

JEAN-CLAUDE LE GRAND ON DIVERSITY & INCLUSION

“Much Accomplished, Challenges Remain”

Since 2006 Jean-Claude Le Grand, EVP Human Relations at L'Oréal, has made gender, disability and social and ethnic background his three main commitments. He first saw the need for a Diversity & Inclusion policy during his previous tenure as Head of Recruitment and he has been the driving force ever since. Well aware of the challenges faced by a multinational company, he firmly believes that every team member must be mobilized for the project to succeed on a global level. Although much remains to be done, major progress has been made over the past fifteen years, as Jean- Claude Le Grand explains in this interview.

In the early 2000s L'Oréal set out to be more inclusive with regard to gender, disability and ethnic and social background - at every level and in all departments. What has been achieved over the past 15 years?

Clear, irrefutable progress with regard to women. Gender equality, equal pay and a good parenthood policy have all been implemented at the global level. Gender parity is our goal and, as the figures show, we're almost there.

If we focus on the pay gap we have reduced it from 10% in 2007 to 2% in 2018. We are working in collaboration with the Economix Institute counting the INED, the CNRS and the Paris X University since 2007 to yearly analyze the pay gap between men and women in France. Moreover, in 2017 we have progressively expanded this to an international scope in 15 of our biggest subsidiaries, which are now representing 70% of our workforce. (*difference between the medium pay rate of men and women, all professional category taken into account)*

We have always particularly cared about offering women the same perspectives as men in terms of development and success in their careers, and that their motherhood not becoming a hindrance. This is the objective of our Share & Care program.

Through this program, which offers better advantages and local social protection to all of our collaborators around the world since 2013, the Group highlights numerous subjects such as

parenthood. Therefore, the maternity leave has been set to a minimum of 14 weeks entirely paid on a global scale. In 2019, we have raised the parental leave from 10 days to 6 weeks and from 15 days to 8 weeks in the US for any new parent.

We also strongly believe in the power of training to enhance women leadership. Thus we encourage women participation in management and leadership seminars. L'Oréal is also the key partner of the EVE seminary created in 2010 by Danone which is a training program shared between companies on women leadership and empowerment. Since the beginning of the program, more than 500 collaborators have taken part in it.

Eventually, we are implementing initiatives against unconscious bias, which remain too numerous and we have trained, thanks to our Diversity & Inclusion workshops, more than 33,000 people.

Almost?

We have achieved a fairly good balance but we have to go further in certain areas. Although 33% of our Executive Vice-Presidents and Heads of Zone are women, we still need more. We also need more women in information technology. In marketing, it is the opposite: only 29% are men so we must recruit more of them for a balanced workforce.

What about disability? And other subjects?

Yes, absolutely. In France, we began including more people with disabilities over twenty years ago and we are proud to have attained the legal requirement of 5.15%. At Group level, we are over 6%, and in countries where there are no legal requirements, our goal is 2%. (* Employment rate calculated in 2017. 3.62% DOETH plus percentage achieved through our collaboration with specialized centers employing disabled people.)*

Our policy has now been implemented in all subsidiaries and it covers accessibility, sourcing, recruitment and training. We're one of the most advanced international organizations in this arena. In October 2014, L'Oréal was among the first companies to sign the Global Business and Disability Network Charter with the International Labor Organization (ILO).

We also began to support the International Disability network as a permanent member of the "Global University Disability and Inclusion Network" in 2019, the objective is to accompany students with disabilities.

To keep with our commitment promoting inclusion for people with disabilities we also have engaged towards digital accessibility to provide all of our collaborators accessible e-commerce platforms.

In 2018, to keep promoting an inclusive environment, and because as a company we have a societal responsibility, we have taken two new commitments. First, in favor of LGBT+ as we have signed the United Nations LGBTI charter written to guide companies in their fight against LGBT+ people discriminations. Second, to fight against violence towards women we have become one of the co-

founder of the companies' network "One in Three" with the help of the FACE foundation (Foundation to act against exclusion) and the Kering Foundation. As part of it, we have set up workshops to sensitize our employees and we have led an inter-enterprise survey among corporate partners.

What about cultural and social Diversity?

Two of the mainstays of our Diversity & Inclusion policy are on solid ground: gender balance and including people with disabilities. These two initiatives have really transformed L'Oréal. Diversity in social background, however, has not seen significant progress. In 2018, 23 of our subsidiaries have developed initiatives linked to social and cultural background and today there are over 158 nationalities in the overall size. Ethnic diversity has improved in some local subsidiaries, notably the US, where nearly one-third of our team is multi-cultural.

Yet globally we have not made enough headway. It is a hard challenge to face, no matter the company. We must find a way to address it in order to promote L'Oréal as Group which is not only supporting gender equality and disabled persons but also as a Group which represents the multicultural reality of the countries in which it operates. Since 2017, we set up different initiatives to sustain refugees in France, in Germany and in the Netherland. The objective is to help young qualified refugees being reintegrated in the corporate world through a dedicated internship program. In 2019, we joined TENT a global network of 130 companies working for refugees' reintegration.

How do you verify L'Oréal's achievements? How do you use your findings?

We work with independent organizations (GEEIS and EDGE) and regularly evaluate our progress via key indicators: gender equity, disability, ethnic and social background as well as Diversity & Inclusion training and raising awareness of unconscious bias. We like to say it: what can be measured can be accomplished! Publishing our results is not a way for us to give others lessons.

We monitor our progress carefully for three main reasons. The first is to determine whether our actions are effective, and if not, rectify them. The second is so that we can share our experiences and accomplishments for a more inclusive world. The last one is for us to be able to keep progressing on the matter.