



L'ORÉAL

CAPITAL MARKETS DAY

November 27, 2023



# BEAUTY TECH IS CHANGING THE GAME

EXPANDING OUR BEAUTY FOOTPRINT

**1.**

TO KNOW  
CONSUMERS  
INTIMATELY

**2.**

TO ASTONISH  
CONSUMERS WITH  
TRAILBLAZING  
INNOVATIONS

**3.**

TO EMPOWER  
CONSUMERS WITH  
ELEVATED BEAUTY  
EXPERIENCES

**4.**

TO AUGMENT  
BEAUTY CONSUMER  
JOURNEYS

# TECHNOLOGY, CONSUMERS & BRANDS

PAVING THE WAY FOR AN UNIMAGINABLE FUTURE IN MARKETING

TECHNOLOGY

**A TURNING  
POINT**

CONSUMERS

**ADOPTION  
& ANXIETIES**

BRANDS

**UNBOUNDED  
CREATIVITY**

5.3  
BILLION  
IN 2023

**7.5**  
BILLION  
IN 2030



# 100M USERS

APPS ADOPTION CYCLE

1990

1995

2000

2005

2010

2015

2020

www 7 YEARS

in 7 YEARS, 11 MONTHS

👤 3 YEARS

∞ 4 YEARS, 6 MONTHS

📺 4 YEARS, 1 MONTH

₹ 6 YEARS, 6 MONTHS

X 5 YEARS, 5 MONTHS

🎧 4 YEARS, 7 MONTHS

📞 3 YEARS, 6 MONTHS

📷 2 YEARS, 6 MONTHS

📌 5 YEARS, 11 MONTHS

Uber 5 YEARS, 10 MONTHS

👤 3 YEARS, 8 MONTHS

🗨️ 1 YEARS, 2 MONTHS

📧 5 YEARS, 1 MONTH

🎵 9 MONTHS

🌀 2 MONTHS

📷 5 DAYS

# RISE OF THE CREATOR ECONOMY



# AUGMENTED BEAUTY CONSUMER JOURNEY



PERSONALISED CONTENT NETFLIX SERVED DYNAMIC ADS ON BEAUTY



PRODUCT INFORMATION AI BASED SEARCH



VIRTUAL ASSISTANT ON BING OR GOOGLE



30% OF SOCIAL FEED ADS WILL BE AUTO GENERATED TO US OR TO OUR AVATARS



INTEREST BASED ALGORITHMS RISING CREATOR ECONOMY 2 WAY CONVERSATIONS

**ROBLOX**



WIDE RANGING OPTIONS OF VIRTUAL MAKEUP & HAIR LOOKS FOR ROBLOX OR EPIC GAMES



BEAUTY EXPERIENCES O+O+O PRODUCTS, DEVICES & SERVICES ACCESS BY QR CODES



AI POWERED CONSUMER CARE CENTRES



SECURE ACCESS CERTIFICATION, TRACEABILITY, LOYALTY WITH BEAUTY TOKEN ON BLOCKCHAIN



BEAUTY DNA UNBIASED ALGORITHMS



PHYGITAL STORES OFFER PERSONALISED FORMULAE

**amazon**



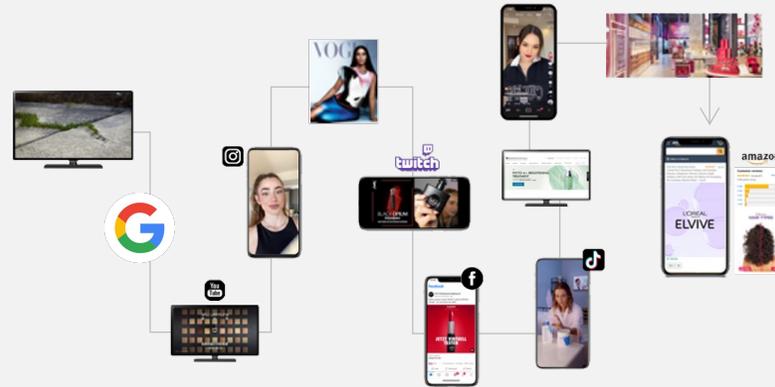
PRODUCTS BOUGHT BY AI POWERED TRAVELING SALESMAN / BEAUTY ADVISORS AUTO-REPLENISHED DELIVERED BY DRONES

# BEAUTY CONSUMER JOURNEYS

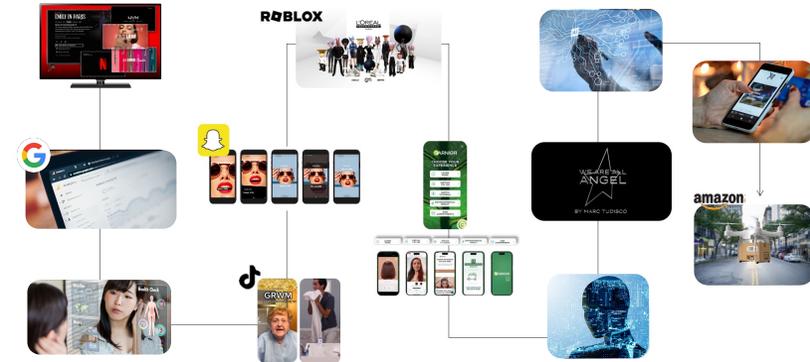
2010



2020



2030



# POWER OF 37 GLOBAL BRANDS

RESPONSIBLE  
CONSUMER  
ENGAGEMENT  
WITH BEAUTY

## CONSUMER PRODUCTS

L'ORÉAL  
PARIS

GARNIER

MAYBELLINE  
NEW YORK

NYX  
PROFESSIONAL MAKEUP

essie



Mixa

LANCÔME

YVES SAINT LAURENT

ARMANI

AZZARO

DIESEL

BIOHERM

shu uemura

it COSMETICS

ud  
URBAN DECAY

VALENTINO

MUGLER

RALPH LAUREN

PRADA

VIKTOR@ROLF

Maison Margiela  
PARIS

Kiehl's  
SINCE 1851

HR  
HELENA RUBINSTEIN

TAKAMI

CARITA  
PARIS

## PROFESSIONAL PRODUCTS

REDKEN  
5TH AVENUE NYC

matrix

KÉRASTASE  
PARIS

L'ORÉAL  
PROFESSIONNEL  
PARIS

PUREOLOGY  
PROFESSIONAL COLOR CARE

skinbetter  
SCIENCE

VICHY

CeraVe  
DEVELOPED WITH DERMATOLOGISTS

SKINCEUTICALS  
ADVANCED PROFESSIONAL SKINCARE

LAROCHE POSAY  
LABORATOIRE DERMATOLOGIQUE

## LUXE

## DERMATOLOGICAL BEAUTY\*

\*FORMERLY KNOWN AS THE ACTIVE COSMETICS DIVISION.



# OVERVIEW

BEAUTY TECH  
IS CHANGING  
THE GAME

BY AUGMENTING MARKETING

# EMPOWER CONSUMERS

WITH ICONIC  
BEAUTY  
SERVICES



# TO GUIDE, DIAGNOSE, PREDICT & COACH OUR CONSUMERS

INVENTING OFFLINE & ONLINE SERVICES

## TO GUIDE



VIRTUAL TRY ONS  
MAKEUP/HAIR LOOKS  
PERSONALIZED NAVIGATION  
**BASED ON A/R**

## TO DIAGNOSE



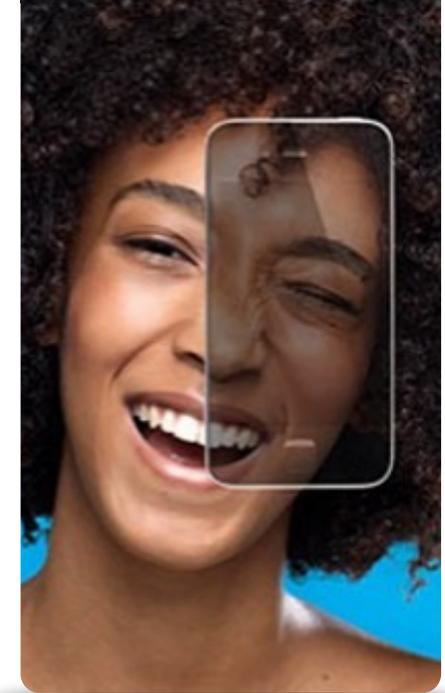
PERSONALISED  
RECOMMENDATIONS  
SKIN DIAGNOSIS  
**BASED ON AI**

## TO PREDICT



BEAUTY OUTCOMES FOR  
TOMORROW - FROM  
DIAGNOSIS TO PROGNOSIS  
**BASED ON PREDICTIVE AI  
MODEL**

## TO COACH

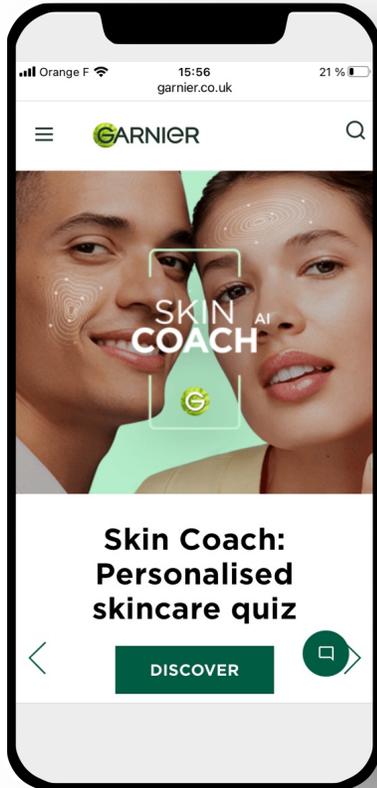


CUSTOMIZED PROGRAMS  
HOLISTIC ROUTINES &  
REGIMENS THAT **GET  
SMARTER OVER TIME**

# OUR SERVICES BRING ULTRA PERSONALIZATION & LIFE-LONG VALUE

ELEVATING PHYSICAL & DIGITAL BEAUTY EXPERIENCES

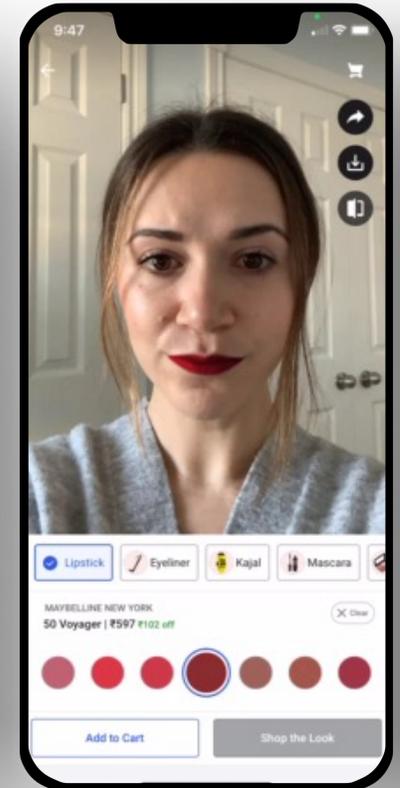
## BRAND SITES/STORES



## RETAILERS PLATFORMS/ DESTINATIONS



amazon



Flipkart



NEW CODES OF

**BEAUTY**

# NEW CODES OF BEAUTY

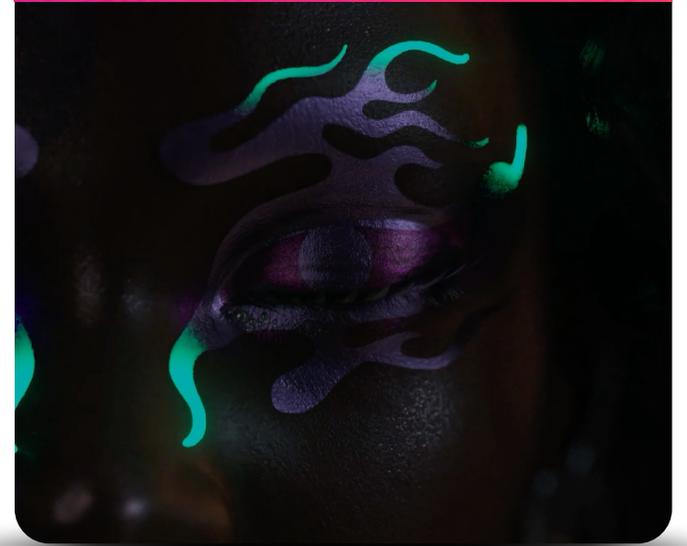
**ENTERTAINING**  
BEAUTY

WD

**VIRTUAL**  
BEAUTY



**DECENTRALIZED**  
BEAUTY



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ASSISTED BY GENERATIVE AI

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# EMBRACE & LEAD 'NEW VISUAL CODES OF BEAUTY'

DRIVING HIGHER ENGAGEMENT/ATTENTION FOR OUR GEN-Z & GEN- $\alpha$  CONSUMERS



# BETS

BEAUTY  
ENGAGEMENT  
TOUCHPOINTS

A&P IS 32.5% OF NET SALES



# BETS - BEAUTY ENGAGEMENT TOUCHPOINTS

TO DRIVE FULL FUNNEL ENGAGEMENT IN ORDER TO CAPTURE CONSUMER'S ATTENTION

**PAID  
MEDIA**

**#1**

**22%**

SHARE OF VOICE OFFLINE

**24%**

SHARE OF VOICE ONLINE  
(WHERE MEASURED)

**ADVOCATED/  
INFLUENCER  
MEDIA**

**#1**

**30%**

SHARE OF INFLUENCE

**OWNED  
SITES & SOCIAL**

**>1 BN**

COOKIES  
& CONSUMER DATA

COMMON CURRENCY OF 50 BETS

# 4<sup>TH</sup> LARGEST ADVERTISER IN PAID MEDIA

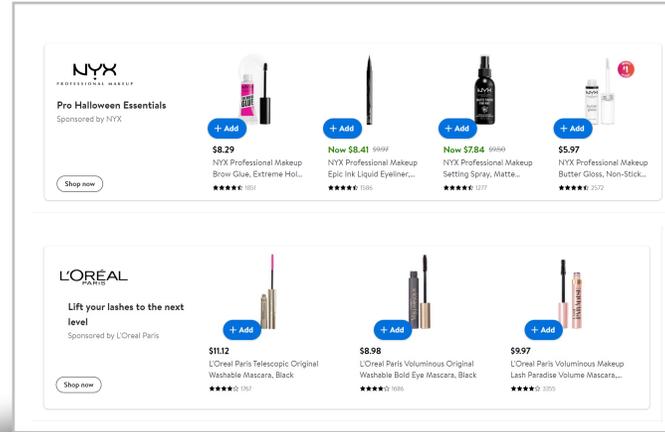
MANAGE BOTH SCALE & AGILITY – CONSTANTLY SHIFTING THE MIX TO EMERGING PLATFORMS

## CONNECTED TV



NETFLIX

## RETAIL MEDIA



Walmart Ad Center

## GAMING PLATFORMS



ROBLOX

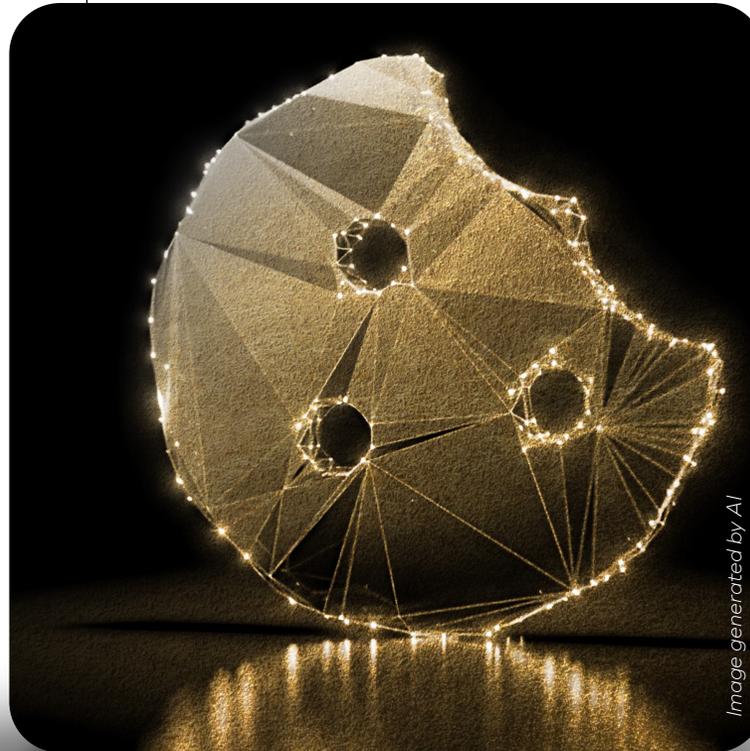
# AI POWERED, DATA DRIVEN MEDIA ERA

FUTURE COMPETITIVE EDGE FOR WHAT IS AHEAD OF US

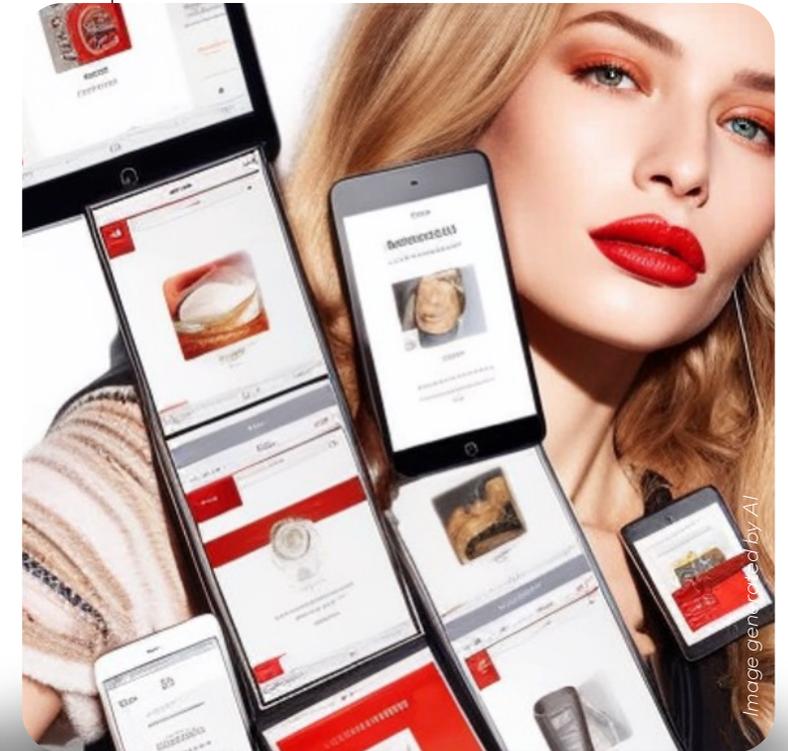
DEPLOYING **EMBEDDED & APPLIED AI** IN MEDIA



PREPARING FOR THE **COOKIELESS WORLD** WITH DATA DRIVEN MEDIA CAPABILITIES



FORMING WORLD CLASS **PARTNERSHIPS** WITH BIG TECH PLATFORMS, AGENCIES & MARTECH PLAYERS



# A NEW BEAUTY INFLUENCE

CONNECT & CO-CREATE WITH CONSUMERS  
IN A RISING CREATOR ECONOMY



# COLLABORATING WITH >50K INFLUENCERS & THOUSANDS OF PRESCRIBERS

TO LEAD THIS NEW BEAUTY INFLUENCE



## SKIN FLUENCERS

L'ORÉAL LUXE



## BEAUTY TOKS

CONSUMER PRODUCTS DIVISION



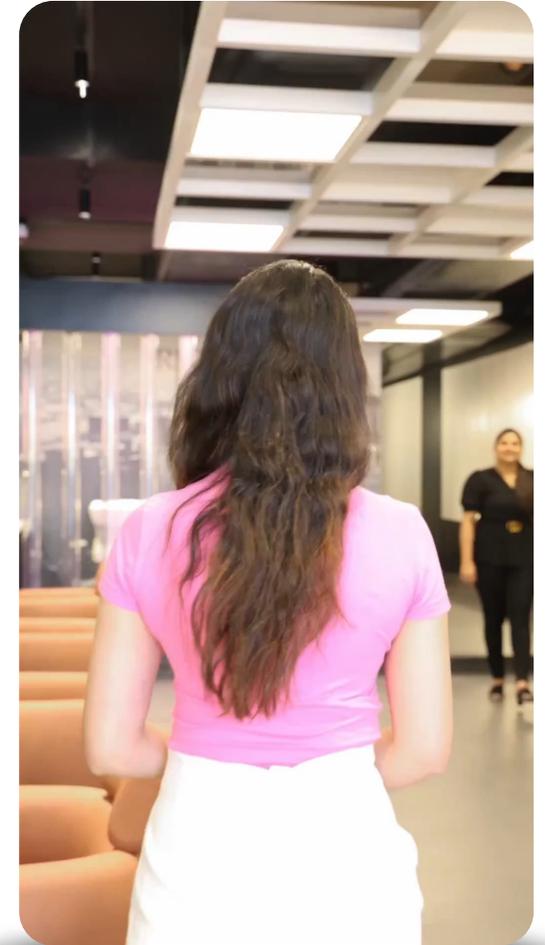
## MED-INFLUENCERS

LORÉAL DERMATOLOGY BEAUTY



## HAIR STYLISTS

PROFESSIONAL PRODUCTS DIVISION

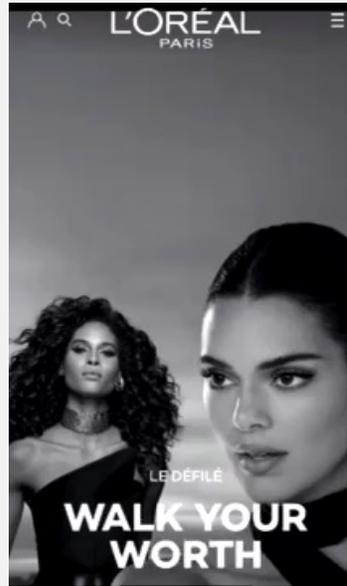


# OWNED TOUCHPOINTS

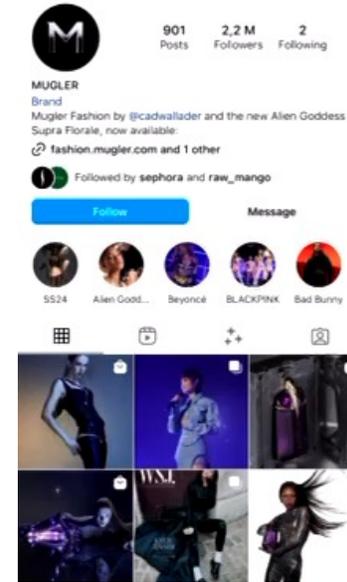
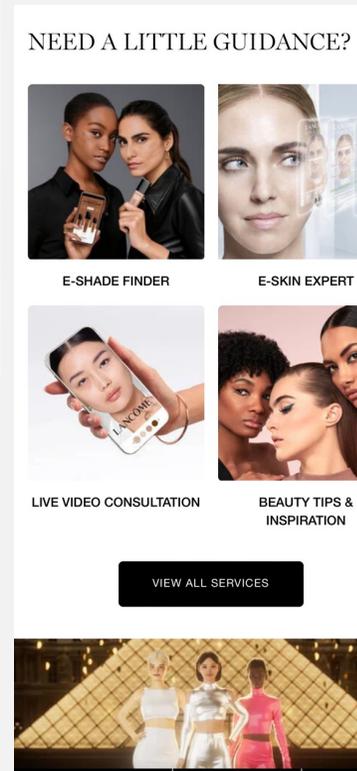
BRAND DESTINATIONS, DIRECT TO CONSUMER SITES & SOCIAL ACCOUNTS



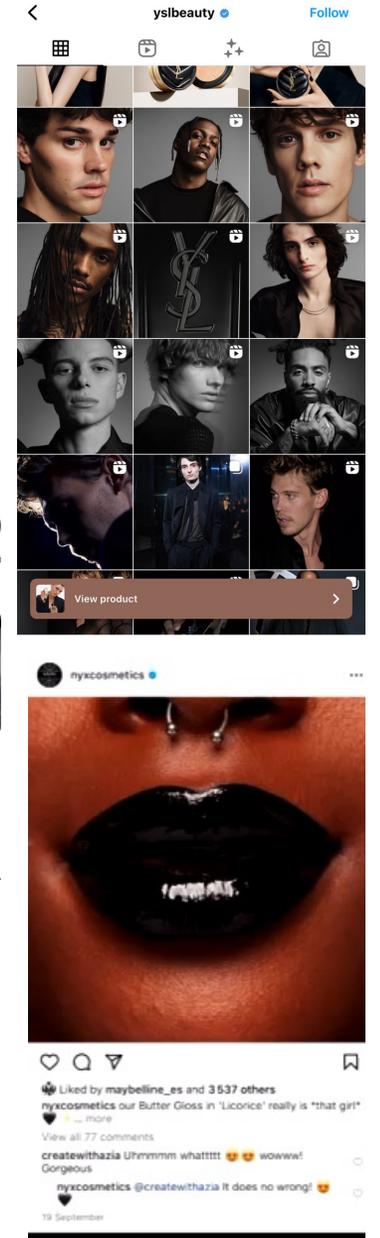
**DIRECT TO CONSUMERS**



**BRAND WEBSITES**



**SOCIAL ACCOUNTS**





WE ARE  
THE UNDISPUTED  
**LEADER**  
**IN E-BEAUTY**  
 **Globally**

ECOMMERCE #1

amazon

ULTA<sup>®</sup>  
BEAUTY

抖音

DOUGLAS

NOTINO

TARGET

JD.COM

天猫  
TMALL.COM

BY  
RETAILERS

NO.1

BEAUTY PLAYER ON  
MAJOR PLATFORMS

YTD JUNE 2023

VS.  
MARKET

+15%

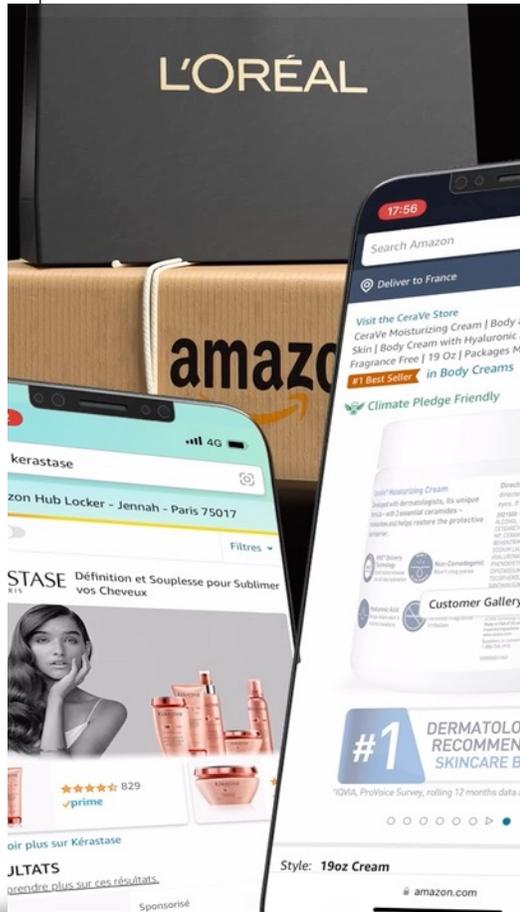
YOY GROWTH  
FASTER vs.MARKET

2023 YTD

# CONNECTED COMMERCE

E-COMMERCE LANDSCAPE WITH MORE OPTIONS & NEW BUSINESS MODELS

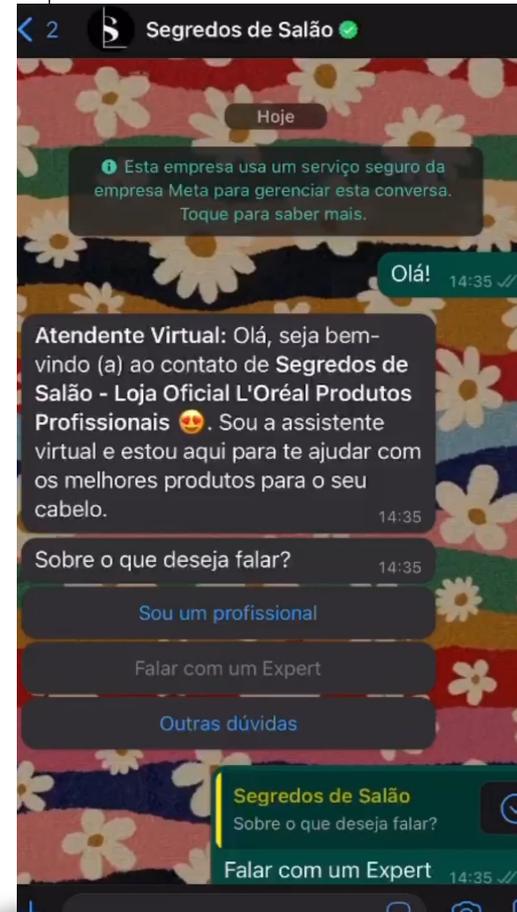
**BIG RETAILERS**  
ARE GETTING EVEN BIGGER



**DOUYIN & TIKTOK**  
ARE THE NEW PARADIGM  
OF CONTENT & COMMERCE



**WHATSAPP**  
IS DRIVING CONVERSATIONAL  
COMMERCE



**DIGITALLY LED BRANDS**  
ARE MOVING AT SPEED



A close-up, profile view of a woman with her eyes closed, smelling a small bouquet of white daisies. She is wearing a bright yellow shirt. The background is a bright, out-of-focus outdoor setting with sunlight filtering through, creating a warm and natural atmosphere. The text 'A NEW ECO-EXPECTATION' is overlaid on the left side of the image.

**A NEW**  
ECO-EXPECTATION



DIGITAL & TECH  
FOR GOOD



# 5 DIGITAL SUSTAINABILITY

MEDIA  
INFLUENCERS  
CONTENT  
WEBSITES  
ECOMMERCE



# 3 LEVERS

1. MEASURE  
2. OPTIMIZE  
3. PARTNER

IN ORDER TO  
ASSESS & CREATE  
POSITIVE IMPACT

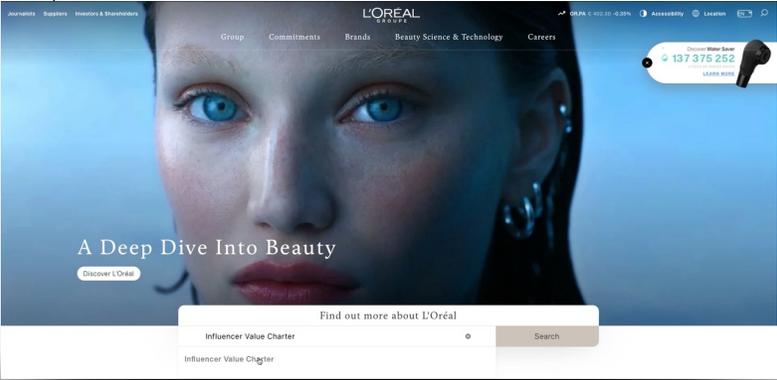
# RESPONSIBLE CONSUMER ENGAGEMENT WITH BEAUTY

WORKING CLOSELY WITH THE INDUSTRY & WITH OUR PARTNERS

## MEDIA SUSTAINABILITY



## INFLUENCER VALUE CHARTER



## DIGITAL CIRCULAR ECONOMY IN BEAUTY





# GENERATIVE AI

COLLECTIVE VEIN OF HUMANITY HAS BEEN TAPPED

# GENERATIVE AI TASK FORCE

L'ORÉAL GROUPE APPROACH



**SET UP RESPONSIBLE FRAMEWORK**  
GUARD RAILS / DOS & DONTs  
TO MITIGATE RISKS

**DEFINE POTENTIAL**  
FRAME USE CASES

**UPSKILL ORGANIZATION**  
ALL FUNCTIONS

**BUILD COMMUNITY**  
ANTICIPATE & CREATE IMPACT

# GENERATIVE AI 'DOS & DONTS'

CREATE A SAFE SPACE FOR EXPERIMENTATION ENVIRONMENT

## BEFORE USING GENERATIVE AI

**NEVER USE** YOUR **L'ORÉAL CREDENTIALS (EMAIL)** TO LOGIN TO A GENERATIVE AI SOLUTION (YOUR LOCAL IT CAN HELP YOU IN CREATING GENERIC EMAIL, IF NEEDED)

**NEVER SUBMIT CONFIDENTIAL OR PERSONAL INFORMATION** TO THE MODELS

**AVOID MENTIONING "L'ORÉAL"** WHEN SUBMITTING QUERY

**NEVER SUBMIT CONTENT PROTECTED BY THIRD PARTY RIGHTS**

**ONLY USE STRONG AND UNIQUE PASSWORDS** WHEN LOGGING TO THESE SOLUTIONS

**VALIDATE ANY LARGE-SCALE USAGE BY THE ARCHITECTURE / DATA / CYBER TEAM** (PLEASE REQUEST A REVIEW TO YOUR ZONE OF GLOBAL TEAM AS NEEDED). THIS IS MANDATORY

## WHILE USING GENERATIVE AI

USE GEN AI APPLICATIONS FOR IDEA GENERATION, INSPIRATION OR RE-EDITING SOME CONTENT:

**CONSIDER THE GENERATED CONTENT LIKE A DRAFT** THAT REQUIRES YOUR SUPERVISION AND EXPERTISE

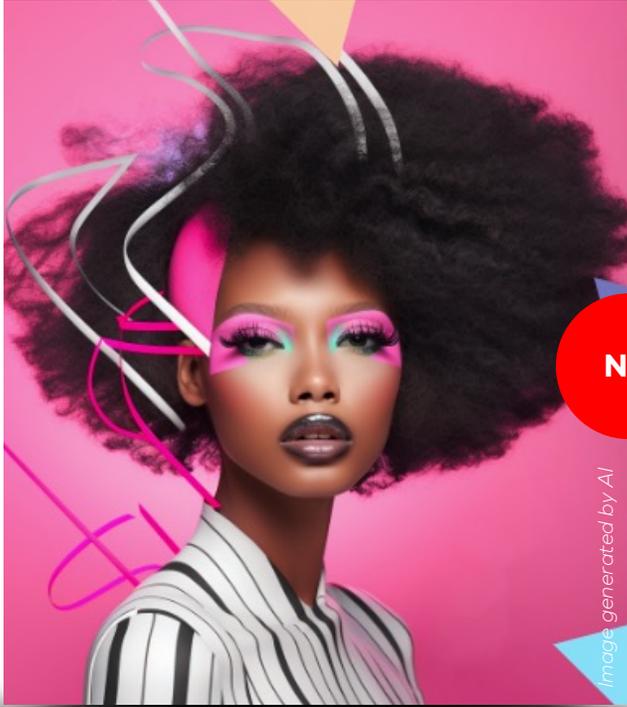
**DON'T TAKE THE OUTPUT FOR GRANTED**, ALWAYS EXERCISE GOOD JUDGMENT, (CHECK VERACITY, FACTS AND SOURCES)

BEFORE RE-USING ANY CONTENT, **RESPECT ANY EXISTING VALIDATION PROCESS (LEGAL, REGULATORY, IP RIGHTS, INTERNAL VALIDATION)**, AND ALIGN WITH OUR ETHICAL PRINCIPLES AND VALUES

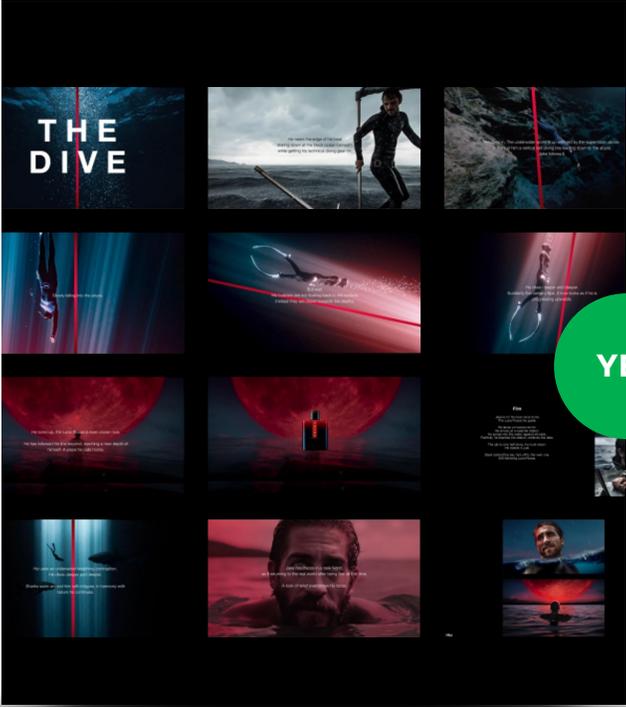
# NO USE OF 'LIFE LIKE' AI GENERATED FACE OR HAIR

TO SUPPORT / ENHANCE PRODUCT BENEFITS IN OUR EXTERNAL COMMUNICATION

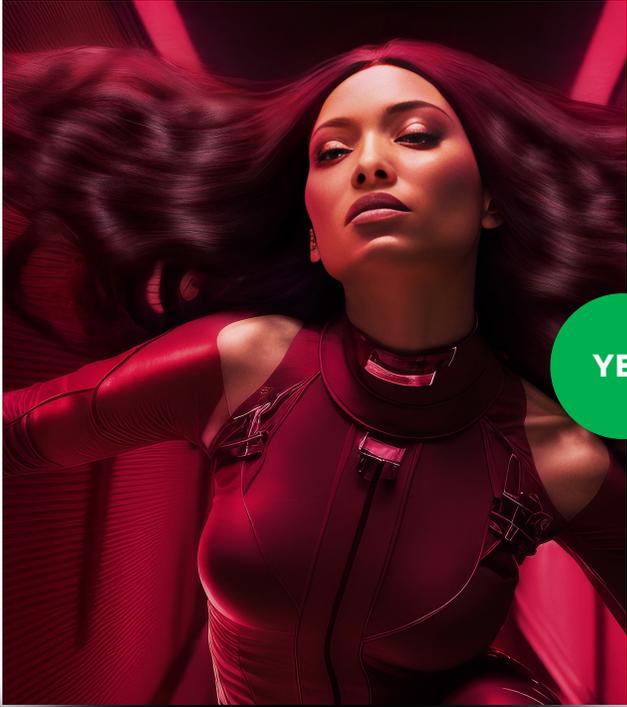
AI GENERATED  
'LIFE LIKE' FACES OR HAIR  
**FOR EXTERNAL  
COMMUNICATION**



AI GENERATED  
**FOR INTERNAL  
STORYBOARDS**



AI GENERATED  
**FOR CRAFTING IDEAS  
& INSPIRATION**





# AUGMENTED MARKETING

**AUGMENTED  
CONTENT  
CREATION**

**AUGMENTED  
SEARCH**  
SEO

**AUGMENTED  
CONSUMER  
CARE**

**AUGMENTED  
SERVICES**



**IDEAS**



**EFFICIENCY**

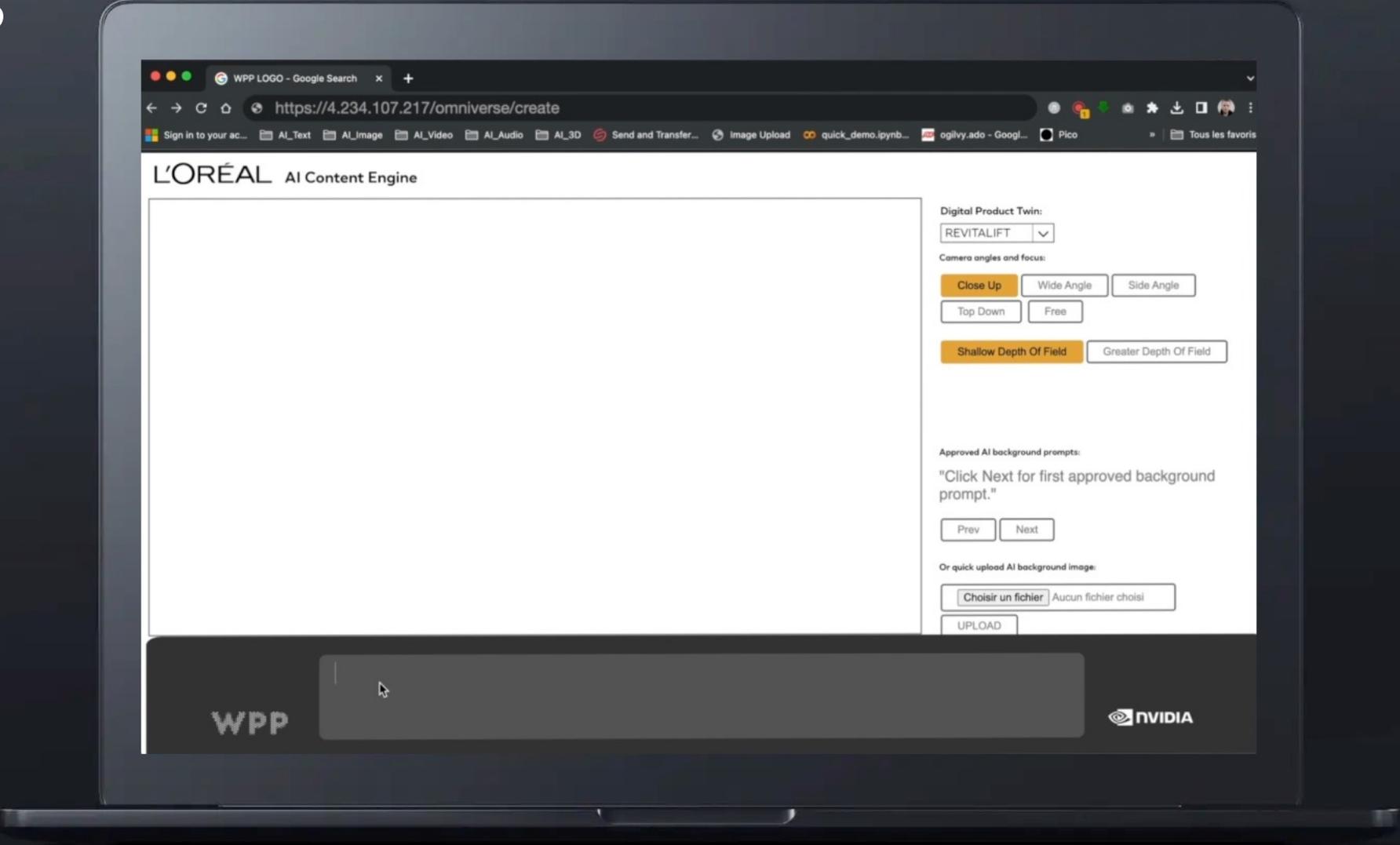


**IMPACT**

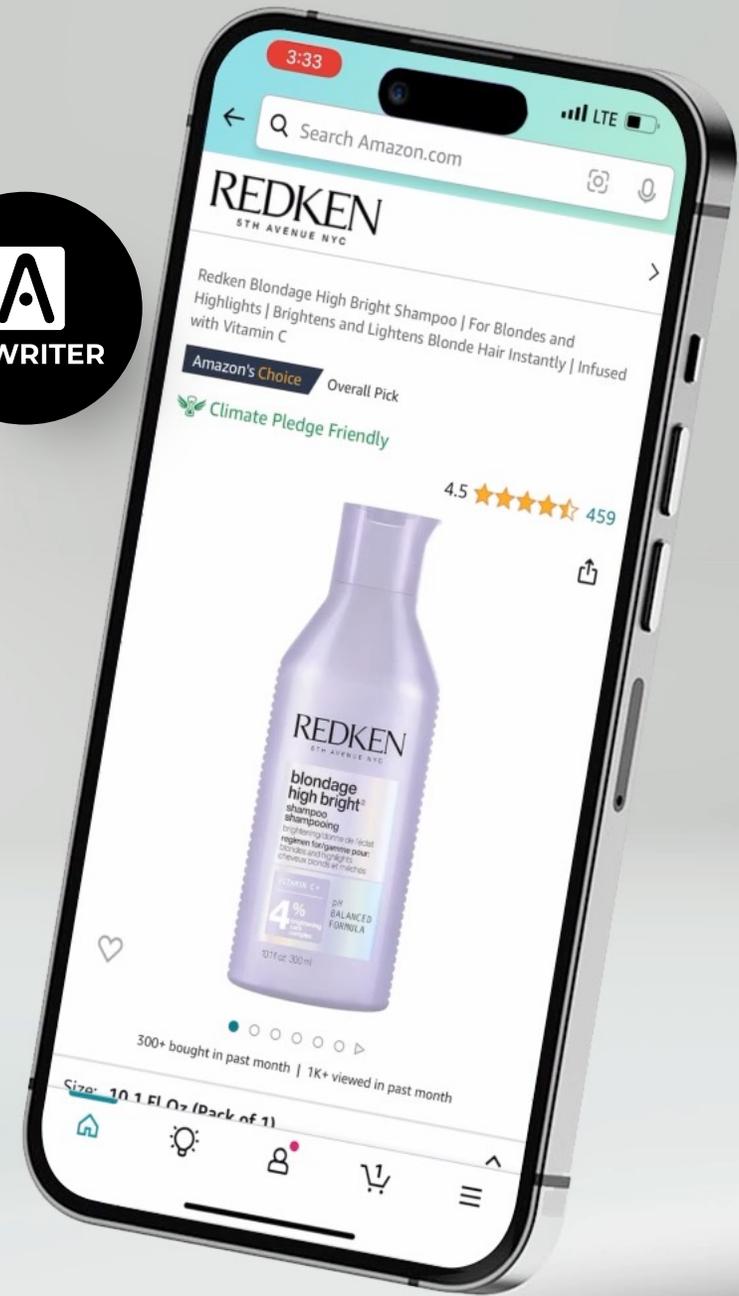
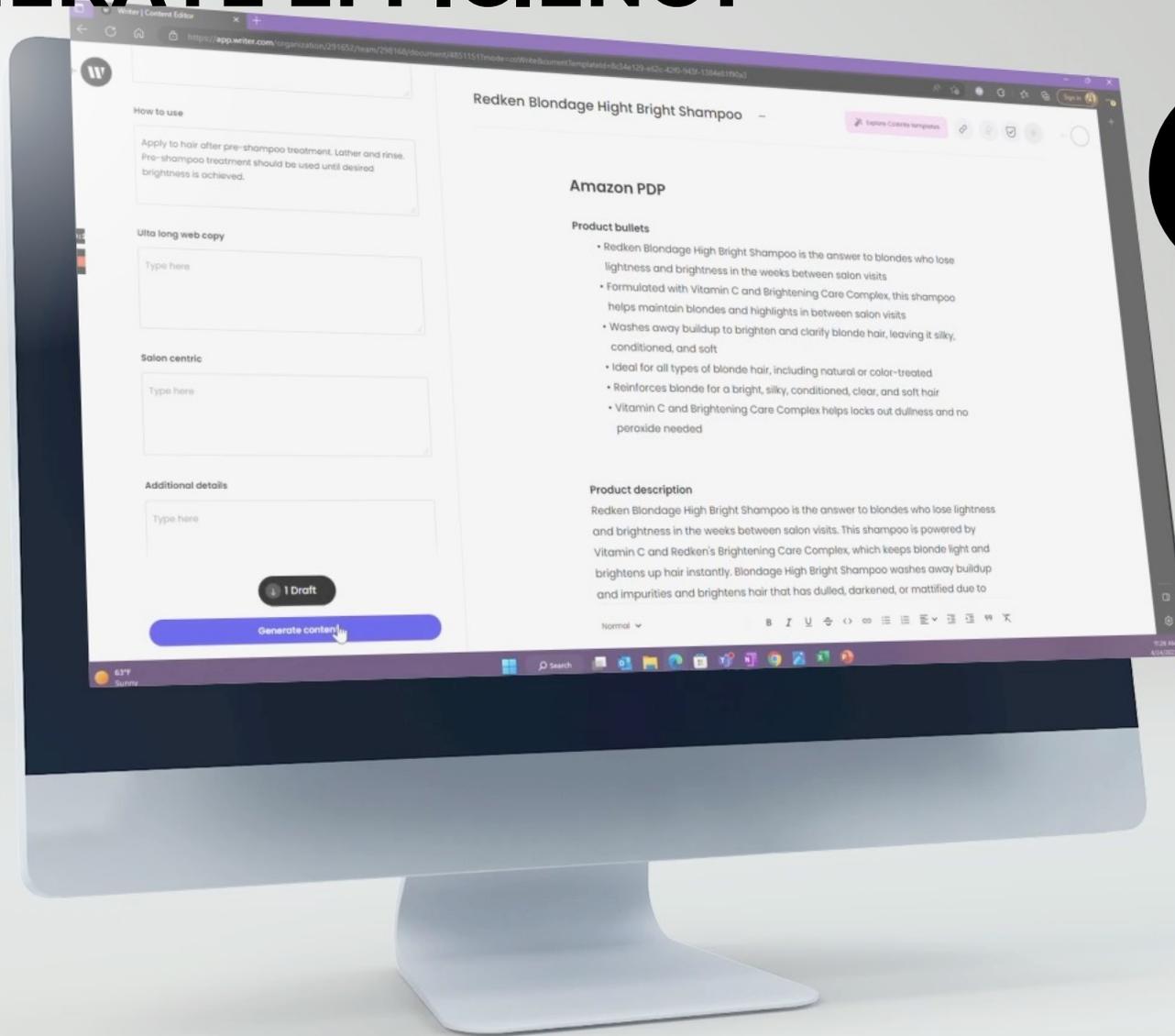
**GENERATE  
IDEAS**



# GENERATE IDEAS



# GENERATE EFFICIENCY



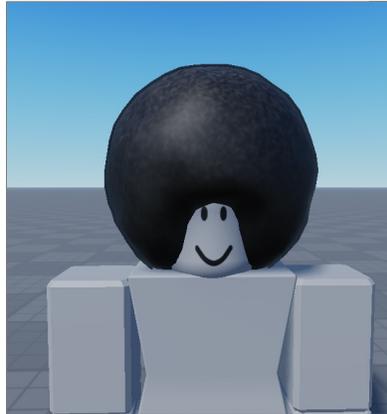
# GENERATE IMPACT

**READY  
PLAYER  
ME**



FROM  
**3D MASTER  
LOOK- HAIR**

**ROBLOX**



**ZEPETO**



TO  
**3D ADAPTATIONS  
PER PLATFORM**





# AUGMENTED MARKETING

THE FUTURE OF MARKETING

A woman with futuristic makeup and a sequined top against a background of digital data.

AUGMENTED  
MARKETING  
**FOUNDED ON  
A STRONG CORE**

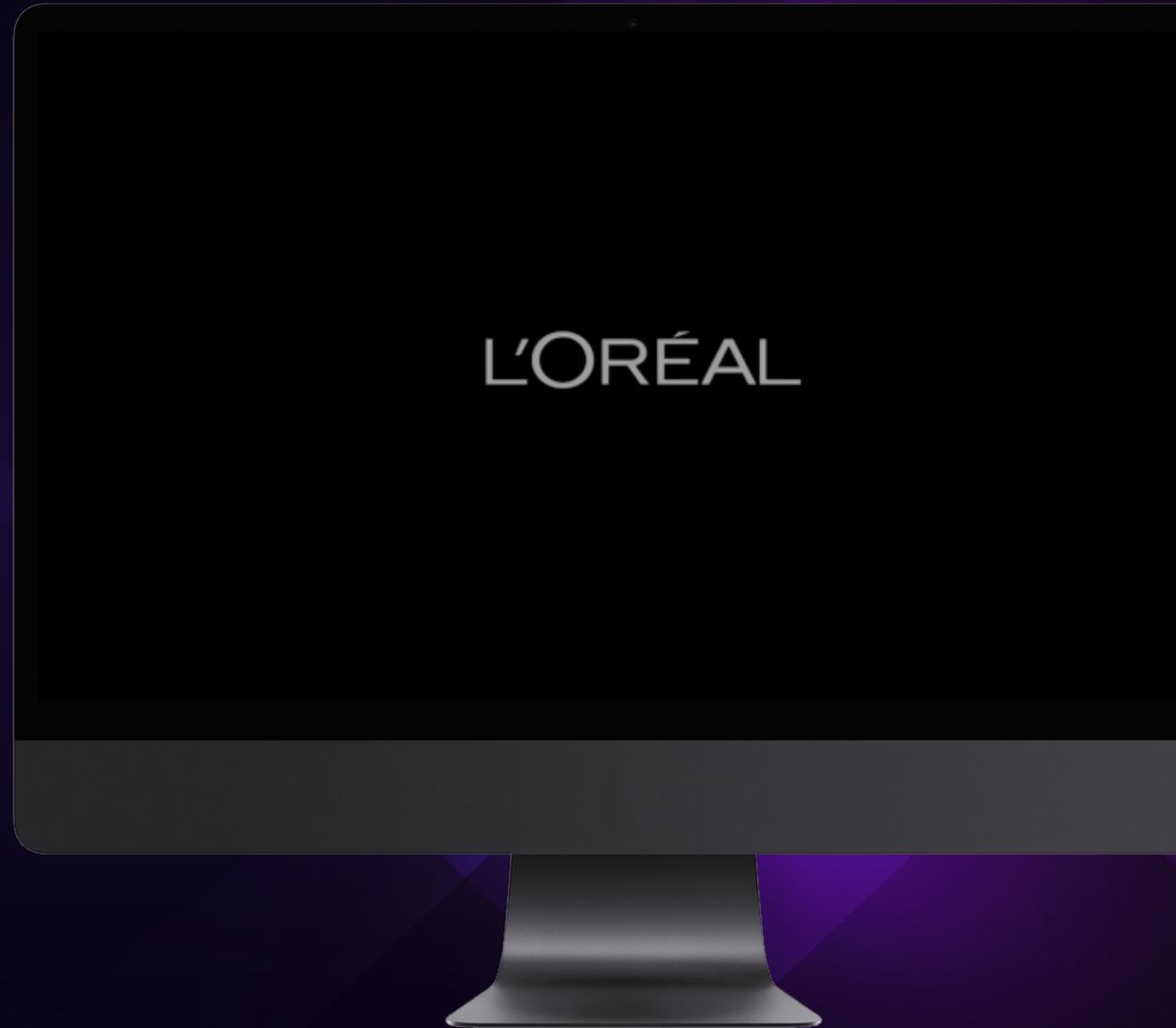
OF DIGITAL, DATA &  
BEAUTY TECH CHAMPIONSHIP

# DATA DRIVEN A&P



**BETiq**  
MEASURE ROI

L'ORÉAL



# RECOGNITION – AWARDS & ACCOLADES

EXTERNALLY

**Gartner**  
Digital IQ Index

**5/10 TOP BRANDS**  
PERSONAL CARE  
USA 2023

**CANNES LIONS**  
INTERNATIONAL FESTIVAL OF CREATIVITY

**SILVER**  
MAYBELLINE NEWYORK –  
GAMING  
SOCIAL & INFLUENCE

**Ad Age**

**AMERICA'S HOTTEST BRANDS 2023**  
CERAVE  
DIGITAL & SOCIAL

**CSS**

**CORPORATE STARTUP STAR**  
NOMINEE &  
METAVERSE/ WEB3  
THOUGHT LEADERSHIP

GENIUS

<p><b>#1</b> RANK</p> <p><b>#144</b> DIGITAL IQ</p>	<p><b>#2</b> RANK</p> <p><b>142</b> DIGITAL IQ</p>	<p><b>#3</b> RANK</p> <p><b>140</b> DIGITAL IQ</p>

CHANGING VOICES TO CHANGE THE GAME

**\$276.5 MILLION**  
EARNED MEDIA

WEEK 1-2

**Alo Yoga**  
Yolker has become a lifestyle brand

**Barbie**  
Music has curated viral moments long before its July release

**CeraVe**  
Skincare brand combines medical expertise with TikTok stars to boost popularity.

**ChatGPT**  
AI model has enthralled businesses and consumers alike

**Converse**  
Its Chuck Taylors carry universal appeal

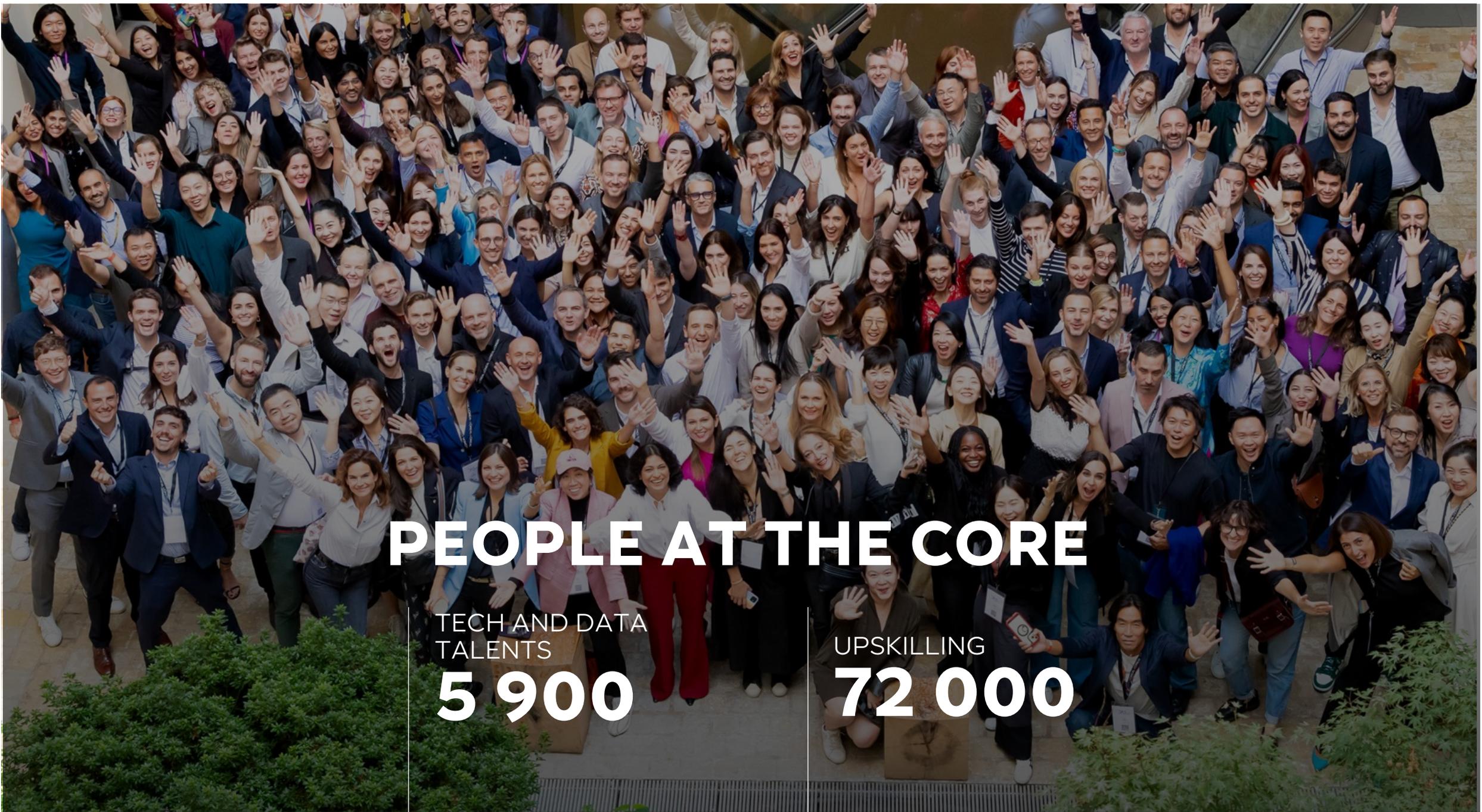
**Crumb!**  
Fans hunger for the cookie company's weekly flavor drops

**NFT PARIS**

THE DIGIDAY AWARDS

**CSS2023**  
CORPORATE STARTUP STARS

**NFT NYC**



# PEOPLE AT THE CORE

TECH AND DATA  
TALENTS

**5 900**

UPSKILLING

**72 000**



# L'ORÉAL

## CAPITAL MARKETS DAY

### 2023

#### DISCLAIMER

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