

FRAGRANCE AND PERSONAL CARE

Esté Lauder Cos. shares progress on racial equity goals

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Esté Lauder is looking for more diversity in the workplace and in its marketing. Image credit: Esté Lauder

By LUXURY DAILY NEWS SERVICE

Beauty group Esté Lauder Companies is revealing how it has addressed systemic issues around race, identity and representation in the last year.

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In a progress update shared with group employees, Esté Lauder Cos. disclosed corporate numbers relating to hiring, education and other efforts as it works to become a more equitable organization. In the wake of the Black Lives protests in the United States and globally, many luxury brands publicized their diversity efforts as more consumers expect transparency and accountability.

Progress report

The group's update shows some progress has been made, but more is needed in the coming years.

"The Esté Lauder Companies has long held inclusion and diversity among its core values," said William P. Lauder, executive chairman, and Fabrizio Freda, president and CEO, in the letter.

"However, the movement in the aftermath of George Floyd's murder in May 2020 sparked a deeper, necessary conversation, one that encouraged all of us to hold one another to a higher standard of understanding, action and accountability," the statement said. "We pledged to more fully understand the systemic issues surrounding race, identity and representation and as a company, dedicated ourselves to being part of the solution for the long term."



Black Este Lauder employees appeared in the Beauty In Me video series. Image credit: Este Lauder

During the last year, Tracey T. Travis, executive vice president of finance and chief financial officer, and Michael O'Hare, executive vice president of global human resources, have led Este Lauder's Racial Equity Steering Committee. The group has set benchmarks and commitments relating to learning, talent, representation, suppliers and investment.

In the U.S., 94 percent of corporate and field employees have completed unconscious bias trainings. The training programs have also begun for Este Lauder employees in the United Kingdom.

Through a new Inclusive Leadership Behaviors and Talent Planning program, 100 percent of the executive leadership team has also completed one-on-one trainings.

In March, Este Lauder also established an Equity and Engagement Center of Excellence (COE) division in line with its commitment to build greater equity and representation throughout its business ([see story](#)). The COE has already organized more than 35 workshops about race and microaggressions geared towards specific brands and corporate audiences.



Nicole Monson, senior vice president of equity and engagement at Este Lauder. Image credit: Este Lauder Companies

The group's new recruitment and mentorship efforts include a multiyear program in collaboration with Howard University, a Historically Black College and University (HBCU). As of June 2021, 9.2 percent of new roles within the

year in the U.S. were filled by Black candidates, up 3 percent year-over-year.

An external creative advisory board was established in February and will meet quarterly with brand and creative leadership. The goal is to accelerate creative partnerships, expand the group's network of Black artists and encourage the development of concepts and creative that will engage Black consumers.

Estée Lauder Cos. also joined the National Minority Supplier Development Council (NMSDC) and renewed its membership with the Women's Business Enterprise National Council (WBENC). As of the third quarter of fiscal year 2021, the company has spent more than \$175 million on goods and services from diverse and small-owned suppliers.

Finally, the Estée Lauder Companies Charitable Foundation and its employee matching program has made \$5 million in donations to external organizations and nonprofits supporting racial equity. This is part of the group's pledge to donate \$10 million during the next three years to support racial and social justice initiatives.

In partnership with wELCome, the group's LGBTQIA+ employee resource group, Estée Lauder is continuing to work together to cultivate and promote an inclusive, caring and compassionate workplace during Pride Month and beyond. This is the 12th year that Estée Lauder Cos. has been recognized as a "Best Place to Work for LGBTQ Equality" with a 100 score on the Human Rights Campaign 2021 Corporate Equality Index (CEI) ([see story](#)).

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