BEAUTY IS A TIMELESS VALUE

L’ORÉAL

CAGNY 2023

Nicolas HIERONIMUS
Chief Executive Officer
24 FEBRUARY 2023
BEAUTY, AN INDUSTRY LIKE NO OTHER

L’ORÉAL, THE WORLD LEADER IN BEAUTY

2022 BUSINESS PERFORMANCE

FIT FOR THE FUTURE
LIKE NO OTHER

BEAUTY, AN INDUSTRY LIKE NO OTHER
BEAUTY IS AN ESSENTIAL HUMAN NEED
Since the origin of humanity, the quest for beauty is innate and inherent for all cultures.
BEAUTY IS A SOCIAL NEED

A sense of belonging to a community

BEAUTY IS USED TO EXPRESS CULTURAL AFFILIATION & THE ERA WE LIVE IN

MASTERING THE LANGUAGE OF BEAUTY IS AN ASSET IN SOCIETY

BEAUTY CODES ARE OFTEN BROKEN TO CREATE SUBCULTURES
BEAUTY PLAYS AN IMPORTANT ROLE

In self-affirmation & identity

BEAUTY UNLOCKS INDIVIDUAL EXPRESSION

BEAUTY INDUCES CONFIDENCE

BEAUTY ENHANCES WELLBEING
BEAUTY REFLECTS SOCIETAL CHANGES

BEAUTY DRIVES A MORE INCLUSIVE SOCIETY

BEAUTY SUPPORTS GENDER EQUALITY

BEAUTY CHALLENGES NORMS & STEREOTYPES
AN EVER-GROWING MARKET

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>+5%</td>
</tr>
<tr>
<td>2000</td>
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<td>+4%</td>
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<td>+5%</td>
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<td>+6%</td>
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<tr>
<td>2021</td>
<td>+8%</td>
</tr>
<tr>
<td>2022</td>
<td>-8%</td>
</tr>
</tbody>
</table>

1 L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades. At constant exchange rates.
BEAUTY MARKET

>€250Bn

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>HYGIENE</td>
<td>10%</td>
</tr>
<tr>
<td>HAIR PRODUCTS</td>
<td>22%</td>
</tr>
<tr>
<td>FRAGRANCES</td>
<td>11%</td>
</tr>
<tr>
<td>MAKE-UP</td>
<td>16%</td>
</tr>
<tr>
<td>SKINCARE</td>
<td>41%</td>
</tr>
</tbody>
</table>

1 L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades.
#1 BEAUTY MARKET DRIVER

THE RISE OF THE MIDDLE CLASS

~ +800M' BY 2030

World Data Lab.
BEAUTY MARKET DRIVER

#2

THIRST
FOR QUALITY

&

CONSTANT PREMIUMIZATION
BEAUTY, A MIX BETWEEN CREATIVITY & SCIENCE
L’Oréal

2

The World Leader in Beauty
L’ORÉAL
WORLD LEADER
IN BEAUTY

€38.3Bn
2022 SALES

~€6.1Bn
2022 NET PROFIT*

~7Bn
UNITS SOLD

>150
COUNTRIES

87,400
EMPLOYEES

~€205Bn
MARKET CAPITALIZATION**

* Net Profit excluding non recurring items after non controlling interests.
** As of 17 February 2023.
OUR ORGANIZATION: FOUR SEPARATE DIVISIONS

L’ORÉAL Professional Products €4.5Bn*
L’ORÉAL Consumer Products €14.0Bn*
L’ORÉAL LUXE €14.6Bn*
L’ORÉAL Dermatological Beauty €5.1Bn*

* 2022 Sales.
GLOBAL FOOTPRINT

AS A % OF TOTAL SALES, IN BILLION EUROS

* South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa
** Emerging Markets combine the Latin America and the SAPMENA-SSA Zones.
OUR BUSINESS MODEL
6 PILLARS & KEYS TO OUR SUCCESS

1. RESEARCH & INNOVATION
2. BRANDS
3. DIGITAL
4. OUR MANUFACTURING CAPABILITIES
5. OUR VIRTUOUS CIRCLE
6. CULTURE & VALUES
1

RESEARCH & INNOVATION

4,000 RESEARCHERS

>€1Bn INVESTMENT

>3% OF ANNUAL SALES
GROUND-BREAKING INNOVATIONS

561 PATENTS
THE BEST PORTFOLIO
36 GLOBAL BRANDS
L’ORÉAL PARIS

#1 BEAUTY BRAND IN THE WORLD
MOST PRESCRIBED BRANDS
BY SKIN PROFESSIONALS OR HAIR EXPERTS
MOST-COVETED LUXURY BRANDS

Yves Saint Laurent
Lancôme
Valentino
Prada
BRANDS LOVED BY GENERATION Z
STRENGTH FROM ACQUISITIONS

BRANDS
SUPERCHARGING ACQUISITIONS

EXAMPLE: CERAVE SUCCESS STORY

2017

x10
IN ~5 YEARS

2022

>€1Bn
L’ORÉAL

UNDISPUTED
DIGITAL CHAMPION
E-COMMERCE

+8.9%¹ GROWTH

28% OF TOTAL SALES

¹ 2022 like-for-like sales growth for sales achieved on our brands' own websites + estimated sales achieved by our brands corresponding to sales through our retailers' websites (non-audited data).
#1 POSITION
PAID MEDIA
BEAUTY SHARE OF VOICE & SHARE OF INFLUENCE

#1 Gartner 2022
DIGITAL IQ RANKING
PERSONAL CARE CATEGORY
IN THE US

#1 GENIUS BRAND
IN THE TOP 20
Our Manufacturing Capabilities

- 38 Factories
- 152 Distribution Centers
- 21,500 People in Operations
- ~7Bn Units Produced
OUR VIRTUOUS CIRCLE

TOP-LINE GROWTH

HIGH GROSS MARGIN

STRONG A&P INVESTMENTS

L’ORÉAL

CONTROLLED SG&A

STEADY IMPROVEMENT IN PROFIT

5
CULTURE & VALUES
THRIVING IN THE NEW WORK PARADIGM

79% STABLE ENGAGEMENT RATE
1.3M JOB APPLICATIONS IN 2022
TOP 5 MOST ATTRACTIVE COMPANIES WORLDWIDE
CREATE THE BEAUTY
THAT MOVES THE WORLD

L'ORÉAL
GROUPE
STRONG PURPOSE

CREATE THE BEAUTY
THAT MOVES THE WORLD
ANOTHER YEAR OF DOUBLE-DIGIT GROWTH

+10.9% LIKE-FOR-LIKE

+18.5% REPORTED

+€3.5Bn ORGANIC GROWTH
INCREASING QUARTERLY GROWTH

2022 VS. 2019

Q1: +19.1%
Q2: +23.0%
Q3: +25.3%
Q4: +26.0%

¹ 2022 like-for-like sales growth.
WORLD CHAMPION
OF BEAUTY

+10.9%²
+6%¹

1.8x
THE MARKET

MARKET
L’ORÉAL

¹ L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades. At constant exchange rate.
² 2022 like-for-like sales growth.
2\textsuperscript{nd} Consecutive Grand Slam

Outperformed Across All Zones | Divisions | Categories
BY DIVISION

**L'ORÉAL**

- **Professional Products**
  - +10.1%
  - ~x5
  - VS. MARKET**

**L'ORÉAL**

- **Consumer Products**
  - +8.3%
  - ~x1.4
  - VS. MARKET**

**L'ORÉAL**

- **Luxe**
  - +10.2%
  - ~x1.3
  - VS. MARKET**

**L'ORÉAL**

- **Dermatological Beauty**
  - +21.9%
  - ~x2.4
  - VS. MARKET**

* 2022 like-for-like sales growth. ** L'Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades. At constant exchange rates. 
BY REGION
2022 vs. 2021

EUROPE: +11%
NORTH AMERICA: +11.6%
NORTH ASIA: +10.4%
EMERGING MARKETS*: +20.5%**

* Emerging Markets combine the Latin America and the SAPMENA-SSA Zones.
** 2022 vs 2021: composed of SAPMENA-SSA: +22.0% and Latin America: +18.6%.
*** L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades. At constant exchange rates.
**** 2022 like-for-like sales growth.
BY CATEGORY

SKINCARE
+10.1%
-x3.4
VS. MARKET**

MAKE-UP
+9.2%
-x1.3
VS. MARKET**

HAIRCARE
+12.0%
-x2.4
VS. MARKET**

FRAGRANCES
+22.8%
-x1.5
VS. MARKET**

HAIR COLOR
+4.6%
-x1.3
VS. MARKET**

*2022 like-for-like sales growth.  ** L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades. At constant exchange rates.
THE KEY WORD IS ‘BALANCE’
CONTRIBUTION TO GROWTH

BY DIVISION

L’ORÉAL LUXE
36%

CONSUMER PRODUCTS
29%

DERMATOLOGICAL BEAUTY
24%

PROFESSIONAL PRODUCTS
11%

BY REGION

EUROPE
32%

NORTH AMERICA
25%

EMERGING MARKETS*
24%

NORTH ASIA
19%

BY COMPONENT OF GROWTH

VALUE: PRICE
33%

VOLUME
34%

VALUE: MIX
33%

* Emerging Markets combine the Latin America and the SAMPENA-SSA Zones.
OPERATING MARGIN

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
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<tbody>
<tr>
<td>2013</td>
<td>16.9%</td>
</tr>
<tr>
<td>2014</td>
<td>17.3%</td>
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<tr>
<td>2015</td>
<td>17.4%</td>
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<tr>
<td>2016</td>
<td>17.6%</td>
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<td>2017</td>
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<td>2018</td>
<td>18.3%</td>
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<td>18.6%</td>
</tr>
<tr>
<td>2020</td>
<td>18.6%</td>
</tr>
<tr>
<td>2021</td>
<td>19.1%</td>
</tr>
<tr>
<td>2022</td>
<td>19.5%</td>
</tr>
</tbody>
</table>

+40 Bps
2022 VS. 2021
A substantial increase in earnings per share

IN EUROS

2021: €8.82
2022: €11.26

+27.6%

Number of shares:
2021: 559.8
2022: 537.6

* Impact of the distribution of the EuroAPI dividend of €0.13 per share.
** Diluted average number of shares in million.
DIVIDEND AND PAYOUT RATIO

DIVIDEND IN EUROS

2012  2.30
2013  2.50
2014  2.70
2015  3.10
2016  3.30
2017  3.55
2018  3.85
2019  3.85
2020  4.00
2021  4.80
2022  6.00*

PAYOUT RATIO IN %

2012  46.8
2013  48.7
2014  50.2
2015  51.1
2016  53.4
2017  54.4
2018  54.8
2019  49.7
2020  54.4
2021  53.3%**
2022

Loyalty bonus +10%**
Dividend increase for shareholders who have continuously held shares in registered form for at least two full calendar years.

* Proposed at the shareholders’ meeting to be held on 21 April 2023.
** 2022 dividend paid in 2023: pay-out of the 10% loyalty bonus (preferential dividend of +10%) for shares held in registered form since 2020.
**2019 TO 2022**

FROM STRENGTH TO STRENGTH

<table>
<thead>
<tr>
<th>Metric</th>
<th>2019 Value</th>
<th>Change to 2022 Value</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES</strong></td>
<td>€38Bn</td>
<td>+28% REPORTED</td>
<td>+28%</td>
</tr>
<tr>
<td><strong>OPERATING PROFIT</strong></td>
<td>€7.5Bn</td>
<td>+34%</td>
<td>+34%</td>
</tr>
<tr>
<td><strong>OPERATING MARGIN</strong></td>
<td>19.5%</td>
<td>+90Bps</td>
<td>+90Bps</td>
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<tr>
<td><strong>A&amp;P SPEND</strong></td>
<td>€12Bn</td>
<td>+31% IN VALUE</td>
<td>+31% IN VALUE</td>
</tr>
<tr>
<td><strong>SG&amp;A</strong></td>
<td>18.4%</td>
<td>-190Bps</td>
<td>-190Bps</td>
</tr>
</tbody>
</table>

*Relative to sales: from 30.8% in 2019 to 31.5% in 2022.
L’ORÉAL

EXTRA-FINANCIAL PERFORMANCE
ENVIROMENTAL ACHIEVEMENTS

~2/3 OF SITES CARBON NEUTRAL INCLUDING NORTH ASIA, BRAZIL AND INDIA

97% ECO-DESIGNED

ADVOCATING REFILLS

>3/4 PET PLASTIC PACKAGING FROM RECYCLED PLASTIC
FOR YOUTH

25,000

JOB OPPORTUNITIES
FOR PEOPLE UNDER 30

SOLIDARITY SOURCING PROGRAMS

21,000

PEOPLE COMING FROM STRUGGLING COMMUNITIES

SOCIETAL CONTRIBUTION

L’ORÉAL FOR YOUTH
€22M
TO RESTORE
DEGRADED ECOSYSTEMS

€30M
TO SUPPORT OVER 1.2 MILLION
VULNERABLE WOMEN
CONFIDENT FOR 2023

MACROECONOMIC CONTEXT SLIGHTLY BETTER

CHINA REOPENING

THE BEAUTY MARKET IS RESILIENT
L’ORÉAL HAS A PROVEN "OVERPERFORMANCE" TRACK RECORD

1 On average p.a.
2 Like-for-like sales growth.
3 L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades. At constant exchange rate.
ROSS TO GROW

MARKET SHARE

>14%

1 L'Oréal beauty market estimates based on manufacturers’ net prices, excluding soap, toothpastes, razors, and blades. Excluding currency effects.

* South Asia Pacific, Middle East, North Africa - Sub-Saharan Africa ** Emerging Markets combine the Latin America and the SAPMENA-SSA Zones.
2023: DAWN OF A NEW ERA

- MULTIPOLARITY
- AI & TECH
- SUSTAINABILITY
- DIVERSITY
- PURPOSE-DRIVEN
L’ORÉAL
UNIQUELY POSITIONED TO WIN IN THIS NEW ERA
Unicornus Rex
Unicornus Rex

114 YEARS

36 GLOBAL BRANDS

OVER 84 COUNTRIES

R&I €1Bn

87,400-STRONG TEAM

€12Bn A&P

LEADERSHIP SCALE

38 FACTORIES
Unicornus Rex

114 YEARS
36 GLOBAL BRANDS
OVER 84 COUNTRIES
87,400-STRONG TEAM
R&I €1Bn
LEADERSHIP SCALE
€12Bn A&P
38 FACTORIES

SEIZE WHAT IS STARTING
GREEN SCIENCES
BEAUTY TECH
DIGITAL-FIRST
AI + DATA
METAVERSE
HYBRID WORK
L’ORÉAL FOR THE FUTURE
B TO B PLATFORM
BOLD VC
GARTNER GENIUS
L’ORÉAL
MULTIPOLAR BY DESIGN

GEOGRAPHIC FOOTPRINT

SUPPLY CHAIN
38 FACTORIES
L’ORÉAL
MULTIPOLE BY DESIGN

GEOGRAPHIC FOOTPRINT

SUPPLY CHAIN
38 FACTORIES

DIVISIONAL MODEL
L’Oreal
Multipolar by Design

1. Geographic Footprint
2. Supply Chain
   38 Factories
3. Divisional Model
4. R&I Model
   20 Research Centers
L’ORÉAL
MULTIPOLAR BY DESIGN

GEOGRAPHIC FOOTPRINT

SUPPLY CHAIN
38 Factories

DIVISIONAL MODEL

R&I MODEL
20 Research Centers

DISTRIBUTION STRATEGY
DIGITAL & BEAUTY TECH LEADER
OUR OWN LARGE-SCALE CONSUMER DATA & DATA FROM PARTNERSHIPS

verily
2,000
BEAUTY TECH & IT
DEDICATED EXPERTS

800
DATA ANALYTICS
EXPERTS
DIAGNOSTIC SERVICES FOR PERSONALIZED RECOMMENDATIONS
HIGH-PERFORMANCE BEAUTY SOLUTIONS
BEAUTY IN THE METAVERSE
LONG-STANDING TRACK RECORD OF COMMITMENTS AND ACTIONS

SUSTAINABILITY
TRANSFORMING WITH **GREEN SCIENCES**

61% BIO-BASED INGREDIENTS*

* Or derived from abundant mineral ingredients.
REDUCING CONSUMER FOOTPRINT

L’ORÉAL WATER SAVER

MY MICELLAR GOT AN A AND I CAN PROVE IT!

ECO-SCORE
BEAUTY FOR EACH
BRAND PORTFOLIO WITH DIFFERENT CULTURAL BACKGROUNDS

BEAUTY FOR EACH
CONTINUED INVESTMENT IN A MULTI-POLAR R&I ORGANIZATION

BEAUTY FOR EACH
REGIONALLY-DEVELOPED INNOVATIONS WITH GLOBAL POTENTIAL

BEAUTY FOR EACH

IT'S CLINICALLY PROVEN: REDUCES 43% OF DARK SPOTS INCLUDING ACNE MARKS AFTER 8 WEEKS

GET BRIGHTER SKIN IN ONLY 6 DAYS!

GARNIER

NEW VITAMIN C BRIGHTENING SERUM

3.5%

VITAMIN C

SALICYLIC ACID

GARNIER

GET THE BRIGHTENING POWER OF VITAMIN C

A SKINCARE RANGE FOR HEALTHY LOOKING, GLOWING SKIN...
PERSONALIZED PRODUCTS & SOLUTIONS

BEAUTY FOR EACH DIVERSITY
PURPOSE-DRIVEN
OUR UNIQUE L’ORÉAL CULTURE
CONCLUSION

BEAUTY IS A TIMELESS VALUE, ALWAYS VALORIZING

L'ORÉAL IS THE WORLD LEADER IN BEAUTY AND STRONGER IN TIMES OF CRISIS

CONSTANT IMPROVEMENT IN PROFIT

FIT FOR THE FUTURE
THANK YOU
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