

From
June 8 to 22,
2022

Employee Share Plan 2022

I'M IN!



L'ORÉAL
WWW.INVEST.LOREAL.COM

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OFFER SCHEDULE

As a result of sanctions currently imposed by the European Union, citizens or residents of Russia or Belarus who do not have legal residence or citizenship in the European Union may not participate in this offering.

This brochure is for informational purposes only and should not be relied upon in making a decision to participate in the 2022 L'Oréal Employee Share Plan. Please consult the description of the terms of the offering in the "Local Supplement" for your country and the information in L'Oréal's Registration Document for 2021 (both of which are available at www.invest.loreal.com) before making a decision to participate in the program. The "Local Supplement" also contains information concerning the tax consequences of your investment. If there are inconsistencies between the "Local Supplement" for your country and this brochure, the "Local Supplement" will control. Nothing in this brochure or the "Local Supplement" (or any other communications regarding the 2022 Employee Share Plan) should be construed as tax, investment or legal advice. You should seek advice from your own tax, legal and financial advisors before deciding whether to participate in the program.

Message by Nicolas Hieronimus



“Our Group has emerged stronger from the health crisis and our business model is balanced in terms of Divisions, geography and categories.”

NICOLAS HIERONIMUS
CEO

Dear L'Oréalians,

In 2018 and 2020, under the leadership of Jean-Paul AGON and the entire executive committee, the Group decided to offer you the opportunity to become L'Oréal shareholders by purchasing shares in our company on preferential terms.

Together, these two plans have enabled some 30,000 employees to demonstrate their commitment to and confidence in the future growth and values of the L'Oréal Group.

In 2022, we are again pleased to offer you another opportunity to strengthen your link with the Group and our future financial and extra-financial success.

This plan will give you another opportunity to join in our everyday quest, whatever your role in the company, of creating the beauty of the future and defining the shape of the L'Oréal of tomorrow through digital, technological and environmental transformations.

Our Group has emerged stronger from the health crisis and our business model is balanced in terms of Divisions, geography and categories.

Finally, beyond our financial performance, your commitment allows L'Oréal to participate in a common goal, our 'raison d'être': to create the beauty that moves the world.

The 2022 plan will have an extended scope - with 64 countries participating (compared with 52 in 2018 and 57 in 2020).

As CEO of this great company, it is my deepest conviction that you, our employees, are our biggest asset. I look forward to making this plan, once again, a big success.

I thank you for your commitment and your confidence in our collective adventure!

L'Oréal in brief

L'ORÉAL, THE WORLD LEADER IN BEAUTY

L'Oréal is the world's leading beauty company. For more than 110 years, we have devoted ourselves to a single goal: fulfilling the beauty aspirations of consumers around the world. Our purpose is to create the beauty that moves the world and this defines our approach to beauty as inclusive, ethical, generous and committed to social and environmental sustainability. We offer each and every person around the world the best quality, efficacy, safety, sincerity and responsibility, while celebrating beauty in its infinite plurality across our broad portfolio of 35 international brands and through ambitious sustainability commitments in our L'Oréal for the Future program.

L'Oréal has 85,400 committed employees, a balanced geographical footprint and sales across all distribution networks (e-commerce, mass market, department stores, pharmacies, hair salons, travel retail and brand stores). In 2021, the Group generated €32.28 billion in sales. We are focused on inventing the future of beauty and becoming a Beauty Tech powerhouse with 20 research centers in 11 countries around the world and a dedicated Research and Innovation team of 4,000 scientists and over 3,000 tech professionals.

2021 KEY FIGURES



**1ST COSMETICS
GROUP
WORLDWIDE**



**85,400
EMPLOYEES**



**OPERATES
IN MORE THAN
150 COUNTRIES**



**1 BILLION EUROS
DEDICATED TO
RESEARCH AND
INNOVATION**



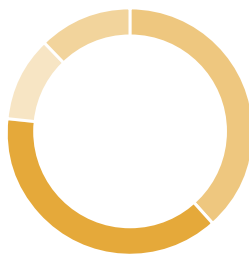
**€32.28 BILLION
IN SALES**



**35 MAJOR
INTERNATIONAL
BRANDS**

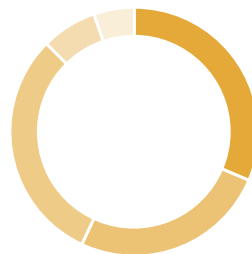
BREAKDOWN OF 2021 SALES

BY DIVISION



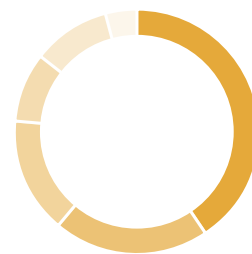
- **38.2%** L'ORÉAL LUXE
- **37.9%** CONSUMER PRODUCTS
- **12.2%** ACTIVE COSMETICS
- **11.7%** PROFESSIONAL PRODUCTS

BY GEOGRAPHIC ZONE



- **31.5%** EUROPE
- **30.5%** NORTH ASIA
- **25.3%** NORTH AMERICA
- **7.2%** SAPMENA-SSA²
- **5.5%** LATIN AMERICA

BY BUSINESS SEGMENT

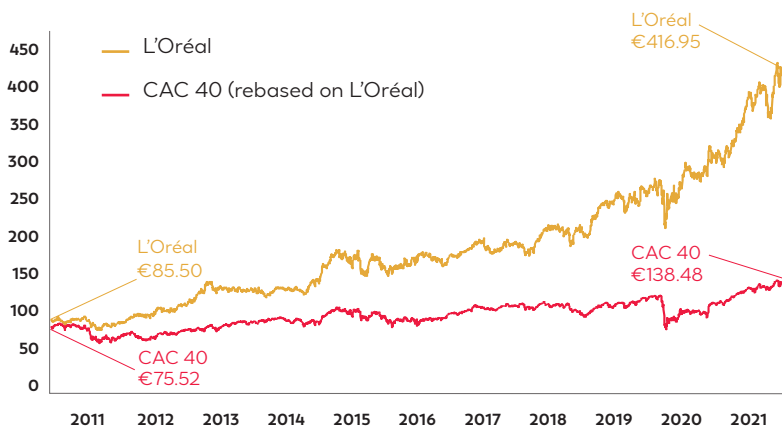


- **40.2%** SKINCARE AND SUNSCREENS
- **20.5%** MAKEUP
- **15.1%** HAIRCARE
- **10.9%** FRAGRANCES
- **9.3%** HAIR COLORING
- **3.9%** OTHER³

² South Asia, Pacific, Middle East, North Africa and Sub-Saharan Africa.

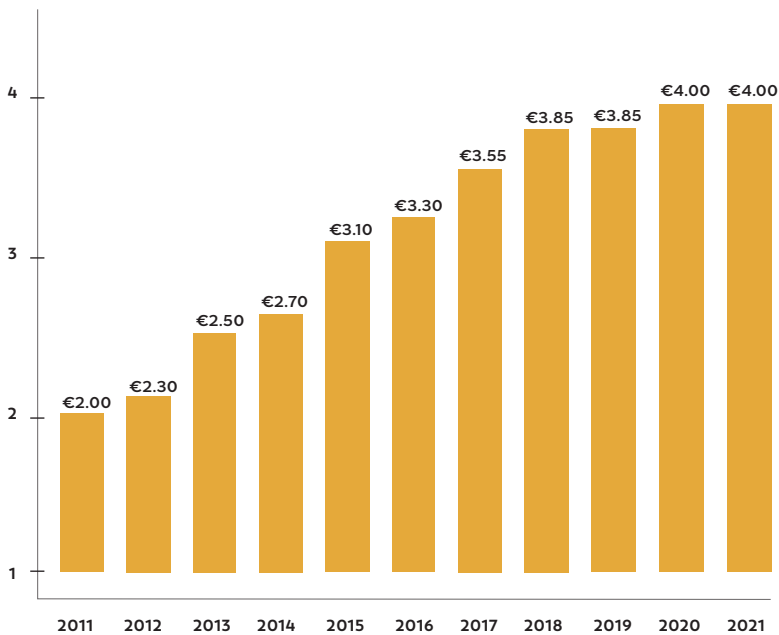
³ "Other" includes hygiene products as well as sales by American professional distributors with non-Group brands.

L'ORÉAL SHARE PRICE (IN EUROS) BETWEEN 2011 AND 2021



Growth: Thomson Reuters Datastream

EVOLUTION OF UNIT DIVIDEND (IN EUROS) BETWEEN 2011 AND 2021



The dividend is a portion of the Group net profit that, depending on the decision of the General Shareholders' Meeting, is distributed to shareholders. Past dividends are not predictive of future dividends.

SALES GROWTH FROM 2011 TO 2021 (IN BILLIONS OF EUROS)

2021	32,288
2020	27,992
2019	29,873
2018	26,937
2017	26,024
2016	25,837
2015	25,257
2014	22,532
2013	22,124
2012	21,638
2011	20,343

Warning: past performance does not predict future performance.

L'Oréal periodically publishes documents, including financial information, on its website (www.loreal-finance.com). You are invited to consult these documents, which contain important information on subjects including the Group's business, strategy and objectives, the risk factors inherent in the Group and its business, and its financial results.

Understanding the Employee Share Plan

AN INVESTMENT IN L'ORÉAL SHARES IN THE INTERNATIONAL EMPLOYEE SHARE PLAN

In this L'Oréal Employee Share Plan, you can purchase L'Oréal shares on preferential terms.

If you choose to subscribe to shares in the Employee Share Plan, they will be recorded under your name in a share account. These shares cannot be sold (they are "locked in") for five years except in the specified early release situations.



ADVANTAGES OF THE OFFER

20% discount

As an employee, you benefit from a Plan subscription price that includes a 20% discount on the share's reference price. The reference price is the average opening listed price of the L'Oréal shares between May 6, 2022, and June 2, 2022. The L'Oréal share subscription price will be fixed on June 3, 2022, and is equal to the reference price reduced by the 20% discount.

L'Oréal gives you up to four free L'Oréal shares in addition to your subscription. This is a contribution made by the company. You will be given the free shares at the end of the lock-in period, i.e., around July 26, 2027, if you are still a L'Oréal Group employee on that date (or in the special cases mentioned in the "Local Supplement").

Up to 4 free shares



Use the **ONLINE SIMULATOR** to calculate your investment.

www.invest.loreal.com

FREE SHARE RULE

If you purchase in 2022	+	L'Oréal will give you free ⁴ in 2027	=	TOTAL investment in 2027
1 share		1 share		2 shares
2 shares		1 share		3 shares
3 shares		2 shares		5 shares
4 shares		2 shares		6 shares
5 shares		2 shares		7 shares
6 shares		2 shares		8 shares
7 shares		3 shares		10 shares
8 shares		3 shares		11 shares
9 shares		3 shares		12 shares
10 shares ⁵		4 shares		14 shares

You can buy a maximum of 50 shares (unless the shares are oversubscribed).


+

=


**IF YOU PURCHASE
3 SHARES IN 2022**

**L'ORÉAL WILL GIVE YOU⁴
2 FREE SHARES IN 2027**

**BRINGING YOUR TOTAL INVESTMENT
TO 5 SHARES IN 2027**

In this hypothetical example in which the reference price is €350 per L'Oréal share, the share purchase price would be €350 - the 20% discount = €280, i.e., a payment of €840 for 3 L'Oréal shares. If the L'Oréal share price is again €350 on July 26, 2027, your investment would be worth €1,750 in 2027.

You pay in 2022
3 X €280 = €840

L'Oréal gives you free in 2027
2 X €350 = €700

Total value of your investment in 2027
5 X €350 = €1,750

THE VALUE OF YOUR INVESTMENT WILL VARY DEPENDING ON THE L'ORÉAL SHARE PRICE

IN THIS EXAMPLE, BY PURCHASING 3 SHARES:

You pay in 2022		If the L'Oréal share price in trading on July 26, 2027	The value of your total investment in 2027 will be ⁶
	↘	Is 15% down on the reference price, i.e., €297.50	€1,487.50
€840	=	Is equal to the reference price, i.e., €350	€1,750
	↗	Is 15% up on the reference price, i.e., €402.50	€2,012.50

⁴ If you are still a Group employee or in the special cases mentioned in the "Local Supplement"

⁵ If you purchase more than 10 L'Oréal shares, you will receive the maximum of 4 free shares.

⁶ Excluding taxes and dividends.

Employee Share Plan



Voting rights attached to your shares

As a shareholder, you can exercise the voting rights attached to each of your shares in General Meetings.

You will directly receive any dividends⁷ paid by L'Oréal. These dividends will be increased by 10% after you have held your shares for two years.

Payment options for financing your subscription

Payment details appear in your "Local Supplement", which can be downloaded from www.invest.loreal.com.

Potential dividends

FINANCIAL BENEFITS

L'Oréal pays the account management fees for maintaining your account⁸. Note, you are responsible for any sale or transfer fees you may incur as a result of future transactions. You are also responsible for the taxes that may be due, as detailed in the "Local Supplement."

8 ⁷ The dividends are not paid automatically and depend on the Group's profits. They are decided in General Meetings.

⁸ For all present and retired employees.

PARTICIPATING IN THE EMPLOYEE SHARE PLAN

FOR A LONG-TERM INVESTMENT

Investing in L'Oréal shares is a personal decision

Before you decide to invest in this Plan, we invite you to consult the latest annual or half-yearly reports by the L'Oréal Group. These documents contain important information on the Group and its strategy, performance and financial position.

The details contained in this brochure are provided solely for information and do not constitute financial or investment advice from L'Oréal. Your decision to participate in this operation is a free and strictly personal one and will have no effect, neither positive or negative, on your employment.

The value of your investment depends on the share price

Your investment will follow the L'Oréal share price up and down. As a result, you may incur a capital loss. Consequently, the value of your assets on exit from the Plan may be less than your personal contribution, depending on the share price.

Your investment will be locked in for 5 years

Your investment will be locked in until July 26, 2027 (inclusive), except in the early release situations mentioned in the "Local Supplement".

L'Oréal will give you the free share(s) at the end of the lock-in period, around July 26, 2027, if you are still a L'Oréal Group employee on that date (or in the special cases mentioned in the "Local Supplement").

At the end of the five-year lock-in period:

- You can keep your shares for as long as you want or
- You can sell them at any time.



FOR FURTHER INFORMATION

on early release situations,
please consult the "Local
Supplement".

Note

L'Oréal shares are listed in euros on the Paris Stock Exchange. The value of your investment will vary as the exchange rate between the euro and the US Dollar fluctuates over the term of your investment. Consequently, if the value of the euro rises against the dollar, the value of your shares will rise in dollars. Conversely, if the value of the euro drops against the dollar, the value of your shares will drop in dollars.



Employee Share Plan

SUBSCRIPTION TERMS AND CONDITIONS

WHO CAN SUBSCRIBE?

- Employees who work for an eligible L'Oréal Group company, have 24 months of service, and are still a Group employee on the last day of the subscription period, i.e., June 22, 2022.

WHAT HAPPENS IF THE SHARES ARE OVERSUBSCRIBED?

If more shares are requested than are proposed under the Employee Share Plan, the biggest subscriptions (including any free shares) will be reduced until the allotted number of shares reserved for the Plan is reached.

This is done before the shares are definitively allocated and paid for.

ARE THERE LIMITS TO MY SUBSCRIPTION?

Minimum
1 L'Oréal share

Maximum
50 L'Oréal shares

subscription value cannot exceed 25% of your 2022 gross annual salary⁹.

This amount may be reduced if the shares are oversubscribed.

At the end of the subscription period, your subscription choices will be final and you can no longer change them.

HOW DO EMPLOYEES INVEST?

YOU CAN SUBSCRIBE IN A FEW CLICKS:

1

VISIT THE
WWW.INVEST.LOREAL.COM WEBSITE

2

CLICK THE
"SUBSCRIBE" BUTTON

3

LOGIN USING THE PERSONAL ID
YOU WERE SENT
(BY E-MAIL OR BY LETTER TO YOUR HOME)

4

FILL IN THE ONLINE
SUBSCRIPTION FORM

5

DO NOT FORGET TO CONFIRM
YOUR SUBSCRIPTION

Employees can subscribe only once.



Use the **ONLINE SIMULATOR** to calculate your investment.

www.invest.loreal.com

OFFER SCHEDULE



SUBSCRIPTION PRICE AND EXCHANGE RATE FIXED

You will be informed of the subscription price and exchange rate on the website www.invest.loreal.com and by e-mail.

Register now in the “E-mail alerts” module on www.invest.loreal.com to receive them by e-mail.

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JUNE 3, 2022

(5:59 PM EST)

8-22

JUNE 8 TO 22, 2022

SUBSCRIPTION PERIOD

During this period, you can subscribe on the website www.invest.loreal.com by clicking “Subscribe”.



CAPITAL INCREASED AND SHARES DELIVERED

During the weeks after the close of the subscription period, you will receive a confirmation of your subscription.

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JULY 26, 2022



ASSET AVAILABILITY DATE (AFTER A FIVE-YEAR LOCK-IN PERIOD)

**As of this date, you can
choose to either:**

- Request to sell or transfer your shares or,
- Keep your shares in the “L’Oréal Employee Share Plan”.

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JULY 27, 2022



IO DICO SÌ!

I'M IN!

ICH BIN DABEI!!

КАЗВАМ ДА!

IK DOE MEE!

HOVO

JÁ ŘIKÁM ANO!

JEG SIGER JA!

YO DIGO SÍ!

MA ÜTLEN JAH!

Je participe !

मुझे इसमें शामिल करें!

SANON KYLLÄ!

REC

Я ГОВОРИЮ «ДА»!

ΛΕΩ ΝΑΙ!

EU DIGO SIM!

I'M IN!

J'

JA SAM ZA!

ייל מיאתמ הן

LIBATKAN SAYA!

Я КАЖУ ТАК!

Je participe !

IO DICO SÌ!

一份!

PI

SAKAU JAM TAIP!

算上我!

A VÁLASZOM IGEN!

SAYA IKUT!

MÓWIĘ TAK!

JAG SÄGER JA!

A TAKK!

ฉันตอบตกลง!

BEN DE VARIM!

IO DICO SÌ!

NASEMA NDIYO!

저도 함께 합니다

U SPUN DA!

ES SAKU JĀ!

私も参加します!

LIBATKAN

L'ORÉAL

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