

**L'ORÉAL EMPLOYEE SHARE OFFERING 2026
LOCAL SUPPLEMENT FOR THE UNITED KINGDOM**

You have been invited to invest in shares of L'Oréal ("Shares") in the L'Oréal group employee share plan 2026 ("2026 Employee Offering"). You will find below a brief summary of the local offering information and principal tax consequences relating to the offering.

Local Offering Information

Subscription Period

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

During the subscription period, you may subscribe online at <https://invest.loreal.com>. Your username and password will be provided to you by email or post. You may also subscribe with a paper subscription form should you not have access to internet. Please contact your Human Resources department to receive a paper subscription form.

Unless you subscribe through Internet, please return your duly completed subscription form before June 24, 2026 to the following address, marked for the attention of Megan Lee:

L'Oréal UK
Gateway Central
White City Place
187 Wood Lane
London, W12 7SA

Subscription Price

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

It is to be noted that your subscription is in euro. Consequently, for purposes of your subscription, the amount of your payment in pounds sterling will be converted by your employer using the exchange rate determined by L'Oréal around the beginning of June 2026, which will be communicated to you. During the life of your investment, the value of the Shares subscribed through the FCPE will be affected by fluctuations in the currency exchange rate between the euro and pounds sterling. As a result, if the value of the euro strengthens relative to the pound sterling, the value of the Shares expressed in local currency will increase. On the other hand, if the value of the euro weakens relative to the pound sterling, the value of the Shares expressed in pounds sterling will decrease.

Method of Payment – What are the payment methods available for my subscription?

The following payment methods are available:

- By bank transfer of an immediate cash payment to the following designated employer bank account between July 10 and July 21, 2026:
- By salary deductions over 10 months starting in July 2026.

Custody of your shares, voting rights, dividends

Your shares will be subscribed and held on your behalf by a collective shareholding vehicle, known as a *Fonds Commun de Placement d'Entreprise*, or an FCPE, which is commonly used in France for the conservation of shares held by employee-investors. You will be issued units in the FCPE corresponding to the shares you will have subscribed and those representing the employer matching contribution once delivered to you at the end of the lock-up period subject to the conditions described below.

As long as your L'Oréal shares are held by the FCPE "L'OREAL EMPLOYEE SHARE PLAN", the voting rights pertaining to such shares will be exercised by the supervisory board of the FCPE on behalf of the employees.

Any dividends paid by L'Oréal will be automatically reinvested in this FCPE. Such reinvestment will result in the issuance of additional units or fraction of units.

Securities Notices

The 2026 Employee Offering is designed to fall within paragraph 11 of Schedule 1 of the Public Offers and Admission to Trading Regulations 2024 (the "**POATRs**"), which is an exception for employee offerings from the prohibition on public offers of relevant securities under the POATRs. This Local Supplement, the KID of the FCPE "L'OREAL EMPLOYEE SHARE PLAN" and the Information Brochure constitute the statement for the purposes of paragraph 11 of Schedule 1 of the POATRs.

Labour Law Disclaimer

Please note that the 2026 Employee Offering is provided to you by the French company L'Oréal S.A., not by your local employer. The decision to include a beneficiary in this or any future offering is taken by L'Oréal S.A. in its sole discretion. The 2026 Employee Offering does not form part of your employment agreement and does not amend or supplement such agreement. Participation in the 2026 Employee Offering does not entitle you to future benefits or payments of a similar nature or value and does not entitle you to any compensation in the event that you lose your rights under the 2026 Employee Offering as a result of the termination of your employment. Benefits or payments that you may receive or be eligible for under the 2026 Employee Offering will not be taken into consideration in determining the amount of any future benefits, payments or other entitlements that may be due to you (including in cases of termination of employment).

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 investment must be held for a period of five (5) years, 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 or spouse* or child;
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 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.

* references to spouse includes civil partner

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 investment will be matched by grant of rights to additional shares of L'Oréal S.A. for free ("**Free Shares**"). You would be entitled to Free Shares proportionally to your subscription for the ratio described in the Information Brochure. These 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 HR correspondent. Subscription 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 subscribed in the context of the L'Oréal employee share plan 2026 and must satisfy 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 subscription must have been fully settled at the Delivery Date (defined below).

Grant Date: The date of the grant shall occur on the date on which the shares subscribed for pursuant to the L'Oréal employee share plan 2026 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 or corporate officer of the L'Oréal Group from the last day of the subscription 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 subscription 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 or corporate officer 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 personal representative(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 personal representatives 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 or in the event of retirement pursuant to any retirement scheme, 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: At the Date of Delivery, any Free Shares delivered will become your full property. Your Free Shares will be delivered and held through the FCPE “L’OREAL EMPLOYEE SHARE PLAN” and you shall receive units of the FCPE representing those shares. 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, as provided for in the article 10 of the Free Share Plan Rules.

Tax Information for Employees Resident in the United Kingdom

*This summary sets forth general principles in effect at the time of subscription of the offering, that are expected to apply to employees (“**Participants**”) who are and who shall remain, until the disposal of their investment, resident in the United Kingdom for the purposes of the tax laws of the United Kingdom and of the tax treaty concluded between France and the United Kingdom for the avoidance of double taxation (the “**Treaty**”) and are entitled to the benefits of the Treaty. The tax consequences listed below are described in accordance with the United Kingdom tax law and certain French tax laws and practices, all of which are applicable at the time of the offering. 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 subscription

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

Yes.

I.1 Taxation on the difference between the subscription price and the market value of the L’Oréal share at the time of subscription

Yes.

Any discount on the Shares you acquire will be subject to income tax and National Insurance contributions (“**NICs**”), based on the value of the Shares in pounds sterling on the last day of the Subscription Period.

The income tax and NICs due will be calculated and recovered, in the first instance, as a deduction from your salary in the first reasonably practicable payroll run after the tax arises. Depending on the amount, direct reimbursement may be requested from you.

Income tax will be due at your marginal rate. Rates for the tax year 2025/2026 are currently as set out below.

England, Wales and Northern Ireland income tax bands and rates		
Bands	Taxable income	Income tax rate
Personal allowance	Up to £12,570	0%*
Basic rate	£12,571 - £50,270	20%
Higher rate	£50,271 - £125,140	40%
Additional rate	Over £125,140	45%

Scotland income tax bands and rates		
Bands	Taxable income	Income tax rate
Personal Allowance	Up to £12,570	0%*
Starter rate	£12,571 - £16,537	19%

Basic rate	£16,538 - £29,526	20%
Intermediate rate	£29,527 - £43,662	21%
Higher rate	£43,663 - £75,000	42%
Advanced rate	£75,001 - £125,140	45%
Top rate	Over £125,140	48%

* The annual personal allowance is withdrawn for earnings between £100,000 and £125,140 at a rate of £1 for each £2 earned, resulting in a higher effective tax rate for earnings between these amounts. You should be aware that if the value you receive on redemption means that your adjusted net income for the tax year exceeds £100,000, the removal of the tax-free personal allowance (currently £12,570) means that you may pay a higher effective tax rate on the value of these amounts.

Throughout the UK, NICs are due at a rate of 8% on amounts above the primary earnings threshold up to the upper earnings limit (currently £50,270 p.a. for the tax year 2025/2026) and at 2% thereafter. Depending on your taxable income, the amount of your income tax liability initially calculated may be at a higher tax rate; however, this should be corrected in the following month's payroll.

1.2 Will the interest-free advance payment be taxable?

If selected, the payment by salary deduction in instalments will be viewed as a loan from your employer for UK tax purposes.

If the amount of the loan when combined with any other employee loans you receive in a tax year is under £10,000 in that year, no charge to tax should arise.

If the amount of this loan when combined with any other employee loans you receive in a tax year exceeds £10,000, the deemed interest on the full amount of the loan (not just the part which exceeds the £10,000 limit), will be subject to income tax at your marginal rate. The deemed interest is calculated as the interest that would have accrued on the loan in the tax year applying the official interest rate set by HMRC, which is currently 3.75% p.a..

Income tax will be charged annually on the loan and is collected through self-assessment rather than through payroll. This means that the benefit will be recorded on your annual P11D form. There are no employee's NICs payable on deemed interest.

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 automatically reinvested by the FCPE "L'OREAL EMPLOYEE SHARE PLAN" in L'Oréal shares (purchased on the market). Such reinvestment will result in the issuance of additional units or fraction of units.

(i) Taxation in France

In the absence of a distribution to employees of the dividends received from L'Oréal, no withholding tax will be levied in France.

(ii) Taxation in the United Kingdom

Despite reinvestment, dividends will be subject to tax in the UK when they are received by the FCPE if you receive dividends (from all sources) in excess of the annual dividend allowance (currently £500 for the 2025/2026 tax year).

If you receive dividends in the tax year in excess of the annual dividend allowance, the gross amount of the excess dividends will be subject to dividend income tax at the applicable rate (currently 8.75% for lower rate tax payers, 33.75% for higher rate tax payers and 39.35% for additional rate tax payers for the 2025/2026 tax year). It has been announced that these rates will be 10.75%, 35.75% and 39.35% respectively for the tax year commencing on 6 April 2026.

Dividend income received on shares is normally reported under self-assessment (for shares in non-UK companies, on the “Foreign” supplementary pages of the tax return). If you are not ordinarily required to complete a self-assessment return and your total dividends are less than £10,000 in the tax year, you can ask HMRC to collect any dividend income tax due through payroll by contacting the Income Tax: General Enquiries Helpline on 0300 200 3300 to change your tax code.

There are no NICs payable on dividends.

Upon redemption

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 the FCPE to redeem my units for cash?

(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 the United Kingdom

If you redeem your FCPE units for cash (whether at the end of the holding period or later), this will be treated as a disposal for capital gains tax (“CGT”) purposes. The amount of the gain is calculated as the cash proceeds you receive on redemption, less the “base cost” of the underlying shares/FCPE units, which (generally speaking, provided you do not hold any other L'Oréal S.A. shares/FCPE units which are not subject to a holding period) would be the market value of the shares at the time of subscription.

Where you have received additional units as a result of the reinvestment of dividends, the “base cost” used to calculate your capital gain would generally be the value of the dividends used to acquire the additional FCPE units.

If you already hold other L'Oréal S.A. shares/FCPE units which are not subject to a holding period and do not redeem your FCPE units for cash immediately at the end of their holding period, then the shares represented by your FCPE units will be pooled, for CGT purposes, with those other shares/FCPE units and the amount that will be subject to CGT on any sale/redemption from those shares/FCPE units will be based on the difference between the sale price/redemption proceeds and your average acquisition price.

Subject to certain exceptions, your capital gains from disposals in a tax year are exempt from CGT on the first £3,000 of capital gains (for the 2025/2026 tax year).

Any gain above the annual exempt amount will be subject to CGT at the applicable rate (currently 18% for a basic rate tax payer or at 24% for a higher or additional rate tax payer for the 2025/2026 tax year).

Capital gains are generally reported under self-assessment. You are strongly recommended to put aside enough money from the redemption of your FCPE units to pay any CGT liability when the time comes. There are no NICs payable on capital gains. If you make a taxable capital gain but would not normally submit a self-assessment tax return, it is possible for you to declare your gains and pay the tax using HMRC's online "real time" Capital Gains Tax Service at <https://www.gov.uk/report-and-pay-your-capital-gains-tax>.

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

In the ordinary course, no taxation or NICs should apply if you decide to keep your investment in the FCPE after the end of the lock-up period. Any tax or social security charges would be payable when you eventually choose to redeem your investment for cash as set out in response to question IV(ii) above. Any distributions of dividends made before you eventually redeem your investment would continue to be subject to tax as set out in response to question II above.

FREE SHARES

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

No income tax or NICs are payable in relation to the grant of an award of Free Shares.

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

You will be required to pay income tax and employee's NICs on the value of the L'Oréal S.A. shares / FCPE Units or equivalent cash amount that you receive at delivery at your applicable marginal rate.

The income tax and NICs arising must be withheld and paid by your employing company to HMRC via PAYE in the first reasonably practicable payroll run after your Free Shares are delivered. Your employing company will need to either deduct the income tax and employee NICs amount from your salary or L'Oréal will retain the ability to arrange for a sale of sufficient Free Shares on your behalf to pay these liabilities or will withhold a portion of the Free Shares being delivered and make a cash payment to you of equivalent value which can then be used to settle your income tax and NIC liability.

You should be aware that as a result of the way in which tax payments through the PAYE system are calculated, there may be an over-deduction of tax at the point of delivery of the Free Shares when assessed on an annual basis. If this is the case, you will be able to make a tax reclaim through self-assessment.

If you have ceased employment with L'Oréal when your income tax liability arises, income tax and NICs will be deducted at week one, month one rates (without the personal allowance) using the OT tax code. Depending on your total taxable income, you may then be liable to pay a further amount of income tax (or you may have to claim any overpaid tax) through self-assessment.

VII. Will I be required to pay any tax or social security charges at the date of sale of the shares / redemption of the units representing the Free Shares?

If you continue to remain invested in the FCPE units representing the Free Shares following the Delivery Date, CGT may be payable if you make a gain when you later redeem those units for cash. The amount of the gain is calculated as the cash proceeds you receive on redemption, less the "base cost" of the underlying shares/FCPE units, which (generally speaking, provided you do not hold any other L'Oréal S.A. shares/FCPE units which are not subject to a holding period) would be the market value of the shares at on the Delivery Date (i.e. the value by reference to which your income tax was calculated).

Subject to certain exceptions, your capital gains from disposals in a tax year are exempt from CGT on the first £3,000 of capital gains (for the 2025/2026 tax year).

Any gain above the annual exempt amount will be subject to CGT at the applicable rate (currently 18% for a basic rate tax payer or at 24% for a higher or additional rate tax payer for the 2025/2026 tax year).

VIII. What are my reporting obligations with respect to the subscription, holding and redemption of the FCPE units as well as the payment of dividends, as applicable?

You do not have any individual reporting obligations in respect of the acquisition of L'Oréal S.A. shares/FCPE units but your employer is obliged to inform HMRC of the acquisition of shares/FCPE units under the 2026 Employee Offering.

Where (i) you have income tax to pay in respect of dividends (on any amount in excess of the dividend exempt amount of, currently, £500 per tax year from all sources) (ii) you have income tax to pay on the deemed interest on any interest-free advance or (iii) you have capital gains tax to pay (on any amount in excess of the annual CGT personal exemption of, currently, £3,000 per tax year from all sources), this will be collected under self-assessment and you will be required to complete a self-assessment tax return (unless, in relation to dividends or CGT, you are able, and choose, to pay your tax through your tax code/online as described above). If your sale proceeds on redemption exceed £50,000 and you are required to complete a self-assessment tax return for other reasons, you will need to include details of your sale in your self-assessment return (even if you have no CGT to pay).

Tax returns in paper form (which can be downloaded from the HMRC's website) must be submitted by 31 October following the tax year end (and HMRC will calculate your tax for you if your return is submitted by this date). Alternatively, you may file your tax return electronically up to 31 January in the calendar year following the end of the relevant tax year (and the online system will automatically calculate your tax for you).

If you need to submit a self-assessment tax return but do not normally do so, you must register with HMRC for self-assessment by 5 October following the end of the tax year in respect of which you need to submit the tax return.

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