“ENHANCING EMPLOYERS’ INVOLVEMENT IN SOCIAL PROTECTION POLICY DEBATES”
TAKE CARE – CREDIT AGRICOLE INTERNATIONAL BENEFIT PROGRAM

1 Credit Agricole Presentation

2 Take Care : Context and Objectives

3 Case study : Ukraine

4 Assessment

To summarize...
1 – CREDIT AGRICOLE PRESENTATION
Crédit Agricole group
The Crédit Agricole group

In figures

- **52 M**戶頭
- **140,000**員工
- **52**個國家的實體

- **31,500**個實體
- **1.1 M**個個體持有者

- 領導金融伙伴
- 在歐洲的銀行
- 欧洲资产管理
The Crédit Agricole group

A universal customer-focused banking model
2 – CONTEXT AND OBJECTIVES
Motivation & Retention Context : External Issues faced in some countries:

- Significant % turn-over: aggressive labour market
- Compensation attractiveness: ie, incentives restricted by regulation
- Branding empowerment not as strong as in France

⇒ So, how can we differentiate vs our Competitors?
  ⇒ More Cash? = Do we retain the best profiles by so? = “Overbid” => Not sustainable for the long Term!

⇒ Our Conviction:
  “Benefits is one of the HR tools that can make the difference!”
On top of that ... our internal practice before Take Care:

- No centralized policy for benefits at Group level
- Lack of mutualisation and lack of convergence
- No real benefits study or audit performed before
- Health, life and disability benefits sometimes below local market in our BPIs: **Social Responsibility issue**
initiated in Q1 2015 at Group level includes more than 15,000 BPI entity’s employees and their dependents spread over 5 countries:

- Poland
- Serbia
- Ukraine
- Egypt
- Morocco

3 main benefits are included in Take CARE analysis:

- Health
- Life
- Disability benefits

Main project stakeholders = Internal: Corporate & Countries + Providers
A 3 STEP APPROACH:

Step 1: Analysis of current benefits cover and benchmark
With external provider (Towers Watson)

Step 2: Definition of an optimised level of cover by country and estimated costing
(Corporate HR – C&B
with local HR & management)

Step 3: Insurance tender offers
(Corporate with local HR & management
Insurance Poolings)
TAKE CARE CONTEXT AND OBJECTIVES

Level 3 – NICE TO HAVE
Introduction or improvement of one additional benefit greater than local market practice median
(e.g. optical, dental, check-ups, prevention)

Level 2 – NEED TO HAVE
Introduction of new or improvement of additional benefits based on survey’s findings
(e.g. private pension, maternity, accidental death)

Level 1 - MUST HAVE
Introduction of new or improvement of essential benefits based on survey’s findings and HR needs
(e.g. death, long-term disability, serious diseases, surgical interventions)

3-year project life cycle
<table>
<thead>
<tr>
<th>Country</th>
<th>LIFE</th>
<th>DISABILITY</th>
<th>HEALTHCARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td></td>
<td></td>
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<tr>
<td>Morocco</td>
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<td></td>
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<tr>
<td>Serbia</td>
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<tr>
<td>Ukraine</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

**Legend**

- Priority Issue
- Some Concerns
- No Issues
+ Above Market
= In Line
- Below Market
TAKE CARE CONTEXT AND OBJECTIVES : WHICH ACTIONS / LIFE BENEFITS?

Level 1
Ensure essential / basics benefits
« Must Have »
- Implementation of a basic formula for death (simple and accidental) with a 100% employer contribution according to the seniority within the company
- Implementation of a voluntary formula
- Inclusion of dread disease in sponsored part

Level 2
Improve current benefits
« Need to Have »
- Improve current benefits, focus on life benefits = 150 KRSD (low in equivalent months of salary : 3 to 4 months)
- Focus on life:
  - Capital of 12 months’ salary with a minimum capital (150 K UAH) and a maximum (350K UAH)
  - Waiting period (6 months instead of 12)
  - Education annuity

Level 3
Sophisticated benefits
« Nice to Have »
- Implementation of a basic formula for death (simple and accidental) with a 100% employer contribution according to the seniority within the company
- Implementation of a voluntary formula
- Inclusion of dread disease in sponsored part

POLAND

SERBIA

UKRAINE

GROUPE CRÉDIT AGRICOLE
TAKE CARE CONTEXT AND OBJECTIVES: WHICH ACTIONS / HEALTH?

Level 1 =
Ensure essential / basics benefits « Must Have »

Level 2 =
Improve current benefits « Need to Have »

Level 3 = Sophisticated benefits « Nice to Have »

SERBIA

EGYPT

MOROCCO

Additional cover for Maternity

Improve current medical benefits = annual limit expenses – 50KEGP - per member not sufficient (local contingent fund)

Potential supplemental medical coverage in addition to CMIM for several diseases
3 – CASE STUDY : UKRAINE
## Case Study: Ukraine / Situation Before Take Care

### Towers Watson's Analysis / HR Benchmark

<table>
<thead>
<tr>
<th>Category</th>
<th>Situation (2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life &amp; AD&amp;D</td>
<td>Below market</td>
</tr>
<tr>
<td>Disability (ST et LTD)</td>
<td>LTD = some concerns, STD = no issues</td>
</tr>
<tr>
<td>Medical</td>
<td>In line with market</td>
</tr>
</tbody>
</table>

### Current Situation (2016)

- **MUST HAVE**
- **NEED TO HAVE**
CASE STUDY: UKRAINE / IMPROVEMENTS 2016 (STEP 1)

- Increase of benefits (12 months salaries with a min of UAH 150,000 and a max of UAH 500,000)
- Decrease of vesting period (from 12 months of service to 6 months)
- Additional insured sum for employees who have children (Orphanage option)
- Additional coverage for non-invasive cancer + passive war death + passive war disability

Examples:

<table>
<thead>
<tr>
<th>Family situation</th>
<th>Before</th>
<th>After</th>
</tr>
</thead>
<tbody>
<tr>
<td>Death of the employee (salary UAH 20,000 / month)</td>
<td>UAH 150,000 for dependant</td>
<td>UAH 240,000 for dependant</td>
</tr>
<tr>
<td>No orphanage benefit</td>
<td>UAH 75,000 per child</td>
<td></td>
</tr>
<tr>
<td>Employee’s critical illnesses</td>
<td>11 illnesses covered</td>
<td>15 illnesses covered</td>
</tr>
</tbody>
</table>

NB: 1 UAH = 0.03 EUR
CASE STUDY: UKRAINE / TENDER OFFER RESULTS

• Tender offer lead with Poolings: Metlife [Maxis Network] selected as provider after tender held with Local Procurement Team

• 80% of budget used

• Communication sessions and kit

• Claim Management enhanced:
4 – ASSESSMENT
Take CAre qualified as FReD project, meaning:

- High visibility vs CASA top management (general counsel)
- Part of performance criteria in top management assessment
- KPIs audited each year by external auditor
- Levels of progression to be shown year after year

- A 3 years Project Life project => Ongoing process until 2019
Membership in ILO SPF Network with other multinational groups which have set up International Benefits programs: L’Oréal, Danone, Sanofi, ENI, Nestlé...

4 main streams / goals in progress:

- Measuring results and impacts of benefits programs – relevance and tools: Credit Agricole participation in this task force
- Strengthen the Global Business Network for Social Protection Floors
- Company support for the development of public social protection schemes
- Communication campaigns on SFPs at the global and country levels
TO SUMMARIZE...
- Credit Agricole, like other banks, faces in some countries, retention and attractiveness issues

- Compensation / Cash is a major component of employee’s package, but benefits can be one of HR tools that can make the difference vs competitors, and in terms of Employer Social Responsibility

- Credit Agricole has initiated in 2015 « Take CAre », on-going program aimed to improve gradually benefits in 5 BPI countries and to be extended in other countries in the future.

- Credit Agricole is part of ILO SPF program with other multinationals, with one workshop dedicated to measure benefits effectiveness on retention and performance.