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DO NOT FORGET TO CONFIRM  
YOUR SUBSCRIPTION



MINIMUM  
SUBSCRIPTION

1 L'ORÉAL SHARE



MAXIMUM  
SUBSCRIPTION

50 L'ORÉAL SHARES<sup>3</sup>

AMOUNTING TO UP TO  
25% OF YOUR 2020 GROSS  
ANNUAL SALARY

<sup>3</sup> This number may be reduced if the shares are oversubscribed.

# L'ORÉAL

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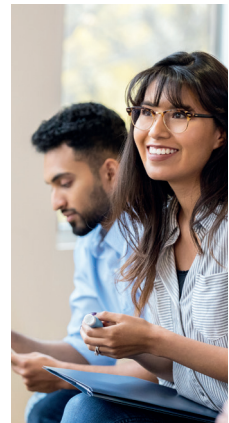
## THE OFFER IN BRIEF

### EMPLOYEE SHARE PLAN 2020



FROM  
SEPTEMBER  
17  
TO  
OCTOBER  
2,  
2020

# COUNT ME IN!



OEB\_FCP\_E-ZE\_LTV\_EN20 - Photos Credit : Shutterstock - Gettyimages

# L'ORÉAL

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## UNDERSTANDING THE EMPLOYEE SHARE PLAN

L'Oréal is once again offering you the possibility to be involved in the Group's success: becoming a shareholder through its "L'Oréal Employee Share Plan" Employee Shareholding Fund (*Fonds Commun de Placement d'Entreprise*, or FCPE).

The "L'Oréal Employee Share Plan" FCPE is a shareholding fund restricted to Group employees wishing to invest in L'Oréal shares.

**By participating in this new Employee Share Plan, you can buy L'Oréal shares on preferential terms.**

A **20% discount** off the share's reference price\*

L'Oréal gives you up to **4 free shares**, depending on your investment

Payment facilities

### BEFORE YOU INVEST

#### By participating in the Plan, you will be a L'Oréal shareholder

As a result, you will receive any annual dividends paid and these will be reinvested in the FCPE. These dividends will increase by 10% after you have held your shares for two calendar years – in other words, in 2023.

Like any shareholder, your investment will follow the L'Oréal share price up or down. This means that you may make a capital loss.

#### Your investment will be locked in for 5 years

Your investment will be locked in until November 3, 2025 except in the specified early release situations.

\* The reference price is the average opening listed price of the L'Oréal shares between August 17 and September 11, 2020 and will be fixed on September 14, 2020.

## FREE SHARE RULE

In the Employee Share Plan, free shares will be distributed as shown in the following table:

If you purchase this number of shares in 2020:	+	L'Oréal will give you the following number of free shares in 2025:	=	Total of your investment in 2025:
1		1		2 shares
2		1		3 shares
3		2		5 shares
4		2		6 shares
5		2		7 shares
6		2		8 shares
7		3		10 shares
8		3		11 shares
9		3		12 shares
10 or more <sup>1</sup>		4		14 shares or more

If you purchase more than 10 shares, you will receive the maximum of 4 free shares.

### EXAMPLE

Let us assume that the **reference price of the L'Oréal shares is €250**. For you, the purchase price of a share would be **€200** (i.e., €250 minus the 20% discount).

You wish to purchase 3 shares

In 2020, you pay for 3 shares at the discounted price, i.e., **€600** (€200 x 3)

+

In 2025, L'Oréal gives you **2 free shares**

Let us assume that value of the L'Oréal shares is **€250** in 2025.



The value of your investment in 2025 is **€1,250** (€250 x 5)

In this example, you would make a capital gain of

**€650<sup>2</sup>**

<sup>1</sup> You can buy a maximum of 50 shares (unless the shares are oversubscribed).

<sup>2</sup> Excluding taxes and any dividends.

## WHO CAN SUBSCRIBE?

Anyone who has worked for a L'Oréal Group company for at least 24 months and is still a Group employee on October 2, 2020.

## WHAT HAPPENS AFTER YOU SUBSCRIBE?

**Your shares in the fund are locked in for five years**, meaning that you cannot sell them before the end of the lock-in period except in the early release situations mentioned in the "Local Supplement" document.

**You will receive the free shares** at the end of the lock-in period, around November 3, 2025. You will be given the free shares provided that you are still a L'Oréal Group employee on that date (except in the special cases mentioned in the "Free Share Allocation Plan (PAGA) rules" document).

**L'Oréal pays the account management fees.**



### VISIT

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