THE L’OREAL SHARE&CARE PROGRAM

October 28, 2015  Bertrand de Senneville
Françoise Schoenberger

L’ORÉAL
HR SOCIAL RELATIONS
AGENDA

1. L’OREAL – *KEY FIGURES*

2. L’OREAL *SHARE&CARE* PROGRAM
AGENDA

1. L’OREAL – **KEY FIGURES**

2. L’OREAL **SHARE&CARE** PROGRAM
Our mission – Beauty for all

To provide the best in cosmetics innovation to women and men around the world with respect for their diversity.

Beauty is a language
Beauty is universal

Beauty is a science

L’ORÉAL, OFFERING BEAUTY FOR ALL
2014 Key figures

- 1\textsuperscript{st} cosmetic group worldwide
- 28 international brands
- 22,53 billions € of sales
- 130 countries
- Research budget = 3,4% of sales, 501 patents registered in 2014
- 78,600 employees
- 59% of women managers, 44% of women in executive committees
- 156 different nationalities
- 43 factories
The portfolio of international brands
AGENDA

1. L’OREAL – KEY FIGURES
2. L’OREAL SHARE&CARE PROGRAM
L’ORÉAL
SHARE & CARE
PROGRAM

Protect • Care • Balance • Enjoy
1/ STRATEGIC CONTEXT
L’ORÉAL’S AMBITION

Universalization Strategy

&

1 billion of new consumers
I am convinced that this highly ambitious program is opening up a new chapter in our social history.

To support the business project by an exemplary social and human project.
AN OBLIGATION

To attract and retain talents
To generate innovation and growth

STRATEGIC CONTEXT
A CONVICTION

1 Economic Growth + 2 Social Performance = Answer business and people needs
A SOCIAL PROGRAM
WORLDWIDE
A SOCIAL PROGRAM WORLDWIDE

A HUGE AIM

Set up a common framework for all employees worldwide
A SOCIAL PROGRAM WORLDWIDE

A HUGE AIM

Set up a common framework

Worldwide & diverse

USA
11 000
EMPLOYEES

France
1909

China
777
EMPLOYEES
3 Plants

Ghana
38
EMPLOYEES

Saudi Arabia
2013

Australia
549
EMPLOYEES
No Plant

L'ORÉAL
SHARE&CARE
PROGRAM

Protect · Care · Balance · Enjoy
A SOCIAL PROGRAM WORLDWIDE

A TRIPLE AMBITION

1. To implement a common social framework

2. To be within the top performers in each country

3. To make of each country a social innovation laboratory

L'ORÉAL SHARE & CARE PROGRAM
Protect • Care • Balance • Enjoy
A SOCIAL PROGRAM WORLDWIDE

4 KEYS PILLARS

Protect  Care  Balance  Enjoy
A SOCIAL PROGRAM WORLDWIDE

A COMMON SOCIAL FRAMEWORK

PROTECT

Protect all employees and their families by providing financial protection in the event of unexpected life events.

• 24 months life insurance

• 24 months disability insurance

• In line with top performing companies

• …
CARE

Contribute to employees’ good health.

- **Individual and collective actions** to prevent health risks and promote health awareness

- **Make sure that major treatments are reimbursed at least at 75% of customary and reasonable expenses**

- In line with top performing companies

- ...
A COMMON SOCIAL FRAMEWORK

• Maternity leave: **14 weeks** with 100% of gross salary

• Paternity leave: **3 days** with 100% of gross salary

• **Salary increase** during maternity leave

BALANCE

 Allow everyone to enjoy their family life while being fully engaged in their work, with particular focus on parenthood.
A SOCIAL PROGRAM WORLDWIDE

A COMMON SOCIAL FRAMEWORK

ENJOY

Offer a high standard of quality of life at work and contribute to the professional and personal fulfillment of every employee.

- Accessibility in the workplaces
- Programs to encourage conciliation of professional and personal responsibilities
- Workplaces equipped with the technological resources allowing collaborative work practices
- Stress management training for managers
- Ergonomics training
- ...
COLLABORATIVE APPROACH
To encourage social innovation in each country.

1 inventory
100% of answers within 3 months
Benchmark top performers

ALL countries worldwide

Survey results shared with countries

18 pilot countries
Feasibility evaluation
Taking into consideration the international norms + recommendations + market trends
COLLABORATIVE APPROACH

COLLABORATIVE PROCESS

In order to share the universal project.

FOLLOW UP TOOL

A unique reference guide

2.0 approach
PROGRAM ASSESSMENT
Internal & external audit

- To give **value** to the Program
- To **guarantee** the reliability of our internal and external communication

### 1 INTERNAL AUDITING PROCESS
- 2014:
  - Argentina
  - Belgium
  - Brazil
  - China
  - India
  - Indonesia
  - Japan
  - Malaysia
  - Peru
  - Russia
  - Venezuela
  - Vietnam
  - Thailand

### 2 EXTERNAL AUDITING PROCESS
- 2 key indicators linked to SBWA:
  - Life/disability insurance
  - Medical coverage
- Starting in 2015 with a “trial audit” as part of the CSR annual report
International Labour Organisation

✓ Collaboration since the creation of the program

• 2013 → a business case

• In progress → 2 projects
  – Share&Care Program research study (2015)
  – Creation of en International Companies network
The Advisory Board

✓ Under the chairmanship Jérôme TIXIER Executive Vice-President Human Resources
✓ Launched the 13th and 14th of November 2014 with Jean-Paul AGON - CEO
✓ 1 meeting per year

8 different nationalities
✓ Argentinian
✓ Canadian
✓ Chinese
✓ Danish
✓ French
✓ Indian
✓ Lebanon
✓ Russian

11 external members
✓ Professors,
✓ Economists,
✓ Sociologists,
✓ ILO,
✓ Unions,
✓ …
Assignment of the Advisory Board

to support the development of the program by:

✔ analysing the major social trends to take into account in the future,
✔ aggregating the best practices, in terms of social performance,
✔ exploring the habits and expectations of people, in the main regions of the world, to support the next stages of the program.

=> Proposals for Must Have evolution: allow no paid days off for sick child, vaccination, developing internal communication, individual social report...
PROGRAM
RESULTS
Some global results at the end of 2014

- The significant risks covered at least 75% of the customary expenses for each employee: 26 (2012), 55 (2013), 58 (2014)
- Paternity leave: at least 3 days full paid: 31 (2012), 55 (2013), 64 (2014)

* Included TBS and Not included BAs and Store Employees
Some local results
social innovation laboratory

**Health**
- **Peru**: Screening health for children of employees
- **Pakistan**: Parents’ medical coverage

**Carpool:**
- **Ukraine**: Home ride Project

**Parentality**
- **Dubai**: Breast feeding room
- **Portugal**: Parental Kit
- **USA**: 10 days of paternity leave
- **India**: Child Education Insurance Support
- **France**: Leave days donation among employees to give support in critical situations

**Flexibility and work time organisation:**
- **UK - Work Smart**: employees can vary their working hours as they prefer or work remotely, as long as the job is done in line with expectations.
- **Italy - Smart working**: all eligible employees can work remotely from home or other locations 2 days per month.
- **Germany - Flexi Work Program**: “summer working hours”: employees can leave the office on Friday at 1 pm + several working time reduction are possible like part time, part time during maternity leave or job sharing.
- **France: Teleworking**: more than 500 employees in teleworking).