

DIVERSITY
EQUITY &
INCLUSION
AT L'ORÉAL
GROUPE
2023



INTRODUCTION

The L'Oréal Groupe has been committed to Diversity, Equity & Inclusion for more than 20 years. We are committed to fostering Diversity, Equity & Inclusion for our employees, our communities and our consumers. We believe that our responsibilities include helping build a society where everyone should be able to live free of prejudice and the stigmas that result from negative stereotypes.

At L'Oréal we share a common purpose to create the beauty that moves the world. The Group's strategy is evolving from "beauty for all" to "beauty for each" and our goal is to provide products and services specifically designed to meet the unique beauty needs and aspirations of each individual in every region of the world. DE&I is therefore necessarily an integral element of our sense of purpose¹ and our DE&I mission is to be the most inclusive beauty leader.

We aim to honour and serve every form of beauty, from every community, culture and continent. Our goal is to offer the best of beauty for all skin and hair types, all genders, all identities, all origins and all ages. We pay careful attention to consumers and have a deep respect for their differing needs, lifestyles, desires and traditions. To accomplish our mission requires that our employees represent the rich diversity of our world and we welcome the widest possible spectrum of perspectives, backgrounds and life experiences so that we can truly create solutions that meet the beauty aspirations of global society.

The pillars of our DE&I policy include a commitment to socio-economic & multicultural diversity, a commitment to physical, mental & social well-being, a commitment to valuing all ages & generations, and a commitment to equity for all genders and the inclusion of LGBTQIA+ people. These inclusive values are supported by numerous concrete actions, a selection of which are outlined in this report, both international Group-level projects and local initiatives.

The Group also capitalises on its diverse portfolio of brands, its ability to develop regional innovations with global potential, and its range of personalised products and services powered by science and technology.

We have a long way to go before our societies are truly fair and equitable, but it is our sincere hope that the information in the following pages shows that progress is indeed possible and that significant strides toward real Diversity, Equity & Inclusion can be made when all of us commit to bringing the widest possible variety of viewpoints to the challenges faced by businesses, communities and our globalised world.

"At L'Oréal, we believe in inner and outer beauty that helps enable self-expression and self-confidence so that new voices can be heard and new ideas shared."

Margaret Johnston-Clarke, Global Chief Diversity, Equity & Inclusion Officer – L'Oréal Groupe.

SECTION

I

BRINGING
INCLUSIVE
BEAUTY TO LIFE

L'ORÉAL'S INCLUSIVE CULTURE

An inclusive people-driven culture is fundamental to creating an inspiring, innovative and stimulating environment that fosters collective performance. L'Oréal strives to promote a fair and dynamic work environment where all people can thrive, feel empowered and make an impact.

DEDICATED TEAMS DRIVING DE&I

To make sure that DE&I is embedded in everything we do, we rely on a network of **DE&I Leads** throughout the Group: in countries, functions and divisions. The DE&I Leads seek to ensure the implementation of the global DE&I policy, adapted to the specific local context and requirements.

Regular Town Halls and an annual International Convention are organised for the global DE&I community to share information and best practices. A key aspect of our DE&I strategy is to seek inspiration from innovative local initiatives which can then be scaled up and deployed as global best practices.

LEARNING TO BE INCLUSIVE

We consider DE&I training essential for enabling employees to challenge biases and gain valuable skills that develop inclusive thinking and encourage taking action. Understanding different perspectives and experiences is also key. An extensive **DE&I learning programme** is offered to all employees in the Group via both in-class and online training. Training is provided on Unconscious bias and Micro-inequities, along with 13 other e-learning courses on a selection of DE&I topics². Targeted DE&I modules are also embedded in other learning programmes (Management, Marketing, HR, Corporate Affairs & Engagement and others) and DE&I Essentials workshops are organised for all newcomers.

It is also crucial that managers take ownership of the initiatives in order to promote an inclusive environment and to use DE&I best practices within their teams. To this end, we offer in-person training on inclusive leadership to management committees across the Group. Training begins with a self-assessment followed by a customised action plan for each participant.

FIGHTING DISCRIMINATION AND HARASSMENT

L'Oréal has a zero-tolerance policy towards all forms of discrimination and harassment. Clear commitments are set out in the **Code of Ethics**³ and the **Employee Human Rights Policy**⁴. The Chief Human Relations Officer and the Chief Ethics, Risk & Compliance Officer issue regular internal communications to employees about the global number of reports on discrimination and harassment as well as measures taken in consequence. An e-learning course on Ethics and Human Rights is mandatory for all employees⁵.





EVALUATING OUR PROGRESS

To continue to make progress in advancing DE&I, we must be able to measure our progress. For this reason, in 2023 for the first time L'Oréal chose to include optional "self-identification" (Self-ID) questions in our internal **Pulse** engagement survey, which allows employees to voluntarily share certain aspects of their identity with us while remaining anonymous. Analysing these answers enables the Group to further its fight against discrimination, assess the effectiveness of its global DE&I initiatives and better understand the diversity of its teams. 67% of employees who had the option to answer the self-ID questions⁶ chose to do so. That amounts to more than 47,000 employees throughout the Group.

DRAWING KNOWLEDGE AND INSPIRATION FROM INTERNATIONAL EXPERTS

Launched in 2021, and co-chaired by L'Oréal's Chief Executive Officer, Nicolas Hieronimus, and Global Chief DE&I Officer, Margaret Johnston-Clarke, the **Global DE&I Advisory Board** brings together a diverse group of external independent experts and leaders from within the Group. Our external experts provide guidance and insights on social issues relevant to L'Oréal's ability to be an inclusive leader, as well as suggesting ways to amplify our commitments. The Advisory Board met twice in 2023, with members working together to shape the future of inclusive beauty.

"During my three years on the L'Oréal Global DE&I Advisory Board, I've been proud of the way we've seized opportunities and used innovation in service of all of the Group's activities in order to help create the beauty that moves the world."

Caroline Casey, Co-Founder of The Valuable 500

BRANDS SUPPORTING SOCIETAL CAUSES

We aim to contribute positively to society, which is consistent with our Sense of Purpose. Many of our brands support social causes related to DE&I that resonate with their values and are actively committed to social engagement programmes in partnership with associations involved in the field. This report presents several examples of the causes our brands proudly support.

STRENGTHENING OUR COMMITMENT TO MORE INCLUSIVE MARKETING AND ADVERTISING

As the world's fourth-largest advertiser⁷, we have a responsibility to our consumers when communicating about L'Oréal, its brands and products. The L'Oréal Code of Ethics sets out our commitment not to undermine human dignity, present degrading stereotypes or disrespect minority communities in our advertising. We are also committed to actively communicating responsibly to ensure that our impact is always positive and that we respect and promote the infinite diversity of beauty needs and desires around the world.

To further strengthen this commitment, in 2021 L'Oréal joined the **Unstereotype Alliance**, convened by UN Women, which seeks to eradicate harmful stereotypes and to make advertising and marketing a force for change. As a member of the World Federation of Advertisers, we also contributed to the publication of a Charter for Change in 2022, which aims to drive progress on DE&I issues within the advertising industry.

GOING BEYOND THE GROUP TO PROMOTE DE&I

L'Oréal's DE&I policy is also reflected in its approach to suppliers. The Group's global **Inclusive Sourcing programme**, launched in 2010, harnesses our purchasing power to promote social inclusion. L'Oréal allocates part of its total purchasing volume to suppliers that provide employment and a sustainable income to people who are often excluded from the labour market. Through this programme, L'Oréal shares its commitments under the four pillars of the Group's Diversity, Equity & Inclusion policy with its suppliers.

EARNING RECOGNITION FOR OUR DE&I ACHIEVEMENTS

Thanks to the Group's concrete commitments to DE&I over the past 20 years, L'Oréal once again earned global recognition for DE&I in 2023 and ranked third in the **2023 FTSE Diversity & Inclusion Index⁸ Top 100**.

The Group's commitments to gender equity have also been recognised. L'Oréal was included in the **2023 Bloomberg Gender-Equality Index** and ranked among the top 20 most advanced companies for gender equity worldwide in the **2023 Equileap Global Gender Equality Report & Ranking**, with the number 1 position in France.



SECTION

II

STRONG
LONGSTANDING
COMMITMENTS



1. PROMOTING MULTICULTURAL AND SOCIO-ECONOMIC DIVERSITY

L'Oréal aims to reflect, at all levels and in all functions, the diversity of the markets in which it operates and to meet the needs of each consumer.

We therefore pay particular attention to the diversification of recruitment pools, promote equal opportunities in terms of professional development, and raise awareness of these topics amongst employees and management.

Over 90,000 employees
comprising 167 nationalities working for the Group.

As of 31 December 2023.

DIVERSIFYING OUR RECRUITMENT POOLS

A diverse recruitment pool is central to achieving our commitment to a more diverse workforce. Our internal teams join forces with external partners to achieve this ambition.

L'Oréal is committed to supporting talents from underprivileged socio-economic and multicultural origins and to enabling them to join the workplace through internships, jobs, mentoring, and training sessions.

Under the L'Oréal for Youth programme, combined with the efforts of our Talent Acquisition teams, the Group's goal is to recruit annually at least 20% of the talent for the SeedZ management trainee programme from non-partner schools and universities.

ADVOCATING FOR INCLUSION AND RAISING AWARENESS

Advocacy and awareness-raising initiatives in favour of socio-economic and multicultural diversity are essential in overcoming social inequalities and fostering an inclusive workplace where everyone is valued and appreciated.

A number of the e-learning courses available in the DE&I learning library cover socio-economic and multicultural diversity topics. These include: Identify and fight racism at the workplace, Religion and beliefs in the workplace, and Fighting discrimination based on physical appearance.

Mentoring for empowerment and advancement in Brazil

L'Oréal Brazil's **Mentoria Colorida** programme aims to empower employees of all origins, to promote diverse leadership teams and to strengthen the inclusive work environment via direct and reverse mentoring. Through this initiative, specifically focused on communities that are underrepresented in the corporate world, especially in leadership positions, employees gain the confidence and skills needed to position themselves advantageously in the workplace and leadership is strongly engaged to promote multicultural diversity.





COMMITTING TO INTEGRATE REFUGEES INTO THE WORKPLACE

L'Oréal has been committed to integrating refugees into the workplace since 2017. Internal programmes led by the DE&I teams have been rolled out worldwide through our Talent Acquisition teams. External programmes have also been implemented through the **L'Oréal Fund for Women**⁹ and by the **Fondation L'Oréal** through the **Beauty for a Better Life** programme. In 2023, the L'Oréal Fund for Women supported projects with 43 NGOs working for the professional integration of women refugees, reaching over 20,500 beneficiaries, and the Fondation L'Oréal's Beauty for a Better Life programme provided vocational training to over 150 women refugees.

Advancing inclusion through strategic partnerships

Since 2019, L'Oréal has been an active member of the **Tent Partnership for Refugees**, a global network of more than 400 companies worldwide that supports refugees and helps them integrate into their new communities. The focus is on connecting refugees to job opportunities through hiring, training and mentorships.

On World Refugee Day in June 2021, L'Oréal CEO, Nicolas Hieronimus, signed an opinion piece in the French *Journal du Dimanche* newspaper with a business coalition of other CEOs to draw attention to this important matter and to emphasise the roles and responsibilities of businesses in bringing refugees into the workplace.

In Europe, L'Oréal participates in a mentoring programme for women refugees and also committed to recruiting 50 refugees over a three-year period at the Tent European Business Summit in 2023.

L'Oréal is a signatory of the **Charter on the Inclusion of Refugees and Exiled People in the Workplace** promoted by SINGA. In 2023, L'Oréal organised workshops and roundtables with SINGA, internally for DE&I Leads and externally for students from partner universities and schools, to raise awareness on intercultural issues and to challenge stereotypes about refugees.

2. PROMOTING THE INCLUSION OF PEOPLE WITH DISABILITIES AND THE PHYSICAL, MENTAL AND SOCIAL WELL-BEING OF ALL EMPLOYEES

L'Oréal is committed to accelerating the inclusion of people with disabilities, by addressing both visible and invisible disabilities, mental health, chronic illnesses and neurodiversity. The Group has set a minimum target for direct employment of people with disabilities in all countries where it operates. The goal is to create impact internally and externally for all stakeholders by eliminating stigmas and fostering accessibility.

1,701 L'Oréal employees with disabilities¹⁰.

1.9% of the total global workforce.

As of 31 December 2023.

Objective: 2% of direct employment by 2025.





REINFORCING A LONG-TERM STRATEGIC COMMITMENT

In close collaboration with local and international experts (associations, non-profit organisations and NGOs), over the years the Group has developed a global policy for the inclusion of people with disabilities.

The priorities of the policy focus on five areas:

- recruitment and promoting the recruitment of people with disabilities in all countries;
- retention by supporting employees who have experienced accidents, illness or the worsening of an existing disability;
- employee awareness by conducting internal communications campaigns and learning initiatives to promote an inclusive work environment and create conditions that encourage employees to declare their disabilities so that the company can adapt workstations, jobs and support;
- accessibility by promoting the accessibility of premises as well as digital accessibility for employees and consumers; and
- partnerships and sharing best practices via collaboration with recognised experts, associations and NGOs as well as collaboration with the protected and disability-adapted work sector, an essential element in advancing inclusion.

JOINING FORCES WITHIN THE BUSINESS COMMUNITY

L'Oréal has been an active member of the International Labour Organisation since 2010 and was one of the first signatories of the **Global Business and Disability Network** Charter in 2015. As a member of the GBDN Steering Committee, L'Oréal chaired the Network in 2021.

Since 2018, L'Oréal has partnered with **Disability:IN**, a global organisation that supports and empowers over 500 leading companies to achieve disability inclusion and equality. L'Oréal USA participates annually in the US Disability Equality Index and achieved the maximum score of 100 in the 2023 Index.

Since 2020, L'Oréal has been a member of the **Valuable 500**, a global business partnership of 500 companies working together to end disability exclusion. L'Oréal was also one of the first companies to join Generation Valuable, a programme launched in 2022 by the Valuable 500. This initiative supports employees with disabilities through specific training programmes and mentoring by a member of the Executive Committee, which also helps raise disability awareness at the highest level of the company.

L'Oréal also continues to support the **Disability Hub Europe** initiative, which brings together various stakeholders in the field of disability and sustainability.

Inspiring athletes

Since 2022, the Group has accompanied and proudly supported a group of 10 athletes with disabilities in France. Their diversity – of age, gender, background, sporting discipline and experience – proves that differences can be a source of strength and inspiration for everyone. By supporting these exceptional people, we celebrate diversity and affirm our commitment to globally showcasing the talents of French athletes with disabilities.

PARTNERING FOR INCLUSIVE RECRUITMENT

We encourage our Talent Acquisition teams across the Group to establish recruitment partnerships with local NGOs and organisations. This enables the teams to participate in specialised job fairs, identify suitable jobs and profiles and create a pipeline to foster the inclusion of people with disabilities in the workforce. These partnerships also provide valuable support for training and for general awareness-raising initiatives.

A model for inclusion

L'Oréal has developed a partnership with the "Living and Working Differently" association (*Vivre et Travailler Autrement*) to enable several manufacturing plants in France to launch the **GLORIA** project (Growing L'Oréal through the Integration of Autistic Adults). Through GLORIA, L'Oréal aims to recruit, integrate and support autistic workers with intellectual disabilities in our manufacturing plants, with support provided by partner associations. By end of 2023, 17 people were working at 3 plants, and 16 of them had signed permanent contracts.

BREAK THE SILENCE

Disclosing a disability can be daunting. We seek to eliminate the barriers and the stigmas associated with disability in an effort to foster open, safe and supportive environments.

In 2016, L'Oréal USA launched the **Break the Silence** initiative in the United States to help employees feel comfortable disclosing their disabilities, including mental health-related issues, and help them obtain the necessary support when required. The initiative includes, for example, events with expert speakers, workshops, partnerships with associations, employee testimonials and internal communications campaigns. The Break the Silence campaign has now become a global best practice with over 20 countries/regions deploying the campaign locally. Break the Silence is yet another example of how an inspiring local initiative can be scaled up and rolled out globally.





Ask an Insider

The Group launched the **Ask an Insider** video series in 2023, which deep dives into L'Oréal employees' personal stories. In this series, published both internally and externally on LinkedIn, an employee with a visual impairment shares her experience about her career within the Group as a person with an invisible disability.

PROMOTING EQUAL ACCESS FOR EVERYONE

Promoting a workplace where everyone can feel comfortable being who they truly are means ensuring that our resources and workspaces are inclusive and accessible.

Focus on digital accessibility

Digital accessibility plays an essential role in enabling everyone to consult and understand everyday digital content.

At L'Oréal, this means promoting, both for our consumers and employees, platforms, websites and applications that are designed for all, including people with disabilities, neurodivergent people and those with specific accessibility needs. We rely on experts in digital accessibility and work together with internal and external partners to improve the digital experience of every person.

A comprehensive global Digital Accessibility e-learning programme with six specific modules has been available to all employees since 2021. Awareness and training seminars are also organised regularly to upskill our employees on digital accessibility.

The Group recently developed its Accessible Events Guidelines to enable our events to be engaging and enjoyable for all attendees and to ensure that everyone can fully participate in a manner that is most comfortable for them.

SUPPORTING MENTAL HEALTH FOR TEAM MEMBERS AND SOCIETY

Being healthy is not only a question of physical health, and L'Oréal recognises that mental health deserves special attention. As part of the Group's Share & Care programme, the Group is accelerating its initiatives to support the mental well-being of its employees, and numerous worldwide mental health awareness actions have been implemented in our subsidiaries. These include specialised training on topics such as psychological safety as well as prevention campaigns on mental health and stress management. Under Share & Care, psychological counselling is also offered to employees facing personal difficulties via an Employee Assistance Programme (or alternative psychological support service).

Helping those facing anxiety and depression

Maybelline Brave Together is a global programme to support people suffering from anxiety and depression. In partnership with Maybelline's community of local mental health NGOs, the brand is funding free, professional 1:1 support, so no one has to struggle alone.

Together with The Jed Foundation, Maybelline has also developed a free, expert-led mental health training called "Brave Talk". The training aims to help college students navigate difficult mental health conversations with their friends and lead them to care.

An e-learning course on Understanding and managing mental health developed with Maybelline is also available to all employees. This programme explores common mental health conditions, destigmatises the topic and provides employees with tips on how to look after their own mental health as well as to support others.

Inclusion through innovation

Lancôme's **HAPTA** is the world's first handheld, ultra-precise, smart makeup device for people with limited hand and arm mobility which helps them to apply their own lipstick at home. As part of Lancôme's mission to use tech for good and make beauty accessible for all, HAPTA is a motion-stabilising device that harnesses the power of technology to assist in applying lipstick, one of the most common forms of self-expression through beauty.

HAPTA was unveiled for the first time at the 2023 Consumer Electronics Show (CES) in Las Vegas, and TIME magazine named the device one of the **Best Inventions of 2023** in the accessibility category.





SUPPORTING PEOPLE WITH CANCER

L'Oréal is accelerating its initiatives to promote a workplace culture that combats the stigma of cancer and provides support for recovery.

In 2023, L'Oréal signed the **Working with Cancer** pledge, launched by the Publicis Foundation at the World Economic Forum Annual Meeting in Davos, to support people with cancer and eliminate stigma in the workplace. L'Oréal is committed to promoting a more open, supportive, and inclusive corporate culture for employees with cancer.

L'Oréal has strengthened its commitment to employees with the **All the way with you** programme. As part of the Group's Share & Care programme, the programme includes internal awareness-raising communications to eliminate taboos about cancer and access to services that facilitate daily life during treatment along with psychological, emotional and physical support, financial aid and assistance with returning to work.

Our brands are also committed to supporting the fight against cancer, notably the **La Roche Posay** brand via its **Cancer Support Programme**. The initiative includes the Fight With Care programme to improve patients' quality of life during cancer treatments and Save Your Skin, a skin-cancer prevention campaign that raises awareness of the disease and also offers screening.

3. VALUING PEOPLE OF ALL AGES AND GENERATIONS

As a people-driven company, L'Oréal aims to ensure that all employees and external stakeholders feel accepted, regardless of their age or experience level. We believe that intergenerational exchange is a powerful source of strength for both society and business.

We seek to value and appreciate people of all ages and generations at all stages of their careers, to encourage dialogue and cooperation among employees of different generations and to combat stereotypes based on age.

Average age of employees in the Group: 38.
15% of employees are age 50+.

As of 31 December 2023.





L'ORÉAL FOR ALL GENERATIONS

The inclusion of more experienced employees (over 50 years of age) is among the Group's longstanding commitments.

As careers are growing longer and the digital transformation is accelerating, in 2022 the Group launched the **L'Oréal For All Generations** programme, which places intergenerational relations and employability at the core of its objectives.

The programme aims to create an attractive work environment, encouraging employees to flourish professionally and personally throughout their time at L'Oréal from the moment they join until they retire.

The L'Oréal For All Generations programme focuses on five key areas, which include promoting intergenerational diversity, equity and inclusion; adapting health and wellness programmes; developing career-long employability; preparing for a successful transition to retirement; and laying the groundwork for life after L'Oréal.

The programme was launched in France in 2022 with Generations Days, now an annual event. Generations Days aims to inform, engage and inspire employees with a series of live events, workshops, conferences and career testimonials from team members. The L'Oréal For All Generations programme is being rolled out internationally, particularly in Europe and the United States.

Inspiring initiatives in Spain and France

Spain

The **Generaciones** initiative, launched in Spain in 2019, is a comprehensive programme focussing on the engagement, enablement and development of all four generations of employees working together in L'Oréal teams, tailored for all stages of employment. Targeted initiatives are grouped within several areas: well-being policies (including retirement preparation programmes), upskilling and leveraging intergenerational knowledge (including training and cross-generational mentoring), and promoting an inclusive culture.

France

In 2022, L'Oréal, in partnership with the Landoy Club, launched an initiative through which 32 companies in France signed an **Inter-Company Act of Commitment regarding the roles played by people over 50**. Placed under the patronage of the French Secretary of State for Social Solidarity and the Responsible Economy, the Act includes 10 key commitments concerning recruitment, training, job retention, career development, well-being at work and raising awareness about age-related stereotypes. By 2023, 47 companies had signed the inter-company act with an additional 89 companies signing the commitment in May 2024.

These two local initiatives provided inspiration for the global L'Oréal For All Generations programme.

CHANGING PERCEPTIONS ABOUT AGE

Aging is still a somewhat taboo subject, and the Group is working toward challenging ageist attitudes and eliminating this lack of openness. 2022 saw the launch of the L'Oréal for All Generations e-learning course, which explores the conceptions and influences of different age groups and generations, raises awareness about age-based stereotypes, promotes the importance of intergenerational relations and outlines practices that foster age-inclusive working environments. Conferences are also organised on these topics in different countries.

To dispel preconceptions about age, and show that everyone has their place at L'Oréal, we also seek to valorise experienced employees by highlighting their career paths, irrespective of their level of responsibility, through internal communications campaigns, employee testimonials, seminars and intergenerational mentoring programmes.

Our actions also target our consumers: Our aims are to ensure that negative perceptions are not perpetuated by the beauty industry and that the industry presents aging in a positive light. For example, the Group created the BIC (Boomer Innovation Centre) to highlight the vibrancy of the 60+ generation, infuse knowledge and foster innovations to help our brands, countries, Research & Innovation and Packaging teams develop more adapted products, services and communications.

RAISING AWARENESS ON MENOPAUSE

The topic of menopause also remains taboo in many countries. In consequence, we work to remove the stigma associated with menopause, encourage people to speak openly and accompany our employees during this phase of their lives.

Awareness-raising and educational initiatives and actions have been implemented in the Group on the subject of menopause, often in collaboration with the Vichy brand, including on World Menopause Day. Events organised include conferences and panel discussions with experts, influencers and opinion leaders. The objective is to eliminate taboos, to make voices heard, to educate and to provide support.

Educating and empowering

During Women's Month in August, L'Oréal South Africa sought to destigmatise women's health topics, by providing employees with access to information and resources for a healthy and empowering approach to physical and mental health topics they often face. There was a particular focus on the topic of menopause, via educational talks and workshops. Raising awareness on the impact of employee well-being, increasing empowerment by providing knowledge, tools and resources, and holding important and progressive conversations in a safe space were all key aspects of this initiative aimed at destigmatising health topics with a view to changing the lives of our employees for the better.





Raising awareness and educating on menopause

Vichy has been engaged with the subject of menopause for over 20 years. Above and beyond the brand's solutions for menopause-related skincare needs, Vichy seeks to break the silence, educate women along their journey through menopause and partner with experts to improve healthcare during menopause. Actions include the **#menopositivity** and **#menomove** communications campaigns and the **Menocoach** online coaching programme, all designed to educate and empower people and help make this transition go as smoothly as possible.

NURTURING YOUNG TALENT AND ENHANCING EMPLOYABILITY

The **L'Oréal For Youth** programme is designed to support the employability of young people and help facilitate their access to employment, especially for young people from under-represented backgrounds with difficulties entering the labour market. Launched in 2021, this global HR programme provided over 25,000 professional opportunities for people under 30 in 2023. The L'Oréal SeedZ management trainee programme, international corporate volunteer (VIE) missions and the L'Oréal apprenticeship programme enabled young people to gain valuable experience within the Group, and benefit from an intergenerational approach to knowledge transfer in line with the objectives of the L'Oréal For All Generations programme.

In 2023, through masterclasses led by business leaders, as well as mentoring and coaching initiatives, L'Oréal For Youth also supported over 100,000 beneficiaries of employability actions, focused on building soft and hard skills of young people. In addition, the **L'Oréal Boost** programme gave 20,000 young people all over the world access to the Coursera learning platform to support and strengthen their employment prospects.

4. PROMOTING GENDER EQUITY

L'Oréal is committed to achieving gender equity at all levels and functions of the company, contributing to the establishment of more inclusive environments for LGBTQIA+¹¹ communities everywhere in the world and acting against any type of harassment or violence, particularly sexual harassment, sexism and gender-based violence.





TARGETING GENDER DIVERSITY THROUGHOUT THE GROUP

We believe that complementary perspectives and a diverse workforce are essential sources of creativity, innovation and performance for the Group. We seek to ensure that all positions in the Group are accessible to all genders, both at the recruitment level and with regard to opportunities for career development.

Women accounted for 68% of all Group employees as of 31 December 2023.

*68% of recruits¹² in 2023 were women
69% of departures¹³ in 2023 were women*

Aware that gender imbalances in specific jobs also reflect a lack of gender equity within education systems, the Group is also committed, along with various external partners (companies, institutions, associations, etc.), to encourage women to take up careers in fields that are generally considered to be commonly pursued by men. In 2023, women were working in over 50% of STEM roles across the Group¹⁴.

The **Fondation L'Oréal's For Girls in Science** programme aims to encourage girls to pursue scientific careers and the **For Women in Science** programme, in partnership with UNESCO, also works to accelerate the careers of women scientists and fight the obstacles they encounter.

Over 4,300 women scientists, in more than 110 countries, have been distinguished and recognised through the For Women in Science programme since 1998.

ADVANCING CAREERS TO ACHIEVE GENDER BALANCE

Promoting career development opportunities is an essential factor in achieving gender equity up to and including the Group's most strategic positions.

The policy on diversity and gender balance deployed in the Group includes a goal to maintain, every year, a proportion of men or women of no less than 40% for strategic positions (approximately 300 positions,

including members of the Executive Committee). General Management reports annually to the Board of Directors on the results of this policy for the previous financial year.

Women accounted for 70% of all promotions in the Group in 2023.

Learning to lead, learning to grow

The L'Oréal University of Leadership and Culture provides enriching and powerful learning opportunities to enable employees to strengthen their leadership skills and advance their personal and professional development.

Since 2010, L'Oréal has participated in the **EVE** programme¹⁵, an initiative led by the Danone Group designed to help women become agents of change in their companies, develop their leadership skills and progress their careers. Versions of this programme were launched in Asia-Pacific in 2014 and in Africa in 2017. More than 900 L'Oréal employees have participated in the programme since its launch. Various other leadership and mentoring programmes for women have also been implemented within the Group¹⁶.

International mobility opportunities

An experience abroad can be a true career booster and L'Oréal provides international mobility opportunities to employees across a wide range of positions, from junior to senior roles. L'Oréal strongly encourages women to take advantage of international mobility opportunities and has implemented several measures to support such mobility. These include on-going career discussions regarding opportunities abroad, particularly with respect to convenient timing for the employee / couple / family to take an assignment in a foreign country, as well as support for partners, including job search assistance in the host location. Women accounted for 51% of all expatriates in 2023.



Focus on women in management and governance

As of 31 December 2023 at L'Oréal, women account for:

Board of Directors

- 50% of members of the Board of Directors¹⁷

Executive Committee

- 32% of members of the Executive Committee

Senior Management Positions

- 57% of all key positions within the Group¹⁸, including:
 - 48% of strategic positions¹⁹
 - 54% of key positions monitored at Group level
 - 58% of key positions monitored at local/regional level
- 62% of International Brand Directors

Other roles

- 59% of all managerial roles
- 60% of middle management roles²⁰
- 71% of non-managerial roles

REWARDING EQUITABLY

The Group has implemented a Global Rewards policy which combines external competitiveness with internal equity.

Monitoring the gender pay gap

- **France**

Since 2007, L'Oréal has conducted an annual gender pay gap analysis in France in collaboration with the EconomiX Institute and INED (*Institut National d'Études Démographiques*). This analysis focuses on the median, mean and "adjusted" mean pay gap²¹ between men and women.

L'Oréal is committed to reducing pay gaps in order to ensure equal pay for people with the same skills and classification level.

In 2023, in France, the median pay gap was 0. The average (mean) pay gap was 8% and the adjusted average pay gap in 2023 reduced to 2%.

- **Global**

In 2020, the Group launched a global tool to measure gender pay equality (net of structural effects) using the EDGE methodology.

The analysis was extended to 39 countries/regions in 2023²², representing more than 90% of the global workforce. The adjusted average salary gap in these countries was 0.71% in favour of men.

- **Taking action**

Measurement is key to determining any gaps and enabling the Group to take concrete actions to close the gender pay gap. The objective is to ensure that the adjusted global average salary gap is within the tolerance threshold of +/-5% by 2025.

We aim to expand the global pay gap analysis to all countries/regions in which the Group has more than 150 employees²³ by 2025. The goal is to ensure global consistency in measurement and enable all countries to identify any gaps that need to be addressed.

The Group is developing a new Gender Pay module in the Group HR Information System. The objective is to enable countries to monitor and analyse their gender pay gap statistics on an ongoing basis and take pro-active remedial action when necessary.

L'Oréal has also enacted a Global Rewards policy that promotes fairness, transparency and internal equity. This includes considering employees who are absent for maternity / paternity/co-parent / adoption leave as having been present during such periods for the purposes of compensation decisions (e.g. pay review, bonus calculation, profit-sharing). A dashboard with gender metrics for use during the annual compensation review to ensure decision-making is fair and equitable is also being rolled out progressively.

Our approach to closing the gender pay gap also comprises a wide range of measures to address structural factors: The Group works to promote balanced gender representation at every level of the organisation, including unconscious bias training for recruiters. We provide professional development opportunities for all employees (100% of employees took part in training in 2023) and we develop women for leadership roles with targeted programmes and mentorship opportunities²⁴. Another key measure is fostering an inclusive work environment for all employees via parental/family support policies and flexible working arrangements for a better work/life balance (see further details on next page).

Targeting gender diversity in remuneration plans

Gender diversity targets are included in the Chief Executive Officer's variable remuneration plan and in Performance Share Plans:

The CEO's annual variable remuneration plan incorporates a specific non-financial criterion linked to the implementation of the Human Resources policy (7.5% of variable remuneration criteria), with special attention to the development of gender balance in senior management positions.

Since 2022, the long-term Performance Share Plans include a specific non-financial performance condition (accounting for 5% of performance conditions) based on gender balance in strategic positions, including the Executive Committee.

This demonstrates the alignment of our policies with the Group's commitment to gender equity.



PROMOTING AN INCLUSIVE WORK ENVIRONMENT

L'Oréal is recognised as one of the leading companies in terms of gender equity²⁵, promoting a culture of inclusion for people of all genders throughout the Group.

Balancing work, parenthood and life events

L'Oréal's **Share & Care** programme, which celebrated its tenth anniversary in 2023, provides a number of measures designed to enable all employees to fully experience milestones in life, such as parenthood, and to benefit from a work organisation that fosters a positive work-life balance.

Global commitments include:

- At least 14 weeks' fully paid maternity / primary parental leave
- At least 6 weeks' fully paid paternity / secondary parental leave

A global hybrid working policy is also in place, enabling eligible employees to work remotely for up to 2 days per week²⁶. Flexible working time policies have also been implemented locally within the Group.

Paid leave is also provided for caregiving employees and for special family occasions²⁷. As well, various childcare and family assistance (including back-up support) measures are offered in different countries across the Group.

A high standard of quality of life at work is particularly key for parents who return to work following parental leave. In 2023, over 80% of women who returned from parental leave during the previous year remained employed in the Group 12 months after resuming work.

Promoting dialogue, engagement and innovation through employee resource groups

Internal employee groups and networks for, amongst others, diverse women's groups and LGBTQIA+ communities have been established under management sponsorship in several countries. These voluntary groups inspire conversation, foster inclusion and engagement, provide support and development opportunities and lead to valuable insight for the business. Examples include the community of "*Acteurs de la Diversité*" in France and employee-driven resource groups that are active in many countries across the Group²⁸.

Fostering inclusive environments for LGBTQIA+ people

The Employee Human Rights Policy and the Code of Ethics set out the Group's clear commitment to combatting discrimination on the grounds of gender identity or sexual orientation.

L'Oréal is also contributing to the establishment of more inclusive environments for people identifying as LGBTQIA+:

Since 2018, L'Oréal has been one of the sponsors of the **LGBTI Standards of Conduct for Business** established by the United Nations High Commissioner for Human Rights. These standards are designed to guide the business community in fighting discrimination against LGBTQIA+ people and to be active agents of change.

Since 2019, the Group has observed and promoted the International Day Against Homophobia, Transphobia and Biphobia every year on 17th May and, in 2020, L'Oréal joined **Open for Business**, a coalition of leading global companies committed to LGBTQIA+ inclusion.

COMBATTING GENDER-BASED VIOLENCE

L'Oréal is deeply committed to combatting gender-based violence and we firmly believe that companies have a vital role to play in this cause.

L'Oréal was one of the first members of **One in Three Women**²⁹, the first European network of companies committed to combatting violence against women and, in particular, supporting survivors amongst their own employees. The coalition has launched awareness-raising initiatives and an online learning course in seven languages.

The Group also supported the International Labour Organisation's adoption in 2019 of the first international convention against violence and harassment in the workplace³⁰, and implemented a Global HR policy on combatting domestic violence in 2021 via the Share & Care programme. Local policies are being progressively rolled out across the Group.

In 2018 L'Oréal, Accor and EY initiated an intercompany initiative called **#StOpE** to combat so-called "ordinary" sexism in the workplace. At the end of 2023, over 190 organisations were involved in this initiative, with online training available to all employees in the network.

AUDITING POLICIES AND PRACTICES BY INDEPENDENT ORGANISATIONS

L'Oréal has chosen to have its gender equity practices and policies audited and relies on two independent organisations to measure and assess the situation at its subsidiaries: Gender Equality European & International Standard (**GEEIS**) and Equity, Diversity and Gender Equality (**EDGE**)³¹. The Group's head office in France and 27 of its countries³² have been awarded the GEEIS certification and 8 other countries³³ have been awarded the EDGE certification (representing in total more than 60% of the Group's workforce).

Going further

L'Oréal's commitments to gender equity extend far beyond the company itself—for example, through the Group's sustainable sourcing strategy, the **L'Oréal Fund for Women**, the **BOLD Female Founders** Initiative to support female-led startups³⁴ and the Group's support for the **UN Women's Empowerment Principles**.

BRAND COMMITMENTS

Many of our brands' social causes focus particularly on women and the inclusion of LGBTQIA+ people.

For example, the **L'Oréal Paris** brand has launched **Stand Up** to fight street harassment, **Kérastase** supports mentoring for and by women with **Power Talks**, **Lancôme** is working to combat illiteracy among girls with **Write Her Future**, **SkinCeuticals** supports women reconstructive surgeons in underserved parts of the world and **YSL Beauté** helps fight against intimate partner violence through **Abuse is Not Love**.

NYX Professional Makeup continues to provide educational resources for consumers with its **Proud Allies for All** programme, a year-round initiative to support LGBTQIA+ communities, and **Viktor&Rolf** has a long-term partnership with the global non-profit organisation GLAAD, to amplify voices of LGBTQIA+ communities, raise awareness and contribute to positive change. **Kiehl's** has proudly supported the LGBTQIA+ community since the late 1980s, including support for HIV/AIDS research, suicide prevention, and community engagement as a NYC Pride March sponsor and participant for over 25 years..



ENDNOTES

- ¹ [Read more about the L'Oréal Groupe's purpose here.](#)
- ² *Micro-aggressions, Recognise sexism and fight it, Understanding and managing mental health, Digital accessibility, Domestic violence and its consequences in the workplace, Online bullying hurts, An inclusive workplace for our LGBTQIA+ colleagues, Identify and fight racism in the workplace, Combatting stereotypes in advertising and content creation, The inclusion of people with disabilities, Fighting discrimination based on physical appearance, L'Oréal for All Generations, Religion and beliefs in the workplace.*
- ³ [Read the L'Oréal Code of Ethics here.](#)
- ⁴ [Read the L'Oréal Employee Human Rights Policy here.](#)
- ⁵ *Training includes a section on discrimination and harassment, including sexual harassment.*
- ⁶ *In countries where it was legally possible to include the Self-ID questions in the 2023 Pulse survey.*
- ⁷ *COMvergence ranking.*
- ⁸ *Formerly Refinitiv Diversity & Inclusion Index.*
- ⁹ *A €50 million charitable endowment fund launched by L'Oréal in 2020 to support local organisations in the field in their efforts to help women in extremely vulnerable situations, prevent domestic and sexual violence and support victims. The Fund was extended in 2023 for an additional three years with an endowment of €30 million.*
- ¹⁰ *Statutory employees (direct employment) as of 31 December 2023 who have declared their disability and are recognised as having a disability in accordance with local legislation or practice.*
- ¹¹ *LGBTQIA: Lesbian, Gay, Bisexual, Transgender, Queer and/or Questioning, Intersex, and Asexual and/or Ally.*
- ¹² *Recruitment with permanent contracts.*
- ¹³ *Departures include resignations, retirements, mutual agreements and dismissals from permanent contracts.*
- ¹⁴ *STEM: Science, Technology, Engineering and Mathematics. Includes STEM roles in Operations, Research & Innovation and Tech / IT.*
- ¹⁵ [See here for more details on the EVE programme.](#)
- ¹⁶ *Examples include the Empow'Her mentoring programme for women in Operations in Europe, the 'HER'cules Women Leadership programme in India and the IGNITE women's leadership programme in the UK.*
- ¹⁷ *Excluding members of the Board of Directors representing employees.*
- ¹⁸ *These are strategic positions, key positions monitored at Group level and key positions monitored at the local/regional level. These positions represent 6.5% of Group employees as of 31 December 2023.*
- ¹⁹ *Strategic positions include Executive Committee positions (approximately 300 positions).*

²⁰ Middle management comprises employees in management roles who do not hold key positions within the Group.

²¹ The adjusted mean pay gap measures the difference in pay between women and men after accounting for objective, non-gender-related factors and structural effects that influence pay, for example: level of responsibility, age, length of service, etc. The calculation is made using a set of statistical processes called “regression analysis” which estimates the relationship between a dependent variable (in this case “pay”) with one or more independent variables (in this case the objective factors such as responsibility, age, length of service, etc.).

²² Argentina, Australia, Belgium, Brazil, Canada, Chile, China, Croatia, Czech Republic, Denmark, France, Germany, Greece, Hong Kong SAR, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Mexico, Netherlands, Norway, Philippines, Poland, Portugal, Russia, Singapore, South Korea, Spain, Sweden, Switzerland, Taiwan Region, Thailand, Türkiye, United Arab Emirates, United Kingdom, United States.

²³ Approximately 50 countries in total.

²⁴ See page 43 for examples.

²⁵ See “Earning recognition for our DE&I achievements” on page 9.

²⁶ On a voluntary basis, for eligible employees, in agreement with line manager and provided it fits with how the team is organised.

²⁷ At least 3 days per year for caregiving employees.

²⁸ Examples include Women of Colour, Women in Technology, Women in Leadership in Operations (USA), Women in Leadership (Canada), GAIA (Gender & Women’s Empowerment) (Brazil), Gender Equality Network (UK&I), FAM@L’Oréal (DACH) and OUT@L’Oréal.

²⁹ An initiative launched by the Fondation Agir Contre l’Exclusion (FACE) and the Kering Foundation.

³⁰ Along with the NGO CARE.

³¹ Countries are audited by Bureau Veritas to be certified GEEIS and by Intertek or Flocert to be certified EDGE.

³² Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Norway, The Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Saudi Arabia, United Arab Emirates and United Kingdom.

³³ Australia, Brazil, Canada, India, Philippines, Russia, Switzerland and United States.

³⁴ Launched in 2022. Developed by L’Oréal’s venture capital fund, BOLD (Business Opportunities for L’Oréal Development) through a dedicated initial allocation of €25 million and aligned with the Group’s strategic commitment to promote gender equity, the initiative will focus on investment opportunities worldwide across the wider beauty ecosystem, including brands, beauty tech, biotech, and green science.

Contact:
diversityinclusion@loreal.com

