

GENDER EQUALITY IN FRANCE & GERMANY

Assessing leading companies on
workplace equality

BRIEFING
MARCH 2020



EQUILEAP
MAKE A DIFFERENCE AND A RETURN

Equileap is the leading organisation providing data and insights on gender equality in the corporate sector. We research and rank over 3,500 public companies around the world using a unique and comprehensive Gender Equality Scorecard™ across 19 criteria, including the gender balance of the workforce, senior management and board of directors, as well as the pay gap, parental leave and sexual harassment.

No part of this report may be reproduced in any manner without the prior written permission of Equileap. Any commercial use of this material or any part of it will require a license. Those wishing to commercialise the use should contact Equileap at info@equileap.com.



This Report is part of a project funded by the Rights, Equality and Citizenship Programme of the European Union (2014-2020).



/ CONTENTS

INTRODUCTION	5
Key Findings	5
Recommendations	6
Heatmap CAC 40 / DAX 30	7
FRANCE / CAC 40	8
Key Findings	8
Case Study, L’Oreal	9
Recommendations	9
GERMANY / DAX 30	10
Key Findings	10
Case Study, SAP	11
Recommendations	11
APPENDIX	12
EQUILEAP GENDER EQUALITY SCORECARD™	13
ACKNOWLEDGMENTS	14

INTRODUCTION

This briefing presents an **overview and comparison of the performance of the companies on the French CAC 40 and German DAX 30 indices on gender equality**. It is part of a larger, European project assessing gender equality in 255 public companies listed on ten national indices across the European Union. Any European findings mentioned in this briefing refer to the overall findings for these 255 companies.

KEY FINDINGS

➤ **The average gender equality score of companies on the French CAC 40 index is 52%, markedly higher than the 44% average score of companies on the German DAX 30.**

➤ The companies on CAC 40 hold nine out of the top ten spots in this comparison, including the highest (L'Oreal). The best performing company on DAX 30 is SAP, holding the 9th spot in this comparison.

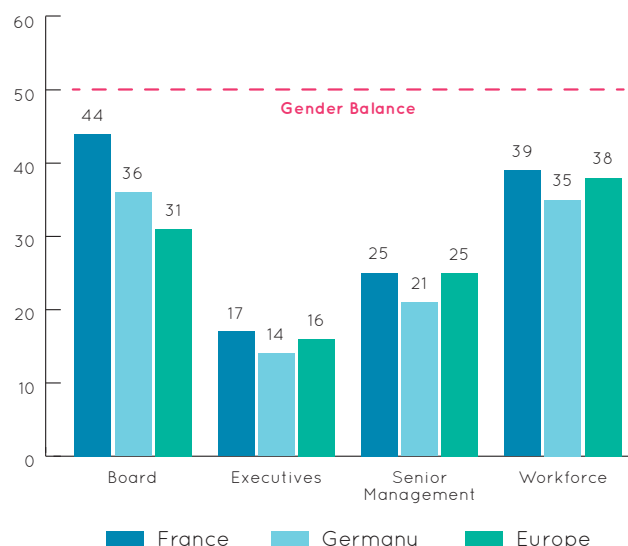
➤ **French companies outperform German companies on all criteria when it comes to gender equality, except for flexible work options.** The vast majority (80%) of DAX 30 companies offer employees flexible work arrangements, both in terms of hours and locations, compared to only 38% of CAC 40 companies offering the same. The French average is still considerably better than Europe's overall, where 25% of companies offer their employees both flexible work hours and locations.

➤ **Both the CAC 40 and the DAX 30 outperform the rest of Europe in terms of female representation on company boards.** The CAC 40 performs well with an average of 44% women. Meanwhile, the DAX 30 has an average of 36% women on company boards, which means it is lagging behind the CAC 40, although it outperforms the European average (31%) by 5 points.

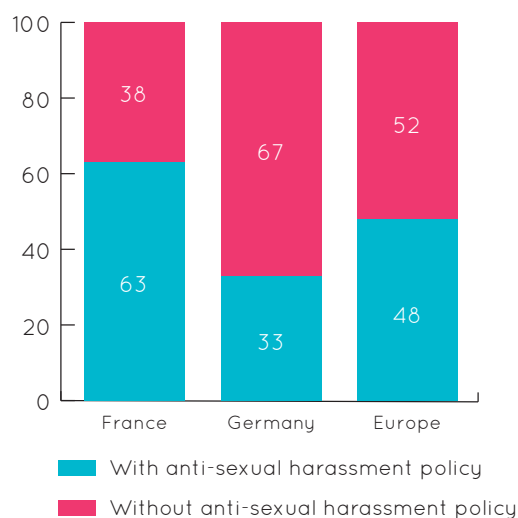
➤ **Employees of CAC 40 companies receive at least 16 weeks of paid maternity leave and 2 weeks of paid paternity leave, while employees of DAX 30 companies, are in general guaranteed 14 weeks of paid maternity leave and no paid paternity leave.** This is in line with the mandated French and German legislation. Some companies provide paid parental leave that goes beyond the legislated minimums.

➤ The overwhelming majority (96%) of European companies in our research have not undertaken a gender audit. Of the nine companies that have, eight are on the CAC 40, and one is on the DAX 30. These are the only European companies that have undertaken a gender audit.

GRAPH 1 / FEMALE EMPLOYEES BY COMPANY LEVEL (IN %)



GRAPH 2 / COMPANIES WITH/WITHOUT AN ANTI-SEXUAL HARASSMENT POLICY (IN %)



RECOMMENDATIONS

Although CAC 40 companies outperform DAX 30 companies on the majority of the 19 Equileap gender equality criteria, both indices have room for improvement.

➤ Companies on CAC 40 and companies on DAX 30 need to increase female representation at the executive level (from 17% and 14% respectively) and in senior management (from 25% and 21% respectively) to achieve gender balance.

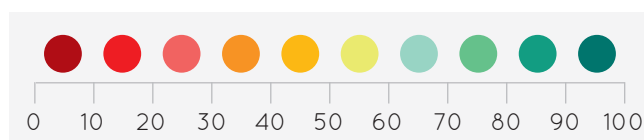
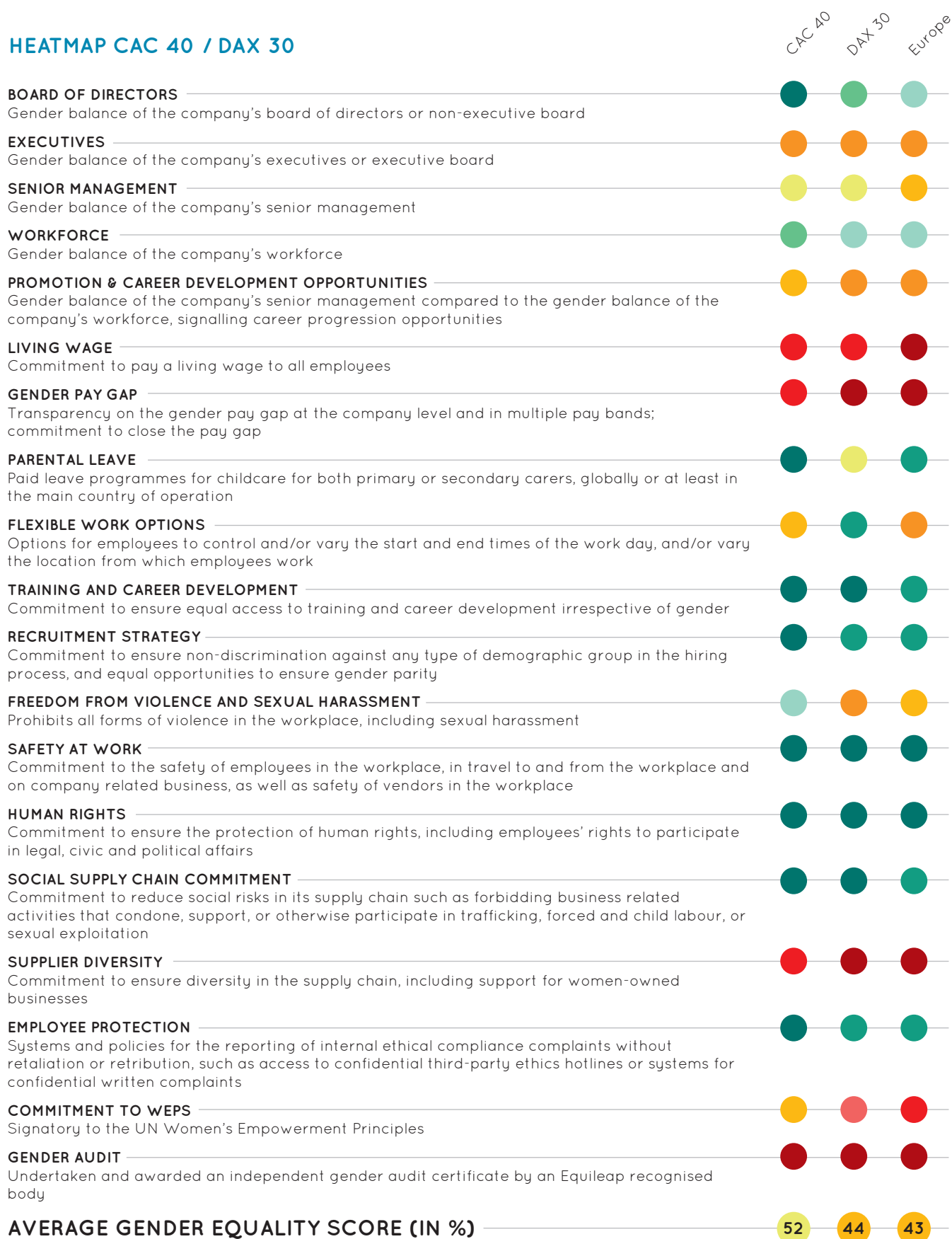
➤ Companies on both indices would also benefit from greater transparency on the gender pay gap, as only one company on the DAX 30 and 30% of the CAC 40 report on this metric.

➤ A large number of DAX 30 (67%) and CAC 40 (38%) companies are lacking policies that specifically condemn sexual harassment and gender-based violence, and could support gender equality in the workplace by implementing and publishing these policies.

➤ Additionally, only 10% of CAC 40 companies and 6% of DAX 30 companies have supplier diversity policies, therefore most companies in these indices would benefit from introducing programmes to promote procurement from women-owned businesses.



HEATMAP CAC 40 / DAX 30



/ FRANCE / CAC 40

Companies on the French CAC 40 index dominate the European ranking with an average gender equality score of 52%, and occupy 11 positions of the Top 20 European companies. CAC 40 companies achieve this by outperforming the European average scores for each of the 19 gender equality criteria on the Equileap Scorecard ([See page 13](#)).

Legislation on corporate gender equality issues contributes to the good performance of companies on the CAC 40. Since 2011, France has had a gender quota requiring 40% women on company boards, which is reflected in the average representation of women (44%) on company boards. French legislation also

guarantees employees 16 weeks of maternity leave and 2 weeks of paid paternity leave. Currently, the gender pay gap in France stands at 15.4%.¹ In 2018, new legislation was passed in an attempt to eliminate the pay gap between women and men. Employers are required to report on a set of five metrics, including gender pay, on which they receive a score. If the score is below 75 (out of 100), companies have to implement corrective measures or will face financial penalties. From the researched companies, only 30% publish gender pay data at this time. We expect to see more French companies reporting on the gender pay gap as the legislation is implemented.

TABLE 1 / TOP 5 COMPANIES ON THE CAC 40 INDEX FOR GENDER EQUALITY

RANK	COMPANY	SECTOR	SCORE
1	L'ORÉAL	Consumer, Non-cyclical	73%
2	KERING	Consumer, Cyclical	68%
3	SANOFI	Consumer, Non-cyclical	66%
4	SODEXO	Consumer, Cyclical	65%
5	SCHNEIDER ELECTRIC	Industrial	63%

No part of this report may be reproduced in any manner without the prior written permission of Equileap. Any commercial use of this material or any part of it will require a license. Those wishing to commercialise the use should contact Equileap at info@equileap.org.

KEY FINDINGS

The average gender equality score of the companies on the CAC 40 is 52%. This is almost 10 points above the European average (43%).

GENDER BALANCE

➤ The average number of women on company boards is 44%. This reflects a 40% quota for female directors appointed by the company.²

➤ Pernod Ricard is the only company on the CAC 40 to have achieved gender balance on the executive team.

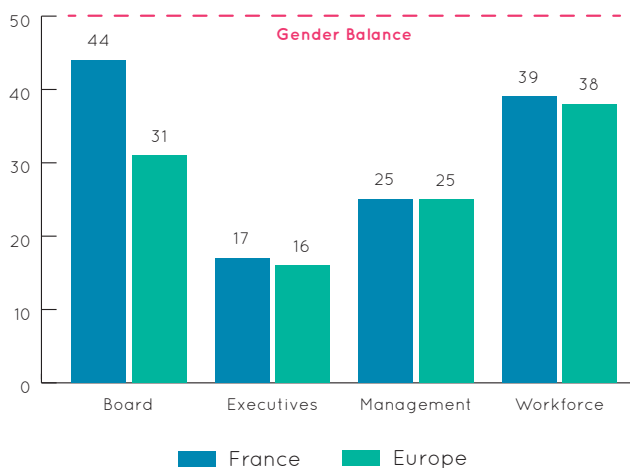
➤ Five companies stand out for achieving gender balance at the senior management level: L'Oréal, Kering, Danone, Hermes, and LVMH.

➤ Female participation at the workforce level in France is one of the highest averages in Europe, at 39%.

¹ [Equal Pay? Time to close the gap!](#), The European Union, page 2.

² The quota of 40% female directors applies only to board members appointed by the company. However, board members may also be representing large shareholders or the workforce, in addition to those appointed by the company.

GRAPH 3 / FEMALE EMPLOYEES BY COMPANY LEVEL (IN %)



THE GENDER PAY GAP

- The vast majority (70%) of the companies on the CAC 40 do not publish information on their gender pay.
- All the companies in the index have a gender pay gap (i.e. no company publishes a mean gender pay gap of 3% or less).
- However, 40% of companies on the CAC 40 have published strategies to close their gender pay gap.

PARENTAL LEAVE

- Most companies on the CAC 40 do not publish their parental leave policies. As such, employees generally receive 16 weeks of fully paid maternity leave, and two weeks of fully paid paternity leave, as mandated by French legislation.
- Societe Generale and Danone are the only two companies on the CAC 40 to offer primary carers a longer paid leave, respectively at 21 and 18 weeks.
- L'Oréal and AXA are the only two companies to offer more than the mandated 2 weeks of paid leave to secondary carers, with respectively 6 weeks and 4 weeks.

SEXUAL HARASSMENT

- On average, more companies on the CAC 40 publish an anti-sexual harassment policy than in Europe overall. Even so, 38% of CAC 40 companies still do not publish an anti-sexual harassment policy.

CASE STUDY / L'ORÉAL

L'Oréal is the top performing company with a score of 73%. L'Oréal ranked first globally in 2017 and in the top five in 2018 and 2019. It has a gender-balanced board and senior management team. Women are overrepresented in the workforce (68%). The company discloses pay information by gender, both overall and in pay bands, and it has a strategy in place to address any gaps. It offers 16 weeks of parental leave to primary carers and six weeks to secondary carers, as well as flexible work options. It is one of only three French companies that publishes all of Equileap's recommended corporate policies that promote gender equality. L'Oréal has also shown its commitment towards gender equality by being a signatory to the United Nations Women's Empowerment Principles and having undertaken a gender audit.

RECOMMENDATIONS

- With an average of 17% women at the executive level and 25% women in senior management, companies on the CAC 40 need to increase female representation in these levels to achieve gender balance (between 40% to 60% of each gender).
- Complementing the new French legislation, transparency on the mean gender pay gap and having a set of actions to address any pay gaps identified could enhance gender equality at CAC 40 companies. The mean gender pay gap can reveal inequalities in the highest and lowest positions, which may be invisible if a median gender pay gap is reported.
- A large number (38%) of CAC 40 companies could improve gender equality in the workplace by publishing policies that specifically condemn sexual and gender-based violence.

/ GERMANY / DAX 30

With an average gender equality score of 44%, companies on the German DAX 30 index perform in line with the average score of European companies. DAX 30 companies stand out in providing access to flexible work options. Almost all the companies (29 out of 30) publish a policy offering employees flexible work options, and 24 companies offer both flexible work hours and flexible work locations.

Germany has had a quota for at least 30% women in supervisory boards of listed companies since 2016. This is reflected in the average representation of women (36%) on

company boards. German legislation also guarantees 14 weeks of paid maternity leave, but no paid paternity leave.

Germany currently has a pay gap of 21%, the third largest gender pay gap in the European Union. Our research also shows that the vast majority of companies in the DAX 30 (29 out of 30) do not publish any gender pay data, indicating a need for greater transparency. In 2017, in an effort to tackle the gender pay gap, the Transparency of Remuneration Act was brought into force, enabling employees to request internal information on colleagues' pay.

TABLE 2 / TOP 5 COMPANIES ON THE DAX 30 INDEX FOR GENDER EQUALITY

RANK	COMPANY	SECTOR	SCORE
10	SAP	Technology	63%
49	CONTINENTAL	Consumer, Cyclical	52%
50	DEUTSCHE TELEKOM	Communications	52%
51	MUNICH RE	Financial	52%
70	BASF	Basic Materials	50%

No part of this report may be reproduced in any manner without the prior written permission of Equileap. Any commercial use of this material or any part of it will require a license. Those wishing to commercialise the use should contact Equileap at info@equileap.org.



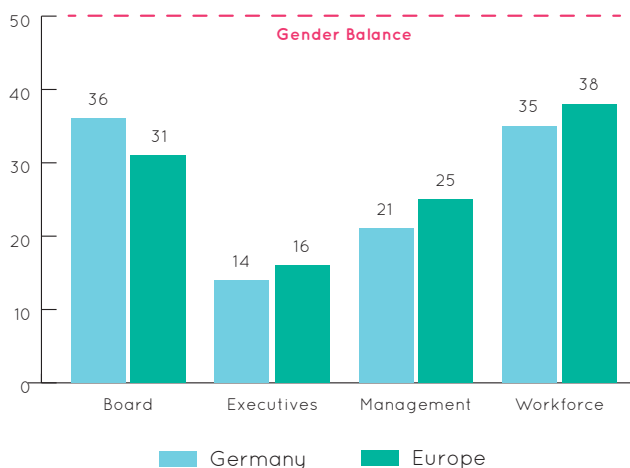
KEY FINDINGS

The average gender equality score of DAX 30 companies is 44%. This is on par with the European average score (43%).

GENDER BALANCE

- The average number of women on company boards is 36%, reflecting a 30% quota for female supervisory board directors. We consider that gender balance is reached when either gender is represented by 40-60%.
- No company has achieved gender balance at the executive or senior management level.
- The average female participation at the workforce level is 35%.

GRAPH 4 / FEMALE EMPLOYEES BY COMPANY LEVEL (IN %)



THE GENDER PAY GAP

- Vonovia is the only company on DAX 30 to publish its gender pay data.
- All companies in the index have a gender pay gap (i.e. no company published a mean gender pay gap of 3% or less).

PARENTAL LEAVE

- No company on the DAX 30 offers a parental leave policy longer than what is mandatory by law. All employees receive 14 weeks of paid maternity leave, and no paid paternity leave. There is also a legal provision for shared parental leave, paid at a low rate.

SEXUAL HARASSMENT

- Seven out of ten (67%) of DAX 30 companies do not publish an anti-sexual harassment policy.

CASE STUDY / SAP

SAP is the top performing DAX 30 company with a score of 63%. It ranks 10th among the 255 European companies evaluated as part of this research. SAP has a gender balanced board of directors and offers employees flexible work hours and locations. The company has seven out of the eight policies recommended by Equileap to promote gender equality in the workplace, lacking an anti-sexual harassment policy. SAP is a signatory of the United Nations Women's Empowerment Principles and has undergone the EDGE gender audit.

RECOMMENDATIONS

- With an average of 14% women at the executive level and 21% women in senior management, companies on the DAX 30 need to increase female representation at these levels to achieve gender balance (between 40% to 60% of each gender).
- With only one company publishing gender pay information, companies on the DAX 30 would benefit from greater transparency on the mean gender pay gap and having a strategy to address any pay gaps identified. The mean gender pay gap can reveal inequalities in the highest and lowest positions, which may be invisible if a median gender pay gap is reported.
- All companies on the DAX 30 could expand their parental leave provisions, particularly for fathers, to ensure that they can take a paternity leave remunerated at an acceptable level.
- Seven out of ten (67%) of companies on the DAX 30 could improve gender equality in their workplaces by publishing anti-sexual harassment policies that condemn sexual harassment/gender-based violence and have procedures in place to prevent and address such behaviour.

/ APPENDIX

DATASET

This briefing is part of a larger European research project assessing gender equality across the European Union. The dataset for this research consists of 255 public companies from 10 European Union markets. Our research closed on the 19th of December 2019. The selection of the companies was made based on their inclusion in the following national financial indices: The Czech Republic (MSCI Czech Republic Index), Denmark (OMX Copenhagen 20), France (CAC 40), Germany (DAX 30), Greece (FTSE/Athex Large Cap 25), Italy (FTSE MIB 40), Poland (WIG 20), Romania (BET 15), Spain (IBEX 35) and Sweden (OMX Stockholm 30), as of the 1st of April 2019. **Any European findings mentioned in this briefing refer to the overall findings for the 255 companies.**

FUNDING

This briefing is part of the larger InGender project (Project number: 831633), funded by the Rights, Equality and Citizenship Programme of the European Union (2014-2020, Project title: INGENDER, Project number: 831633). The funding for this project came from the call REC-RGEN-WWL BAG-2018: Call for proposals for action- Grants under 2018 Rights, Equality and Citizenship programme and in particular the Open call for proposals to address: A) equal participation of women and men in public fora, in leadership positions in politics and in the corporate sector; and B) to support public authorities and civil society in relation with the “New Start to Support Work-Life Balance for Parents and Carers” initiative.

RANKING

Companies are ranked according to their overall Equileap gender equality score based on the 19 criteria listed in the Scorecard below. When two or more companies have the

same score, we use Category A data to break the tie, starting with criterion 5 (Promotion & Career Development) and continuing, when required, through criterion 4 (Workforce), 3 (Senior Management), 2 (Executive) and 1 (Board).

DATA COLLECTION & APPEALS PROCESS

Equileap uses a two-fold research approach. First, we gather publicly available information published by the companies themselves, including in their annual reports, sustainability reports, policies and/or on their websites. Second, we engage with companies to allow them to send us the latest publicly available data they have.

For this project, we approached all of the companies in the dataset and sent them questionnaires. Equileap makes every effort to ensure that the information reported is accurate. In the event of an error, we invite companies to email up-to-date information and corroborating evidence to research@equileap.com. Please note that only data which is supported by publicly available evidence is accepted.

TRANSPARENCY

The Equileap methodology skews towards companies that are more transparent and make their data publicly available. We firmly believe that transparency, and acknowledging where there are gaps and problems, is the first step towards taking action to close the global gender gap. Publicly available data enables investors and employees to hold companies accountable for the policies they offer and the steps they are taking to ensure gender equality in their workplaces.

We encourage companies to be as transparent as possible about their progress towards gender equality as part of their contribution to economic justice for women globally.

/ SCORECARD™

The Equileap Gender Scorecard™ is inspired by the United Nations Women's Empowerment Principles. For each gender criterion, one or several metrics have been identified

to evaluate it. A score and weighting has been allocated to each criterion to reflect that some issues may be more important for furthering gender equality than others.



EQUILEAP CRITERIA	DEFINITION
A GENDER BALANCE IN LEADERSHIP & WORKFORCE	
1 Board of Directors	➤ Gender balance of the company's board of directors and non-executive board (or supervisory board)
2 Executives	➤ Gender balance of the company's executives and executive board
3 Senior Management	➤ Gender balance of the company's senior management
4 Workforce	➤ Gender balance of the company's workforce
5 Promotion & Career Development Opportunities	➤ Gender balance of the company's senior management compared to the gender balance of the company's workforce, signalling career progression opportunities
B EQUAL COMPENSATION & WORK LIFE BALANCE	
6 Living Wage	➤ Commitment to pay a living wage to all employees.
7 Gender Pay Gap	➤ Transparency on the gender pay gap at company level and on multiple pay bands, commitment to close the pay gap
8 Parental Leave	➤ Paid leave programs (at least 2/3 paid) for child care to both primary or secondary carers globally or at least in the country of incorporation
9 Flexible Work Options	➤ Option to employees to control and / or vary the start and end times of the work day, and / or vary the location from which employees work
C POLICIES PROMOTING GENDER EQUALITY	
10 Training and Career Development	➤ Commitment to ensure equal access to training and career development irrespective of gender
11 Recruitment Strategy	➤ Commitment to ensure non-discrimination against any type of demographic group and equal opportunities to ensure gender parity
12 Freedom from Violence, Abuse and Sexual Harassment	➤ Prohibits all forms of violence in the workplace, including verbal, physical and sexual harassment
13 Safety at Work	➤ Commitment to the safety of employees in the workplace, in travel to and from the workplace and on company related business, as well as safety of vendors in the workplace
14 Human Rights	➤ Commitment to ensure the protection of human rights, including employees' rights to participate in legal, civic and political affairs
15 Social Supply Chain	➤ Commitment to reduce social risks in its supply chain such as forbid business related activities that condone, support, or otherwise participate in trafficking, force and child labour or sexual exploitation
16 Supplier Diversity	➤ Commitment to ensure diversity in the supply chain, including support for women owned businesses in the supply chain
17 Employee Protection	➤ Systems and policies for the reporting of internal ethical compliance complaints without retaliation or retribution, such as access to confidential third-party ethics hotlines or systems for confidential written complaints
D COMMITMENT, TRANSPARENCY & ACCOUNTABILITY	
18 Commitment to Women's Empowerment	➤ Signatory to the UN Women's Empowerment Principles
19 Audit	➤ Undertaken and awarded an independent gender audit certificate by an Equileap recognized body
E ALARM BELLS	
We register if a company has a record of any of the following: <ul style="list-style-type: none"> ➤ A legal judgement or official ruling regarding gender discrimination or sexual harassment against the company or an employee ➤ Two or more legal cases, or one class action that have been settled against a company or an employee regarding gender discrimination or sexual harassment ➤ Two or more legal judgements or official rulings regarding gender discriminatory practices in a company's marketing and advertising 	

/ ACKNOWLEDGEMENTS

This Report is part of a project funded by the Rights, Equality and Citizenship Programme of the **European Union** (2014-2020).



We would also like to thank **Ariadne** – European Funders for Social Change and Human Rights for helping to raise awareness, organise events and disseminate the findings of this report.



Disclaimer

The information contained in this report has been prepared by Stichting Equileap Foundation in cooperation with Stichting Equileap Investment Services Support (together “Equileap”). No part of this report may be reproduced in any manner without the prior written permission of Equileap. Any commercial use of this material or any part of it will require a licence. Those wishing to commercialise the use should contact Equileap at info@equileap.com.

This report is intended for general information purposes only and is not intended as promotional material in any respect. The report does not constitute, or form part of, any offer to sell or issue, or invitation to purchase or subscribe for, any financial instrument. Nor shall the information contained in this report or any part of it, or the fact of its existence or distribution, form the basis of, or be relied on in connection with, any contract or investment decision, nor does it constitute a recommendation regarding financial instruments.

The report should not be treated as giving accounting, legal, regulatory, tax, research or investment advice or recommendations, and should not be relied upon as a representation of any matter that a potential investor should consider when evaluating an investment. The information contained in this report does not consider the objectives, financial situation or needs of any person, and independent personal advice should be obtained. Recipients of this report should inform themselves about and observe any applicable legal requirements in their jurisdiction. The distribution of this report may be restricted by law in certain jurisdictions. Accordingly, recipients represent that they can receive this report without contravention of any applicable legal or regulatory restrictions in the jurisdiction in which they reside or conduct business.

Any views expressed in this report represent the views of Equileap only. The information and opinions contained in this report are provided as of this date and are subject to change without notice and as such may change materially. The statements, findings, interpretations, opinions and conclusions expressed in this report are developed in accordance with Equileap's professional standards and the information

used has been obtained from sources which we believe to be reliable but none of Equileap nor any of its agents, representatives, advisers, affiliates, directors, officers or employees («Representatives») accept any responsibility for or make any representation, warranty, guarantee or undertaking (either express or implied) as to the truth, accuracy, reliability, correctness or completeness of the information and opinions contained in this report or any other information made available in connection with this report. Neither Equileap nor any of its Representatives undertake any obligation to provide the recipients of this report with additional information or to update the information contained therein or to correct any inaccuracies which may become apparent.

TO THE MAXIMUM EXTENT PERMITTED BY LAW ANY RESPONSIBILITY OR LIABILITY FOR THIS REPORT OR ANY RELATED MATERIAL IS EXPRESSLY DISCLAIMED. NEITHER EQUILEAP NOR ITS REPRESENTATIVES ACCEPT OR ASSUME ANY LIABILITY, RESPONSIBILITY OR DUTY OF CARE FOR ANY CONSEQUENCES OF ANY PERSON ACTING, OR REFRAINING TO ACT, IN RELIANCE ON THE INFORMATION CONTAINED IN THIS REPORT OR ANY DECISION BASED ON IT.

Any disputes, claims or proceedings in connection with or arising in relation to this report will be governed by and construed in accordance with Dutch law and submitted to the exclusive jurisdiction of the courts in The Netherlands.

The content of this Report represents the views of the author only and is his/ her sole responsibility. The European Commission does not accept any responsibility for use that may be made of the information it contains.

Attribution

This work is owned by the Stichting Equileap Foundation, which is registered by the fiscal authorities of The Kingdom of The Netherlands as a tax exempt Algemeen Nut Beogende Instelling (ANBI), RSIN/ Fiscaal Identificatie Nummer 8560 58 88.

info@equileap.com
+31 6 2818 1219
www.equileap.com



 @equileap

 www.linkedin.com/company/equileap

