GUERLAIN
Laurent Boillot and Sandrine Sommer

The Guerlain House’s 200th birthday is also a challenge! With regard to corporate emissions in half by 2020 and becoming carbon-neutral by 2028 when we celebrate our bicentennial, we wish to continue promoting self-esteem and supporting Belle & Bien Sustainable Development Director, a look back on ten years of accomplishments, innovations and goals of a House that succeeded very early in placing social and environmental responsibility at the centre of its creations and at the heart of its corporate strategy. They also share their future vision of a company that truly respects and cares for society as a whole, and wishes to “do its part” in order to be recognised as one of the most responsible Houses from now until 2028, when it will celebrate its bicentennial.

Laurent Boillot - “When I took over as Chairman and CEO in 2007, I was convinced that in order to preserve the House’s exceptional heritage and to improve it and pass it on to future generations, we had to place Sustainable Development at the heart of our strategy. This year we are celebrating our ten years of commitment. Our goal is unchanging, and I often say that while we can’t save the planet on our own, we can do our part. Guerlain has committed itself in the Name of Beauty, and I’m convinced that civil society, companies in particular, have a true role to play!”

Sandrine Sommer - Formulated in a Charter, Guerlain’s commitment to sustainability is directed by a Sustainable Development Department, which I’ve held the honour of representing since its creation. I’m also supported by a Steering Committee that represents the House’s senior organisational and all its areas of activity. Our approach is based on six issues at stake, each of which has been addressed through ambitious goals that can be measured and improved, and always with the idea of passing on our heritage forward in mind. These ten years of commitment have given employees a clear vision of our principal environmental and social challenges and has strengthened their ability to tackle issues that affect their field of activity, since they are fully involved in the program. From the very beginning, Sustainable Development was established as a collective project supported by every team, and it’s become a program that binds us together, a project that is also shared by our suppliers and customers.

Laurent Boillot - “It’s a fully established program involving both our teams and stakeholders, with a profusion of initiatives and improvements in performance today; the actions taken are numerous and our ambitions go with each achievement! We’re aware that we’re not perfect, which is why we are committed to continuous improvement, and to accomplishing the set bold objectives, such as planning on having 100% of our creations designed in an environmentally friendly manner by 2020. Cutting our CO2 emissions is half by 2020 and becoming carbon-neutral by 2028 when we celebrate the Guerlain House’s 200th birthday is also a challenge! With regards to corporate responsibility, we wish to continue promoting self-esteem and supporting Belle & Bien in a dynamic way. The actions regarding our support to the association’s local branches around the world wherever the House has subsidiaries. I’m proud of all the initiatives undertaken, and the progress our initiatives by others has been inspiring. However, if I had to choose one initiative this year it would be the sustainable industries that we’ve developed to preserve biodiversity. We’ve partnered up with several local actors on subjects that are important to us (honey bees, Italian vegans, Australian sandalwood, lavender from Provence, Ushant honey, etc.) and our wish is to raise our goal of 100% sustainable industries for all our iconic ingredients by 2028.

Sandrine Sommer - Preserving biodiversity is essential to us, and our commitment to protecting bees in the priority we wished to highlight this year. A great love story exists between Guerlain and bees; let’s not forget that it’s been the symbol of our House since the 18th century, with the Bee bottle created for the Empress Eugénie. The development of the Abeille Royale range and our research into the most appealing eco-sustainable honey has led us to Ushant. We discovered the exceptional ecosystem of this island and its rare, endemic bees. Since 2011, we have supported the Brittany Black Bee Conservatory Association on the island of Ushant and created Sustainable Development sponsorship program. This central of the environment has allowed us to spread the word and organise special meetings with leaders such as the OPA (French Apidology Observatory), which aims to establish 10 million bee hives and create 30,000 jobs in Europe by 2023. It’s an engaging project that we naturally decided to support organisationally for the next several years. We were happy to allocate all the remarkable initiatives during the first edition of the Bee Universities that we launched in May 2017 in order to raise awareness and protect the species.

Laurent Boillot - We are very proud of the work we’ve done so far and are determined to take it further. We are going to educate as many people as we can about the actions we’ve taken over the past ten years as well as those that we are committed to carrying out in the next ten years. Our commitment to sustainability is a real social biofuel for our creations and our House. We still have a long way to go regarding our customers (and those that will be) in order to make our commitment a different and complementary platform for our products and our unique history, reputation, interest and attachment. Because communicating is not simply about passing on information, it also means sharing our content that we are implementing to be more sustainable and environmentally friendly growth strategy. An increasing number of women are aspiring to be beautiful while also protecting the beauty of the world and its humanity. Committing to a more sustainable planet is thus an excellent opportunity to promote the culture of beauty and goodness, the foundation and source of our prosperity, and pass on to future generations.

In the Name of Beauty...
Fully aware of its social and environmental responsibilities, Guerlain included Sustainable Development in its company strategy back in 2007. Formulated in a charter, this commitment, driven by Laurent Boillot, is structured around six issues at stake measured using tools such as the ISO 14001 standard, the Bilan Carbone® (carbon report) and performance monitoring indicators. This approach involves all our employees, customers and suppliers and wider society more generally. The House was identified as a pilot in the LVMH Group’s environmental strategy from the inception of the LIFE Programme.

AN ORGANISATION DEDICATED TO MOBILISING ALL ITS EMPLOYEES

We decided to structure our environmental and social approach by creating a Sustainable Development Department and a Steering Committee comprising 18 people from each department in the Company. Each person is responsible for drafting and deploying an action plan for their site or their department according to their area of expertise and a specific objective, which is defined annually. This type of organisational approach ensures that we cover all the House’s activities in a coherent manner and come up with effective pragmatic global solutions.

TOOLS FOR THE PILOT PROGRAMME

• LIFE Initiative For the Environment. Launched in 2011, the LVMH Group’s LIFE Programme was designed to further incorporate environmental issues into managerial processes.

• ISO 14001

• The Bilan Carbone®

To further reduce its carbon footprint, Guerlain has been carrying out a Bilan Carbone® (carbon footprint assessment) every year since 2007 for Scopes 1, 2 and 3.

Certification body

Biodiversity and Climate Commitment developed by EcoCert Environmental
**Biodiversity**
To contribute to protecting raw materials and ecosystems on sites - a source of inspiration and innovation for the Beauty of the World, and vital to Guerlain.

**Social Responsibility**
To promote diversity; to improve the working conditions and lives of our employees and local communities; and to support charitable associations that are close to our heart.

**Sustainable Procurement**
To adopt a Sustainable Development approach in collaboration with our partners, suppliers and service providers.

**Eco-design**
To perfect how we innovate and manufacture while limiting the environmental impact of our products and our activities.

**Eco-responsibility**
To be eco-friendly on a daily basis and adopt the best citizenship practices on all our different sites.

**Transport**
To control CO2 emissions caused by shipments and travel.

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**Responsible Procurement**
- 600 suppliers that have received the “Responsible Procurement Charter” from the LVMH Group’s Perfumes & Cosmetics Branch who have been trained to sustainable procurement
- 200 Number of different waste sorting systems (paper, glass, cardboard, plastic, etc.) we have introduced to recycle our waste, including tester and obsolete bottles
- 50% of our European subsidiaries are ISO 14001 certified.

**Sustainable sourcing**
- 100% of new Guerlain products will be eco-designed
- New ecodesigned orchidé imprimé pac with the 4th generation cream saw its jar lightened by 60%.

**Eco-design**
- 95% of our perfume bottles are recycled thanks to CED RE - LV M H’s recycling platform.
- 60% of the heads of subsidiaries and 60% of the Management Committee are women.

**Eco-responsibility**
- 60% of the brands of subscribers and 60% of the Management Committee are women.

**Transport**
- 6 years & 13 sustainable and structuring partnerships and 13 years with the Belle & Bien Organisation.
- 50% of our European subsidiaries have been trained to sustainable procurement.

**Social Responsibility**
- 6% of our employment rate goal for individuals living with a disability is 6% between now and the next three years.
- 4,5% of our employment rate goal for individuals living with a disability is 4,5% between now and the next three years.

**Biodiversity**
- 29% of our freight was shipped by sea in 2016, 62%
- 60% of the heads of subsidiaries and 60% of the Management Committee are women.

**Issues at Stake**
- 62% In 2016, 62% of our freight was shipped by sea.
- 72% of water use at the Company’s industrial sites in France is recycled, reused or composted.
- 100% of the Guerlain sites in France are ISO 14001 certified.

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**Social Responsibility**
- 45% Our employment rate goal for individuals living with a disability is 45% between now and the next three years.
- 6 years & 13 sustainable and structuring partnerships and 13 years with the Belle & Bien Organisation.
- 50% of our European subsidiaries have been trained to sustainable procurement.

**Transport**
- 6 years with Cllichy/Montfermeil Partnerships and 13 years with the Belle & Bien Organisation.
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**Sustainable sourcing**
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- 200 The number of employees working in the LVMH Group’s Perfumes & Cosmetics Branch who have been trained to sustainable procurement.
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To be eco-friendly on a daily basis and adopt the best citizenship practices on all our different sites.

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**Eco-responsibility**
To be eco-friendly on a daily basis and adopt the best citizenship practices on all our different sites.
To help preserve the Beauty of the World, a source of inspiration that motivates Guerlain’s commitment to biodiversity. Pledging to protect biodiversity is a natural step to take to ensure the long-term viability of our creations and savoir-faire.

Raw materials have always been a source of inspiration and innovation for our House. Pledging to protect biodiversity is a natural step to take to ensure the quality and long-term viability of our creations and savoir-faire. We are also aware that making commitments on this issue can help us contribute in our own way to conserving the Beauty of the World. That is why in France and elsewhere in the world, Guerlain works with a range of organisations and local stakeholders to design programmes and create sustainable industry models for our favourite raw materials. Whether in Brittany or faraway places such as Asia, Guerlain supports various ecological, socio-economic and cultural approaches to dealing with the natural materials that are used to create our products. For these industries, we provide long-term support, usually over a period of 10 years. This support can be financial, technical, or scientific, and in some cases we might make our expertise available to our partners. We are also very proud of the sustainable industries we have set up for orchids in Yunnan, vetiver in India, honey in Ushant, sandalwood in Asia and Australia, and lavender in France. By blending “fair business” with philanthropy, the range of methods used results in human exchanges and meetings “in the field”.

Among our notable achievements in 2015 to promote biodiversity, Guerlain helped create a “Biodiversity Commitment” certification programme with Ecocert. The House was picked for the pilot programme and thus became the first Perfume and Cosmetics House to receive its “Biodiversity and Climate Commitment” certification. In 2016, Guerlain implemented its Biodiversity and Climate programme at its European subsidiaries as a step towards its goal of World certification by 2021.

When we created our Abeille Royale skincare range, we decided to help protect bees, which are a historic symbol of our company and find themselves under threat today. In 2016, we thus continued with the work started in 2011 alongside Ushant’s Brittany Black Bee Conservatory to protect this unique, healthy and endemic species, whose honey is used to create our skincare products. This organisational partnership, which represents one of the pillars of our biodiversity commitment, earned us a special award in 2013 for Sustainable Development-oriented corporate philanthropy, given by the Ministry of Ecology, Sustainable Development and Energy.

Finally, as a logical follow-up and also thanks to a chance meeting, we joined forces with the French Apiculture Observatory (OFA) at the end of 2015, helping them develop a stock of hives in Europe and promote the rare and crucial job of beekeeper, since the OFA launched a long-term programme to restructure the beekeeping industry at the European level. In terms of local programmes at our Orphin and Chartres sites, we have installed bee hives, created wild flower meadows with honey plants, and more generally implemented a balanced management approach to the green spaces to which, at the end of 2016, we introduced flocks of sheep to ensure ecosigning.

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The bee has been our glorious symbol since 1853. It inspires our creations, adorns our most precious bottles and guides our commitment to sustainability. Today we are even more committed to its protection.
THE BIODIVERSITY AND CLIMATE COMMITMENT, OR HOW TO "(RE)CONCILE ITS ACTIVITIES WITH ITS ECOSYSTEMS"

Guerlain is the first Perfume and Cosmetics House to receive the "Biodiversity and Climate Commitment" certification from Ecocert. A look back on the awareness that arose from numerous efforts to incorporate these issues into the House’s strategy, with Marion Oudin, Sustainable Development Manager at Guerlain, and Laurent Croguennec, CEO of Ecocert Environment.

Marion Oudin: For the last 7 years that I’ve been in charge of developing Guerlain’s Sustainable Development Programme in France and abroad, I’ve put all my support and confidence in Ecocert, particularly in our work towards ISO 14001 certification. In my view, Ecocert is unquestionably an inspection and certification body whose serious approach for the past 20 years has enabled it to become a world benchmark, but apart from its technical expertise, it is also a team that possesses a true Sustainable Development vision. Apart from all that concerns "standards" and "benchmarks", Ecocert has transcended the "strictly environmental" to embrace social struggles. All these positive points convinced Guerlain to move forward with them to construct a new challenge together: the "Biodiversity and Climate Commitment".

Laurent Croguennec: Founded 25 years ago through the drive of "Biodiversity and Climate Commitment" certification, prior to the COP 21 in order to assist motivated companies and regions with their ecological transition. We wished to take it even further prior to the COP 21 in order to assist motivated companies and regions by developing an approach that addresses biodiversity issues, convinces companies of its importance.

Marion Oudin: We’re very proud that this certification standard was established under the impetus of our House. Ten years later, our desire to reconcile economy with ecology and generate positive impacts is still strong. All activity conducted by a company like Guerlain entails both a dependence and an impact on biodiversity. We encouraged the creation of this "double certification" because climate change is a factor contributing to the erosion of biodiversity. The goal is to find solutions to address the climate-related issues facing society today.

Laurent Croguennec: Scientists estimate that more than 60% of the planet’s ecosystems today have been damaged by human activity. They also propose that the 6th mass extinction of species is already underway. As an agronomist, I’m more than sensitive to the destiny of bees and other pollinators that play a crucial role in this biodiversity since without them there would be no more pollination. In order to help ecosystems regenerate, we’ve made the decision to base the biodiversity and climate. This work and lots of feedback from the field led to the creation of our "Biodiversity and Climate Commitment" certification.

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Guerlain has made a commitment to study and protect several industries that produce their raw materials, which include:

Ushant Honey

The Strength of a Symbol

When Guerlain created its Abeille Royale skincare range, it was searching for a honey of exceptional quality, and Ushant honey met the House’s requirements. Due to its isolation, the Ushant bee is a pure rustic race that has only lived on this island in Brittany. The relationship with Ushant’s Brittany Black Bee Conservatory, which perpetuates the legacy of the visionaries who founded this community with the most resistant strains of bees over forty years ago, dates from 2008; an initial agreement was signed in 2011 and finally a ten-year sustainable development sponsorship agreed upon in 2014. Today, the partnership is based on two pillars: the sustainable development sponsorship, which funds part of the costs of a full-time beekeeper on the island and the purchase of an electric vehicle, and provides access to legal assistance as well as important networking opportunities. The sponsorship of research and communication. To cite just a few of our communication and educational initiatives, Guerlain made a corporate film about the Conservatory, helped create the only research platform of its kind in the world: three complementary research centres are dedicated to the preservation of orchids and the application of their exceptional anti-aging properties to women’s beauty. It consists of a basic research laboratory in Strasbourg, France, an experimental garden in Geneva, Switzerland, and a ten-year Sustainable Development partnership created in 2009 with the TianZi reserve in Yunnan Province in south-west China. The “TianZi Centre for Biodiversity Research and Development” has created a method of “Rainforestation farming”, which uses mowed farming in the forest, from the subsoil to the forest canopy, in a region that was formerly seared by intensive farming. This partnership has enabled us to regenerate and protect the original rainforest, protect the region’s flora and fauna, and cultivate different types of orchids, all above and beyond Guerlain’s own requirements. Since 2009, 10,000 orchids have been planted in TianZi.

ORCHIDS & TIANZI

A Global Commitment

Vetiver & India

A Human Adventure

Vetiver is one of Guerlain’s iconic ingredients and most of its supplies come from either Haiti or India where we have built a sustainable industry. Vetiver is used in many of Guerlain’s fragrances, such as Guerlain Homme I.Eau Royale.

In South India, our performer, Thierry Wasser, has launched a new vetiver industry in the high plains overlooking the city of Coimbatore. It is a rational and respectful planting programme that respects the environment and is developed with the local community. 100% of the plant can be used: the foliage can be used as animal feed, the plants are used to take cuttings, and the roots are dried to make perfume. Moreover, the roots of the vetiver plant limit soil erosion and improve soil humidity and fertility. We give the plants to isolated families living in Coimbatore. We also give them the necessary training to grow this crop, and at the end of 18 months we pay them for their crop, thus creating a new source of income in the region.

We are also conducting an irrigation study, which will facilitate the supply of water to the local community.

Asian and Australian Sandalwood

Long-term Conservation

Sandalwood is another iconic ingredient used in Guerlain’s perfumes such as Jicky, Muschoir de Monceau, Shalimar and Samsara. However, this wild tree is becoming scarcer and scarcer. For instance, in several perfumes we only use Santalum Album, which used to be sourced only from the forest of Mysore in South India. Today, there is hardly any left due to deforestation and an exponential demand throughout the world. That is why we are looking for alternative sources, mainly in Asian countries, which can supply us with a similar quality product in a transparent manner. Sandalwood is a very demanding species, on average, a tree needs 15 years to reach maturity, at which point its essence can be extracted from the trunk. So, we are leaving our trees to mature in their ideal forest location and we can use “Guerlain” sandalwood that meets our demanding quality criteria in our creations. Our Australian partner has joined in this endeavour and is committed to replanting two trees for every one removed. In addition, 30% of our partner’s employees are aborigines, it is one of the scarcer sources of revenue in this remote and location, where nothing grows other than sandalwood and mango trees.

French Lavender

The Purify of the Essence

In April 2013, Thierry Wasser met the founder of the “Baume des Anges” company. For several years, the company has been supplying the perfumery company with culinary lavender, which was used to make tea. He ordered some samples and was delighted with the ethereal nature of their lavender.

In June 2014, Thierry visited the company and met passionate farmers who really look after their land. Grown in the Drôme region in the south of France, Carla lavandiere is 100% organic. It was obvious that a partnership was called for!

Baume des Anges developed and patented an exceptional low-temperature extraction process delivering an essence with a fragrance that is very close to that of the plant. The resulting 100% natural oil tastes as it smells and can be used in perfume and in cooking. It is showcased to perfection in the Mons Exclusif perfume launched in 2015.

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FRENCH LAVENDER
For several years, we have been developing products in a way that limits their impact on the environment at each stage of their lifecycle, from the design stage through to the end of the product’s life. With a view to continuous improvement, we must be able to quantify our progress, and that is why each new development is scored using an EPI (Environmental Performance Index) calculated using Edibox software, managed by the LVMH Group. This 0-20 rating ranks each new development in terms of its environmental impact. The results are then shared and discussed with the Sustainable Innovation Committee, which meets quarterly with the Marketing and Packaging Development Departments, and was formed to accelerate and multiply eco-design projects.

Last year our Chairman set an ambitious goal: 100% of the Company’s products must be eco-designed by 2020, signifying that 100% of products must have an EPI of over 12/20. Among Guerlain’s eco-design initiatives over the last few years, we are particularly proud of our work on the Orchidée Impériale skincare range. In addition to our orchid conservation work, at the end of 2016 we launched the 4th generation of Orchidée Impériale Cream. Its jar has a more organic design: its lighter-weight glass, more precise volume, non-coated paper pine and cellulose packing material significantly reduce its carbon imprint by 55%, thus minimising its impact on the environment.

Among our objectives 2017: switching from paper to digital leaflets in order to avoid using too much paper. Although recyclable, the best solution is not to use it at all. This represents an excellent opportunity to demonstrate the consistency that must exist between commitments, discourse and actions.

We are also going to review the bottle designs of our historic and iconic perfumes, particularly by prioritising the use of screw pumps so that these bottles can be separated by our customers to make recycling easier. We will also continue to give our old advertising materials a second lease on life by transforming posters into small notebooks. The impact is three-fold: ecological, since our time-dependent materials are reused; social, since the notebooks are made by people with disabilities; and societal, since the profits from the sale of these notebooks go into a Guerlain support fund used to defend causes that are close to our heart.

Our premium lipstick Rouge G is now refillable in Shops.

Our shopping bags are now 100% recyclable.

Our perfumefountains can now be filled at the perfumefountain at our Saint-Honoré Boutique at 68 Champs-Élysées and in Brussels.

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We are also going to review the bottle designs of our historic and iconic perfumes, particularly by prioritising the use of screw pumps so that these bottles can be separated by our customers to make recycling easier. We will also continue to give our old advertising materials a second lease on life by transforming posters into small notebooks. The impact is three-fold: ecological, since our time-dependent materials are reused; social, since the notebooks are made by people with disabilities; and societal, since the profits from the sale of these notebooks go into a Guerlain support fund used to defend causes that are close to our heart.

Our premium lipstick Rouge G is now refillable in Shops.

Our shopping bags are now 100% recyclable.

Our perfumefountains can now be filled at the perfumefountain at our Saint-Honoré Boutique at 68 Champs-Élysées and in Brussels.

For several years, we have been developing products in a way that limits their impact on the environment at each stage of their lifecycle, from the design stage through to the end of the product’s life. With a view to continuous improvement, we must be able to quantify our progress, and that is why each new development is scored using an EPI (Environmental Performance Index) calculated using Edibox software, managed by the LVMH Group. This 0-20 rating ranks each new development in terms of its environmental impact. The results are then shared and discussed with the Sustainable Innovation Committee, which meets quarterly with the Marketing and Packaging Development Departments, and was formed to accelerate and multiply eco-design projects.

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**ECO-DESIGN**

Joint interview with Cécile Koenig, Director of Marketing Skincare, and Nicolas Fauré, Director of Development for Make-up and Skincare, both members of Guerlain’s Sustainable Development Steering Committee and the masterminds behind the launch of the new eco-design packaging for Orchidée Impériale Cream.

Cécile Koenig: With Guerlain Skincare, we integrated Sustainable Development as a key element very early on, placing ourselves at the cutting edge of innovation and its driving force, both in formula and packaging. The first generation of Orchidée Impériale Cream, born in 2006 in a gold-topped blue jar, immediately captured the public’s heart. Today, it’s the House’s star product and, as such, had to embody the avant-garde of our commitment to the environment, without compromising on quality standards or aesthetics. Now, eleven years after its launch, Orchidée Impériale is reinventing itself for the fourth time, making a constant effort for ten years, we decided to speed up communication around our commitments, to raise awareness and convert new, highly ambitious eco-designed packs. Even though we’ve been graded on an index that allows us to measure environmental impact in order to ensure every new development improves the overall score of the House, we strive to ensure that each new product is better than the one it replaces. A calculation confirms that the reworking of the Orchidée Impériale Cream pack has reduced the product’s carbon footprint by 58%! The efforts carried out on Orchidée Impériale demonstrate that a work of total eco-design is possible and it is the “founding act” from which new developments will be moved forward.

Nicolas Fauré: For the past five years at Guerlain, each department has been graded on an index that allows us to measure environmental impact in order to ensure every new development improves the overall score of the House. We strive to ensure that each new product is better than the one it replaces. A calculation confirms that the reworking of the Orchidée Impériale Cream pack has reduced the product’s carbon footprint by 58%! The efforts carried out on Orchidée Impériale demonstrate that a work of total eco-design is possible and it is the “founding act” from which new developments will be moved forward.

**ORCHIDÉE IMPÉRIALE: THE TORCHBEARER OF GUERLAIN’S ECO-DESIGN APPROACH**

focused on emotion and sharing, in a world ever more concerned with preserving our environment. The standards of luxury are evolving, and our search for excellence is overarching; and packaging is an integral part of our House’s commitment.

N. Fauré: I share in Cécile’s enthusiasm and optimism and I sincerely believe that the new generation of customers is educated and aware of the stakes linked to the overconsumption of resources and the production of waste, and, as a committed company, we want to respond with ever greater ambition, creativity and pedagogy. We need to not only meet their concerns but anticipate them as well, shake up the codes of luxury and constantly innovate at the risk of disappointing and losing them as customers. These stakes are integrated in our innovation and marketing plans. It’s a collective approach and a daily commitment imposed on our teams as an inspirational task for the overall score of the House. We strive to ensure that each new product is better than the one it replaces. A calculation confirms that the reworking of the Orchidée Impériale Cream pack has reduced the product’s carbon footprint by 58%! The efforts carried out on Orchidée Impériale demonstrate that a work of total eco-design is possible and it is the “founding act” from which new developments will be moved forward.

Indeed, it was about bringing the dream of a beautiful, more responsible container to tangible life. And it took our development engineers more than a year to design and manufacture this new packaging.

Cécile Koenig: From the shape of the jar to the wraparound box, everything was reimagined, aside from the capacity, which remains the same (50 ml). Thus, the 4th generation Orchidée Impériale Cream features the first eco-designed Guerlain packaging for a premium skincare product. In other words, the new jar, sumptuous as ever, was re-designed and recrafted with pure, more organic lines. We chose to keep the aluminum lid to ensure a cool, higher quality feel than plastic, but the jar contains less raw materials (110 pieces rather than 17) and favours recyclable ones: lightweight glass, non-coated paper and a white interior in pine cellulose. The volume of the box was reduced by 40% and a QR code does away with the paper notice allowing customers to connect directly to the website guerlain.com to discover information about the product and its application instructions. Thanks to our Beauty Advisors, we know that customers are praising the elegance and modernity of this new packaging, with a new weight that makes for lighter travel. The new jar feels like a smooth stone – more feminine, alluring and modern – that fits perfectly in the palm of your hand.

N. Fauré: With this very successful eco-design work on the new Orchidée Impériale Cream jar, we are right in our basic function when it comes to luxury, namely to be precursors, to innovate and to carry out “pedagogical ecology.”
My job is to make number 68 the destination for a genuine French art of living through bespoke events aimed at corporate and private customers from both France and abroad. The goal every time is to offer a multisensory, dreamlike and initiatory experience at the heart of Guerlain, dedicated to fragrance, beauty and gastronomy.

During an event with LVMH Group companies at 68, I decided to initiate a module for sharing our vision and actions in terms of sustainable development. Having received very positive feedback, given that our common DNA of transmission, authenticity and respect for raw materials is strong and resonates with the prerequisites of sustainable development, I decided to extend this offer to our partners. A number of companies opted in – including Nespresso, another brand committed to an ambitious environmental policy – with all the wealth of exchange and shared experiences that it generated!

Moreover, our faithful customers for whom I organise meetings with our Perfumer and various artists are not left behind. Our customers increasingly want to be informed of the origins of our iconic raw materials and are very sensitive to the sustainability of our subsidiaries, which comforts me in that sustainable development offers an excellent terrain for discussion, reflection and dreaming, as well as an exceptional opportunity to get to know Guerlain from a new point of view.

Guerlain at 68, Champs-Élysées embodies a dream as much as an ambition. Exclusive creations, the Institut (which provides unprecedented bespoke treatments) and the restaurant run by Michelin-star chef Guy Martin truly embody the French ‘art de vivre’ thanks to our passionate and dedicated teams who ensure that our guests experience rare emotions. Jacques Guerlain used to come down from his office at 68, Champs-Élysées to listen to his customers’ comments, to encourage them to try new products and note down their impressions. This Store is a testament to Art, and to the artists and artisans who showcase our unique Company all over the world.

What better backdrop to present our Sustainable Development approach? Over the last three years, we have been organising events with our partner agency, Sidièse, which pay tribute to committed and inspirational men and women. “The Sustainable Inspirations” is an informal get-together bringing together managers from the Sustainable Development network, committed partners and customers interested in the House’s corporate responsibility approach. It is an informal cocktail party paying tribute to our guests of honour who each give a very brief overview of what drives them to do what they do.

We really enjoy the discussion we have with our stakeholders and we are proud that these Sustainable Inspirations are bringing more and more people on board within the profession!
Veronique has inspired Guerlain with her humility, tenacity and courage, with the unwavering commitment of a woman who never gives up...

An active member of Restos du Cœur since 1986, Véronique has continued Coluche’s fight since the early days of the association, which provides vital help for millions of people. A member of the Board of Directors and responsible for communications, Véronique inspires Guerlain with her humility, tenacity and courage, with the unwavering commitment of a woman who never gives up...

I come from a family that was very sensitive to the lot of others. The best way to share this short time we are given on Earth is to live peacefully in connection to those around you. Commitment, therefore, is a very serious notion for me, although my life is also proof of my love of laughter and fun. Commitment is something that must be built over time, and I've been working with Restos for 31 years now... But that happened without me even realising it. What’s important for me is that Restos is an association that hasn’t fallen into a sense of misery, we always help in joy and in good spirit. One of the things I’m most proud of is the trust people put into the association. It’s the 71,000 volunteers, the 936 million meals distributed all over France, the number of people in need who rise out of their situation (30% permanently) and the unwavering loyalty of artists.

It is with great joy that Guerlain has been a Restos partner since 2013 – a partnership that means a lot to Véronique. "I’ve bathed in Guerlain and I have known since my childhood Guerlain is therefore dear to my heart, even more so because it supports Restos with beauty breaks for our beneficiaries. It’s very important to us because women need to feel beautiful even - perhaps especially - in difficult times."

Jacques inspires us for his ability to have very quickly developed a new ecological and social consciousness among economic actors and to have created conditions for sharing. An ambitious policy of Sustainable Development and structuring partnerships isn’t built at the office! Guerlain believes in the magic of meetings, the strength of co-constructed projects and the beauty of stories that help to innovate or think differently or that give birth to collaborations, to the point of creating a format for meetings at 68, Changé-Elysées – the “68 Sustainable Inspirations” - and a dedicated website – Amoumdulabeauté.fr. A look back at some memorable meetings between the men and women who have been committed for years to making the world a better place and who continue to inspire us each and every day. We dug deep to find out what drives them.

"After graduating from the Sorbonne, I launched conferences aimed at students along with two of my friends. In 1989, this gave birth to the "Cité de la Réussite", a forum for cultural, economic, scientific and political debate, organised every two years. In 1992, during the Rio climate summit, I came to a shocking realisation about the climatic consequences of human activity. I became truly aware of the need for a new economic and social era that would reconcile ecology and economy and I decided to devote an event to the issue, "L’Université de la Terre", whose last edition took place during the COP 21 in 2015 in the presence of 8000 participants. In 2008, at the height of the financial crisis, I fully realised that the economy as it was – that is, financialised in excess and ignorant and deaf to social and climatic urgencies – was leading us to catastrophe and collapse. Only global awareness among economic actors and a new way of taking action could allow us to progressively repair things. In 2009, I initiated the first Parliament des Entrepreneurs d’Avenir, with the desire to bring together leaders and entrepreneurs who are different, who integrate Man, Nature and Society into the heart of their economic project, their modes of production and their management with goodwill and efficiency. A new economic consciousness exists. And for me, the organisation of all these events is my way of participating in an enlightened future and inciting my fellow citizens to commit to a better world.”

Guerlain is very proud to have welcomed the Entrepreneurs d’Avenir “club” during a private visit of its industrial site, La Ruche. The beginning of a journey between committed actors...
Bertrand, Robert Redford, Chief Raoni, Captain Paul Watson, three themes that are close to my heart! In a year, I had the good fortune to have the power to change the world. Each and every action in our daily lives, from the moment of my birth to its end, is an opportunity to be something more than what we already are. This is the key to this crisis of consciousness, thus become the signature of my photons, the symbol of my commitment and of my personal story. My commitment is prized to my heart and I’m convinced that we all have the power to change the world. Each and every action in our lives can make a difference."

Cyrille participates in our Sustainable Inspirations events and interviews our committed Men and Women backstages, after having herself been honoured in this same format on 8 March 2016, the occasion of International Women’s Day. A participant in the Belle&Bien association, she is also one of the contributors to our website Aunom dela-beaute.fr – THE THEY INSPIRE US –

Maxime de Rostolan graduated from the Ecole Nationale Supérieure des Ingénieurs en Arts Chimiques et Techniques (ENSIC) in 2004 having specialised in water and been made aware of “ecological issues”. In the three years that followed, Maxime dove into a “world tour of water” with two friends to raise awareness amongst school students to the problems linked to the resource. Since then, on the experimental micro-farm that he manages near Tours, this 36-year-old has been striving to prove that agro-ecology is more profitable than conventional agriculture. Discover a journey and experience that will turn every preconceived notion on its head:

“At the end of 2013, I created the Fermes d’Avenir association as a social project to promote a new agricultural model based on the principles of agro-ecology and taking into account the socio-economic context that needs to evolve. My objective is to accelerate this transformation by demonstrating that agro-ecology is more profitable and generates more jobs than conventional agriculture. Under the supervision of a researcher from the Institut National de Recherche Agronomique (INRA), the idea is to validate by experimenting the elements that may predispose over the viability of installing a farm of this type. Because the lack of information on the initial set-up conditions serves as an alibi for all the lobbies and unions not wanting to change the model already in place. The idea is also to create a toolbox that can be reproduced anywhere, thus developing the Fermes d’Avenir network — a militant philosophy that has been forged in me over the years, though little would suggest I was destined for it. After being trained in organic market farming, I obtained an agricultural management certificate in 2014. Today, I want to invent a profession which I’ve named “countryvator”. A bit like me, its a man who cultivates the country or a new type of entrepreneur capable of creating and managing several farms of this type upon finding financing.”

Maxime de Rostolan is involved in a worldwide race against breast cancer on the Guerlain team, benefiting the Belle&Bien association, she is also one of the contributors to the editorial team of our new website Aunom dela-beaute.fr.

SYLVIE BÉNARD

Since 1992 and the Earth Summit in Rio she attended for Hennessy, Sylvie Bénard has managed (VHM)’s Department of the Environment, which she helped to create After nearly 25 years, her expert, enthusiastic approach has allowed the Group to carry out a great deal of progress in preserving the environment — progress that materialised in LIFE (VHM Initiative For the Environment), the action plan divided into nine key themes inscribed since 2015 in the strategic plan of the Group’s 70 Houses. I’m an agronomic engineer and had the chance to spend the last year of this training at the United States at Cornell University in the agro-food industry and returned to France to do a doctorate on the microbiological activity of yeasts and milk bacteria, which led me to join the H of VHM, Hennessy. From a more personal point of view, I’m the daughter of two biology professors — ecologists from the outset. I therefore always had a strong interest for the environment and my commitment stems from there. It first emerged in prolonged voluntary work that allowed me to go to Rio in 1992.

When I came back from the Earth Summit, I decided that I wanted to work definitively with the environment. I informed Hennessy of my plans and the Group proposed that I create, 25 years ago, what has become the VHM Group’s Department of the Environment. I am convinced that protection, prudence and precaution are the principles that must be respected if economic development and human wellbeing are to coexist.

I also have the habit of saying that when you sell a product you sell an ecosystem. To be able to propose luxury products, everything behind the scenes must be perfect. Concern for the environment is thus an intrinsic condition to our productions and is understood as such by our customers. For the customer, it’s a tacit agreement with the brand but internally I admit I’ll be delighted the day that managers arrive in the company — whether they be controllers, buyers, “marketers”, whatever — who are environmentally aware and who know what a life cycle analysis is!”

We are very proud that Guerlain plays a special role in deploying the VHM Group’s environmental strategy. For us, Sylvie is an inspiration and, more so, has been the person who allowed Laurent Boillot to initiate an ambitious policy of Sustainable Development beginning in 2007. She trained and mentored Sandrine Sommer from the moment she came on board.

A website dedicated to our commitment and to the responsible figures who inspire us: “In the Name of beauty” this is how we baptised our programme of Sustainable Development in 2007. Our aim is to act in preserving the world’s beauty and contribute to a better understanding of the need for responsible action on our part. We have just launched this responsible website, with our responsible communication agency Sokkie, as a platform for initiatives led by our teams, innovative projects spotted here and there, and meetings with committed figures who inspire us throughout the world.
Feminine leadership is demonstrated by the fact that the majority of supervisory posts are held by women, integrating men is also an important challenge. In 2016, 60% of the Board of Directors was female.

In order to better promote diversity, we have formed a partnership with Clichy and Montfermeil, which every year culminates in a Culture and Creation fashion parade. For the sixth year running, nine Guerlain Makeup Artists attended the eleventh edition to help the 90 “Models for a Day” prepare for the event. As every year in the framework of this partnership, we welcomed two classes of middle school pupils from Lavallol and Orphée as part of their school work placement programme. Moreover, Princess Esther Kamatari is our ambassador and spokesperson for the values we hold so dear: sharing, the culture of Beauty and the promise of exceptional products full of emotion for women around the world. She helps us understand Beauty issues for all women.

In France, all staff responsible for recruitments take part in regular “recruiting without discrimination” training courses offered by the LVHM Group. The self-testing process that the holding company organises every year demonstrates that Guerlain has never experienced any failings in terms of recruitments or in its answers to candidates.

The amount of work we do with disability-friendly companies is not to be outdone, with a 50% increase in turnover between 2015 and 2016 amongst our ESAT partners. Finally, disability was included on the Management Committee’s agenda and to coincide with World Disability Day (3 December 2016), each manager raised his team’s awareness of the issue by dedicating a day to the topic.

We are keen to hire young people as well as keeping more senior employees in their jobs, we encourage diversity within teams particularly at the highest level, we also develop skills and recruit people living with disabilities as well as working with disability-friendly companies.

In terms of age diversity, here at Guerlain we are convinced that all generations should be represented.

We are very often asked about our sustainable commitments by candidates. It has clearly become a criterion of choice.
Because the ideal man is an engaged man, every year Guerlain supports Movember, the world association that invites men to raise awareness and money in the fight against men’s diseases. This citizen-centred activism was adapted in 2016 around a travelling truck proposed in partnership with La Barbière de Paris, the Parisian reference in men’s hair. An exchange between Julien Fagoaga, Sales Delegate for the Indian Ocean and leader of the Guerlain “La Moustache de Messieurs” team, and Sarah Daniel-Hamizi, President and Founder of La Barbière de Paris, at her shop in the 1st arrondissement of Paris.

Julien: From the moment I arrived at Guerlain five years ago, I was touched by the House’s commitment to solidarity and the unwaivering mobilisation of employees for charitable organisations such as the Odysée Race, or the support for association like Restos du Coeur and BelloDîbien, which helps women get back their self-esteem. No action, however, had been initiated for men’s causes. Having taken note of the campaigns by the Movember Foundation, which had just launched the movement worldwide, I proposed to Sandrine Sommer, our Director of Sustainable Development, to lead a men’s team of Guerlain employees. The “La Moustache de Messieurs” collective was thus born and has since become very involved both internally and externally, supported by Thierry Wasser, the House’s Perfumer. For four years now, our team has proudly grown moustaches for the fight against men’s diseases. Conferences to raise awareness, in-house challenges, sporting competitions, lotteries and participatory breakfasts have given way to an increasingly sophisticated way of engaging our clients, in addition to Guerlain employees. Thus, 1-Homme ideal boxes are offered for sale benefiting the association of derivative products, as well as notebooks designed from posters and produced by a Parisian workshop that employs people with disabilities. For two years now, our Boutiques have been hosting “La Barbière de Paris” and proposing barber workshops whose entire turnover is donated to Movember. We didn’t choose “La Barbière” by chance!

Sarah: “La Barbière de Paris” was already highly invested and actively participating in Movember’s campaigns, but this marriage with Guerlain, a rigorous, demanding “Men-Women” partnership, immediately won me over. By founding “La Barbière de Paris,” I was able to rehabilitate one of the oldest trades in the world as well as realise one of my childhood dreams. As a child, I would watch my grandfather’s ritual of cutting his beard with a straight razor twice a week. It was a real show, and I never gave up the idea of becoming a barber. After getting professional certification and an vocational diploma, I trained with two well-established barbers, as the profession had no longer been taught for thirty years. In 2000, I bought the 21 m² of a former barber shop in the Rue Condorcet and fifteen years later I opened a second shop of 200 m² after establishing a tried and true savoir-faire. I’m convinced that men can have their beauty ritual, just like women. A man’s makeup is his beard, being elegant, or gentle-man – or rather “hipster”, – establishing one’s masculinity or presence, all that is via facial hair. And it requires as much care as the hair on one’s head. My 23 barbers trim, sculpt and work beards with precision, according to our own techniques. Genuine fashion accessories, barbers are the focus of everyone’s attention and at my shops I noticed very early on that the awareness-raising work begun by Movember really saw results. Today, all my clients have heard of the movement. In November, in our barber shop, it goes without saying that the moustache is popular. But it’s rare, rather strict and difficult to sport. You need to own it and know that a moustache (which is not a trend, contrary to the beard) attracts curiosity from others. What matters is not the moustache itself, but the explanation of why you have it – otherwise it’s all for nothing!

Julien: Last November, in partnership with “La Barbière”, Guerlain invited Parisian men to get their moustaches and beards trimmed for the cause, not only in our stores, but also for the first time in our Barber Truck, which was none other than “La Bandoulière”, our electric truck re-styled by one of our employees set out on helping the cause. The members of the “La Moustache de Messieurs” team took turns at the foot of the truck in front of our stores to raise as much awareness as possible. The capital’s men who opted for a close shave by Guerlain and the Master Barbers selected and trained by Sarah saw the entire service donated to Movember France. Thanks to everyone’s commitment, we are very proud to have collected a sum of 13,000 euros in 2016, putting us once again at the top of the national ranking of French corporate donors for Movember.
Our Company considers social responsibility as being key; this means looking beyond its own interests and supporting associations whose projects reflect the Company’s values. The desire to do more is demonstrated by our employees involvement in a range of initiatives, e.g. the participation of our teams in races combining a personal challenge and a commitment to a worthy cause. Among others, we can cite the Odyssea Race in which 200 Guerlain employees took part to raise money for breast cancer research wearing the colours of the Belle&Bien charity. Since 2015, we have launched the “Journée Engagée” initiative: a day off from work offered by Guerlain to its employees so they can volunteer in an environmental or social initiative. In France, we are strengthening our support for three associations:

Look Good Feel Better
Created in the United States in 1989, the Look Good Feel Better organises skincare and make-up workshops for women undergoing treatment for cancer. These workshops take place in two-hour sessions at skincare establishments, hosted by beauticians and charity organisers, during which women learn to take care of themselves and share a moment of well-being to reclaim their self-confidence.

For 13 years, Guerlain has been supporting this French version of the international programme Look Good Feel Better and encourages its foreign subsidiaries to develop local partners. Guerlain provides financial assistance annually to Belle&Bien and offers free products to put together beauty bags as gifts for the workshops’ beneficiaries. Guerlain also sits on the association’s Board of Directors and in 2015, Sandrine Sommer, Director of Sustainable Development at Guerlain, became its Vice President.

Les Restos du Cœur
In 2016, 150 Guerlain employees took part in the third edition of our partnership with Restos du Cœur. For ten days in two Parisian centres and in Chartres, Lyon and Strasbourg, Guerlain beauty sessions were offered to Restos du Cœur beneficiaries. In total, 850 women enjoyed a moment of well-being offered by our make-up artists (over 150 individuals were trained to take part in this year’s operation). Guerlain also launched a Story competition. All royalties will be donated to the Restos du Cœur to tackle illiteracy and to repaint a Restos centre in Paris.

Movember
Movember is an international charity, which raises money to fight male diseases such as prostate cancer. Each November, Movember asks men to grow a moustache to raise public awareness and raise money for the charity. For the fourth year running and via a Travelling Barber Truck, the Guerlain “La Moustache de Messieurs” team – sponsored by our perfumer Thierry Wasser – has taken part in the Movember campaign, which supports research into male diseases. Once again, Guerlain has risen to the top ranks of Movember donors in France!
AROUND THE WORLD
THE ENVIRONMENTAL, CORPORATE AND SOCIAL INITIATIVES OF OUR SUBSIDIARIES

GERMANY
Guerlain Germany has been certified ISO 14001 since 2014 and in the Commitment to Biodiversity & Climate since 2017.

BELGIUM
Guerlain Belgium was the first subsidiary certified ISO 14001 in May 2013 and has continued to roll out numerous environmental and social actions ever since.

UNITED KINGDOM
Guerlain UK strengthens its commitment with the local branch of Look Good Feel Better.

SPAIN
Guerlain Spain was certified ISO 14001 and in the Commitment to Biodiversity & Climate in 2016. Partnership with Ponte Guapá te sentir mejor (Spanish branch of Look Good Feel Better/Belle & Bien) through product donations.

NETHERLANDS
Guerlain Netherlands was certified ISO 14001 and in the Commitment to Biodiversity & Climate in 2016. Recycling customer returns thanks to CEDRE since 2014.

PORTUGAL
Guerlain Portugal has been certified ISO 14001 and in the Commitment to Biodiversity & Climate since 2017 and organises operations to raise awareness among its clientele regarding the House’s Sustainable Development and in particular eco-design.

ITALY
Guerlain Italy has been certified ISO 14001 since 2017 and trains its Beauty Advisors via Sustainable Development e-learning modules.

CANADA
In June 2017, Guerlain Canada installed two pedagogical beehives at its Montreal head office and organises training and events with the help of a beekeeper.

MEXICO
Guerlain Mexico has signed a partnership with a local beekeeper and organises bee-hive sponsorship.

KOREA
Guerlain Korea organises events, donations and corporate patronage in favour of a local NGO that supports single moms.

JAPAN
Guerlain Japan was the first Asian subsidiary certified ISO 14001 and has been since November 2013.

HONG KONG
In early 2017, Guerlain Hong Kong created an internal Sustainable Development Committee and trained all the subsidiary’s employees.

All the European subsidiaries will be certified ISO 14001 and “Commitment to Biodiversity and Climate” by 2020.
To further reduce its environmental footprint, every year Guerlain carries out a Bilan Carbone® (carbon footprint assessment). This is how we know that transport is the main culprit in terms of greenhouse gas emissions in our business: logistics is responsible for 29% of Guerlain’s CO₂ emissions, mainly due to the mass exportation of our products.

Working with our subsidiaries, we want to favour the use of shipping (maritime transport) for major exports via the use of key monthly information: they are sent a report showing the number of kilograms shipped, billed Euros and CO₂ emissions. The percentage of our shipments exported by ship has been increasing steadily for three years. In 2015, 57% of our major exports were transported by ship. In 2016, this figure rose to 62%. Excellent progress!

To reduce its CO₂ emissions in France, Guerlain supplies its Paris stores using a zero-emission road delivery system. Working with our partners Speed Distribution Logistique (from the warehouses) and Renault Trucks (supplier of an innovative 100% electric delivery truck, the Bourdon), we launched the full-scale test, the first of its kind in the world, at the beginning of May 2014. Whenever pollution peaks, our Sales Advisors very proudly tell our customers that Guerlain is doing its bit to reduce its environmental footprint. It is an initiative we are delighted to share inside the LVMH Group and outside it.

This is also illustrated by the increase in the number of hybrid vehicles in the Guerlain fleet. At the end of 2016, the fleet was made up of almost 20% hybrid vehicles. To promote more environmentally-friendly transport solutions, we are funding the installation of electric charging points on our sites and at our Lavalle-Ferry HQ, and we encourage the use of bike couriers in Paris. We also encourage our employees to use hybrid taxis, and offer them a citizenship bonus if they cycle to work. In Belgium, employees have the option to use electric bikes for business travel during the day.

- TRANSPORT -

Transport is responsible for the majority of our greenhouse gas emissions. This is a major challenge for Guerlain and a reminder of the importance of each and every link in the logistics chain.
Sea transport causes less pollution per ton shipped and “blue motorways” have for around a decade been the focus of a small green revolution in the context of the energy transition. Shipping will help improve our environmental impact even further. These are some of the reasons for Guerlain to ship its products by sea as much as possible, and it has been increasing its use of this form of transport steadily for several years. Joint interview between Philippe Bernard, our Head of Transport and Customs, and his partner in this modal shift, Laurent Cochard, DHL Global Forwarding Branch Manager in Le Havre.

Philippe Bernard: This is unfortunately becoming a bit of a well-worn joke, but I have to admit that despite having attended every meeting of the Guerlain Sustainable Committee since it was created, as the Head of Transport I am still our company’s chief culprit in terms of greenhouse gas emissions! Logistics accounts for 29% of Guerlain’s total CO₂ emissions, mainly due to the mass exportation of our products. That’s why we want to make shipping (maritime transport) our go-to method for deliveries to our foreign subsidiaries.

In my line of work I often say that my best friend is the CFO, because shipping is cheaper, and that it just remains for me to educate my clients and my sales staff using simple arguments: to be good managers in every sense of the word and to manage your stocks carefully, upstream. As a result, the percentage of our shipments exported by boat has been growing steadily for three years. As part of this effort DHL is our long-standing partner. We have a relationship of trust that goes back over twenty years.

Laurent Cochard: DHL Global Forwarding is a subsidiary of the DHL Group, and we too see sustainable development as more than just a concept. It is a tangible long-term process for which we were recognised in 2009 by the Climate Counts organisation, which ranked the DHL Group top in the transport and logistics sector. As the world number 1 for maritime freight, our aim is to offer our clients like Guerlain the most efficient and competitive service possible through our business as a “transport organiser”. But we also want to give them a space protection and boarding priority service in all the world’s major container ports thanks to our partnerships with rigorously selected shipping lines. All these actions are aimed at achieving a very clear objective: to offer solutions that constantly shrink the overall carbon footprint. At DHL Global Forwarding we can now calculate the carbon footprint of each shipping line and each container. When people ask me about the pressure from my clients to move to fully green “sea and barge” transport, I’d like to say that that’s where the narrative is heading, especially as we are completely ready: we have all the tools at our disposal to implement multi-modal solutions, but negotiations can break down over lead times and feasibility. But I remain hopeful, because when brands like Guerlain challenge us regularly, it drives us to improve!

Philippe Bernard: It is true that it is very hard to deliver to our airport-based Travel Retail clients by boat. In reality, it is not a question of routinely setting sea transport against air transport, but rather of smart synergies. DHL helps us to strike the best balance: direct, fast and environmentally friendly. At Guerlain another key strategy for favouring shipping lies in the use of key monthly information: our foreign subsidiaries are sent a report showing the number of kilograms shipped, billed Euros and CO₂ emissions. While it is a slow process of persuasion, the virtuous argument is clear to see. And we have the results to show for it: in 2014, 54% of our major exports were transported by ship. In 2015 we shipped 57% of our freight, and the set goal of over 60% in 2016 was exceeded, as we achieved a figure of 62%!
For several years, our service providers and suppliers have been aware of our sustainable development approach. In order to make more progress and formalise our vision, in 2013 we drew up a “Sustainable Procurement” charter with the LVMH Group’s Perfumes & Cosmetics Branch.

The conditions for a responsible relationship between our Companies and our partners are based on quality and long-term relations, improving our mutual economic results, selecting sustainable materials, and designing innovative solutions to protect raw materials and savoir-faire.

A CRUCIAL ROLE IN THE IMPLEMENTATION OF OUR SUSTAINABLE DEVELOPMENT STRATEGY

The concepts of partnership, the long term, transparency and performance are common concerns of Procurement and Sustainable Development. Guerlain is privileged to have established long-standing relationships with its suppliers: glassmakers of course, but also suppliers of all types of packaging, merchandising, raw materials and so on...

THE CHARTER: A CO-CONSTRUCTION PROCESS

We worked with a partner who audited all our buying teams and other key players in the organisation. Together, we came up with an initial draft that we shared with around ten pilot suppliers. In 2013, together we produced this charter and then an evaluation grid to assess our suppliers in terms of their commitments to environmental, social, skills protection and innovation aspects. Once this work was completed, we organised an event to launch this new approach with suppliers in April 2014, and sent all 600 of them a copy of the new charter. On this basis, we set up a scoring system and fixed goals by type of purchase in order to help buyers adopt this new approach. These elements have been included in the strategic meetings with our suppliers for two year. In terms of invitations to tender, it provides us with additional performance indicators with which to evaluate the responses. A supplier who scores above average in terms of the indicators is often someone we can form a quality relationship with... However, when a supplier falls below the average requirement, we help them make progress – we see it as our duty as a committed company.

In early 2015, we debriefed one hundred suppliers about their strong points as well as suggesting recommendations for improvement, and at the end of 2015 we reevaluated them in the same way, procurement segment by procurement segment, which enabled us to measure their progress. On this basis, we set up a scoring system and fixed goals by type of purchase in order to help buyers adopt this new approach. These elements have been included in the strategic meetings with our suppliers for two years. In terms of invitations to tender, it provides us with additional performance indicators with which to evaluate the responses. A supplier who scores above average in terms of the indicators is often someone we can form a quality relationship with... However, when a supplier falls below the average requirement, we help them make progress – we see it as our duty as a committed company.

Our trustworthy facts and figures help steer us in the right direction. Moreover, we have observed a positive development. In early 2016, 121 suppliers were evaluated in all segments, 30% of whom for the second time (2014 and 2015). For the suppliers evaluated twice, we observed an improvement of 20%. This demonstrates our suppliers’ strong involvement in this approach, and their ownership of it.

Working with our suppliers to draw up our Sustainable Procurement charter and supporting them have been powerful tools for garnering commitment and ownership.
A report on a unique experiment with Pierre-Antoine de Vriendt, non-production buyer for Guerlain’s production sites, and Laurent Le Peniec, operations director of the Ecomouton company.

Pierre-Antoine de Vriendt: My day-to-day job is to manage non-production purchases, i.e. anything to do with production investments, buildings and green spaces for our two industrial sites, Chartres and Orphin. When the Sustainable Development Department suggested I look into the feasibility of having a flock of sheep on our Orphin site, it naturally resonated with me as I’m a farmer’s son!

The Sustainable Development Department wanted us to work on the legal framework relating to site security. One of the arguments in favour of this solution, besides the environmental benefits, was the economic argument. We needed it to cost the same as the conventional maintenance of our green spaces at Orphin. The package includes fencing, a pen where the sheep can shelter from heavy rain or the hot sun, and a lead shepherd who visits the flock two to three times a week, on average, to make sure they are healthy, and check the condition of the fences and the grazing area. He gives them any necessary treatments, checks on any pregnant ewes, and assesses the quality of the grass. In winter, he might bring extra hay if needed. He might also move sheep from one grazing area to another to ensure the grass is grazed evenly across the site. Between visits, two designated Guerlain employees take responsibility for reporting any unusual behaviour and thus avoid unnecessary callouts. And our employees grew very fond of the sheep!

Laurent Le Peniec: Eco-grazing is an option on sites of 3,000m² or more, i.e. two sheep (in order to stay healthy they need to be in contact with the rest of the flock). On average, and on a site like Orphin, we use a flock of 40 Ushant breed sheep. It is a rustic, very hardy breed native to Ile Bretonne which can live outdoors all year round, making them ideal candidates for eco-grazing. As the smallest breed of sheep in the world (they stand less than 50cm at the withers and weigh no more than 20kg), they are featherweights, so do no harm to the grass they maintain. Their agility also means they can go anywhere very comfortably thus solving the problems of impassable or very wet plots that can be difficult or dangerous to tackle with a mechanical mower.

Pierre-Antoine de Vriendt: There are many direct or indirect benefits of eco-grazing. The new guests are a friendly presence and employees soon take them to their hearts, even giving them names. This solution is consistent with Guerlain’s Sustainable Development approach, in that it reduces the environmental impact of mowers. The sheep are well suited to the type of soil on the Orphin site, which has a high clay and moisture content. There is also no longer any need to deal with green waste, as it is swallowed by the sheep. Not to mention the impact on biodiversity. By limiting the growth of invasive plant species and maintaining low-level vegetation, eco-grazing promotes the growth of the flora and fauna specific to grassland and enriches the site’s biodiversity. The bees are back! The initiative backs up existing biodiversity preservation measures on the site, where six hives have been installed and two flower meadows created. The Sainte Messe ESAT is looking after the green spaces not grazed by sheep. It was important for us to be able to involve an ESAT in this great partnership, as disability is one of our priority social commitments. These are just some of the arguments that persuaded us to extend the initiative to our Chartres site in 2017. Sheep arrived there in April.

Laurent Le Peniec: Thanks to companies like Guerlain who have put their trust in us, the Ushant breed has been given a fresh lease of life. In France, the population has grown from 1,500 sheep in the year 2000 to 12,000 in 2016. These initiatives also create local jobs, as Ecomouton now employs (as well as our 2,600 sheep!) 11 shepherds, five of them full-time, and all on permanent contracts. We take great pains to respect gender equality, the age range is broad (from 18 to 74 years), employees always earn more than the minimum wage, and we require no prior experience, as we train our shepherds. The respect we are to be patient, self-reliant, observant and forward-thinking, and to display initiative.
In terms of waste, we have set up 30 different waste sorting channels (paper, cardboard, different types of plastic, glass, batteries, etc.) to recycle our waste including tester bottles and obsolete products. Guerlain, mainly thanks to the CEDRE platform (an ecological deconditioning and recycling platform) that Guerlain helped set up in 2009 and the increasing number of innovative industries recycling limitations are being gradually overcome. In total, 72% of waste originating from our industrial sites is recycled, reused or composted. 95% of perfume bottles are recycled!

Since 2012, we have been offering our customers visiting our Paris stores the opportunity to bring in their used bottles and pots; we then recycle them and give them a new lease of life by sending them to CEDRE.

Reducing water consumption is an ongoing challenge, even though our consumption fell in 2016 (48,617 m³ compared to 51,635 m³ in 2015). In order to make water savings, we regularly implement ad hoc measures e.g. installing pressure-reducing valves and back-office detectors; in our plants, we have implemented an efficient washing process and we also catch rain water to be reused in the "La Ruche" bathrooms. Moreover, our two plants are located outside water stress zones. Our consumption of raw materials and energy are carefully monitored and optimised (energy consumption in 2016 fell to 16,976 MWh from 17,617 MWh in 2015). We take steps to constantly raise our employees’ awareness, including by displaying monthly indicators in plants, installing motion sensors on all sites, and carrying out energy audits. In terms of emissions, our two plants in France are classified as "Installations Classées" for the "Protection de l’Environnement" (installations listed under French environmental protection regulations) and as such must comply with strict environmental regulations. Consequently, they are regularly inspected by the Ministry of Ecology, Energy, Sustainable Development and Territorial Development (DEREAL) and the Regional and Inter-Departmental Directorate for Energy and the Environment (DREIE). Moreover, all our sites have been awarded ISO 14001 certification, which helps us to control our environmental impact and commit to a process of continuous improvement.

Getting the production sites, the headquarters and the stores with ever increasing eco-efficiency standards to limit our environmental impact on a daily basis.

Encouraging and supporting changes in employees’ behaviours in the workplace.

Making it easier for customers to participate in greener consumption modes is a growing aspiration.

ECO-RESPONSIBILITY

Eco-responsibility is practised on a daily basis on all our sites and by all our employees.

THE OBJECTIVES OF THIS CHALLENGE

Managing the production sites, the headquarters and the stores with ever increasing eco-efficiency standards to limit our environmental impact on a daily basis.

Encouraging and supporting changes in employees’ behaviours in the workplace.

Making it easier for customers to participate in greener consumption modes is a growing aspiration.

ECO-CITIZENSHIP ACTION

Eco-citizenship action that enables all employees and customers to acquire the right instincts

Reducing water consumption is an ongoing challenge, even though our consumption fell in 2016 (48,617 m³ compared to 51,635 m³ in 2015). In order to make water savings, we regularly implement ad hoc measures e.g. installing pressure-reducing valves and back-office detectors; in our plants, we have implemented an efficient washing process and we also catch rain water to be reused in the "La Ruche" bathrooms. Moreover, our two plants are located outside water stress zones. Our consumption of raw materials and energy are carefully monitored and optimised (energy consumption in 2016 fell to 16,976 MWh from 17,617 MWh in 2015). We take steps to constantly raise our employees’ awareness, including by displaying monthly indicators in plants, installing motion sensors on all sites, and carrying out energy audits. In terms of emissions, our two plants in France are classified as “Installations Classées” for the “Protection de l’Environnement” (installations listed under French environmental protection regulations) and as such must comply with strict environmental regulations. Consequently, they are regularly inspected by the Ministry of Ecology, Energy, Sustainable Development and Territorial Development (DEREAL) and the Regional and Inter-Departmental Directorate for Energy and the Environment (DREIE). Moreover, all our sites have been awarded ISO 14001 certification, which helps us to control our environmental impact and commit to a process of continuous improvement.

• Encouraging and supporting changes in employees’ behaviours in the workplace.

• Making it easier for customers to participate in greener consumption modes is a growing aspiration.

100% OF THE GUERLAIN SITES IN FRANCE ARE ISO 14001 CERTIFIED.

50% OF OUR EUROPEAN SUBSIDIARIES ARE ISO 14001 CERTIFIED.

72% WASTE FROM THE COMPANY’S INDUSTRIAL SITES IN FRANCE IS RECYCLED, REUSED OR COMPOSTED.

100% OF THE GUERLAIN SITES IN FRANCE ARE ISO 14001 CERTIFIED.
With a scope varied in nature, General Services has had to make creative choices, especially to better integrate Sustainable Development concepts into employee services and to initiate and facilitate good practices. The following is an interview with Cécile Vatan, the Head of General Services at Guerlain.

A KEY ROLE IN PROMOTING ECO-CITIZENSHIP

I have been at the head of Guerlain’s General Services for our headquarters and Paris stores for the past seven years. I am also a proud member of the Sustainable Development Committee and have been since its inception. My areas of responsibility are broad, ranging from the management of service providers (post, technical services, receptionists, etc.), waste, power and water management, up to logistical issues relevant to a business’s headquarters and its employees (management of the fleet of vehicles, messengers, etc.). To this end, I am Guerlain’s point of contact for numerous service providers. I also oversee the promotion of ESATs (employment centres which aid the disabled) in the panel. Since my responsibilities are varied and broad in their scope and impact, I am proud of the importance of my role in aiding change towards more eco-friendly behaviours.

CREATING AN ECO SYSTEM OF HANDPICKED SERVICE PROVIDERS

All of the service providers related to my function undergo a Sustainable Development screening. Creating a full network of companies who are true gems in terms of their social, environmental and local commitments is increasingly becoming a mark of pride that our partners would like to emulate. Today, they follow us in all that we do, and we even inspire mission. Consequently, Sogeres, who manages our company restaurant, has joined us in all of our initiatives (after accepting to jointly plan meatless days, doing away with plastic packaging, increasing the use of organic and local food, sustainable fish, etc.). For causes such as Movember, Odyssee, BalleBalle, from offering buffets and the Chef’s creation of desserts for each of these causes (to which a part of the proceeds is donated), support has been constant and unwavering. This year, even Sodexo Energie et Maintenance decided to take on the costs of the painting studios at the centre of Realites du Cœur (a charity which provides food to the needy), with whom we are in partnership. These were moments taken to enjoy beauty, which then expanded to the renovation of the premises.

ECO-CITIZENSHIP: PROMOTING AND AIDING THE DEVELOPMENT OF POSITIVE BEHAVIOURS

One of the goals of eco-citizenship is to promote modes of transport and vehicles with low CO2 emissions, and consequently to promote the use of hybrid vehicles in the company fleet. All of the vehicles rented for the headquarters for employees are hybrids. We’ve also been able to increase the portion of hybrids in our fleet, reaching 20% at the beginning of 2017, with a President who, naturally, set the example. In three years, I installed 12 charging sockets, and I’m thrilled with it. We have also been recognised through a mention by the Area Purchases professional committee on our performance as an exemplary company within the LVMH Group.

My future ambitions include making 100% of the office’s supplies 100% eco-friendly by 2020, as well as to hire more and more ESATs.

As employees of a committed company, we all have the power to be trend-setters, leaders, and even champions of sustainable development.
Since 1828 until today, Guerlain has always produced its products in France. In 2015, with the inauguration in Chartres of “La Ruche” - the new Skincare and Make-up production site - Guerlain, is confirming once again and for the foreseeable future, the importance of manufacturing in France.

The La Ruche production site was awarded HQE® certification (excellent rating) and is often cited as a key example of DVMH’s and its companies’ sustainable construction policy. From an environmental standpoint, the construction site was exemplary: all waste was sorted; noise and visual pollution was kept to a minimum; traffic was limited; and ground, water and air pollution was controlled.

Guerlain also demanded water and energy consumption monitoring, ongoing training for teams, and regular information updates for local residents. The actual building is extremely eco-friendly. The Company even signed a performance-based contract with the general contractor. In order to monitor progress, over 600 sensors were installed on the site to track energy, water and steam consumption. In order to optimise energy performance on the site, much thought was given to how to insulate the site effectively. The lighting system relies on low-energy equipment, which is managed by motion and twilight sensors. The use of air-conditioning is limited thanks to the building’s bioclimatic design and heat-exchangers. The toilets use recuperated rain water and the hot water is supplied by solar panels.

Much attention was given to the biodiversity of the site and how its green spaces would be managed: eight bee hives were set up on the site - this is the number of hives needed to give a pot of honey to each of the 350 employees - and 302 trees were planted on the site. In 2015, La Ruche obtained ISO 14001 certification following in the footsteps of all the Guerlain’s other French sites (HQ, production sites and Stores).

Employee wellbeing was taken into consideration upstream of the development and at each step of the construction. One of the priorities was to have as much light as possible thanks to the inclusion of light wells, bay windows, two patios, etc. Far from the image of a dreary industrial site, La Ruche faces the sun and provides a considerable degree of comfort for all its occupants.

Employees were involved in a number of ways upstream of the project design stage certain key spaces of the Ruche were made into scale models (in cardboard) so that employees could validate the sites and take ownership of their future workplace. Certain projects like landscaping the grounds and designing the staff store were entrusted to employees with a passionate interest in these areas. Downstream of the project, 75 employees supervised the transfer of the machines. The teams attended 120 information meetings and regularly visited the site to monitor the progress of their future workplace.

Training sessions were arranged on Best Manufacturing Practices and on how to use the new equipment. Nothing was overlooked. We wanted to ensure that this site was a pleasant and enjoyable place to work - even including the prevention of musculoskeletal disorders.

Officially opened in February 2015 in the presence of Manuel Valls, the French Prime Minister and Bernard Arnault, CEO of the DVMH Group, La Ruche is the perfect blend of industrial requirements, quality standards, environmental requirements, and the wellbeing of the teams. 350 employees named the site after the bee, which is so dear to Guerlain.
**SIX KEY CHALLENGES DEFINING OUR CSR APPROACH:**

- **PROTECTING BIODIVERSITY**
- **DESIGNING ECO-FRIENDLY PRODUCTS**
- **SOCIAL RESPONSIBILITY**
- **REDUCING CO2 TRANSPORT EMISSIONS**
- **INVOLVING SUPPLIERS**
- **DAY-TO-DAY ECO-RESPONSIBILITY**

Guerlain is not a listed company and as such, only criteria applicable to non-listed companies are shared. Furthermore, the scope covered in this report is limited to Guerlain SA, which corresponds to Guerlain France. It should also be noted that the company’s products are manufactured in France (in Chartres and Orphin) and it is because of this that environmental data mainly refers to these two sites.

**SOCIAL, ENVIRONMENTAL AND CORPORATE DATA FOR GUERLAIN 2016**

### 1° COMPANY INFORMATION

**TOTAL STAFF, BREAKDOWN OF STAFF BY GENDER, AGE AND GEOGRAPHICAL ZONE ON 31/12/2016**

In France, Guerlain has 1,037 permanent employees and 53 employees on fixed-term contracts, making a total of 1,090 FTEs. Out of these employees on permanent employment contracts, 73% are women and 26% are men.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 24 years</td>
<td>3.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td>25 – 29 years</td>
<td>16.4%</td>
<td>15.4%</td>
</tr>
<tr>
<td>30 – 34 years</td>
<td>16.3%</td>
<td>15.5%</td>
</tr>
<tr>
<td>35 – 39 years</td>
<td>17.3%</td>
<td>16.0%</td>
</tr>
<tr>
<td>40 – 44 years</td>
<td>14.3%</td>
<td>16.4%</td>
</tr>
<tr>
<td>45 – 49 years</td>
<td>10.3%</td>
<td>10.4%</td>
</tr>
<tr>
<td>50 – 54 years</td>
<td>12.1%</td>
<td>11.9%</td>
</tr>
<tr>
<td>&gt; 55 years</td>
<td>8.2%</td>
<td>8.6%</td>
</tr>
</tbody>
</table>

### HIRING AND REDUNDANCY

<table>
<thead>
<tr>
<th>Hire type</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>External recruitment</td>
<td>66%</td>
<td>55%</td>
<td>58%</td>
</tr>
<tr>
<td>Internal mobility/group</td>
<td>12%</td>
<td>28%</td>
<td>19%</td>
</tr>
<tr>
<td>Em ployee turnover</td>
<td>22%</td>
<td>17%</td>
<td>22%</td>
</tr>
</tbody>
</table>

### WORKING HOURS

The option to work flexible hours is particularly relevant for technicians/supervisors/managers (157 out of 163 employees, compared to 166 out of 154 in employees in 2015, and 142 out of 101 in 2014). Shift work and night work is practiced by all workers (338 out of 338 compared to 283 in 2015, and 192 of 257 in 2014), for technical, supervisory, managerial (only 76 out of 263, compared to 80 out of 286 in 2015, and 31 out of 264 in 2014). This is then followed by workers and executives, who are least involved (out of 772 and 1,042, respectively, compared to 712 and 438 in 2015, and 512 out of 1,042 in 2016).

In France, workers perform a portion of their functions remotely. At present, around forty employees (women only) have taken advantage of this scheme. We refer to a temporary solution often related to pregnancy or a weekly practice characterized by a good understanding of the role, which is validated by the manager.

### ORGANISATION OF SOCIAL DIALOGUE, I.E. INFORMATION, CONSULTATION AND NEGOTIATION PROCEDURES WITH STAFF

Guerlain believes in open and constructive social dialogue. Our social partners like our employees are committed to the brand and want to see it grow and prosper. The agreements that they sign with us reflect this.

We regularly provide information to works councils and central works councils on the company’s strategic topics: digital affairs, e-commerce, marketing plan, social and environmental issues, future restructuring, etc.

Additionally, all employees were invited to the decision to move the Levallois site. This took place in the form of brainstorming on new ways to work and exchanging ideas on Stock. During 2016, employee representatives participated in 65 meetings, broken down as follows (note that the works council and staff representatives met together):

<table>
<thead>
<tr>
<th>Type of meeting</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>General meeting</td>
<td>67</td>
<td>77</td>
<td>65</td>
</tr>
<tr>
<td>Works council</td>
<td>32</td>
<td>38</td>
<td>47</td>
</tr>
<tr>
<td>Staff representatives</td>
<td>13</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>CHSCT</td>
<td>16</td>
<td>17</td>
<td>15</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
</tbody>
</table>

### COLLECTIVE BARGAINING AGREEMENT REPORT

Five agreements were signed this year: an agreement on social dialogue and relative methods, electronic voting during professional elections, consolidation of works council/staff representatives to create shared representative bodies pursuant to the Rebsamen law, mandatory annual negotiations and the incentives agreement.
OCUPATIONAL HEALTH AND SAFETY CONDITIONS IN FRANCE

On-site and training accidents in 2016

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of accidents</th>
<th>Rate per million hours worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-hour yoga session</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ergonomics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training for mentors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training for seniors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training for employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First-aid training</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rescue training</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total training</td>
<td>11728</td>
<td>50.0</td>
</tr>
</tbody>
</table>

Guerlain makes meeting rooms available; the costs are core-sensitive.

In France, no occupational health and safety agreements were signed in 2016. However, a special safety/evacuation training was held for the members of the Executive Committee. A special safety/evacuation training was held for the members of the Executive Committee.

TRAINEES

In 2016, 48 people were trained in management (see social criteria) and more generally in Montfermiel and Clichy, expresses and transfers. Since 2015, Guerlain’s CEO has been included in Sustainable Development and Montfermiel, the main office of the company.

Training

Training for mentors is always available. More than 7% of training hours was dedicated to seniors this year. This training is also offered to all of our employees. Enrolment is held on a volunteer basis. A fire extinguisher, evacuation and safety training was designed specifically for Executive Committee members. Lastly, an international meeting was held for employees concerning men’s health, as part of our Movember initiatives (see speech given by a gender).

MAKES MEASURES TO PROMOTE THE EMPLOYMENT

Substrate work has been carried out over the past four years, helping us increase from 3.5% to 5.5% (in growth) a disability and enabling us to make real headway at the headquarters (from 1.3% to 3.6%) in France. Guerlain has 30 employees living with a disability in 2016 in its workforce. A sum of €281,069 was donated to the social company, compared to €193,379 in 2015, standing off all the company’s initiatives towards employees with disabilities. This is a topic that features prominently in our priorities, and as we move to improve it, regularly with our teams. For example, for International Day of Persons with Disabilities on 3 December 2016, the Ops site held an awareness session on the subject.

Avoid discrimination policy

To better promote diversity and equal opportunity, we had a partnership with Club and Montfermiel for the past six years, and we are implementing the following actions in these communities:

- Culture and Creative Fashion Show for the Self-poetry award, since Guerlain makes up and participations want to help the "Models for a Day" competition for the event. The second-year training for Amy Quigley, the young woman we met last year during the Culture and Creative Fashion Show. Participation in the Club/Montfermiel recruitment nuts, unfortunately, was not possible.

- Two training-middle school classes from schools in Montfermiel as part of our workplace plan.

- A workstation as a receptionist in partnership with the service provider. To the people who self-evacuate, the meeting area is based in the company’s headquarters, the third and supporting team. The company’s headquarters is the mini-ambulance for all types of activities. Also, we organized these activities.

Training

Staff members in charge of recruitment in France received “Recruiting Without Discriminating” training, which is regularly offered by our parent company, WM. The self-evacuate, to add in terms of recruitment, it is appreciated as to be considered to want.

Training for Sustainable Development Experts: By key disseminating the approach, training is a key specifying the training with the following options, for example, we share new information and updates on our social criteria, actions implemented on the site, regulatory aspects, waste disposal, etc.

As an initiative, Guerlain communication plan dedicated to the approach has been publicized in several initiatives, as well as the approach to diversity and enabling us to make real headway at the headquarters (from 1.3% to 3.6%) in France. Guerlain has 30 employees living with a disability in 2016 in its workforce. A sum of €281,069 was donated to the social company, compared to €193,379 in 2015, standing off all the company’s initiatives towards employees with disabilities. This is a topic that features prominently in our priorities, and as we move to improve it, regularly with our teams. For example, for International Day of Persons with Disabilities on 3 December 2016, the Ops site held an awareness session on the subject.
In our four sites in France, there are over 15 different waste sorting options (paper, cardboards, soft plastic, hard plastic, PE, PS, clear glass, soiled glass, batteries, etc.). In our search for continuous improvement, each new development is scored using an innovative approach. Our Double Degree in Environment and Energy comprises the Ecologie, Energie, HY, and Regional Quality (DHER) curricula. Concerning our industrial production, Guerlain’s factories are classified as Installations Classées pour la Protection de l’Environnement (installations listed under French environmental protection regulations) and as such must comply with strict environmental regulations. Consequently, we are committed to regional, national, and international environmental protection. Our two plants are located away from residential areas to protect residents from any inconveniences.

Our two production plants in France are classified as Installations Classées pour la Protection de l’Environnement (implementing the installation classification law of 1962). Consequently, we comply with the regulations and as such must comply with strict environmental regulations. Due to our industrial production, our two plants are classified as Installations Classées pour la Protection de l’Environnement (installations listed under French environmental protection regulations) and as such must comply with strict environmental regulations. Owing to our two plants being classified as Installations Classées pour la Protection de l’Environnement (installations listed under French environmental protection regulations) and as such must comply with strict environmental regulations, our two plants are classified as Installations Classées pour la Protection de l’Environnement (installations listed under French environmental protection regulations) and as such must comply with strict environmental regulations.

In south India, our perfumer, Thierry Wasser, has set up a new vetiver industry in the region. In 2009, we signed a ten-year Sustainable Development sponsorship agreement with the Brittany Black Bee Conservatory Association, which includes: • Bees and the Island of Ushant: a long-term partnership
• Orchids & Tianzi: a global commitment

Guerlain has decided to publish an annual report called the "ClimatReport", which has three tabs: a basic research laboratory in Strasbourg (France), an experimental garden in Giessen (Germany) and an exploratory reserve in Tianzi (Hunan, China).

In 2009, we signed a ten-year Sustainable Development sponsorship agreement with the Brittany Black Bee Conservatory Association, which includes: • Bees and the Island of Ushant: a long-term partnership
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In south India, our perfumer, Thierry Wasser, has set up a new vetiver industry in the region. Our specialty greenhouses are designed to grow the vetiver plant. The roots of the vetiver plant limit soil erosion and improve soil humidity and fertility. The roots of the vetiver plant limit soil erosion and improve soil humidity and fertility. The roots of the vetiver plant limit soil erosion and improve soil humidity and fertility. The roots of the vetiver plant limit soil erosion and improve soil humidity and fertility. The roots of the vetiver plant limit soil erosion and improve soil humidity and fertility. The roots of the vetiver plant limit soil erosion and improve soil humidity and fertility. The roots of the vetiver plant limit soil erosion and improve soil humidity and fertility. The roots of the vetiver plant limit soil erosion and improve soil humidity and fertility.

Our biodiversity strategy involves creating sustainable industries. These three industries will open up opportunities for other endeavors: raw materials used by our existing regulatory oversight is needed to ensure the sustainability of our innovations and raw materials and as a contribution to the Beauty of our planet. That is why Guerlain decided to team up with several organisations and local stakeholders in order to create a variety of programmes including...
3 - INFORMATION ABOUT SOCIAL COMMITMENTS THAT PROMOTE SUSTAINABLE DEVELOPMENT

IN THE FIELD OF EMPLOYMENT AND REGIONAL DEVELOPMENT

At Guerlain, we are very proud of the ‘Made in France’ label our products are made in Crolles and Chartrons.

LOCAL COMMUNITIES AND RESIDENTS

We have not had a negative impact thanks to boosting our plants in business zones.

DIALOGUE CONDITIONS WITH THESE INDIVIDUALS AND ORGANISATIONS

A responsible advertising agency supports our external communications. Our brochure summarizing eight years of actions is given to each employee and is available in all stores to interested customers.

During breakfasts and evening events such as “The 68 Sustainable Inspirations”, Guerlain shares and discusses issues surrounding sustainable development with experts and stakeholders.

For the moment, there is no formal dialogue with other stakeholders, though the creation of an ethics committee is planned for 2017.

PARTNERSHIP AND SPONSORSHIP ACTIONS

As a responsible company, it seemed obvious that Guerlain would make societal commitment i.e. implementing actions that benefit others rather than ourselves.

For 13 years, Guerlain has supported Belle&Bien which offers free beauty workshops in hospitals for women with cancer to help them regain confidence and self-esteem. Furthermore, it offers money for restorations for the library at Crolles Elementary school.

In 2016, over 150 employees participated in the day.

The associations which we support

In France, our assistance translates to financial support and team involvement. In 2015, we launched the “Journée Engagée” initiative in France: a day off from work offered by Guerlain to its employees so they can volunteer in an environmental or social initiative which they support.

We have a policy of supporting associations. This year, we launched “Responsables de la Journée Engagée”. This is a work flexibility initiative, a day off from work. Guerlain’s employees were given a day off in order to volunteer for the “Journée Engagée”.

Furthermore, other events are offered with Restos for the Stray competition launched by Guerlain, all royalties will be donated to the Restos du Coeur to fund workshops to tackle leisurelessness. As soon as we have anything to donate - laptops at the end of their lease or wedding dresses used in advertisements - we like to give to the Restos.

And finally, since 2015, we have decided to go further in our support for the 1111 symbol of Guerlain, which is key to biodiversity. Guerlain has decided to support the OPA French Apidology Observatory in its goal of having 20,000 new beekeepers in Europe and creating 10 million new colonies by 2025.

We provide financial support which has helped train 2 beekeepers in 2015 and we highlight the association every chance we get.

INTEGRATING SOCIAL AND ENVIRONMENTAL ISSUES IN THE PROCUREMENT POLICY

For several years now, our service providers and suppliers have been aware of Guerlain’s sustainable development approach. Corporate responsibility criteria have been included in our invitations to tender and are key decision-making criteria. In order to further formalise our commitment, we have over 600 suppliers on our “Responsables de la Journée Engagée” list, including over 30 suppliers who are our “Responsables de la Journée Engagée”.

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Moreover, 38 environmental audits were carried out in 2016, compared with 9 the previous year.

All suppliers must complete a self-evaluation form in order to obtain a score. An analysis was conducted by the Procurement coordination unit of the Perfumes & Cosmetics branch to compare scores from suppliers to the same family. A total of 34 external suppliers and 5 internal suppliers (suppliers working with glass makers) were included in the analysis. In each category, the best supplier scores are considered to be the best in class.

For the moment, there is no formal dialogue with other stakeholders, though the creation of an ethics committee is planned for 2017.

During breakfasts and evening events such as “The 68 Sustainable Inspirations”, Guerlain shares and discusses issues surrounding sustainable development with experts and stakeholders.

Moreover, it is the company’s ambition to organise, in 2017, an ethics committee. This committee will ensure improved management of our social and environmental issues.

The aim of this format is to facilitate the use and handling of the report in order to ensure pleasure of use, functionality and a rational use of resources. For this edition, the Curious Matter paper used for the cover uses an innovative starch-based technique to create a unique texture. The Cocoon Silk paper used for the internal pages is 100% recycled. This paper is also FSC certified in order to ensure that the forest the wood was taken from is properly managed. We would like to thank all the individuals who made time to participate in the “Regards Croisés”, joint interviews. We would like to thank our partners who designed and drafted this report: Development and editorial: Cécile Lochard, Citizen Luxury Agency - Design & Production: Julie Chazelle - Photographs: Arnaud Jacq at 68 Guerlain - Printing: Handiprint - a disability-friendly company.

THE EXEMPLARY NATURE OF THE REPORT

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