2023
Barclays Global Consumer Staples Conference

L’ORÉAL GROUPE

Christophe BABULE
Chief Financial Officer
L’Oréal - World leader in Beauty

€38.3Bn
2022 SALES

~7BN
UNITS SOLD

~ €6.1BN
2022 NET PROFIT*

87,400
EMPLOYEES

>150
COUNTRIES

~ €219BN
MARKET CAPITALIZATION**

* Net Profit excluding non recurring items after non controlling interests.
** As of 31 August 2023.
WHAT MAKES L’ORÉAL UNIQUE?
We do only Beauty
Beauty is a growing market

1 L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades. At constant exchange rate.
But we do all Beauty
(as a % of total sales)

DIVISIONS*

CONSUMER PRODUCTS 36.6%
L’ORÉAL LUXE 38.3%
PROFESSIONAL PRODUCTS 11.7%
DERMATOLOGICAL BEAUTY 13.4%
OTHER 13.4%

CATEGORIES*

HAIR 23.8%
SKINCARE 40.1%
MAKE-UP 20.2%
FRAGRANCES 11.9%
OTHER 4.0%

* Breakdown of 2022 sales by division and category.
Unrivalled portfolio of complementary brands

<table>
<thead>
<tr>
<th>L'ORÉAL</th>
<th>L'ORÉAL</th>
<th>L'ORÉAL</th>
<th>L'ORÉAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Products</td>
<td>Consumer Products</td>
<td>LUXE</td>
<td>Dermatological Beauty</td>
</tr>
</tbody>
</table>

- L’OCCITANE
- Kérastase
- MAYBELLINE
- NYX
- REDKEN
- Pureology
- Matrix

- L’OCCITANE
- Garnier
- Kanebo
- LA ROCHE-POSAY
- CeraVe

- LANÇÔME
- Kiehl’s
- Yves Saint Laurent
- Armani
- Biotherm
- HR
- Shu Uemura
- Prada
- Mugler
- Valentino

- AZZARO
- IT Cosmetics
- Urban Decay
- Ralph Lauren
- TAKAMI
- CARITA
- Maison Margiela
- Viktor & Rolf
- Diesel

- Aēsop.
A balanced regional footprint
(as a % of total sales, in billion euros)

- **EUROPE**: 29.9% (€11.4bn)
- **NORTH AMERICA**: 26.6% (€10.2bn)
- **LATIN AMERICA**: 6.2% (€2.4bn)
- **EMERGING MARKETS****: 7.7% (€2.9bn)
- **SAPMENA-SSA***: 13.9% (€5.3bn)
- **NORTH ASIA**: 29.6% (€11.3bn)

* South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa
** Emerging Markets combine the Latin America and the SAPMENA-SSA Zones
Permanent transformation
Beauty is an offer-driven market
The industry’s most powerful R&I

~ €1BN
INVESTED
PER YEAR

3%
OF TOTAL SALES

4,000
RESEARCHERS

561
PATENTS
IN 2022
Exploring the new boundaries in Green Sciences

TRANSFORMING WITH GREEN SCIENCES

61% BIO-BASED INGREDIENTS*

* Or derived from abundant mineral ingredients.
Unparalleled digital leadership

BROW MAGIC
shu uemura

WATER SAVER
L’OREAL
PARIS

Explore your
skin health

SPOTSCAN
LA ROCHE POSAY

Healthy skin
is a journey

BEAUTY TECH

PIONEERING

IMPACT+

Hair care is
different for
everyone

5 September 2023
Exploring the Metaverse and GenAI
Unique L’Oréal culture
Outperforming the Beauty market

Global market leader with a share in 2022 of 14%

<table>
<thead>
<tr>
<th>Year</th>
<th>L’ORÉAL</th>
<th>MARKET</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>+6%</td>
<td>+7%</td>
</tr>
<tr>
<td>2019</td>
<td>+8%</td>
<td>+5%</td>
</tr>
<tr>
<td>2020</td>
<td>-4%</td>
<td>-8%</td>
</tr>
<tr>
<td>2021</td>
<td>+16%</td>
<td>+8%</td>
</tr>
<tr>
<td>2022</td>
<td>+11%</td>
<td>+6%</td>
</tr>
</tbody>
</table>

* Like-for-like growth
** L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpastes, razors and blades. At constant exchange rate.
The Body Shop was sold in 2017. Sales were restated to reflect the disposal of 50% of Galderma on 11 February 2014.

License renewal.

Acquisition of the thermal centre La Société des Thermes de La Roche-Posay.

*The size of the columns reflect L'Oréal Group sales in the respective years.

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1 The Body Shop was sold in 2017. 2 Sales were restated to reflect the disposal of 50% of Galderma on 11 February 2014.
3 License renewal. 4 Acquisition of the thermal centre La Société des Thermes de La Roche-Posay.
5 The size of the columns reflect L'Oréal Group sales in the respective years.
Continued operating margin progression

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>16.9%</td>
</tr>
<tr>
<td>2014</td>
<td>17.3%</td>
</tr>
<tr>
<td>2015</td>
<td>17.4%</td>
</tr>
<tr>
<td>2016</td>
<td>17.6%</td>
</tr>
<tr>
<td>2017</td>
<td>18.0%</td>
</tr>
<tr>
<td>2018</td>
<td>18.3%</td>
</tr>
<tr>
<td>2019</td>
<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>

+90 Bps
2022 VS 2019
Net debt - a healthy financial situation
(in million euros)

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>31 December 2022</th>
<th>30 June 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial lease debt</td>
<td>1 649.5</td>
<td>1 620.5</td>
<td>1 567.4</td>
</tr>
<tr>
<td>Net debt excluding financial lease debt</td>
<td>3 358.4</td>
<td>3 033.2</td>
<td>3 255.3</td>
</tr>
</tbody>
</table>

**Gearing**

\[ \text{Gearing} = \frac{\text{Net debt}}{\text{EBITDA}} \]  

\[ \text{Gearing} = 17.3\% \]

**Leverage**

\[ \text{Leverage} = \frac{\text{Net debt}}{\text{EBITDA}} \]  

\[ \text{Leverage} = 0.5 \times \]

*Net debt/equity attributable to owners of the company (11.6% excluding financial lease debt)*  
**Calculated over 12-month EBITDA to end June 2023*
A dynamic dividend increase

**Dividend in euros**

Loyalty bonus +10%

Dividend increase for shareholders who have continuously held shares in registered form for at least two full calendar years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend in euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>2.30</td>
</tr>
<tr>
<td>2013</td>
<td>2.50</td>
</tr>
<tr>
<td>2014</td>
<td>2.70</td>
</tr>
<tr>
<td>2015</td>
<td>3.10</td>
</tr>
<tr>
<td>2016</td>
<td>3.30</td>
</tr>
<tr>
<td>2017</td>
<td>3.55</td>
</tr>
<tr>
<td>2018</td>
<td>3.85</td>
</tr>
<tr>
<td>2019</td>
<td>3.85</td>
</tr>
<tr>
<td>2020</td>
<td>4.00</td>
</tr>
<tr>
<td>2021</td>
<td>4.80</td>
</tr>
<tr>
<td>2022</td>
<td>6.00 (+25%)</td>
</tr>
</tbody>
</table>

**Payout ratio in %**

<table>
<thead>
<tr>
<th>Year</th>
<th>Payout ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>46.8</td>
</tr>
<tr>
<td>2013</td>
<td>48.7</td>
</tr>
<tr>
<td>2014</td>
<td>50.6</td>
</tr>
<tr>
<td>2015</td>
<td>51.1</td>
</tr>
<tr>
<td>2016</td>
<td>53.4</td>
</tr>
<tr>
<td>2017</td>
<td>54.4</td>
</tr>
<tr>
<td>2018</td>
<td>54.8</td>
</tr>
<tr>
<td>2019</td>
<td>54.3%</td>
</tr>
<tr>
<td>2020</td>
<td>54.4</td>
</tr>
<tr>
<td>2021</td>
<td>53.3%</td>
</tr>
<tr>
<td>2022</td>
<td>53.3%</td>
</tr>
</tbody>
</table>

* 2022 dividend paid in 2023: pay-out of the 10% loyalty bonus (preferential dividend of +10%) for shares held in registered form since 2020.
Corporate Social & Environmental Responsibility

Environmental achievements

~2/3 of sites using 100% renewable energy including in North America

97% Eco-designed

Advocating refills

>3/4 PET plastic packaging from recycled plastic

L’ORÉAL

5 September 2023
Corporate Social & Environmental Responsibility

Ratings and awards

ESG Rating Agencies

- **S&P Global Ratings**
  - Score of 85/100
- **Moody’s ESG Solutions**
  - Score of 74/100
  - (Sector average 51/100)
- **MSCI ESG Ratings**
  - AA
  - Low risk score
- **Corporate ESG Performance Prime**
  - For the 12th year in a row
- **Sustainalytics**
  - RATED
  - For the 6th year in a row

Environmental

- **CDP**
  - A List 2022
  - For the 7th year in a row
- **MSCI ESG Ratings**
  - AA
- **FTSE4Good**
  - 5th in the world ranking
  - (Business schools)

Ethical and social

- **Bloomberg Gender-Equality Index 2023**
- **Refinitiv**
  - Top 100 Company 2022
  - Diversity and Inclusion Index
L’ORÉAL’S PERFORMANCE IN H1-2023
H1-2023 Highlights - Keeping up the pace

+13.3%  
Like-for-like growth

20.7%  
Operating margin  
+30bps

+11.2%  
Earnings per share*  
€6.73

* Diluted earnings per share attributable to owners of the company, excluding non-recurring items
H1-2023 - Continued strong growth

Reported growth +12.0%

€18.36bn  €20.57bn

-2.4%  +1.1%  +13.3%  +4.9%

Exchange rate impact  External growth impact  Like-for-like growth  Unit

€18.36bn  €20.57bn

+13.3%  +8.5%  +13.3%

Like-for-like growth  Value
<table>
<thead>
<tr>
<th>Division</th>
<th>Sales (€bn)</th>
<th>Growth (%)</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Products</td>
<td>€2.3bn</td>
<td>+7.6%*</td>
<td>11%</td>
</tr>
<tr>
<td>Consumer Products</td>
<td>€7.7bn</td>
<td>+15.0%*</td>
<td>37%</td>
</tr>
<tr>
<td>L’Oréal Luxe</td>
<td>€7.3bn</td>
<td>+7.6%*</td>
<td>35%</td>
</tr>
<tr>
<td>L’Oréal Dermatological Beauty</td>
<td>€3.3bn</td>
<td>+29.0%*</td>
<td>16%</td>
</tr>
</tbody>
</table>

*Like-for-like growth vs. H1-2022
H1-2023 - Sales and growth by region
(like-for-like growth, in billion euros)

North America
+13.0%
€5.3bn

Latin America
+23.6%
€1.4bn

Europe
+18.2%
€6.5bn

North Asia
+3.9%
€5.7bn

SAPMENA-SSA*
+23.6%
€1.6bn

Emerging markets**
+23.6%
€3.1bn

* South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa
** Emerging Markets combine the Latin America and the SAPMENA-SSA Zones
Our virtuous P&L in full swing

- **GROSS MARGIN**
  - H1 2022: 73.1%
  - H1 2023: 74.3%
  - Change: +120Bps

- **A&P**
  - H1 2022: 31.5%
  - H1 2023: 32.5%
  - Change: +100Bps

- **SG&A**
  - H1 2022: 18.3%
  - H1 2023: 18.1%
  - Change: -20Bps

- **OPERATING MARGIN**
  - H1 2022: 20.4%
  - H1 2023: 20.7%
  - Change: +30Bps
WHAT’S NEW SINCE JUNE?
**The global Beauty market remains dynamic**

The Beauty market in H1 23 shows an increase of +10%.

### Contribution to H1 23 LFL growth (% of total)

<table>
<thead>
<tr>
<th>Region</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EUROPE</strong></td>
<td>41.4%</td>
</tr>
<tr>
<td><strong>NORTH AMERICA</strong></td>
<td>25.4%</td>
</tr>
<tr>
<td><strong>NORTH ASIA</strong></td>
<td>8.7%</td>
</tr>
<tr>
<td><strong>EMERGING MARKETS</strong></td>
<td>24.5%</td>
</tr>
</tbody>
</table>

* L’Oréal beauty market estimates based on manufacturer’s net prices, excluding soap, toothpaste, razors and blades. At constant exchange rate.
Chinese Ecosystem - Many moving parts
Strong innovation pipeline
Welcoming Aēsop to the L’Oréal family
CONCLUSION

- VERY DYNAMIC MARKET
- OUTPERFORMANCE
- BALANCED FOOTPRINT
- VIRTUOUS AND FLEXIBLE P&L
- ENGAGED AND AGILE ORGANIZATION
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