



CODE OF CONDUCT

As of
February 2011

Bringing the Best to Everyone We Touch

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The Estée Lauder Companies Inc.
767 Fifth Avenue
New York, NY 10153
212•572•4200



Dear Colleague,

For more than 60 years, The Estée Lauder Companies has achieved considerable success by delivering the very best products and services to our customers. In order to accomplish these goals, we have also made it our business to hire the best people, to engage in relationships only with those of the finest repute and to observe the highest standards of ethics in our business practices.

It is critical to the continued success of our businesses that you carefully read the *Code of Conduct* and take it to heart. We expect that you will conduct all business on behalf of our Company with the principles and ideals that have made The Estée Lauder Companies the global leader in our prestige beauty.

Our continued reputation for quality and integrity rests with you. Please guard it carefully.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. P. Lauder".

William P. Lauder
Executive Chairman

A handwritten signature in blue ink, appearing to read "Fabrizio Freda".

Fabrizio Freda
President and Chief Executive Officer

INTRODUCTION

The Estée Lauder Companies Inc. is committed to the highest standards of professional and personal conduct. All employees of the company and all of its subsidiaries and affiliates (collectively, the "Company") are expected to conduct themselves at all times within the letter and the spirit of the Code of Conduct. More detailed policies exist on several of the topics covered by the Code; they are summarized in this booklet. All employees should refer to the *Policies and Procedures* section located on the homepage of the Corporate Intranet for additional information.

Who does the Code apply to?

The Code of Conduct applies to all employees of the Company throughout the world and to the members of the Board of Directors of the Company. Compliance with the Code is a condition of employment for all employees.

Under U.S. law, certain provisions of the Code have a special application to the Company's Chief Executive Officer and senior financial officers.¹

Employees who manage and supervise other employees are responsible for setting the tone with their own ethical conduct and ensuring that their teams have the information, guidance and support to comply with the Code of Conduct as well as all relevant policies and procedures.

In addition to the laws of the more than 150 countries and territories where we do business or our products are sold, the laws of the United States, as well as the rules and regulations of the New York Stock Exchange, often apply to our businesses throughout the world. When an employee encounters what may appear to be a conflict in the laws to apply to a situation, he or she should consult with the Company's General Counsel's Office.

The Company also expects that suppliers, consultants, distributors and independent contractors agree to follow all applicable policies.

¹ Conflicts of Interest, Antitrust Compliance and Relationships with Competitors, International Legal Requirements, Securities Law Compliance and Inside Information, and Records and Financial Reporting (Sarbanes-Oxley Act of 2002, section 406).

Certification of Compliance

All newly hired employees must sign an acknowledgment that they have received the Code of Conduct, understand its contents and agree to comply with its terms through-out their employment with the Company.

In addition, on an annual basis, certain management employees will be required to certify their compliance with and continued commitment to compliance with the Code, as it may be amended from time to time.

Enforcement

An employee who violates a provision of the Code of Conduct, condones or knowingly fails to report a possible violation, intentionally makes a false report or fails to cooperate fully in any investigation of any violation, will be subject to disciplinary action, up to and including termination of employment. An employee who violates the Code may also, at the discretion of the Company, forfeit any otherwise existing eligibility to severance or other benefits.

Because of the significant legal and ethical consequences of noncompliance with the Code of Conduct, disciplinary action may be taken with respect to not only those who violate the Code of Conduct, but also those who – through lack of diligence or supervision – fail to prevent or report violations.

HOW TO RAISE CONCERNS

Every employee has the responsibility to promptly report any violation or suspected violation of this Code of Conduct, any other Company policy or applicable law or regulation, in order to protect the Company, its stockholders, its employees and its customers.

If you have information regarding any such violation or suspected violation you should report such information to your supervisor or bring the matter to the attention of:

- the Executive Vice President and General Counsel, (212) 572-3980
- the Executive Vice President, Global Human Resources, (212) 572-4729; or
- the Chief Internal Control Officer, (212) 277-2100.

You may also call the confidential, toll-free hotline at (877) 277-3167 or use the post office box listed on page 5. Callers from outside the United States or Canada must first dial their country's access number, which may be found at <http://www.countrycallingcodes.com>.

All such submissions will be treated confidentially to the extent possible. To assist and encourage the prompt reporting of suspected violations, we will accept reports made on an anonymous basis.

Please be aware that the Company's Legal Department, including the Executive Vice President and General Counsel, represents the Company and not individual directors, officers, or employees.

Questionable Accounting or Auditing Matters

If you have concerns regarding fraudulent activities or questionable accounting or auditing matters or internal accounting controls, you may also submit your concerns directly to the Audit Committee of the Board of Directors by writing to:

The Estée Lauder Companies Inc.
Attn: Audit Committee
F.D.R. Station
P.O. Box 1177
New York, New York 10150

You may also call the confidential, toll-free hotline at (877) 277-3167. Callers from outside the United States or Canada must first dial their country's access number, which may be found at <http://www.countrycallingcodes.com>.

All such submissions will be treated confidentially, to the extent possible. To assist and encourage the prompt reporting of suspected violations, we will accept reports made on an anonymous basis.

Please be aware that the Company's Legal Department, including the Executive Vice President and General Counsel, represents the Company and not individual directors, officers, or employees.

No Retaliation Policy

The Company will not retaliate against any employee who in good faith raises concerns or makes a report about a possible violation of the Code of Conduct. It will not discharge, suspend or discriminate against an employee because such employee in good faith reports or otherwise provides information regarding a possible violation of this Code of Conduct or of any questionable business practice, accounting or auditing matter.

WAIVERS

A. Executive Officers and Senior Financial Officers and Members of the Board of Directors of the Company

Any request for a waiver (i.e. a material departure) from any provision of this Code of Conduct by or on behalf of an executive officer or senior financial officer or member of the Board of Directors of the Company must be brought before the Audit Committee, or such other Committee as determined by the Board, for review. Only the Audit Committee (or other Board-designated Committee) may, in its sole discretion, grant such a waiver, and may do so only after a thorough review of the specific facts and circumstances and the potential impact on the Company and consideration of what controls may need to be implemented to protect the interests of the Company.

Any executive officer or senior financial officer or member of the Board of Directors who wishes to request a waiver should contact:

- (i) the Executive Vice President and General Counsel, (212) 572-3980; or
- (ii) the Executive Vice President, Global Human Resources, (212) 572-4729

who will determine whether or not a waiver from any provision of this Code of Conduct is necessary (i.e. whether or not the requested conduct would be a material departure from a provision of the Code) and, if so, will contact the Chairman of the Audit Committee or other Board-designated Committee.

Any such waivers that are granted, and material amendments to certain provisions of this Code of Conduct, be promptly disclosed to the Company's stockholders if deemed material.

B. Other Employees

Any other employee who wishes to request a waiver (i.e. a material departure) from any provision of this Code of Conduct, should contact:

- (i) the Executive Vice President and General Counsel, (212) 572-3980; or
- (ii) the Executive Vice President, Global Human Resources, (212) 572-4729

who will determine whether or not a waiver from any provision of this Code of Conduct is necessary (i.e. whether or not the requested conduct would be a material departure from a provision of the Code) and, if so, whether or not to grant such waiver. Any such waiver will be communicated to the employee in writing.

OUR BUSINESS

Ethical Business Practices

The Company is committed to conducting its businesses in accordance with the highest ethical standards and in compliance with all applicable laws and regulations. Like the quality of our products, the integrity of our behavior is of paramount importance wherever we do business. Ignorance of appropriate standards is never an excuse for improper behavior, and improper behavior cannot be rationalized as being in the Company's interest. Managers at all levels are responsible for communicating proper ethical behavior to our employees. The Company will neither seek nor accept any business advantage that involves unethical conduct.

A. Conflicts of Interest

All employees are expected to avoid actual or apparent conflicts of interest. A conflict of interest occurs when an individual's personal activities or interests interfere, or even appear to interfere, with the Company's best interests. For example, conflicts of interest occur when your personal interests or activities (a) influence, or appear to influence, your judgment when acting on behalf of the Company; (b) result in your competing, or appearing to compete, with the Company or your diverting, or appearing to divert, business from the Company; (c) diminish, or appear to diminish, the efficiency, effectiveness or objectivity with which you perform your duties; (d) result in your receiving improper personal benefits due to your position within the Company; or (e) actually or appears to harm or impair the Company's reputation, including the goodwill arising from the Lauder name. Moreover, prohibited conflicts can occur because of the interests or activities of close family members and/or other individuals who live in your household.

While it is not feasible to describe all of the situations in which conflicts of interest may arise, the following guidelines apply:

Corporate Opportunities. Company employees are prohibited from using opportunities discovered in the course of their employment for their own personal gain or benefit. For example, if, in his or her capacity as a Company employee or representative, an employee, officer or member of the Board of Directors of the Company is approached about or otherwise becomes aware of a potential investment that may be appropriate for the Company, such individual should not take that opportunity for him or herself, but rather should bring it to the attention of his or her manager or other appropriate Company personnel.

Conflicts Arising from Ownership or Investments. No employee or family member of an employee may, without disclosure to, and the written consent of, the Executive Vice President-Global Human Resources or the Executive Vice President and General Counsel, have either a direct or an indirect ownership or other interest in any supplier of goods or services to the Company, any customer of the Company, or any competitor of the Company. In general, it would not be a violation of this Code of Conduct to own up to one half of one percent (0.5%) of the securities of any company whose shares are publicly traded, unless the Company is a significant customer, supplier, or competitor of such publicly traded company, which, while not automatically prohibited, will be reviewed on a case-by-case basis. Nevertheless, all such relationships are subject to the disclosure and consent process described above.

Community, Charitable and Other Outside Activities. The Company generally encourages employees to participate in community, charitable and other outside activities. However, you are expected to avoid any outside personal interest or activity (whether or not for profit) that will interfere with your duties to the Company. As a guideline, your activities should not encroach on time or attention that you should be devoting to Company business; adversely affect the quality of your work; compete with the Company's business or imply Company sponsorship or support (for example, through the use of Company stationery) without express Company approval; and/or adversely affect the reputation of the Company, including the image of the Lauder family, which is a valuable asset of the Company.

Work Outside the Company. In addition to avoiding activities that interfere with your duties to the Company, employees are strictly prohibited from engaging in any work for competitors of the Company, regardless of whether such work is outside of normal business hours or outside an employee's scope of work within the Company. Even if otherwise permissible, employees must disclose to their manager any work, whether compensated or not, they perform for vendors or other parties with any relationship to the Company.

B. Improper Gifts or Payments

Bribery. All employees, agents, consultants and other persons, firms, organizations and other entities representing the Company in any way are strictly prohibited from engaging in bribery. Bribery is defined as the giving or accepting, or an offer, promise or request to give or accept anything of value in exchange for or as an inducement to receive or perform an act that is illegal or an abuse of one's power or official position. Bribery may be in the form of a payment, gift, entertainment, hospitality, travel expenses or personal favors.

Any employee who learns of such activity is required to report such information to their supervisor or bring the matter to the attention of the Executive Vice President and General Counsel.

Receiving Gifts or Entertainment. Acceptable business gifts are always unsolicited, modest in value, given openly and directly, customary in our business and given with no sense of obligation on either side. For the purposes of this policy modest in value is defined as \$250 value or less and excludes cash, cash equivalents (gift cards or gift checks), loans or guarantees. Gifts of tickets of any nature (play, sporting event, etc.) require that the giver or representative of the vendor attend the event with the ELC recipient. No employee or family member may accept any gifts of any kind from a competitor. Gifts in excess of \$250 should, to the extent possible, be returned. If returning the gift is impractical or undesirable, it should be turned over to the Senior Vice President – Corporate Administration for Company use or donation.

Offering Gifts or Entertainment. Offering modest gifts (\$250 or less), meals or entertainment to employees of customers or suppliers in connection with business discussions or to develop business relationships are generally deemed appropriate in the conduct of Company business, if they are legal, infrequent, customary in our business and would not result in embarrassment to the Company if they were to be publicly disclosed.

No such gifts may be in the form of cash or the equivalent of cash (e.g., American Express gift cards). Gifts, entertainment or favors in any form that would likely result in a feeling or expectation of personal obligation should not be offered. Employees should also be aware of, and respect, the policies of the Company's customers and suppliers relating to the receipt of gifts by their employees. The exchange of gifts with a personal friend or family members who work for a customer or supplier is permitted provided there is no conflict of interest with your duties to the Company.

Gifts to Governmental Officials. No payment, gift or anything of value may be made directly or indirectly to any local, state or Federal government officials of the United States or to any government officials of any other country, territory or municipality (or their respective family members) for the purpose of influencing or inducing such government official to provide an improper advantage or to abuse his or her power or official position.

Failure to comply with these restrictions may result in criminal and civil sanctions being imposed on you and/or the Company and may also result in reputational damage to both you and the Company. Any individual who violates this policy will be subject to disciplinary action by the Company, including termination of employment.

The making of political contributions by individuals is restricted as is the use of Company facilities for political action or in support of political causes. See Section J - Political Contributions.

C. Antitrust Compliance

The antitrust laws of the United States and other countries are designed to preserve vigorous competition. They are based on the belief that the public interest is best served by free enterprise. It is the policy of the Company to comply with the antitrust laws of the United States and of the various states and foreign countries in which we do business and to avoid practices that would violate the U.S. antitrust laws even in areas of the world where local laws do not prohibit such practices.

The U.S. antitrust laws and similar laws in other countries prohibit (a) "horizontal" agreements with competitors to fix prices or other terms of sale, to allocate customers, territories or markets, or to boycott certain customers or suppliers, and (b) "vertical" agreements by a supplier with retailers to fix resale prices. It is lawful to provide a suggested retail price but not to agree or coerce the retailer to adopt it as the retail price.

Violations under the antitrust laws may be inferred from circumstantial evidence. Thus, it is critically important that all communications, including meetings, conversations and exchanges of information with competitors that may touch upon competitive matters, or with retailers that may touch upon resale prices, be approached with considerable caution and with the advice of the Legal Department. Where appropriate, a member of the Legal Department should attend any such meeting. You must terminate all improper conversations initiated by a competitor or retailer even in a social or industry-association setting and notify the Legal Department.

Violations of the U.S. antitrust laws are felonies, punishable by imprisonment and heavy fines for the individuals involved and by even heavier fines for the Company. Violations of antitrust laws outside the United States may result in fines and/or imprisonment for individuals and fines for the Company. In all countries, the antitrust laws are complex and in many respects difficult to interpret and apply. Any employee who needs guidance should contact the Legal Department.

D. International Legal Requirements

The laws of countries outside the United States may vary significantly from U.S. laws. Company employees must comply with all applicable laws in the countries where we do business, while following the Code of Conduct.

The following U.S. laws pertaining to doing business outside the United States are worthy of particular note:

Foreign Corrupt Practices Act. All employees of the Company, irrespective of the location in which the employee does business, are subject to the U.S. Foreign Corrupt Practices Act. The Act prohibits employees from giving or offering to give anything of value to any foreign government official, candidate for public office or political party (or their immediate families) for the purpose of (i) influencing any official act or decision (including a decision not to act); or (ii) obtaining, retaining or directing business to the Company. This conduct is prohibited whether it is engaged in directly or indirectly through an intermediary such as a consultant, distributor or other Company representative.

Under the Act, reasonable and customary entertainment of government officials *may* be permitted if it is directly related to (i) the promotion of products or services; or (ii) the execution of a contract with a foreign government or agency.

Questions regarding the legality of any payments under consideration should be referred in advance to the Office of the General Counsel.

- **U.S. Antiboycott Laws.** U.S. antiboycott laws regulate and penalize participation in boycotts of nations friendly to the United States. The Arab League boycott of Israel is the best known example of such an international boycott. Under U.S. law, companies and individuals receiving requests to support such a boycott are prohibited from agreeing to these requests and are required to report them to the U.S. government. If you receive such a request, directly or indirectly, you must report it immediately to the Legal Department. Failure to comply with the antiboycott laws can result in significant penalties, both for the Company and for the individual involved.

- **U.S. Economic Sanctions.** From time to time, the United States imposes economic embargoes prohibiting U.S. companies and individuals from doing business with certain other countries and identified groups or persons. These regulations apply to the Company's operations in the United States, to its foreign operations, and to U.S. citizens employed by the Company wherever they may be located. In certain cases, the regulations implementing the economic sanctions also apply to the Company's foreign subsidiaries. Currently, the following countries and groups are the subject of U.S. sanctions: the Balkans (certain named individuals, organizations and companies), Burma (Myanmar), Cuba, Cote d'Ivoire (certain named individuals, organizations and companies), Democratic Republic of Congo (certain named individuals, organizations and companies), Iran, Iraq (most transactions are authorized but there are some narrow exceptions), Liberia (certain named individuals, organizations and companies associated with the former regime of Charles Taylor), North Korea, Somalia, Sudan, Syria and Zimbabwe (certain named individuals, organizations and companies); Specially Designated Nationals, Specially Designated Global Terrorist Entities, and terrorist-supporting governments, groups and individuals; foreign persons designated by the Secretary of State as having engaged in activities related to the proliferation of weapons of mass destruction, and entities owned or controlled by them; and Specially Designated Narcotics Traffickers. The scope of U.S. economic sanctions varies from country to country, and is subject to change. The Legal Department can provide further information on the scope and application of economic sanctions.

E. Social Responsibility and Fair Dealing

The Company is committed to conducting its businesses in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. Each employee, officer and member of the Board of Directors of the Company should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees and should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or an intentional act or omission designed to deceive another or the Company to achieve a personal gain, or any other unfair dealing practice.

Additionally, we expect the same level of fair dealing and ethical conduct from the businesses and individuals who supply products or services to the Company.

The Company requires all such suppliers to operate in compliance with all applicable laws, including, but not limited to, employment laws pertaining to child labor, minimum wages, overtime compensation, hiring and occupational safety. Under no circumstances shall Company suppliers use child labor (under the age of 16), prisoners, or slave labor.

Employees, officers and members of the Board of Directors of the Company must take all appropriate steps to ensure that these standards are being met and, in the event that compliance comes into question, to report that situation to management for review and action. The Company reserves the right to suspend, discontinue or terminate its relationship with any supplier for its failure to comply with applicable standards.

F. Confidential Information and Other Company Property

Confidential Information. Employees, officers and members of the Board of Directors of the Company may have access to information that is private to the Company and has not been made public. Such information may include, but is not limited to, certain financial information and proprietary information that gives the Company an advantage over competitors who do not know the information or that would be harmful to the Company or its customers if disclosed. Protection of confidential information is critical to our ability to successfully do business, grow and compete.

Your obligation with respect to the Company's confidential information is:

- Not to disclose the information outside of the Company, except as expressly authorized by the Executive Vice President and General Counsel.
- Not to use the information for any purpose except to benefit the Company's business.
- Not to disclose the information within the Company except to those who need to know or use the information and who are aware that it must be protected.

- To promptly notify your supervisor and the Legal Department if you become aware of any intentional or unintentional improper disclosure of confidential information.

See also Section G – Communication with Third Parties and Section H – Securities Law Compliance and Inside Information.

Intellectual Property. Employees, officers and members of the Board of Directors of the Company should take steps to protect the intellectual property, i.e. trademarks, copyrights, trade secrets and patents, of the Company. All employees, officers and members of the Board of Directors are subject to the Company’s Confidentiality, Non-Compete, and Non-Solicitation Agreement, or similar agreement, which requires an employee to disclose and assign to the Company all interest in any invention, improvement, discovery or work of authorship he or she makes or conceives that arises out of or in connection with his or her employment with the Company. Employees should do so promptly in order to protect the Company’s proprietary interests in such intellectual property.

Other Company Assets. All employees, officers and members of the Board of Directors of the Company should protect the Company’s assets and ensure their proper use. Company assets include not only confidential information, funds, equipment and products, but also the Company’s resources, time and facilities. All Company assets should be used solely for legitimate business purposes unless approved by the Executive Vice President and General Counsel.

Cameras and Recording Devices. Except as authorized by management, employees are prohibited from using sound or image recording devices of any kind (including, but not limited to, tape recorders, video recorders, cameras, and cell phone cameras) to record or create images of Company records, the Company’s facilities, any other Company assets, and conversations that take place either on Company property or that involve the Company’s business.

Diversion. The sale, purchase or barter of Company products and promotional items by employees, officers, members of the Board of Directors of the Company or members of the immediate families of such employees, officers, or Board members to, from, or with third parties without Company approval (“diversion”) is prohibited and may result in disciplinary action, including

termination of employment or service. Prohibited activity includes, but is not limited to, (a) the diversion of products provided to employees, officers and members of the Board of Directors of the Company on a gratis or discounted basis or otherwise obtained for sale without Company approval, and (b) the sale of Company products by an employee, officer, Board member or a member of any such person's immediate family on Ebay or any Internet website.

Failure to comply with the restrictions in Section F may result in criminal and civil sanctions being imposed on you and/or the Company and may also result in reputational damage to both you and the Company. Any individual found to have violated these policies will also be subject to disciplinary action, including termination of employment.

G. Communication with Third Parties

As a publicly traded company, the Company is also subject to rules and regulations of the U.S. Securities and Exchange Commission ("SEC") and the New York Stock Exchange ("NYSE") regarding the timing, content and manner of disclosure of information relating to the Company.

The policies and procedures set forth below apply to all employees, officers and members of the Board of Directors of the Company.

Communicating with the Press. Requests from representatives of print and electronic media, freelance journalists, authors, public relations agencies, and other companies, including our suppliers and retailers, for interviews, photographs, films, videotapes, and gifts, and requests for information regarding the Company and its products, should immediately be directed to the appropriate Communications executive for the relevant brand or brands or to the Executive Vice President - Global Communications at 212-572-4430 before any action is taken.

The Global Communications Department will acquire any necessary approvals from executive management, affiliate company management, legal, scientific or brand marketing executives and, when necessary, coordinate responses to avoid contradictions.

There should be no “off the record” conversations with print or electronic media representatives nor should any individual speak for the Company without prior consultation with a member of the Global Communications Department. If a member of the Company is identified within a story as an employee, Global Communications must be made aware of this and the necessary approval must be obtained in advance. Interviews should take place only in consultation with a Global Communications executive. Once an interview has been approved, a Global Communications executive should always be present at or otherwise involved with that interview.

Communicating with Investors and Analysts. Employees, officers and members of the Board of Directors of the Company may not speak to analysts, other financial or investment professionals or stockholders unless they are specifically empowered to do so by a designated company spokesperson. The primary spokespersons for the Company are the Executive Chairman, President/CEO, CFO, Vice President – Investor Relations and the Executive Vice President – Global Communications. Certain other individuals are authorized to speak on behalf of the Company regarding financial matters. Their names and titles may be found in the Company’s Disclosure Policy. Employees, officers and members of the Board of Directors should not speak to any outside parties regarding financial matters, earnings estimates or market rumors relating to the Company without specific authorization from the Vice President – Investor Relations and the Executive Vice President – Global Communications or his or her designee.

Employees, officers and members of the Board of Directors of the Company may not participate in one-on-one sessions with analysts or stockholders without pre-approval from and participation by the Vice President – Investor Relations or his or her designee. Additionally, employees may not participate in investor or broker-sponsored conferences without pre-approval from the Vice President – Investor Relations or his or her designee. Any requests for visits to or tours of the Company’s headquarters or facilities should also be coordinated through the Vice President – Investor Relations.

Communicating About Company or Competitors’ Products. Employees may not engage in false or misleading advertising or promotions regarding the Company’s products or product-related

policies, or its competitors' products or product-related policies in any forum.

When talking about the industry publicly, the Company, its brands or its products, always disclose that you are employed by the Company or a particular brand. With the exception of Company-approved statements and activities including digital and social media which have received Legal Department approval, Company employees may not make specific product performance claims or discuss product-related policies. Although such communications might be made with good intentions, they may not reflect approved communications about Company products or policies and may be considered false or misleading, whether or not the individual is identified as a Company employee.

Government Inquiries. Government agencies and other regulatory bodies may attempt to contact you from time to time seeking information relating to the Company. Such inquiries may come in many forms, including phone, mail, e-mail or on-site visits.

It is the Company's general policy to cooperate fully with any government or regulatory inquiry or investigation. In order to ensure that you and the Company comply fully with all applicable laws and answer all questions accurately and completely, you should immediately contact the Legal Department upon receipt of any such inquiry or investigation and not respond to any such inquiry or investigation before consulting with the Legal Department.

- **Legal Inquiries.** No employee, other than specifically designated employees, should have any communications on behalf of the Company with any outside attorney or representative of a government entity or regulatory body regarding any actual or potential legal or regulatory matter involving the Company without preclearance from the Legal Department.

If you are contacted by anyone outside the Company, including any outside attorney or representative of a government entity or regulatory body, regarding any legal or regulatory matter relating to the Company, do not respond to such individual and immediately contact the Legal Department for instructions as to how to proceed.

You should never answer any questions, submit to any interviews, produce any documents or data or hold any discussions without first consulting with the Legal Department. Communication of any information regarding any legal or regulatory matter relating to the Company to any other employee of the Company should be made on a "need-to-know basis."

- **Receiving Legal Process.** The Company and individual employees sometimes receive legal process by mail, by e-mail, by delivery to an office of the Company or by facsimile transmission. Legal process includes subpoenas, summonses, complaints, notices of attachment and garnishment, notices of litigation, and other similar documents.

All notices of legal proceedings involving the Company received by mail, e-mail or facsimile should be sent immediately to the Legal Department with the date and time the document was received and any delivery envelope with postmark, return address or other similar data.

No employee, other than a Legal Department attorney, should receive or authorize the receipt of legal process unless specifically authorized to do so by the Legal Department. If notice of legal process is attempted in person on the Company premises, the employee should immediately call a Legal Department attorney, and he or she will come to the area or will otherwise provide direction on how to proceed. If an attorney is not available, the Senior Vice President Security should be called, and that person will receive or authorize delivery and receipt of process. If you are in a location where Company Legal and Security personnel are not present, the Office Manager or an employee who is a Vice President or higher should be called to receive process.

No employee should answer any questions about the whereabouts of or other information regarding specific employees, records or premises and should not attempt to contact any affected or potentially affected employee by telephone or otherwise from the area where the process is being delivered.

If you have any questions regarding the Company's procedures for accepting legal process, please contact the Executive Vice President and General Counsel.

H. Securities Law Compliance and Inside Information

Buying or selling securities while in possession of material non-public information (insider trading) or improperly disclosing such information (tipping) may violate Federal and state securities laws. The penalties for such violations are severe. Accordingly, it is the policy of the Company to prohibit its employees, officers and members of the Board of Directors from trading on the basis of, or improperly disclosing, material non-public information. The Company's policy and the procedures related to it are intended to avoid even the appearance of improper conduct, and thereby protect the Company and its employees.

The following is a summary of the policy:

- **No Trading on Material Non-Public Information.** At no time shall the Company's employees, officers and members of the Board of Directors trade in the securities of the Company (for their own or related accounts) while in possession of material non-public information relating to the Company.

The Company's employees, officers and members of the Board of Directors also shall not trade (for their own or related accounts) in the securities of any other company about which they have acquired material non-public information through their position in the Company, including from the Company's suppliers, customers or any other person with whom the Company does business.

- **Disclosure of Non-Public Information (Tipping) is Prohibited.** The Company's employees, officers and members of the Board of Directors are prohibited from disclosing to anyone inside or outside the Company any non-public technical, proprietary or business-sensitive information obtained at or through the Company, except to persons who need to know such information in order for the Company properly and effectively to carry out its business.
- **Blackout Periods and Preclearance.** All officers (i.e. Vice Presidents and above) and members of the Board of

Directors, and certain other designated employees, are prohibited from trading in the Company's securities during various times throughout the year known as "blackout periods." Regular blackout periods start twenty days before the end of the quarter and last until 48 hours after our quarterly earnings announcements. In addition, the Company may declare special blackout periods at any time in view of corporate developments. Individuals subject to blackout periods also are required to pre-clear all trades in Company securities with the Legal Department. These prohibitions and procedures are addressed in a separate and more detailed corporate policy.

Anyone in doubt about the application of this policy should consult with the Legal Department (212-277-2365 or 212-277-2366) before proceeding with any transaction, including a transaction in the Company's securities, or before disclosing information concerning the Company.

I. Company Records and Financial Reporting

Integrity of Records and Financial Reports. The integrity of the Company's recordkeeping and reporting systems must be respected at all times. Employees, officers and members of the Board of Directors of the Company are forbidden to use, or authorize or condone the use of, off-the-books payments or receipts, secret accounts, unrecorded bank accounts, slush funds, falsified books, or any other devices that could be utilized to distort records or reports of the Company's operating results or financial condition. Individuals shall maintain accurate, complete and timely records so that the Company's books and records reasonably and fairly reflect all the Company's business transactions and dispositions of its assets. Individuals are strictly prohibited from making any misleading entries in the books and records of the Company. Any suspicions of fraudulent financial reporting or misappropriation of Company assets or employee time for personal gain should be reported immediately in accordance with this *Code of Conduct* policy.

All employees, officers and members of the Board of Directors shall take steps to ensure the full, fair, accurate, timely and understandable disclosure of information that the Company files with, or submits to, the U.S. Securities and Exchange Commission or the New York Stock Exchange or otherwise makes public.

Working with Independent Auditors. Strict compliance with corporate accounting methods and controls is expected, as is cooperation with the Company's internal and external auditors.

Employees, officers and members of the Board of Directors of the Company are prohibited from making any false, misleading or incomplete statements in connection with an audit of the Company or any filing with the U.S. Securities and Exchange Commission. No employee of the Company or person acting under such person's direction, shall influence, coerce or mislead any independent public or certified accountant engaged in the performance of an audit or review of the Company's financial statements.

No employee, officer or member of the Board of Directors of the Company shall engage the Company's independent auditor (currently KPMG) to perform audit or non-audit services for the Company unless the engagement is approved in advance by the Audit Committee of the Company's Board of Directors except that, between meetings of the Audit Committee, the Chairman of the Committee and, in certain circumstances, the Chief Financial Officer of the Company, may approve certain services if such engagement is reported to and ratified by the Committee at its next meeting.

Employees, officers or members of the Board of Directors of the Company, including but not limited to the Chief Executive and senior financial officers of the Company, are prohibited from engaging the Company's independent auditors to perform services for such individuals in their individual capacities.

Records Management. The corporate "Records Management Policy" (available on the Company's intranet under Office Services, Records Retention) is a vital part of the Code of Conduct. It governs the retention of paper-based, as well as electronic-based information and all employees, officers and members of the Board of Directors of the Company are responsible for maintaining files and records in accordance with the policy. For business and legal reasons, it is imperative that all members of our corporate community familiarize themselves with the policy and abide by the retention time periods indicated therein unless the General Counsel's Office has issued a "hold" notice, in which case the retention of indicated documents will be maintained until the "hold" notice has been rescinded by the General Counsel's Office.

J. Political Contributions

The Company encourages employees, officers and members of the Board of Directors of the Company to participate in the political process. However, you should be aware that U.S. laws prohibit corporate donations to candidates for Federal office, and many state laws similarly prohibit corporate donations to state candidates. Thus you may not make political contributions on behalf of the Company without written approval from the Executive Vice President and General Counsel. Political contributions include: direct donations of money or Company products or property, the purchase of tickets to fund-raisers, and the use of Company facilities, transportation, funds or assets for political activities.

Individuals are permitted to make personal political contributions at both the state and Federal level as long as such contributions are not in the name of, on behalf of or attributable to the Company, are not made in exchange for or with the expectation of any benefit to the Company or with an expectation of reimbursement by the Company. In addition, individuals may not use Company facilities or resources for purposes of political fundraising activities or other solicitations of the public at large or perform such activities on Company time. This includes use of the Company's e-mail system, mail facilities, duplicating services and administrative staff, other than on a de minimis basis.

K. Fraud / Fraudulent Activities

All employees play an important role in the prevention and detection of fraudulent activities. Fraud is an intentional act or omission designed to deceive another or the Company to achieve a personal gain.

Fraud or fraudulent financial activities can be in the form of:

- Intentional misrepresentation in or omission of material events, transactions or other information;
- Intentional misapplication of Generally Accepted Accounting Principles;
- Falsification or manipulation of accounting records or documents; and
- Misappropriation of company assets or employee time for personal gain.

If you suspect that a fraud or fraudulent activity is being committed, please report your suspicions to any of the following:

- Your supervisor or a level above;
- Human Resources Representative
- The Executive Vice President and General Counsel
- Call the confidential toll-free hotline at (877) 277-3167
- The Chief Internal Control Officer at (212) 277-2100

OUR WORKPLACE

A Safe and Fair Workplace

The continued success of the Company's businesses depends on a safe and equitable workplace in which all employees can perform to the best of their ability.

A. Equal Employment Opportunity

It is the policy and practice of this Company to provide all employees and applicants for employment with equal employment opportunities without regard to race, color, religion, gender, age, national origin, sexual orientation, gender identity, disability, genetic information or veteran status or any other characteristic protected by law. This policy applies to all Company activities, including, but not limited to, recruitment, hiring, compensation, assignment, training, promotion, discipline and discharge.

The Company will provide reasonable accommodation consistent with the law to otherwise qualified employees and prospective employees with a disability and to employees and prospective employees with needs related to their religious observance or practices. What constitutes a reasonable accommodation depends on the circumstances and thus will be addressed by the Company on a case-by-case basis.

The Executive Vice President-Global Human Resources is the Equal Opportunity Director for the Company and is responsible for implementing and monitoring this policy. Questions regarding this policy should be directed to that office (212-572-4729).

B. Prohibition Against Harassment

The Company endeavors to maintain a working environment in which all employees treat each other with respect. Accordingly, the Company strictly prohibits conduct that constitutes or that could lead or contribute to harassment based on gender (whether or not of a sexual nature), race, color, national origin, religion, age, disability, sexual orientation, gender identity, or any other characteristics protected by law. Harassment does not require an intent to offend. Thus, inappropriate conduct

meant as a joke, a prank, or even a compliment can lead or contribute to harassment.

Examples of prohibited conduct are: racial or ethnic slurs; threatening or intimidating acts directed at an individual because of his or her gender or sexual orientation; the posting or distribution of hostile written or graphic materials aimed at a particular sex or religion; the use of computers (including via the Internet) or the e-mail system to view or distribute racially or sexually offensive communications; and the use of an employee's home computer to send racially or sexually offensive communications to another employee at work.

Sexual Harassment. Sexual harassment is a particular type of discrimination. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made a term or condition of employment, either explicitly or implicitly;
- Submission to or rejection of such conduct is used as the basis for employment decisions affecting an individual; or
- Such conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.

The Company prohibits conduct that constitutes, or could lead or contribute to, sexual harassment. Examples of such conduct are: unwelcome sexual flirtations, advances or propositions; inappropriate touching of an individual's body; comments about an individual's body or appearance; sexually degrading words used to describe an individual; and the use of computers (including the Internet or e-mail) to display or distribute images, messages or cartoons with a sexual content.

Additional rules apply to individuals with supervisory authority at the Company. No one with a supervisory role may at any time: (1) threaten or imply that an individual's submission to or rejection of a sexual advance will in any way influence any decision regarding the individual's employment, performance evaluation, advancement, compensation, assignments, discipline, discharge or any other term or condition of employment; or (2)

make any employment decision concerning an individual on such a basis.

Procedures. If you believe that you have been subjected to prohibited conduct, you are urged and expected to report the relevant facts promptly. You may speak to your supervisor or your supervisor's supervisor (bypassing the chain of command), or, if you feel more comfortable, you may contact your Human Resources Manager, the Executive Vice President-Global Human Resources or the Executive Vice President and General Counsel. Individuals who have information about inappropriate conduct directed towards others also are expected to report the relevant facts promptly.

Your prompt reporting is very important so that the Company can take action to stop the conduct before it is repeated. All reports will be followed up on promptly, with further investigation conducted where needed to confirm the relevant facts. In conducting its investigations, the Company will strive to keep the identity of individuals making reports as confidential as possible.

Any employee or member of the Board of Directors of the Company found to have violated this policy will be subject to disciplinary action, including termination of employment. Individuals who violate this policy also may be subject to legal and financial liability.

No Retaliation. Threats or acts of retaliation against an individual who in good faith reports inappropriate conduct pursuant to these policies are prohibited. In the event you feel you have been retaliated against for having made such a report, you should report the retaliation as described above.

C. Computers and Electronic Communications

The Company's computer systems and networks, and all electronic communications, data and records created on or stored in those systems and networks, including mobile devices, are the property of the Company. Although the Company permits the use of its computer systems for limited, non-disruptive personal use (e.g., limited personal e-mailing and use of the Internet), the Company retains the right to access its computer systems and networks (including the contents of hard drives and back-up tapes of deleted items) whenever warranted

by business needs or legal requirements. All points of access to the Company's systems must be pass code protected.

The Company will therefore periodically monitor its systems and networks for, among other reasons, accounting purposes, to ensure proper use and to prevent security violations. Employees should not expect that their Company computers and communications they send and receive using those computers are private or confidential.

As with all of your business communications, the form and content of your e-mail messages should be professional and to-the-point, whether sent to co-workers or to third parties. Care should be taken to ensure that a message has been addressed only to the intended parties, that confidential information is not being inappropriately shared and that the sender would not be embarrassed by its contents.

Employees may not use the Company's computers – including its Internet and e-mail systems – in any way that is unlawful, that violates Company policy or that for other reasons may reasonably be interpreted as offensive to others. Forbidden transmissions include, but are not limited to, messages, images, cartoons or jokes with sexual connotations, ethnic or racial slurs, or any other message that could reasonably be construed by either an intended or unintended recipient to be discriminatory or disparaging or harassing towards an individual or group based on race, color, sex, religion, national origin, age, sexual orientation, gender identity, disability, marital status or other protected class status. If you have any doubt as to whether others might find the material offensive, you should conclude that it is inappropriate for use on your computer at the Company (or to send from your home computer to an employee of the Company).

The Company's computer systems shall not be used to send or receive copyrighted materials, trade secrets, proprietary financial information or similar materials without authorization of the Executive Vice President and General Counsel.

The Company's computer systems may not be used to solicit for commercial ventures, chain letters, religious or political causes, charitable contributions, outside organizations or other purposes not related to the Company's business.

If you receive material that violates this policy from an individual outside the Company through the Company's computer system, you should promptly delete the offending material. If you know the sender or if the transmission represents a repeated instance of inappropriate communications from the same source, either advise the sender that receipt of such material is against Company policy and ask that he or she not send you such material in the future or bring the matter to the attention of your Human Resources Representative. If you are aware of any conduct by other Company personnel that you believe is in violation of this policy, you are encouraged and expected to report it immediately to your Human Resources Representative. Individuals making such reports in good faith will be protected from any retaliatory action based on their having made the report. Reports received will be kept as confidential as possible.

Use of the Company's computer systems and networks in violation of this policy will result in disciplinary action, up to and including termination of employment.

Employees should also review, the Company's GIS Policy on Acceptable Use of Information Systems and Electronic Communications and the Information Security Policy.

D. Environment, Health and Safety

The Company is committed to maintaining a safe and healthy workplace for all employees, and to protecting the environment and the communities in which we operate through responsible action. It has set the following specific objectives:

- To meet or exceed all requirements of applicable environmental, health and safety laws and regulations, wherever our products are developed, manufactured or distributed.
- To promote employee safety and minimize the environmental impact of the development, production and distribution of our products.
- To encourage and apply pollution prevention, resource conservation, waste minimization, reuse and recycling practices.

- To minimize waste disposal costs and promote application of safe and innovative technologies for waste disposal.
- To promote responsible environmental and safety practices, enhancing awareness among our employees and the communities in which we operate.

Every employee has the responsibility to promptly report accidents and conditions they believe to be unsafe to their supervisor or to the Vice President, Environmental Affairs and Safety at (631) 454-5683.

