

**L'ORÉAL EMPLOYEE SHARE OFFERING 2026  
LOCAL SUPPLEMENT FOR SPAIN**

*You have been invited to participate and receive shares in L'Oréal ("**Shares**") within the L'Oréal group employee share plan 2026. You will find below a brief summary of the local offering information and principal tax consequences relating to the offering. Neither L'Oréal Group nor your employer company will give you any kind of financial advice related with this offer.*

**Local Offering Information**

***Participation Period***

The participation period starts on June 10, 2026 and lasts until June 24, 2026 (inclusive).

During the participation period, you may subscribe online at <https://invest.loreal.com>. Username and password will be provided to you by email or mail.

***Reference price and Acquisition Price***

The acquisition price will be set on June 5, 2026 as the average opening price of the Shares over the 20 preceding trading days (the "reference price") minus a 20% discount.

***Method of acquisition – What are the acquisition methods available for my participation in case I choose to participate in the Plan?***

**A. To subscribe for the Shares directly** by paying the purchase price as defined for the purposes of the Plan by means of a SEPA Direct Debit to the bank account that you indicate.

**B. Pay through salary deduction ("flexible retribution")**, by agreeing with your employer to reduce your gross annual salary by the amount corresponding to the purchase price defined for the purposes of the Plan, by signing the corresponding agreement for the temporary novation of your remuneration conditions. The reduction of the gross monthly salary will be made on the monthly pay slips corresponding to the period from July 2026 to December 2026, under the terms provided for in the temporary novation agreement.

Please note that salary after such deduction cannot be lower than the Minimum Interprofessional Salary which amounts to €1,221 per month (in 14 payments) and €17,094 per year in 2026.

***Custody of your Shares, voting rights and dividends***

Your Shares will be held in your name in a securities account in a financial institution (Uptevia). Information regarding custodianship of your Shares will be provided to you following the participation period.

You will be entitled to directly exercise the voting rights attached to your L'Oréal Shares. Any dividends paid by L'Oréal will be directly paid to you.

You will receive annual account statements in relation to your Shares from the financial institution holding your Shares.

## **Securities Notices**

In accordance with article 1.4.(i) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, L'Oréal group is exempted from the obligation to publish a prospectus in Spain regarding the L'Oréal group employee share plan 2026.

Pursuant to the provisions of the Spanish Law 6/2023, of 17 March, on Securities Markets and Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) no formal prior authorization shall be obtained from the CNMV for this offering of shares for employees.

This document, jointly with the Information Brochure provided to you, comply with the requirements of article 1.4.(i) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, which set forth the obligation of having a document containing information regarding the offering available for the persons to whom such offering is addressed.

### ***Lock-up period and Early Exit Events - In which cases may I ask for an early redemption?***

**Under the L'Oréal employee share plan 2026**, your Shares must be held for a period of five-year, ending on July 30, 2031 (inclusive).

Nevertheless, you may be able to request early release and exit from the plan before the end of the lock-up period in the case of early exit events as described below:

1. marriage or civil union;
2. birth or adoption of a third child (or higher);
3. divorce (if custody of at least one child is retained);
4. domestic violence committed against the employee by his/her spouse, partner, civil partner, or his/her former spouse, partner or civil partner;
5. disability of the employee, spouse or any of his or her minor descendants living with him or her.
6. death of the employee or his/her spouse;
7. use of proceeds for creation by the employee, child or spouse of certain businesses;
8. use of the proceeds for the acquisition or enlargement of the principal residence;
9. over-indebtedness;
10. termination of employment;
11. use of proceeds for energy-efficiency renovation work on the main residence; and
12. use of proceeds for the purchase of an electric and/or hydrogen-powered vehicle.

These early exit events are defined by French law and must be interpreted and applied in a manner consistent with French law. You should not conclude that an early exit event is available unless you have

described your specific case to your employer and your employer has confirmed that it applies to your situation, upon your providing the requisite supporting documentation.

## **FREE SHARES**

Your participation in the Plan may imply the right to additional shares of L'Oréal S.A. for free ("**Free Shares**"). You would be entitled to Free Shares proportionally to your participation for the ratio described in the Information Brochure. These Free Shares will be delivered to you at the end of the vesting period, in July 2031, subject to the terms and conditions provided for in the Free Share Plan Rules.

You will find below a summary of certain conditions applicable to the grant, vesting and delivery of the Free Shares. For the full description, please refer to the Free Share Plan Rules made available to you at <https://invest.loreal.com> (in French and English) and upon request from your RH correspondent. Participation to the L'Oréal employee share plan 2026 implies acceptance of the Free Share Plan Rules.

**Eligibility to the grant of Free Shares:** in order to qualify for a grant of Free Shares within the framework of the L'Oréal employee share plan 2026, you must satisfy the following conditions:

- you must have validly participated in the context of the L'Oréal employee share plan 2026 and must have satisfied all the conditions for participating therein;
- your participation in, or your subscription or payment for, the L'Oréal employee share plan 2026 must not have been rejected or cancelled on (or prior to) the Grant Date (defined below);
- the payment of the acquisition price or the reduction in your gross annual cash salary, whichever your participation election may have been, must have been fully completed as of the Delivery Date (defined below).

**Grant Date:** The date of the grant shall occur on the date on which the Shares delivered pursuant to the L'Oréal employee share plan 2026 participation are issued, i.e. on July 30, 2026, or shortly thereafter. Within weeks of the Grant Date, each beneficiary shall receive a letter or statement electronically confirming that he or she is a beneficiary of the grant of Free Shares and stipulating the number of Free Shares granted to him or her, subject to the conditions of the Free Share Plan Rules (as summarized hereafter).

**Delivery Date:** Subject to the satisfaction of the conditions stipulated below, the Free Shares will be delivered to you on or around July 31, 2031.

**Conditions to be satisfied to receive the Free Shares at the end of the lock-up period** (you may refer to article 6 of the Free Share Plan Rules for a detailed and full description of that conditions; stipulations below are only a summary of the applicable conditions and do not supersede provisions of the Free Share Plan Rules):

In order to receive the Free Shares, you must remain an employee of the L'Oréal Group from the last day of the participation period pursuant to the L'Oréal employee share plan 2026 until the 20th calendar day preceding the Delivery Date (the "**Continued Employment Condition**").

The period between the last day of the participation period pursuant to the L'Oréal employee share plan 2026 and the 20th day calendar day preceding the Delivery Date shall be referred to hereinafter as the "**Acquisition Period**".

Nevertheless, you will be deemed to have satisfied the above Continued Employment Condition if, at any time during the Acquisition Period, you lose the status of employee of the L'Oréal Group for one of the following reasons (the "**Exceptions to the Continued Employment condition**"):

**Death:** In the event of death, your heir(s) may request, the delivery of the Free Shares within six months of the death. In such a case, any Free Share granted shall be delivered to the assigns shortly after the submission of their request and the Acquisition Period shall not apply. In the absence of such a request, the Free Shares granted to the deceased beneficiary shall be delivered to the heirs on the Delivery Date.

**Disability:** In the event of disability, as defined in Article L. 225-197-1 of the French Commercial Code, during the Acquisition Period, the Free Shares granted shall be delivered shortly after the occurrence of the relevant disability event.

**Retirement:** In the event of retirement at the minimum retirement age stipulated by the law of the relevant country, the Free Shares shall be delivered to the beneficiary on the Delivery Date.

**Dismissal for a reason other than gross misconduct or serious misconduct:** In the event of a dismissal for a reason other than gross misconduct or serious misconduct, the Free Shares granted shall be delivered to the beneficiary on the Delivery Date. For the purposes of the plan, dismissal for gross misconduct or serious misconduct entailing the forfeiture of the right to receive the Free Shares shall be assessed having regard to the regulations of the relevant country applicable to the dismissal of the beneficiary.

**Termination of the employment contract pursuant to the mutual agreement of the employee and the employer:** In the event of the termination of the employment contract of the beneficiary pursuant to a mutual agreement, the Free Shares shall be delivered to the beneficiary on the Delivery Date.

**Change of control of your company/employer:** In the event of a change of control over your company/employer, those beneficiaries who are employees or corporate officers of the relevant company shall receive their Free Shares on the Delivery Date.

**Ownership of the Free Shares:** On the Date of Delivery, any Free Shares delivered will become your full property. Your Free Shares will be delivered and held through the securities account where the Shares you requested are registered. In the event that a L'Oréal company is required to pay taxes, social charges or any other governmental charges on behalf of any beneficiary of the Free Shares as a result of the grant or delivery of the Free Shares, L'Oréal reserves the right to delay the transfer of the Free Shares to such person until such person has paid all such amounts, or made arrangements for payment that are satisfactory to L'Oréal, or to cause the sale of the shares and withhold from the proceeds the relevant amounts.

## **Tax Information for Employees Resident in Spain**

*This summary sets forth general principles in effect at the time of participating in the Offer, that are expected to apply to employees (“**Participants**”) who are and who shall remain, until the disposal of their investment, tax residents in Spain for the purposes of the tax laws of Spain and of the tax treaty concluded between France and Spain for the avoidance of double taxation (the “**Treaty**”), dated 10 October 1995, and are entitled to the benefits of the Treaty and do not carry out their professional activity in France. The tax consequences listed below are described in accordance with Spanish tax law and certain French tax laws and practices, all of which are applicable in March 2026. These principles and laws may change over time.*

*This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive. For definitive advice, employees should consult their own tax advisors.*

### **Upon purchase/receipt of the Shares**

#### **I. Will I be required to pay any tax or social security charges at the moment of acquisition?**

##### **I.1 Taxation on the difference between the acquisition price and the market value of the L’Oréal shares at the time of acquisition**

Yes.

For the employees, the acquisition of shares at a discounted price to their fair market value would be considered as remuneration in kind, being taxable by Personal Income Tax (“PIT”) at progressive tax rates ranging from 17.5% to 54% (depending on the Autonomous Region where the employee habitually resides). Said remuneration would be determined by the difference between the fair market value of the shares received at delivery and the price paid by the employee for acquiring such shares.

Regarding the method of calculation of the shares’ fair market value, please note that the Spanish PIT Law does not foresee any specific provision in this regard. In general terms, the market value of the shares would be determined by the closing price at the moment of the acquisition (*i.e.*, delivery of the shares).

The employer would be liable to carry out the corresponding withholding on account (“*ingreso a cuenta*”) equivalent to the result of applying the withholding rate applicable to each employee to the remuneration in kind satisfied. In practice, the employer will charge the payment on account through deduction from their payrolls.

Notwithstanding the above, an annual PIT exemption up to EUR 12,000 could apply to the remuneration in kind<sup>1</sup> derived from the acquisition of shares held directly provided that the following requirements are met:

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<sup>1</sup> In the case of opting for the alternative of receiving shares free of charge, partially reducing the gross annual salary (*i.e.*, the flexible retribution) with the corresponding novation of the employment contract, this exemption would apply to (i) the personal contribution of the employee (*i.e.*, the part of the salary which has been waived to obtain the shares), (ii) the matching contribution and (iii) the discount.

- (i) Shares should be offered by the employer company or, in general terms, by any other company of the group or sub-group of companies<sup>2</sup>;
- (ii) Shares should be offered to all the employees in the same conditions (please note that the requirement related to the minimum employment condition does not prevent the application of the tax exemption);
- (iii) Employees, together with relatives, should not have more than 5% of the employer company or, in general terms, of any other company of the group or subgroup of companies; and,
- (iv) Shares should be held by the employees for at least three years<sup>3</sup>.

Please note that the PIT exemption is not applicable to the employee's resident in Alava<sup>4</sup>, Gipuzkoa and Biscay.

From a Social Security perspective, since the difference between the acquisition price and the market value would be considered salary or remuneration in kind, it would be subject to Social Security contributions at a rate of 6.50% for the employee and of 30.65% for the employer (plus the variable contribution rate for work accidents and professional illnesses purposes, depending on the specific activity carried out), up to the maximum contribution base of €5,101.20 per month, in force as from 1 January 2026.

However, since 2025, the exceeding amount from the maximum contribution base will also be subject to Social Security contributions and both employer and employee (in the percentages established for the common contingencies contributions) will pay Social Security contributions (solidarity contribution), depending on the exceeding amount. For 2026:

- From the maximum contribution base up to 10% of excess: 1.15% between employer and employee.
- From 10% excess of the maximum contribution base up to 50% excess: 1.25% between employer and employee.

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<sup>2</sup> Kindly note that, the PIT Regulations seemingly limit the shares which can access the exemption. That is, a literal interpretation of said PIT Regulations, would determine that when a sub-group exists, the shares which could - potentially- fall within the scope of the exemption are: (i) the shares in the employer, (ii) the shares in the parent company of the group; or (iii) the shares in a company part of the sub-group in which the employer company is integrated within (i.e., it cannot be in any group company if a Spanish sub-group exists). The L'Oréal share offering would comply with this requirement since the shares delivered are those of the parent company of the group.

<sup>3</sup> If the shares are held for less than three years, the total amount of the remuneration in kind would be subject to taxation. Under this scenario, the employee would be obliged to file a complementary PIT return of the fiscal year when said shares were granted with the delay interests corresponding to the period existing between the moment of the breach of the holding period requirement and the last day for the filing of the PIT return of the fiscal year when the requirement is breached.

<sup>4</sup> Kindly note that in Alava, the difference between the market value of the shares and the price paid by the employees is not considered remuneration in kind when certain requirements are met. In particular, the employee must be entitled to apply a tax credit for the acquisition of shares in their employer (regulated in article 89 bis of the Foral Law 33/2013) or meet the requirements established in Article 41.2.d) of the Foral Law 33/2013. Guipuzcoa foresees a similar tax treatment to Alava.

- From 50% excess of the maximum contribution base onwards: 1.46% between employer and employee.

The above amounts will be progressively increased until 2045.

### **During the life of the Plan**

#### **II. Will I be required to pay any tax or social security charges on dividends?**

Any dividends distributed by L'Oréal will be directly paid to you, as a shareholder.

##### (i) Taxation in France of the dividends received

Under French domestic law, dividends paid by a French company to non-residents of France are generally subject to a 12,8% withholding tax in France, unless they are paid to a bank account opened in a Non-Cooperative State or Territory as defined under article 238-0 A 1, 2 and 2 bis-1° of the French Tax Code (NCST)<sup>5</sup> which would trigger a 75% withholding tax in France.

##### (ii) Taxation in Spain of the dividends received

Yes. Dividends directly paid to the employees would be taxable by PIT at the following tax rates<sup>6</sup>:

- 19% for the first EUR 6,000.
- 21% for the amount between EUR 6,000.01 and EUR 50,000.
- 23% for the amount between EUR 50,000.01 and EUR 200,000.
- 27% for the amount between EUR 200,000.01 and EUR 300,000.
- 30% for the amount exceeding EUR 300,000.

Additionally, and subject to the provisions of the Treaty and the Spanish PIT Law, employees could apply a double international taxation relief, by virtue of which they could deduct from their PIT quote the taxes paid in France under certain limits and conditions.

Additionally, no Social Security contributions will apply.

#### **III. Will I be required to pay any wealth tax on the shares I own?**

The tenancy of shares could be taxable under the Spanish Wealth Tax, which is an annual tax payable on the total net value of taxable assets on 31 December of each fiscal year. This tax has been transferred from the Government to the different Spanish Autonomous Regions, which have approved the corresponding regional laws in this regard.

Therefore, the tax rates as well as the method of payment of the Wealth Tax would depend on the Autonomous Region in which the individual habitually resides.

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<sup>5</sup> The list of NCSTs can be modified each year. The states and territories qualifying as NCSTs are currently the following: Anguilla, Antigua and Barbuda, Turks and Caicos Islands and Vanuatu.

<sup>6</sup> Tax rate applicable in Common Territory (*i.e.*, not in the Basque Country and Navarre).

Notwithstanding the above, each individual has a tax-free allowance of EUR 700,000 (as stated above, this tax-free allowance could vary depending on the Spanish Autonomous Region in which the individual habitually resides).

Please note that the obligation to file the corresponding Wealth Tax return (Form 714) would only be applicable, in general terms, for (i) individuals who are required to make a tax payment and (ii) individuals with rights and assets valued over EUR 2,000,000 even if they are not required to make any tax payment.

On top of the above, in December 2022, the Spanish Government approved (initially, only for the years 2022 and 2023, but it has been extended for 2024 and on) a complimentary tax to the Spanish Wealth Tax, the Tax on Large Fortunes ("TLF").

The TLF taxes, at rates which vary between 1.7% and 3.5%, the ownership by individuals of net assets exceeding EUR 3,700,000 (considering the tax-free allowance of EUR 700,000 foreseen) in value, at the time of accrual.

Those employees obliged to file this tax must submit Form 718 between 1 July and 31 July of the following year to the date accrual.

**At the end of the lock-up period / upon sale of my shares**

**IV. Will I be required to pay any tax or social security charges when, at the end of the lock-up period (or in the event of an authorized early exit event), I ask to sell my shares?**

(i) Taxation in France

You will not be subject to income taxes in France on the gain, if any, realized on the redemption of your units.

(ii) Taxation in Spain

Yes.

The eventual capital gain that may arise at the sale of the discounted shares (determined by the difference between the sale proceeds and the price paid by the employee, plus any remuneration in kind received, even when exempted) and of the free shares would be taxable by PIT at the following tax rates<sup>7</sup>:

- 19% for the first EUR 6,000.
- 21% for the amount between EUR 6,000.01 and EUR 50,000.
- 23% for the amount between EUR 50,000.01 and EUR 200,000.
- 27% for the amount between EUR 200,000.01 and EUR 300,000.
- 30% for the amount exceeding EUR 300,000.

No withholding tax would arise for the employer and no Social Security obligations would arise neither for the employer nor the employees.

***Tax or social security charges that may be applicable, if I choose to not immediately to sell my shares upon the expiration of the lock-up period.***

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<sup>7</sup> Tax rate applicable in Common Territory (i.e., not in the Basque Country and Navarre).

No.

At the end of the lock-up period, if the employees do not sell the shares received, no taxation nor Social Security obligations should arise.

### **FREE SHARES**

**V. Will I be required to pay any tax or social security charges at the Grant Date of the Free Shares?**

No.

On the day of the granting the employee will not be taxed by PIT provided that they will only receive a non-transferable right to receive free shares after the vesting period if certain requirements are met. Thus, Social Security contributions would neither apply.

**VI. Will I be required to pay any tax or social security charges at the Delivery Date of the Free Shares?**

Yes.

The award of free shares would also be considered as remuneration in kind (salary) for the employees, being taxable by PIT at progressive rates ranging from 17.5% to 54% (once again, depending on the Autonomous Region in which the employee habitually resides).

Taxation would occur at the moment of the effective delivery of the free shares, and the taxable base would be determined by the fair market value of the shares awarded at said moment (at delivery).

The employer would be liable to carry out the corresponding withholding on account ("*ingreso a cuenta*") equivalent to the result of applying the withholding rate applicable to each employee to the remuneration in kind satisfied. In practice, the employer usually charges the payment on account to the employees through deduction from their payrolls.

Notwithstanding the above, the abovementioned PIT exemption up to EUR 12,000 could also apply to free shares held directly (together with the remuneration in kind derived from the shares acquired at a discount if allocated in the same calendar year) provided that the requirements are met said above.

Furthermore, please note that a reduction up to 30% in the taxable base of the PIT could be applicable to the remuneration in kind (for the non-exempt part, if any) derived from the acquisition of shares for free, if the period between award and vest exceeds two years (such is the case where the vesting period is five years).

However, the application of this tax reduction would be subject to the following requirements:

- The remuneration must be paid within one fiscal year.
- The reduction would be limited to EUR 90,000.
- The taxpayer could not have received any income to which this reduction has been applied to in the previous five years.

Since the award of free shares would be considered salary in kind (*i.e.*, the fair market value of the shares), Social Security contributions would apply at a rate of 6.50% for the employee and of 30.65% for the employer (plus the variable contribution rate for work accidents and professional illnesses purposes,

depending on the specific activity carried out), up to the maximum contribution base, as from 1 January 2026, of €5,101.20 per month. However, since 2025, the exceeding amount from the maximum contribution base will also be subject to Social Security contributions and both employer and employee (in the percentages established for the common contingencies contributions) will pay Social Security contributions (solidarity contribution), depending on the exceeding amount. For 2026:

- From the maximum contribution base up to 10% of excess: 1.15% between employer and employee.
- From 10% excess of the maximum contribution base up to 50% excess: 1.25% between employer and employee.
- From 50% excess of the maximum contribution base onwards: 1.46% between employer and employee.

The above amounts will be progressively increased until 2045.

**VII. Will I be required to pay any tax or social security charges at the date of sale of the Free Shares?**

The eventual capital gain that may arise as per the sale of the free shares (determined by the difference between the sale proceeds and the market value of the free shares at acquisition) would be taxable by PIT at the following tax rates<sup>8</sup>:

- 19% for the first EUR 6,000.
- 21% for the amount between EUR 6,000.01 and EUR 50,000.
- 23% for the amount between EUR 50,000.01 and EUR 200,000.
- 27% for the amount between EUR 200,000.01 and EUR 300,000.
- 30% for the amount exceeding EUR 300,000.

No withholding tax would arise for the employer and no Social Security obligations would arise neither for the employer nor the employees.

**VIII. What are my reporting obligations with respect to the acquisition, holding and sale of my L'Oréal shares as well as the payment of dividends, as applicable?**

Income derived from the acquisition, capital gains obtained at redemption of the shares and dividends, should be declared by the employee in their annual PIT return (Form 100) corresponding to the fiscal year in which said income has been obtained. The tax return must be generally filed within April-June of the year following the year during which the employee received the income or generated the capital gain (*i.e.*, the PIT tax return should be filed in April-June of 2027 regarding the remuneration in kind obtained in 2026).

The tenancy of shares could be taxable under the Spanish Wealth Tax and TLF. If the employee is obliged to file the Wealth Tax return, in the conditions abovementioned, he/she should generally file said return within April-June of the year following to the year concerned for the Wealth Tax and from 1 July to 31 July for the TLF.

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<sup>8</sup> Tax rate applicable in Common Territory (*i.e.*, not in the Basque Country and Navarre).

Finally, the employee is required to inform the Spanish Tax Authorities, through the filing of 720 form<sup>9</sup>, on the assets<sup>10</sup> held abroad when the value of the sum of all the following assets exceeds, in one fiscal year, EUR 50,000:

- i. securities or entitlements representative of share capital or equity of any entity,
- ii. securities representatives of the transfer of own capital to third parties or,
- iii. securities contributed to any legal instrument as trusts or similar instruments, for its management, without legal personality but that were capable to act in the business course.

Said value shall be determined, in each case, according to specific rules (*i.e.*, in case of securities representative of share capital or equity of an entity the balance of said securities on December 31st).

Please note that if the employee has filed said returns in prior fiscal years, he/she would be required to file this form only if (i) the sum of the value of the assets mentioned above suffered an increase higher than EUR 20,000 with respect to the values included in the last 720 form filed, or (ii) the employee cancels/sells the assets declared in the prior returns.

This return should be filed, in general terms, from January 1st to March 31st of each tax year regarding the assets held abroad in the immediately prior year.

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<sup>9</sup> Notwithstanding so, please note that the European Commission has declared contrary to European Law the specific penalty regime foreseen for this tax return as well as the imprescriptibility of gains non-declared in fiscal years open to tax audit. However, the obligation to file this tax return persists. At the moment, a new specific penalty regime has not yet been approved.

<sup>10</sup> Kindly note that, in principle, the right over free shares should not be declared in the 720 Form. *I.e.*, these shares should only be declared once they have been vested and delivered to the employees.