see page 5 for more on Contributions to the Plan)*.

Note that some groups or individuals are not eligible to participate in the Plan. These include:

- Nonresident aliens with no U.S. source income;
- Independent contractors or other workers not classified by the **Company** as employees, regardless of whether a governmental entity or court later determines that such workers are **Company** employees;
- Leased employees;
- Employees covered by a collective bargaining agreement that does not expressly provide for participation in the Plan;
- International Military Sales personnel; or
- Employees the **Company** considers "on-call" employees.

EMPLOYMENT STATUS CHANGES

If you were employed in an ineligible category but later become an eligible employee, you can participate in the Plan on the first day of the month following your classification in an eligible category and satisfaction of the eligibility criteria described above (or any payroll period thereafter). All periods of service with the **Company** count for purposes of eligibility service.

If you were participating in the Plan but your employment terminates, or you cease to be in an eligible category, you can resume participation as of the first payroll period after you become eligible again, or any time thereafter.

**Certain temporary employees may not be eligible to participate in the Plan.*

ENROLLMENT

To join the Plan, log on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder**. Or, call ***The Benefits Center*** at **1-877-742-3520**. Once you are eligible to participate, you can enroll at any time thereafter.

When you are ready to enroll, you will need to have the following information available:

- **Personal information.** If you have already accessed ***Your Benefits Resources*** or ***The Benefits Center*** for your other benefits, you can use your same User ID and password you have previously used when logging in or calling. If you are logging on for the first time, click "New User?" then follow the instructions. When calling for the first time, follow the instructions to identify yourself and create a password.
- **Contribution amount.** The amount you want to contribute. In most cases, you may elect from 2% to 50% of your **eligible compensation** on a before-tax, after-tax, and/or Roth 401(k) basis (see page 6 for more on Contributions to the Plan).
- **Investment elections.** The percentage of your contributions you would like invested in each investment option.

AUTOMATIC ENROLLMENT

You will be enrolled automatically as soon as practicable after the 60th day following your date of hire if you are eligible for the Plan and have not elected to participate. Approximately 30 days after your date of hire, you will be mailed a notice advising you of the auto enrollment feature and informing you that you can opt out of the auto enrollment process. You can opt out by logging on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** and clicking on "Decline Enrollment." Additionally, you can call the ***The Benefits Center*** at **1-877-742-3520**. You also have the option of bypassing auto enrollment by selecting a contribution amount and investment elections of your own choosing.

- **Contribution amount.** The Plan will enroll you at a contribution amount of 3%, on a before-tax basis and payroll deductions will commence as soon as administratively practicable. In addition, each year your contribution amount will be increased by 1% until your Before-Tax Contribution reaches 10%. If you are enrolled by April 1, your contribution will increase starting on the following July 1. If you are enrolled after April 1, your contribution will increase starting the year following your enrollment date on July 1.
- **Investment elections.** Your employee contributions will automatically be invested in a professionally managed, diversified fund, whose underlying asset mix is targeted to when you will reach age 65.

You can, at any time, cancel or change the automatic rate escalation, cancel or change your contribution amount or change how your money is invested.

BENEFICIARY DESIGNATION

You must choose a **beneficiary** who will receive your account balance if you die before the balance is distributed to you. You can designate your **beneficiary** online or by phone.

If you are married, federal law requires that your surviving spouse be the **beneficiary** of your entire Plan account. If you want to name someone other than (or in addition to) your spouse, you may do so only with your spouse's written, notarized consent. If you are not married, you may choose any **beneficiary** (e.g., your domestic partner, another person, a trust) to receive the value of your Plan account.

If you do not designate a **beneficiary**, or if your beneficiary predeceases you and you do not choose another **beneficiary**, your benefits will be paid to your approved domestic partner on file, or to your estate.

BENEFICIARY CHANGES

You may change your **beneficiary** designation at any time by visiting the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** or by calling the ***The Benefits Center*** at **1-877-742-3520**.

To be in effect at the time of your death, your **beneficiary** designation must be received and approved by the Plan Administrator before your death.

ROLLOVERS

If you have before-tax or Roth savings from another employer's **qualified plan**, you may roll over some or all of this money into the 401(k) Savings Plan any time after you become eligible to participate. (For more information, see *Rollover Contributions on page 8.)*

VESTING

Vesting means that you have earned a right to receive benefits under the Plan, even if you leave the **Company**.

You are always vested in your own contributions to the Plan, including Before- and After-Tax, Roth 401(k), Rollover and Catch-Up Contributions, and any earnings on those contributions.

You are fully vested in Employer Matching Contributions made in 2007 or later and any earnings on those contributions.

Employer Matching Contributions made prior to 2007 did not become vested until completion of three years of vesting service or certain other requirements were met. If you left the **Company** before you were vested, you forfeited the non-vested portion of your account.

CONTRIBUTIONS TO THE PLAN

There are three types of contributions that can be made to your account:

- Employee Contributions,
- Rollover Contributions, and
- Employer Matching Contributions.

These contribution types are described in the following sections.

EMPLOYEE CONTRIBUTIONS

You may contribute from 2% to 50% of your **eligible compensation** to the 401(k) Savings Plan each pay period, subject to certain Internal Revenue Service (IRS) limits (see page 7). Your contributions must be in whole percentages (2%, 3%, 4%, etc.) and will be deducted from your paycheck. You can elect to have your contribution amount increase automatically in increments of 1% by electing the automatic rate increase feature. Based on the target percentage you select and the percentage by which you elect to increase, the Plan will increase your contributions automatically each year on July 1. The **Company** will match up to the first 7% of your combined Before-Tax, After-Tax, and Roth 401(k) Contributions to the Plan after you have completed one **year of vesting service** (see page 9).

There are four types of Employee Contributions: Before-Tax, After-Tax, Roth 401(k), and Catch-Up Contributions. Subject to certain IRS limits, you may make all Before-Tax Contributions, all After-Tax Contributions, all Roth 401(k), or a combination of the three, as long as your total contributions do not exceed 50% of your **eligible compensation**. Certain **highly compensated employees** may have additional limits—see page 8. (Eligibility for Catch-Up Contributions is based on your age; for more information, see the next page.)

Before-Tax Contributions

Before-Tax Contributions are deducted from your pay before federal and most states' income taxes are calculated. (Federal law requires that Social Security and Medicare taxes be taken on your contributions.) This reduces your taxable income during the year in which you make your contributions. However, Before-Tax Contributions do not affect your Social Security benefits or **Company**-provided benefits such as life insurance, disability insurance or retirement benefits, if applicable. You will have to pay income taxes on your Before-Tax Contributions and any earnings attributed to these Contributions when you withdraw them from the Plan.

Please note that eligible employees who are residents of Puerto Rico are not eligible to contribute on a before-tax basis.

After-Tax Contributions

After-Tax Contributions are deducted from your pay after income taxes are calculated, which means After-Tax Contributions do not reduce your current income for tax purposes. You will not be required to pay any additional income taxes on your After-Tax Contributions when you withdraw them from the Plan. You will, however, have to pay taxes on earnings on After-Tax Contributions.

Please note that eligible employees who are residents of Puerto Rico can only participate on an after-tax basis not to exceed the Puerto Rico Internal Revenue Code (PRIRC) limit on After-Tax Contributions, which is 10% of eligible compensation for 2022. This limit is subject to future indexing.

Roth 401(k) Contributions

You can also choose to contribute to the Plan on a Roth 401(k) basis. This means your contributions are deducted from your pay after income taxes have been calculated, which means Roth 401(k) Contributions do not reduce your current income for tax purposes. While Roth 401(k) Contributions do not reduce your current taxable income as Before-Tax Contributions do, Roth 401(k) Contributions give you the opportunity for tax-free income during retirement because both the distribution and any earnings on Roth 401(k) Contributions will be tax-free when you withdraw them from the Plan, pursuant to a qualified distribution. A withdrawal of Roth 401(k) Contributions, plus investment gains or losses, at any time after age 59½ will not be subject to taxes if the first Roth 401(k) Contribution made to your account was at least five years before your withdrawal.

Catch-Up Contributions

If you are age 50 or older at any time during the year, you are eligible to make Catch-Up Contributions to the Plan. Catch-Up Contributions are made on a before-tax basis and enable you to contribute above and beyond the amount allowed under the IRS or Plan rules that govern Before-Tax Contributions. You must reach the IRS Savings Limit (see page 8) and/or the Plan's maximum allowable contribution percentage (50%, or lower limits that may apply to **highly compensated employees**) to be eligible to make Catch-Up Contributions. The **Company** does not match Catch-Up Contributions to the Plan.

For 2022, the annual amount of Catch-Up Contributions you can make is $6,500. After 2022, the Catch-Up Contribution limit is subject to future indexing by the IRS.

For example, assume you are age 54 in 2022 and make $50,000 per year. You are limited to $20,500 in Before-Tax Contributions to the Plan. Because you are over age 50, however, you can make up to an additional $6,500 Catch-Up Contribution to the Plan, bringing your total Before-Tax Contributions for 2022 to $27,000.

When you elect Catch-Up Contributions, you may elect that they be taken out of a single pay period or spread over a number of pay periods. You may cancel your Catch-Up Contribution election in any pay period (see *Employee Contribution Changes* on page 7).

Please note that eligible employees who are residents of Puerto Rico are not eligible to contribute Catch-Up Contributions.

The Before-Tax Advantage

By contributing to the Plan on a before-tax basis, you lower your pay for income tax purposes. As a result, you pay less in current income taxes than you would if you saved on an after-tax basis.

For example, assume that you earn $50,000 per year, are in a 27% tax bracket and contribute 7% of your pay to The 401(k) Savings Plan.

	If you save 7% of your pay on a **before-tax** basis...	If you save 7% of your pay on an **after-tax** basis...
Annual Income	$50,000	$50,000
Your Before-Tax Contributions	$3,500	$0.00
Taxable Income	$46,500	$50,000
Taxes Paid at 27%	$12,555	$13,500
After-Tax Income	$33,945	$36,500
Your After-Tax Contributions	$0.00	$3,500
Annual Take-Home Pay	$33,945	$33,000
Difference in Take-Home Pay (savings)	$945	

As you can see, before-tax savings reduce your taxable pay so you pay less tax in the current year. Your actual tax savings will depend on your federal tax bracket, state and local income taxes and your actual contribution amount.

Investment Earnings

Investment earnings for Before-Tax or After-Tax Contributions are not subject to income taxes until they are withdrawn from the Plan. Investment earnings for Roth 401(k) Contributions are not subject to income taxes if they are part of a qualified distribution.

Employee Contribution Changes

You may increase, decrease or stop your Employee Contributions to the Plan at any time by logging on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** or calling ***The Benefits Center*** at **1-877-742-3520**. Any changes to your account will be effective as soon as administratively possible.

Limits on Contributions

The IRS places several limits on Employee Contributions to The 401(k) Savings Plan, as described below:

- **IRS Savings Limit.** There is an annual dollar limit on Before-Tax Contributions to the Plan. Under current law, the IRS Savings Limit for 2022 is $20,500.

  After 2018, the savings limit is subject to future indexing by the IRS. Your annual Before-Tax Contributions, including any contributions you may have made to a prior employer's **qualified plan** during the year, cannot exceed this limit. It is your responsibility to track your before-tax savings if you worked at another company during the year and to notify the **Company** if you exceed this limit.

  If you reach the IRS savings limit before year-end, and have not already exceeded the IRS compensation limit described below, you may switch to After-Tax Contributions by logging on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** or calling ***The Benefits Center*** at **1-877-742-3520**. Remember, however, that you need to change your deferral elections at the beginning of the following Plan year—they will not automatically be reset to your previous elections.

- **IRS Compensation Limit.** You cannot make contributions on any portion of your **eligible compensation** in excess of the IRS compensation limit. This limit is $305,000 for 2022 and is subject to future indexing by the IRS. Compensation for the purpose of this limit is counted from the date you first become eligible for the Plan. No Employee Contributions or Employer Matching Contributions can be made on pay above this limit. If you reach the IRS compensation limit before year-end, the **Company** will automatically stop your contributions and Employer Matching Contributions. Your Employee Contributions will automatically be reset at the beginning of the following Plan year to your elections when contributions stopped.

- **Combined Limit.** The combined Before-Tax, After-Tax Employee and Employer Matching Contributions to the Plan for any year cannot exceed the lesser of 100% of your taxable income or $61,000 for 2022 (subject to future indexing).

- **Puerto Rico Limits.** After-Tax Contributions by Puerto Rico employees are limited to 10% of the employee's total compensation during the time he or she participates in the Plan. Puerto Rico employees are also subject to a compensation limit ($305,000 for 2022) and a combined contribution limit ($61,000 for 2022) similar to the limits for U.S. employees.

- **Other Limits.** In addition to the above limits, The 401(k) Savings Plan is subject to other limitations imposed by the IRS. These may further restrict the After-Tax Contributions that all employees, particularly **highly compensated employees**, may contribute to the Plan. For example, the maximum percentage of **eligible compensation** that **highly compensated employees** may contribute on an after-tax basis may be reduced to less than 50%. You will be notified if you are affected by any of these limits.

Termination of Employment

Contributions to your account will end with your last regular paycheck when you leave the **Company**. If you later return to the **Company**, you must re-enroll in the Plan to begin making contributions to your account. (For a detailed summary of how your employment status affects your participation in the Plan, see page 3.)

ROLLOVER CONTRIBUTIONS

If you have before-tax or Roth savings from another employer's **qualified plan**, you may roll over some or all of this money into The 401(k) Savings Plan at any time after you become eligible to participate. You are always 100% vested in your rolled over balances and may invest them in any of the available fund options. The **Company** does not match **Rollover** Contributions.

Balances from a previous employer's **qualified plan** may be rolled over directly from the employer's **qualified plan** or from a "conduit IRA," an IRA into which the money was previously transferred. (The conduit IRA must contain only money that came from another employer's **qualified plan**.)

According to IRS rules, if your **qualified plan** distribution is paid to you instead of directly rolled over, you will have 60 days to roll the distribution over into the Plan. After 60 days, you may not roll it over into The 401(k) Savings Plan.

To initiate a Rollover Contribution to your Plan account, request a Rollover Contribution Form by logging on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** or calling ***The Benefits Center*** at **1-877-742-3520**.

EMPLOYER MATCHING CONTRIBUTIONS

To help your account balance grow, the **Company** matches a portion of your Before-Tax, After-Tax, and Roth 401(k) Contributions to the Plan. You are eligible for Employer Matching Contributions after you have completed one **year of vesting service**. The **Company** does not match **Rollover** Contributions or Catch-Up Contributions.

Years of Vesting Service Completed	Employer Matching Contribution
Less than one	Not eligible for Employer Matching Contributions
One year or more	\$1 for every \$1 you contribute—up to the first 3% of your **eligible compensation** \$.50 for every \$1 you contribute—on the next 4% of your **eligible compensation**

Once you are eligible, Employer Matching Contributions will be allocated to your account as soon as possible following each pay period and will be invested according to your investment elections. You are immediately vested in Employer Matching Contributions.

After the end of each calendar year, the Company will also "true-up" your Employer Matching Contributions if you:

- Reach the IRS Savings Limit on Before-Tax and Roth 401(k) Contributions (\$20,500 for 2022) for the calendar year; or
- Contribute at least 7% of your annual eligible pay; and
- Did not already receive the maximum Employer Matching Contribution for the year.

If you meet the criteria described above for a calendar year, then you will be eligible to receive a true-up contribution during the 1st quarter of the following year.

INVESTING YOUR SAVINGS

When you actively enroll in the Plan, you choose how your Employee Contributions and Employer Matching Contributions are invested. The Plan offers you several different investment funds from which to choose, ranging from funds categorized as conservative to more aggressive. When you are automatically enrolled in the Plan, your Employee Contributions and Employer Matching Contributions will be invested in a professionally managed, diversified fund, whose underlying asset mix is targeted to when you will reach age 65. Your enrollment kit will provide details on the investment options available to you through the Plan.

INVESTMENT ELECTIONS

When you enroll, you decide how to invest the contributions to your account. You may invest in any combination of the Plan's investment options in 1% increments. Your choice depends on your personal needs, the degree of risk you are willing to accept and your financial objectives. If you have been enrolled automatically at 3%, you can change how your contributions are invested and the percentage you are investing at any time. Before investing in a fund, you should obtain and read the fund prospectus and other literature (available by logging on to the Plan website, ***Your Benefit Resources***, at **www.ybr.com/esteelauder** or calling ***The Benefits Center*** at **1-877-742-3520**), which will provide more information, including:

- How the fund operates,
- Any expenses or associated fees,
- Investment holdings,
- Financial statements, and
- Current and past investment performance.

ELECTION CHANGES

You may change the way your existing account and/or future contributions to the Plan are invested at any time by logging on to the Plan website, ***Your Benefit Resources***, at **www.ybr.com/esteelauder** or calling ***The Benefits Center*** at **1-877-742-3520**. You have the option to reallocate your entire account balance to any combination of available funds in specific percentages, or to transfer a fixed dollar amount or percentage from a specific fund(s) to another fund(s). You may not transfer money out of a fund and back into the same fund on the same day.

Any changes to your account that involve exchanges between funds are valued on the day they are made, provided the exchange is initiated prior to the close of the market (normally 4:00 p.m. Eastern Time). Exchanges initiated after the market closes will be valued as of the close of the next business day.

The Plan Administrator reserves the right to prohibit or restrict excessive or any other trading activity it determines to be detrimental to the Plan and/or its Participants.

ALIGHT SOLUTIONS' ROLE

Alight Solutions plays a major role in the operation of the Plan. It is responsible for maintaining all of the Plan's records, such as the amount of your contributions, your investment elections and your account balance. Alight Solutions also administers loans, withdrawals and distributions from the Plan, processes Qualified Domestic Relations Orders (QDROs) and retains **beneficiary** designations.

Account Information and Service

With Alight Solutions, account information is just a click or phone call away. You can use ***Your Benefit Resources***, **www.ybr.com/esteelauder**, 24 hours a day, seven days a week to enroll, check on your account or make transactions. Or you can call ***The Benefits Center*** at **1-877-742-3520**. Representatives are available Monday through Friday, 8:00 a.m. to 8:00 p.m. Eastern Time. You will need your User ID and password to access information about your account.

When you access ***Your Benefits Resources*** or call ***The Benefits Center***, you can:

- Check your current account balance and investment elections,
- Learn about the funds offered through the Plan and their performance,
- Change your current or future investment elections,
- Request a Rollover Contribution Form,
- Change your beneficiary designation,
- Request loans, withdrawals or distributions,
- Ask questions about the Plan, and
- Model and project future savings (website only).

Account Statements

Alight Solutions will periodically notify you that a statement showing your account activity is available to be retrieved or mail you the physical statement if you opt out of electronic notification. For each fund in which you have invested, your statement will show beginning and ending balances, including investment earnings. Your statement will also show any transfers, loans or withdrawals made during that period. Be sure to review your account statement as soon as you receive it, and contact The Benefits Center if you have any questions about the information on the statement. You can also view this information about your account at any time on the Plan website.

LOANS AND WITHDRAWALS

Because the Plan is designed to help you build long-term financial security, your Plan account is not fully accessible until you retire or leave the **Company**. There may be times during your employment, however, when you need to access your Plan savings. In certain instances, your savings may be available through a loan or withdrawal from your account.

LOANS

You may borrow from your Plan account if you are an active participant. When you take a loan, you do not pay taxes on the money you borrow from your account and the principal and interest you repay is credited back to your own account. There are two types of loans available:

- **A general-purpose loan** may be taken for any reason and must be repaid within 4½ years (54 months).
- **A principal-residence loan** must be used to buy your principal residence and must be repaid within 20 years (240 months). You will be required to supply adequate documentation—such as a purchase contract, mortgage commitment letter or other documents—with your loan application.

The minimum loan period is 12 months.

You may have two loans outstanding at a time, only one of which may be a principal residence loan. If you repay your second outstanding loan, you may not apply for another loan until the Plan Administrator has finished processing your loan repayment.

Loan Amount

The minimum amount you may borrow is $1,000. The maximum loan amount is the lesser of:

- 50% of your vested account balance less the current loan balance; or
- $50,000 (reduced by the highest outstanding loan balance in the last 12 months).

When you take a loan, a $50 processing fee will be deducted from your account.

Interest Rate

You repay your loan plus interest to your own account. The interest rate is the prime rate as reported in *The Wall Street Journal* on the 15th day of the month prior to taking the loan, plus 0.5%.

Loan Application

To apply for a loan, log on to the Plan website, ***Your Benefit Resources***, at **www.ybr.com/esteelauder** or call ***The Benefits Center*** at **1-877-742-3520**. You can find out the maximum amount you may borrow and get an estimate of your payments for a new loan based on the loan amount, the terms of your loan and current interest rates.

Loan Source

If you take a loan from the Plan, your loan will be taken from your account in the following order:

- Roth 401(k) Contribution Account
- Before-Tax Contribution Account
- QNEC Account
- Roth Rollover Account
- Rollover Contribution Account
- Pre-2007 Employer Matching Contribution Account (vested portion only)
- Post-2006 Employer Matching Contribution Account
- After-Tax Contribution Account

Should I Borrow from the Plan?

Because you do not receive investment earnings on your outstanding loan balance, borrowing from the Plan may reduce the amount of money you get from the Plan when you retire. If you think you're likely to borrow from your account, you may want to increase your savings rate now to help make up for what you'll lose by borrowing.

Borrowing from the Plan may make sense if you truly need the money and don't have the credit rating or collateral to get a loan from a bank. Also, if bank interest rates or fees are very high, a Plan loan may be a better deal than a bank loan. Remember to continue your regular Employee Contributions to the Plan, in addition to your loan repayments, to minimize the impact on your retirement savings.

Repayment

Repayment (plus interest) must be made through after-tax payroll deductions.

After you have made loan repayments for at least six months through payroll deductions, you may prepay the full (but not partial) outstanding balance on the loan (including any remaining accrued interest) without penalty. Prepayments must be made by certified check, money order or cashier's check.

When you repay your loan, your payments will be applied in the reverse order they were taken from your account (i.e., first to the After-Tax Contribution Account and last to the Roth 401(k) Contribution Account, as shown above under Loan Source). Your loan repayments will be reinvested in the same investment funds in which your future contributions are invested.

Employment Status Changes While a Loan Is Outstanding

Here is what happens if your status as an active employee changes while a loan is outstanding.

- **If your employment terminates for any reason.** Your loan balance will become due when you terminate. If you do not repay your loan, your outstanding loan will be in default (for more information, see next page).
- **If you go on an unpaid leave of absence.** You may be able to suspend your loan repayments for up to 12 months (as long as this will not result in your repayment period exceeding 54 months from the inception date of your loan, or 240 months in the case of principal residence loans). After 12 months on leave of absence, you will receive loan coupons to resume loan repayments on a monthly basis by certified check, money order or cashier's check while you remain on leave of absence.
- **If your hours are reduced.** If you have a reduction in hours and your loan payment exceeds your net pay, your outstanding loan may be at risk of default and you will need to make a separate repayment of any past due repayments by certified check, money order or cashier's check. You will receive a notice to make separate repayment.
- **If your pay frequency changes.** Your loan repayment amount will be adjusted if your pay cycle changes (e.g., you switch from being paid weekly to semi-monthly, or vice versa) to reflect your new pay period.
- **If you go on an unpaid leave of absence to serve in the U.S. military.** You may be able to suspend your loan repayments for the entire period of your military service, even if greater than 12 months and, after your return to employment with the **Company**, your repayment period may be extended beyond the maximum 54 or 240 month term that would ordinarily apply. In addition, during the period of your military service, the maximum annual interest rate that can be charged on your loan is 6%. As with other leaves of absence, you may choose to repay your loan by certified check, money order or cashier's check during your military leave.

Default

A loan default will occur in the following instances:

- If you terminate from employment and do not repay the loan (principal and interest) upon termination, and the loan remains unpaid at the end of the quarter following the quarter in which you terminate, or
- If a scheduled loan repayment remains unpaid at the end of the quarter following the quarter in which the payment was due, or
- If an outstanding loan balance exists beyond 54 months (but no more than 60 months at the discretion of the Plan Administrator) from the date of the loan (or 20 years in the case of a principal-residence loan), except where the maximum loan term has been extended due to a military leave.

You will be notified before the loan is placed in default. If the default occurs because of non-payment, you will be notified and be given until the end of the quarter following the quarter in which unpaid payments were due to bring the loan current. If the default is not corrected, the loan will become due and payable as of the last day of the calendar quarter following the quarter in which the payment was missed.

A defaulted loan represents taxable income to you; therefore, the Plan will issue you a Form 1099-R for the outstanding loan balance. This amount is subject to ordinary income taxes and, if applicable, a 10% tax penalty. The outstanding balance is not, however, eligible for a **rollover**. The treatment of your Plan account depends upon your employment status with the **Company** at the time of default.

If you are a resident of Puerto Rico, different tax laws may be applicable and the appropriate tax form will be issued to you.

- If you are employed, the outstanding loan balance is reported as though it was distributed to you; however, the outstanding (defaulted) loan and any accrued interest are still considered a part of your Plan account for purposes of determining the maximum amount you may subsequently borrow from the Plan.
- If you are no longer employed, the outstanding balance of the loan is treated as a taxable distribution and is deducted from your Plan account.

WITHDRAWALS

Withdrawals of your contributions to the Plan are allowed in certain situations while you are actively employed by the **Company**. There are four types of withdrawals:

- In-Service Withdrawals
- Hardship Withdrawals
- Rollover Withdrawals
- Age 59½ Withdrawals
- Roth Age 59½ Withdrawals

Participants who have terminated employment may also be eligible for a partial termination withdrawal (see page 18).

Your withdrawal will be taken proportionately out of each investment fund.

Withdrawals as a Last Resort

Withdrawals have several disadvantages that generally make them undesirable:

- Withdrawals reduce your retirement savings.
- You have to pay income taxes on the taxable portion of the withdrawal.
- Unless you are retired or age 59½ or older, you also have to pay a 10% penalty on the taxable portion of a withdrawal.

For these reasons, a withdrawal generally makes sense only when you have no other option and cannot afford to pay back a loan. Therefore, think of withdrawals as a last resort.

To request a withdrawal other than a Hardship Withdrawal, log on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** or call ***The Benefits Center*** at **1-877-742-3520**. Your withdrawal will be paid to you as soon as possible after your request is processed.

To request a Hardship Withdrawal, see Hardship Withdrawals section below.

In-Service Withdrawals

You may take an In-Service Withdrawal of your **Rollover** Contributions, vested Employer Matching Contributions made for years prior to 2007, After-Tax Contributions and associated investment earnings at any time for any reason.

If you take an In-Service Withdrawal, you may continue to contribute to the Plan and the **Company** will continue to make Employer Matching Contributions.

The minimum withdrawal amount is $500 or, if less, the total amount available in your account for withdrawal.

In-Service Withdrawals are made in the following order:

- After-Tax Contribution Account
- Rollover Contribution Account
- Employer Matching Contribution Accounts (vested portion of amounts related to pre-2007 contributions only)

Hardship Withdrawals

You may withdraw your **Rollover** Contributions, vested Employer Matching Contributions made for years prior to 2007, Roth 401(k) Contributions, Before-Tax Contributions, After-Tax Contributions and investment earnings on those contributions if a serious and immediate financial hardship arises. (Please note that the amount available for withdrawal does not include investment earnings credited to your account after December 31, 1988 on Before-Tax Contributions or Roth 401(k) Contributions.)

Hardship Withdrawals must meet IRS rules and may be made for the following reasons only:

- Purchase of a principal residence for yourself (excluding mortgage payments);
- Tuition for the next 12 months for your, your spouse's, your approved domestic partner's, your primary beneficiary's or your dependents' post-secondary education;
- Your, your spouse's, your approved domestic partner's, your primary beneficiary's or your dependents' unusual or unexpected medical expenses that are not reimbursed by insurance coverage;
- To prevent eviction from, or mortgage foreclosure on, your principal residence;
- Expenses associated with a divorce or separation for you, your primary beneficiary, a member of your family or any other dependent;
- Funeral expenses you incur for a member of your family, your approved domestic partner, your primary beneficiary or any other dependent;
- Casualty or theft losses incurred by you, your approved domestic partner, your primary beneficiary, a member of your family or any other dependent;
- A legal judgment against you, your approved domestic partner, your primary beneficiary, a member of your family or any other dependent;
- A significant reduction in the amount of your income resulting from causes beyond your control;
- To pay for major home improvements (your withdrawal must be for at least $500); or
- Expenses and losses (including loss of income) incurred by you on account of a disaster declared by the Federal Emergency Management Agency (FEMA), provided your principal residence or principal place of employment was located in an area designated by FEMA for individual disaster assistance.

Hardship Withdrawals will be approved only after you have obtained all loans (that meet statutory requirements) currently available under all **Company**-sponsored Plans, unless you certify that taking a loan would be a financial hardship. Your Hardship Withdrawal may not exceed the amount needed to cover your financial need, plus the amount needed to cover taxes or penalties reasonably anticipated on your Hardship Withdrawal.

If approved, Hardship Withdrawals are taken from your account in the following order:

- After-Tax Contribution Account
- Roth Rollover Contribution Account
- Rollover Contribution Account
- Employer Matching Contribution Accounts (vested portion of amounts related to pre-2007 contributions only)
- Roth 401(k) Contribution Account (not including earnings credited to your account)
- Before-Tax Contribution Account (not including earnings credited to your account after December 31, 1988)

Employer Matching Contributions are not suspended if your Hardship Withdrawal is approved.

To apply for a Hardship Withdrawal, log on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** or call ***The Benefits Center*** at **1-877-742-3520**. Your Hardship Withdrawal will be paid to you as soon as possible after your completed Hardship Withdrawal Form and supporting documentation is received and approved.

Rollover Account Withdrawals

You may take a withdrawal from your **Rollover Contribution** Account or Roth Rollover Contribution at any time for any reason. Employer Matching Contributions are not suspended if you take a **Rollover** Account Withdrawal.

Age 59½ Withdrawals

You may take a withdrawal on or after age 59½ for any reason. Amounts available for Age 59½ Withdrawals will be limited to the following balances in the following order:

- After-Tax Contribution Account
- Rollover Contribution Account
- Employer Matching Contribution Accounts (vested portion only of amounts related to post-2006 contributions only)
- Employer Matching Contribution Accounts (vested portion of amounts related to pre-2007 contributions only)
- Before-Tax Contribution Account
- QNEC Account

Employer Matching Contributions are not suspended if you take an Age 59½ Withdrawal.

Roth Age 59½ Withdrawals

You may take a withdrawal of rollover accounts on or after age 59½ for any reason. Amounts available for Roth Age 59½ Withdrawals will be limited to the following balances in the following order:

- Roth Rollover Contribution Account
- Roth 401(k) Contribution Account

Employer Matching Contributions are not suspended if you take an Age 59½ Withdrawal.

Taxes on Withdrawals

Withdrawals may be subject to income tax, income tax withholding and, in some cases, a 10% penalty. See page 20 for more information about taxes.

Getting the Most from the Plan

Consider the following on how to maximize your benefit from the plan:

Start saving early.

The longer your money stays in your account, the longer it has to grow.

Save enough to get the maximum Employer Matching Contribution.

By saving at least enough to get the maximum Employer Matching Contribution, you get the most money possible.

Invest for growth.

If you have a long time to save, consider investing at least some of your money in funds with higher growth potential.

Limit loans and withdrawals

Loans and withdrawals can be a great way to help you meet certain short-term financial goals, but they can reduce your long-term savings potential. If you want to save the most for retirement, keep your loans and withdrawals to a minimum.

Monitor your savings and investments.

Keep an eye on your balance and your investments. If your account isn't growing as fast as you'd like, consider increasing your savings or changing your investment strategy.

DISTRIBUTIONS FROM THE PLAN

Participants or **beneficiaries** will become eligible for a distribution from the Plan under certain circumstances, as outlined in this section.

To request a distribution of your account balance, log on to the Plan website, ***Your Benefit Resources***, at **www.ybr.com/esteelaude**r or call ***The Benefits Center*** at **1-877-742-3520**. To request installment payments, please call ***The Benefits Center***.

PAYMENT OPTIONS AT TERMINATION OF EMPLOYMENT

You will become eligible for a distribution of your account balance if your employment with the **Company** ends. Your payment options will depend on whether your account balance is more than $1,000 or $1,000 or less.

If Your Account Balance Is More Than $1,000

If your total account balance is more than $1,000, your money will remain in the Plan until you request a distribution. You may request a distribution at any time after you terminate employment. Until you receive a distribution, you will continue to receive account statements no less than quarterly showing investment performance and other account activity. You may continue to change your investments by logging on to the Plan website, ***Your Benefit Resources***, at **www.ybr.com/estee lauder** or calling ***The Benefits Center*** at **1-877-742-3520**. You may not take a loan from the Plan.

When you want to receive your distribution, you will have three options:

- **A lump-sum payment.** This is a single payment of your entire vested account balance. This payment may be made to you directly or it may be rolled over into an IRA or another employer's **qualified plan**, if that plan accepts **rollovers**.
- **Installment payments.** These are cash payments spread out over time. If you request installment payments, your vested account balance will be paid to you in a series of periodic payments, either on a monthly or annual basis. You may select any time period for your installments, up to your life expectancy or the joint life expectancies of you and your beneficiary. Once you choose an installment period, you cannot change it. You may, however, change the payment frequency at any time. If you die while receiving installments, payments will continue to your **beneficiary** for the remainder of the installment period provided the payments are completed by the end of the calendar year of the tenth anniversary of your death.
- **Partial termination withdrawal.** If you have terminated employment but have not requested a distribution in the form of installments, you may be eligible for a partial termination withdrawal. This is a payment of a portion of your vested account balance. If you elect this type of withdrawal, the remainder of your account balance may be paid to you, as you elect, in any of the other distribution options outlined above. More information on partial termination withdrawals is available from the Plan website, ***Your Benefits Resources,*** or ***The Benefits Center***.

Please note that you must receive a minimum distribution from the Plan beginning on the April 1 following the later of the year in which you reach age 72 or the year you terminate employment.

If Your Account Balance Is $1,000 or Less

If your total vested account balance is $1,000 or less, you will receive your benefit as a lump-sum payment. You will receive a notice from Alight Solutions before your benefit is paid.

PAYMENT OPTIONS FOR BENEFICIARIES

Your **beneficiary** will become eligible for a distribution of 100% of your account if you die while employed. Your **beneficiary** will be eligible for your vested account balance if you die while no longer an employee and before your account balance is distributed to you.

If Your Account Balance Is More than $1,000

If your total account balance is more than $1,000, your money will remain in the Plan until your **beneficiary** requests a distribution. Your **beneficiary** has the following distribution options:

- **A lump-sum payment.** This is a single payment of your entire vested account balance. This payment may be made to your **beneficiary** directly or, in the case of your surviving spouse/approved domestic partner, it may be rolled over into an IRA or another employer's **qualified plan**, if that Plan accepts rollovers. The lump-sum payment must be paid no later than 60 days after the end of the calendar year of your death.
- **Installment payments.** Installment payments are cash payments spread out over time. Your **beneficiary** may elect installment payments, either on a monthly or annual basis. There is a ten-year maximum on installment payments to **beneficiaries**. This means that all installment payments must have been made by the end of the calendar year of the tenth anniversary of your death. Once your **beneficiary** chooses an installment period, he or she cannot change it. Your **beneficiary** may, however, change the payment frequency at any time.

If Your Account Balance Is $1,000 or Less

If your account balance is $1,000 or less, your **beneficiary** will receive your benefit as a lump-sum payment. Your **beneficiary** will receive a notice from Alight Solutions before the benefit is paid.

ROLLOVERS TO OTHER PLANS

All or a part of a Plan distribution that qualifies as an eligible **rollover** distribution can be rolled over within 60 days to another employer's **qualified plan** (if the plan accepts **rollovers**) or to an IRA. By using a **rollover**, you can avoid paying current income taxes on the distribution and, if applicable, the 10% penalty on early distributions.

In the event of your death, your surviving spouse/approved domestic partner or non-spouse **beneficiary**(ies) may also use a **rollover** to avoid paying current income taxes on an eligible **rollover** distribution.

If you are a resident of Puerto Rico, please call ***The Benefits Center*** at **1-877-742-3520** for information on rollover options.

For more information about rollovers and taxes, see page 21.

APPLYING FOR BENEFITS

HOW TO FILE A CLAIM

To apply for your 401(k) Savings Plan benefits, you must visit the Plan website, ***Your Benefit Resources***, at **www.ybr.com/esteelauder** or call ***The Benefits Center*** at **1-877-742-3520**. Through these sources you can find information about filing a claim for benefits under the Plan.

It is important to keep the Plan Administrator (see page 24) informed of any address changes so that you can continue to receive proper notice about your Plan benefit. If you are to receive a benefit under the Plan but cannot be located, your benefits may be forfeited (although they will be reinstated if you are later located).

IF YOUR CLAIM IS DENIED

If your claim for benefits under the Plan is denied, in whole or in part, you or your **beneficiary** will receive—within 90 days after receipt of your claim—a written notice that explains why it is being denied, and the specific provisions of the Plan that support the reasons for denial. The notice will also contain a description of any additional information that must be submitted to have the claim approved, as well as an explanation of why such material or information is required. Information will also be provided on the procedure to be followed if you want to appeal the denial of your claim. This 90-day period may be extended for up to an additional 90 days; you will be notified if such an extension is necessary.

You or your duly authorized representative has the right to appeal the denial of your claim within 60 days, in writing, to the Plan Administrator. Your appeal should outline your claim and the grounds on which it is based. You may submit any information or materials that support your claim.

The Plan Administrator will carefully consider your appeal and will make a decision within 60 days after receiving your request for a review of your claim. In special circumstances, this 60-day period may be extended for up to an additional 60 days; you will be notified if such an extension is necessary.

The Plan Administrator has been delegated exclusive authority to review and administer benefit claims appeals. Given this responsibility, the Plan Administrator has the right to interpret the provisions of the Plan. The Plan Administrator's decisions, therefore, are final and conclusive.

PARTICIPATION UNDER SPECIAL CIRCUMSTANCES

LEAVE OF ABSENCE FOR MILITARY SERVICE

Under the Uniformed Services Employment and Reemployment Rights Act (USERRA), employees who are called to national active military duty are entitled to a leave of absence for military service, with reinstatement rights. If you are a participant in the Plan when you are called for military service, your Employee Contributions, Employer Matching Contributions and any loan payments (see page 12) will be suspended. You will continue to earn vesting service during your military leave of absence, provided you return to work after your leave ends.

When you return to work, you will have a period of time equal to three times the period of your military leave of absence, up to a maximum of five years, to make up any Before-Tax, After-Tax, and/or Roth 401(k) Contributions that you would have normally made to the Plan. Once your contributions are made up, any Employer Matching Contributions you are eligible for would also be made up. For these make-up contributions, any Plan limits will apply to the year to which the contribution relates, not the year in which the contribution is made. You may also make up any Catch-Up Contributions (see page 6) that you were eligible to make.

Once you return to active work, any suspended loan payments will resume immediately.

PARENTAL LEAVE OF ABSENCE

If you are on a paid leave of absence in connection with the birth or adoption of a child or for the care of a child immediately after birth or adoption, your Employee Contributions and Employer Matching Contributions to the Plan may continue during the leave. If you are on an unpaid parental leave, your Employee Contributions and Employer Matching Contributions will be suspended. Contact your local Human Resources representative for details.

You will not incur a break in service provided you return to work by the second anniversary of your last day worked prior to your absence. The period between the start of your leave and the first anniversary of your leave will count as vesting service. The period between the first anniversary of your leave and the second anniversary will not count as vesting service.

OTHER APPROVED ABSENCES

If you are on an **approved absence** for reasons other than military, parental leave, your status in the Plan depends on whether you receive compensation from the **Company** (such as with certain disability leaves) or not (such as with a personal leave of absence). If you are on a paid leave of absence, your contributions and any Employer Matching Contributions to the Plan will continue. If you are on an unpaid leave of absence, your contributions and any Employer Matching Contributions to the Plan will be suspended.

The period of an **approved absence** will count as vesting service.

OTHER IMPORTANT PLAN INFORMATION

SOCIAL SECURITY

When you retire, the income you receive from The 401(k) Savings Plan may be supplemented by a monthly Social Security benefit. You and the **Company** are required to share the substantial cost of Social Security by paying taxes on your earnings during employment.

If you were born on or before January 1, 1938, your full Social Security benefits begin at age 65. If you were born later than that date, your full Social Security benefits begin between ages 65 and 67, depending on your birth date. You may begin receiving reduced Social Security benefits at age 62.

If you are married, your spouse is also entitled to receive Social Security benefits in an amount based on your pay or his or her pay, whichever produces the greater benefit.

You will not receive Social Security benefits automatically—you must apply for them. For more information about your Social Security benefits and how to apply for them, contact your local Social Security office. The national toll-free number for the Social Security Administration is 1-800-772-1213. You can also log on to www.socialsecurity.gov.

ABOUT YOUR TAXES

The 401(k) Savings Plan enjoys certain tax advantages because it is intended to provide income at retirement. For example, under current federal income tax law, your Before-Tax Contributions, Employer Matching Contributions made on your behalf and any investment earnings are not taxable while they are held in the Plan. However, you will owe income taxes on your distribution (other than a distribution of After-Tax or Roth 401(k) Contributions) when you receive payment of your benefits.

You may also owe a 10% penalty depending on when and under what circumstances you receive a withdrawal or distribution. For example, the 10% penalty does not apply if you are an active employee age 59½ or older or if you take a distribution due to your termination of employment at age 55 or older. It also does not apply if the distribution is made to your **beneficiary** in the event of your death.

If you receive payment of your 401(k) Savings Plan benefits in the form of a lump sum, or installments over less than ten years, you can elect that the Plan directly roll over your benefits to another employer's **qualified plan** that accepts **rollovers**, or to an IRA. In this case, you will defer paying ordinary income tax and avoid the 10% penalty tax, if any. You must elect a direct rollover before you receive your benefits. If you do not make a direct **rollover** of your benefits and you elect to receive some or all of your lump-sum distribution or installments, the Plan is required to withhold 20% of the taxable amount you receive to be applied toward your taxes. You can still roll over part or all of the lump-sum distribution or installments into another **qualified plan** or IRA within 60 days, and you will defer taxes and avoid early distribution penalties on that amount. However, if you decide to roll over the full amount, you will have to find other money to replace the 20% that was withheld.

Roth 401(k) Contributions (and related earnings) may only be rolled over to a Roth IRA or a designated Roth 401(k) account in another employer's 401(k) or 403(b) plan. If you receive a distribution or withdrawal of Roth 401(k) Contributions and earnings that is not a qualified distribution or withdrawal, any distributed earnings will be subject to ordinary income tax and the 10% early payment penalty (unless an exception applies) unless you make a rollover to a Roth IRA or to a designated Roth 401(k) account in another employer's 401(k) or 403(b) plan. However, any portion of the nonqualified Roth distribution that is not taxable cannot be rolled over to a designated Roth 401(k) account in another plan except through a direct rollover.

If you receive your 401(k) Savings Plan benefits in the form of installments over ten years or more, you may elect whether or not to have taxes withheld. The way you, your **beneficiary**, or estate is taxed depends on how and when the distribution is received.

You will receive more detailed information about the tax laws affecting your benefits, including your rollover options, before you are scheduled to receive a distribution. Tax laws change from time to time, and the tax impact of receiving payments from the Plan will vary with your individual situation. Because the **Company** cannot give tax advice or counsel, you should consult a professional tax advisor or financial expert for specific advice about your circumstances.

If you are a resident of Puerto Rico, different tax laws may be applicable to you. More information about these tax rules will be provided at the time of your distribution.

ADMINISTRATION

The Plan is administered by the Plan Administrator named on page 24. All actions, determinations and interpretations by the Plan Administrator are binding on employees, **participants** and **beneficiaries** to the maximum extent permitted by law.

NON-ASSIGNMENT OF BENEFITS

The Trustee, acting under the direction of the Plan Administrator, is responsible for making all payments to Plan **participants** and **beneficiaries**. Subject to applicable law and to Qualified Domestic Relations Orders (see the following section), the Plan Administrator will not allow you or your **beneficiary** to assign, sell, transfer, or pledge the benefits under this Plan to a creditor or to anyone else. In addition, no Plan benefit will be liable for or subject to the debts, contract, liabilities, or civil wrongdoing of anyone entitled to a Plan benefit.

QUALIFIED DOMESTIC RELATIONS ORDERS

The Plan will comply with any court-issued Domestic Relations Order that the Plan Administrator deems to be qualified (**QDRO**). A domestic relations order is a court order, judgment or decree that requires the Plan to distribute all or part of your benefit to your spouse, former spouse, child or other dependent to meet marital, alimony or child support obligations imposed on you by law. The domestic relations order must:

- Be made pursuant to a state domestic relations law (including community property laws),
- Relate to the provision of child support, alimony or marital property rights, and

- Create or recognize an alternate payee's rights to receive all or a portion of your benefits under an employee benefit plan.

A copy of the procedure for QDROs is available at no cost by accessing the Qualified Order Center website at www.qocenter.com or contacting ***The Benefits Center*** at **1-877-742-3520** for assistance.

LOSS OF BENEFITS

You are 100% vested in any Employee Contributions and **Rollover** Contributions (and investment earnings on those contributions) you make to the Plan, which means this portion of your Plan account can never be forfeited. You are 100% vested in Employer Matching Contributions made in 2007 or later and any earnings on those contributions.

There are circumstances in which you may not qualify for benefits under the Plan or may lose Plan benefits. Below are some, but not all, of the reasons you may not receive part or all of your Plan account:

- If the Plan should be disqualified by the IRS, contributions made to the Plan may be current taxable income to you in the year of disqualification.
- If the investment funds in which your Plan account is invested experience losses or reductions in value, the value of your Plan account will decrease.

BENEFITS NOT GUARANTEED

The Pension Benefit Guaranty Corporation (PBGC) does not insure account balances under the Plan, including any Employer Matching Contributions you have received. The benefit you receive at retirement or termination depends on a number of variable factors, such as contribution amounts and investment results. Since you are not guaranteed a specific amount according to a predetermined formula when employment ends, your benefit cannot be covered by the PBGC Plan termination insurance.

PAYMENT TO MINORS

If anyone entitled to income from the Plan is a minor or is judged to be physically or mentally incompetent, the Plan Administrator may direct the Trustee to pay the income to someone else for the benefit of the recipient (to a legal guardian, for example).

TOP-HEAVY RULES

The IRS requires that all plans contain specific provisions that will come into play if the Plan becomes top-heavy. A top-heavy plan provides more than 60% of its benefits for key employees (certain officers and owners of the **Company**). The Plan would be top-heavy if the total of the account balances of key employees exceeds 60% of the total of account balances for all **participants**.

In the unlikely event that the Plan becomes top-heavy, it could increase Employer Matching Contributions made on your behalf under the Plan.

Trust Fund for Contributions

All Employee Contributions, **Rollover** Contributions and Employer Matching Contributions under the Plan, and any investment earnings on those contributions, are held in a trust fund established for this Plan. The current Trustee is listed on the next page.

ADMINISTRATIVE INFORMATION

Plan Name	The Estée Lauder Companies 401(k) Savings Plan
Plan Number	002
Type of Plan	Defined Contribution 401(k) Plan
Plan Year	January 1–December 31
Plan Trustee	The Northern Trust Company Benefit Payment Services 50 South LaSalle Street, C2N Chicago, IL 60603
Plan Sponsor	Estée Lauder Inc. 767 Fifth Avenue New York, NY 10153
Plan Administrator	Estée Lauder Inc. Employee Benefits Committee 767 Fifth Avenue New York, NY 10153 1-212-572-4200
Plan Recordkeeper	Alight Solutions Estée Lauder Companies 401(k) Savings Plan Customer Service Center DEPT 10278 PO Box 64030 The Woodlands, TX 77387-4030 www.ybr.com/esteelauder 1-877-742-3520
Agent for Service of Legal Process*	Estée Lauder Inc. Human Resources Department 767 Fifth Avenue New York, NY 10153
Employer Identification Number	13-1871348
Source of Contributions	Employer Matching Contributions and Employee Contributions

**Legal process may also be served on the Plan Administrator or the Trustee.*

PARTICIPATING COMPANIES

The following companies participate in The 401(k) Savings Plan:

- Applied Genetics Inc. Dermatics*
- Aveda Corp.*
- Aveda Experience Centers Inc.*
- Aveda Institute Inc.*
- Aveda Services Inc.*
- Beauty Bank Brands Inc.
- Beauty Bank Inc.
- Bumble and bumble, LLC*
- Bumble and bumble Products, LLC*
- By Kilian*
- Clinique Laboratories, LLC
- Clinique Services LLC
- Darphin, LLC*
- DJF Enterprises, Inc. (Smashbox)*
- Edition de Parfums LLC*
- ELC Beauty LLC
- ELC Management LLC
- Estée Lauder Travel Retail Services Inc.
- Frédéric Malle
- GlamGlow LLC*
- Le Labo
- M•A•C Cosmetics Inc.
- Make-Up Art Cosmetics Inc.*
- Make-Up Art Cosmetics (U.S.), Inc.*
- Northtec LLC*
- Sassaby, LLC*
- Too Faced Cosmetics Holdings, LLC*
- Whitman Packaging Corp.*

YOUR RIGHTS AS A PLAN PARTICIPANT

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine without charge, at the Human Resources Department in New York and at other specified locations, all documents governing the Plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the Human Resources Department in New York, copies of documents governing the operation of the Plan, including insurance contracts, copies of the latest annual report (Form 5500 Series) and an updated Summary Plan Description. The Company may make a reasonable charge for the copies.

- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

- Obtain a statement showing the current value of your Plan account. The Plan must provide the statement free of charge not less than once a year.

**Special transition rules apply if you were employed with this company at the time it joined the Plan.*

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan **participants**, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this is done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if the court finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should log on to the Plan website, ***Your Benefits Resources***, at **www.ybr.com/esteelauder** or call ***The Benefits Center*** at **1-877-742-3520**. If you have any questions about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration.

PLAN AMENDMENT AND TERMINATION

The **Company** intends to continue the Plan indefinitely, but reserves the right to discontinue the Plan at any time by action of the Board of Directors. Furthermore, the Plan may be amended by the Board of Directors (in some cases) or the Estée Lauder Inc. Employee Benefits Committee (in other cases). The 401(k) Savings Plan is also subject to the continuing approval of the Internal Revenue Service, and may be modified as needed to keep the Plan qualified under the Internal Revenue Code.

TERMS YOU SHOULD KNOW

Approved absence — Any period of absence that is approved by the **Company** for up to 12 months. In some cases, an approved absence may extend for up to a maximum of 24 months. Approved absences include, but are not limited to, military leave and disability leave.

Beneficiary — An individual, trust or estate that you name to receive your account balance should you die before that balance is distributed to you. You may choose more than one beneficiary. If you are married, your spouse will be your beneficiary, unless your spouse gives written, notarized consent to your choice of a different beneficiary (or for a beneficiary in addition to your spouse). If you are not married and you do not name a beneficiary or if your beneficiary dies before you, payment of your benefit will be made to your domestic partner, if applicable, or to your estate.

Break in service — The time between periods of employment with the **Company** when 12 or more months elapse. If you are approved for paid or unpaid leave, you will not experience a break in service during that leave, as long as you return within two years of your last day of employment (in this situation, the time between the first and second year of the break does not count for vesting service).

Company — Estée Lauder Inc. and affiliated or other companies that have adopted the Plan.

Domestic Partner — Your domestic partner means an individual with whom you have qualified for domestic partnership. To qualify, you must submit a "Statement of Domestic Partnership" to the Dependent Verification Center for processing and approval. If you have questions or need assis- tance, please call the Dependent Verification Center at 1-800-725-5810. Representatives are avail- able from 8 a.m. to 11 p.m. Eastern Time, Monday through Friday.

Eligible compensation — Eligible compensation means your base pay earnings paid on or after the date you become eligible to participate in the Plan plus overtime pay, bonuses, commissions paid on or after January 1, 2022, shift differentials, backup pay, paid time off, training and travel time pay and any before-tax deferrals under this Plan or other Company plans. It does not include commissions paid to certain employees prior to January 1, 2022; payments in lieu of unused vacation time, sick time, holidays, seniority days or other unused paid time off; referral fees; gratuities; relocation payments; special allowance payments; sign-on payments; on-call compen- sation and any other additional compensation you may receive during the year that is not subject to federal income tax. The IRS limits the amount of pay that can be included as eligible compensa- tion under the Plan (see page 8).

Highly compensated employee — In 2022, a highly compensated employee is any employee who, during 2021, earned at least $130,000 or who was, at any time in the preceding Plan year or the current Plan year, a 5% owner. This limit is subject to future indexing.

Hour of service — Any hour for which you are directly paid by the **Company**, including hours during an **approved absence** and hours for which you are awarded back pay (unless you have already been credited with these hours). An hour of service is also any hour for which you are indirectly paid or entitled to payment, such as for vacation, sick leave, holidays, disability, layoff, jury duty or military duty. If your hours of service are not specifically tracked each payroll period, equivalencies will be used in accordance with Department of Labor regulations.

Individual Retirement Account (IRA) — An IRA is a special type of account that can be used to save for retirement and offers tax advantages. IRAs are offered through banks, mutual fund companies, brokerage firms, insurance companies and other financial institutions. A conduit IRA is often used as a temporary account while you are waiting to transfer that money to another employer's **qualified plan**.

Participant — Any person who has become eligible to participate in the Plan and who has made an election at any time to contribute a portion of his or her **eligible compensation** to the Plan or any person who has been automatically enrolled in the Plan.

Qualified plan — A qualified plan is a plan that the IRS approves as meeting the requirements of Section 401(a) of the Internal Revenue Code of 1986, as amended. Such plans and participants in such plans receive tax advantages.

QNEC account — The individual account established in each **participant's** name for whom qualified non-elective contributions have been made.

Rollover — All or part of the taxable portion of a distribution from a **qualified plan** that is transferred to an IRA or to another employer-sponsored **qualified plan** (if that plan accepts rollovers). When you roll over a distribution or withdrawal into an IRA or **qualified plan**, you may continue to defer income taxes on the amount rolled over. In a direct rollover, the money is transferred directly without being received by you. If you choose a direct rollover, you avoid any current income tax withholding on your distribution or withdrawal. You may also roll over After-Tax Contributions to an IRA or a **qualified plan** that accepts rollovers.

Spouse — Your spouse includes your legally married spouse, as determined under the laws of the state in which the marriage ceremony was performed, as evidenced by a marriage certificate or other legal document, provided that you and your spouse are not legally separated or divorced.

Vesting — Vesting means that you have earned a right to receive benefits under the Plan, even if you leave the **Company**. When you are 100% vested in your Plan benefit, you have a non-forfeitable right to that benefit, which means you can take it with you when you leave the **Company**. You are always 100% vested in any Employee Contributions and Rollover Contributions you make to the Plan and in Employer Matching Contributions made in 2007 and later years. Employer Matching Contri- butions made prior to 2007 did not become vested until completion of three years of vesting service or certain other requirements were met.

Year of eligibility service — The consecutive 12-month period following date of hire in which you complete at least 1,000 **hours of service**. If you do not complete at least 1,000 **hours of service** during this period, a year of eligibility service is based on the completion of at least 1,000 **hours of service** in the calendar year beginning with your date of hire and then each calendar year thereafter.

Year of vesting service — You earn a year of vesting service for each 365-day period of employment beginning with your date of hire. This does not include service with an employer before it becomes a member of The Estée Lauder Companies, unless a special provision applies.

401(k) SAVINGS PLAN 2022
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ESTĒE LAUDER COMPANIES

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