

L'Oréal – Annual General Meeting of 24 April 2026

Answers from the Board of Directors to written questions from shareholders

Written questions may be addressed to the Company at the Annual General Meeting under the conditions laid down by law. In accordance with the legislation in force, a question is deemed to have been answered as soon as the response is published on the Company's website.

NB: The answers included in this document have been provided in compliance with Article R.225-84 of the French Commercial Code which governs the mechanism of "questions écrites" to which French companies are subject. The Board of Directors answered the questions asked by shareholders in French. This English version is issued solely for the convenience of English-speaking readers. In case of discrepancy between this document and its French version, the French version shall prevail.

Questions from Forum pour l'Investissement Responsable (FIR)

"The FIR (French Sustainable Investment Forum) is a multi-stakeholder association that promotes and develops Socially Responsible Investment (SRI). It engages in constructive dialogue with leading French businesses in the context of its Dialogue and Engagement Commission (Commission Dialogue et Engagement), whose members represent over €7,000 billion in assets under management.

For the seventh year running, the FIR is sending companies listed on the CAC 40 index questions drafted by sector and subject-matter experts on Environmental, Social and Governance (ESG) issues. The reports analysing the responses from 2020 to 2025 are available on our website and the 2026 responses will be analysed and published, with the aim of transparency and sharing of best practices.

This year, you will be asked four questions. Among them, three are common to all CAC 40 companies and address issues deemed material for all: the just transition, the decent standard of living in the value chain and the social impacts of artificial intelligence. A fourth specific question on a personalised topic is asked on a matter determined by analysts who are members of the FIR. In the event that the response to the latter is considered insufficient, the FIR reserves the right to reformulate it in 2027, with a view to continuing the dialogue and monitoring the issues deemed material by its members.

For the first three issues common to all companies, the FIR has taken greater account of the reporting efforts already made by assessing L'Oréal's level of transparency on the topics covered. Compiled exclusively from your publicly available documentation, this assessment is based on an artificial intelligence tool developed by Iceberg Data Lab, which has then been reviewed and validated by the FIR. It is attached in the appendix to this letter, contains the sources of the documents consulted and thus forms an initial basis for responding to these topics. However, since the content may not fully correspond to the issue raised, we leave it to you to validate, modify and enrich it.

Beyond this assessment, and to take things further, the FIR is primarily interested in your vision for the future. The aim is to make this written questionnaire an effective tool for dialogue and monitoring for the benefit of both companies and committed investors. We therefore encourage you to participate in this new campaign and share your thoughts on how these topics are studied, anticipated and structured within your company. In addition to the factual elements, the analysis will be based on your ability to provide precise, transparent and direct answers, avoiding any overly general formulation, and to engage in a sincere dialogue on the issues identified.

This year, the themes relating to a living wage in the value chain and the social aspects of artificial intelligence are again being addressed. We add to this letter the assessment carried out in 2025: L'Oréal's average overall score is 1.9/3. Please see below for details:

Questions	Topics	Score (out of 3)
Q1	<i>Sufficiency</i>	1
Q2	<i>Decent standard of living in the value chain</i>	3
Q3	<i>Directors' sustainability skills</i>	2.5
Q4	<i>Artificial intelligence</i>	1.5
Q5	<i>Specific question</i>	1.5

Our questions this year are as follows:"

First, please note that for the first time, the FIR analysed documentation published by L'Oréal using artificial intelligence tools to establish an initial assessment on transparency levels regarding these themes. This assessment was then submitted to L'Oréal for validation. To provide the most precise and up-to-date information, L'Oréal has structured its responses based on the 2025 Universal Registration Document (URD) published on March 18, 2026. While the FIR's initial proposals were taken into account, the final drafting reflects the most recent policies, objectives, and performance indicators published by L'Oréal.

Question 1: Just transition

According to the International Labour Organisation (ILO), a just transition involves making the economy greener in a way that is as fair and inclusive as possible for all concerned, creating decent work opportunities and leaving no one behind. The Institut de la Finance Durable defines it as "a transition toward a more environmentally friendly economy including measures (i) aimed at ensuring the future prospects of workers, their families, and impacted communities, and (ii) based primarily on social dialogue between the various stakeholders (workers, vulnerable communities, businesses, governments)".

This implies short- and medium-term trade-offs for certain activities in favour of new ones. This reality can have consequences for the company's employees, value chain workers, local communities (affected by the activities of the company, its suppliers, subcontractors, and service providers), and the recipients (direct and indirect) of the company's products and services.

Policy and Strategy

a) Do you mention "Just Transition" within your organisation and/or in your external communications? If so, what definition have you adopted?

Answer: L'Oréal explicitly mentions the concept of "Just Transition" in both its policies and external communications. L'Oréal's Human Rights Policy (updated in 2025) integrates Just Transition into the broader framework of its sustainability objectives. The Group affirms its ambition to working "towards a just transition by integrating Human Rights into its efforts to address environmental challenges", in alignment with its Policy on Forests and Sustainable Land Use, and by coordinating its mitigation and adaptation plans aimed at avoiding and reducing biodiversity loss, as well as improving the health of priority ecosystems.

The 2024 Human Rights Report specifies that the Group intends to "develop a strategic roadmap with defined objectives, allowing for the measurement of progress in its implementation and the anticipation of other emerging risks, particularly those related to technology and Artificial Intelligence, or to further accelerate the just transition".

It is also noted in the 2025 Universal Registration Document that "social and societal engagement is just as important as environmental engagement, as there can be no environmental transition without an inclusive society". — the latter incorporating Human Rights within its chapter 4, which constitutes the Sustainability Report.

Regarding the definition adopted, L'Oréal has not, at this stage, formalised an autonomous and isolated definition of "Just Transition". The approach favoured by the Group is transverse and integrated: Just Transition is understood as the necessity of conducting environmental and climate transformation while simultaneously

aiming to respect and promote human rights throughout the process — for employees, communities, and all relevant stakeholders. This conceptualisation is consistent with international reference frameworks, notably those of the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights.

b) Have you identified (with precision) the sectors, activities, and stakeholders (workers, clients, suppliers, local communities) most likely to be affected by your company’s transition toward a more environmentally friendly model (including a low-carbon model but also issues related to nature and biodiversity)?

Answer: L’Oréal has implemented a systematic identification of the sectors, activities, and stakeholders impacted by its environmental transition (climate and nature, including biodiversity and water). This approach is part of the **double materiality assessment**, in accordance with the European **Corporate Sustainability Reporting Directive (CSRD)/European Sustainability Reporting Standards (ESRS)**.

Conducted in close collaboration with internal and external experts as well as stakeholders through in-depth interviews, this assessment has enabled L’Oréal to intensify its action and concentrate its resources on the most material issues.

- **Impact materiality** reflects the gross impacts, positive or negative, of the Group’s activities and its value chain on the environment and people, taking into account their severity, their scope, and the likelihood of remediation.
- **Financial materiality** reflects the gross risks and opportunities related to sustainability and their potential incidence on financial performance in the short, medium, and long term, taking into account the effects on costs, revenues, and access to financing.

Initially carried out in 2024 and nourished by a permanent dialogue, the assessment was confirmed as stable in 2025. On the environmental side, the **2025 Universal Registration Document (section 4.1.3.3)** identifies climate change, water stewardship, biodiversity, and the circular economy as the most material issues. The methodological frameworks of the **TCFD** (Task Force on Climate-related Financial Disclosures) and the **TNFD** (Taskforce on Nature-related Financial Disclosures) were mobilised to deepen the analysis of these risks, dependencies and opportunities.

The **L’Oréal for the Future** programme constitutes the strategic and operational roadmap to pilot these issues, with 15 concrete objectives for 2030 structured around four pillars: stewarding climate transition, safeguarding nature, driving circularity, and supporting communities.

1. Most exposed sectors and activities

The double materiality assessment allowed for the identification of the value chain stages and the activities most exposed to the engaged environmental transition, from upstream (supply of raw materials) to downstream (distribution, usage by consumers, and management of product end-of-life) including the internal activities of L’Oréal (research and innovation, industrial production, design and marketing).

Concerning climate, the activities particularly exposed to the transition (reduction of emissions and climate change adaptation) are distributed across the entire value chain.

Regarding emission reduction, the climate transition plan brings together the main levers for emission reduction. On Scopes 1&2, the measures concentrate on the improvement of the energy efficiency of operated sites, the use of renewable energies (100% reached for operated sites and boutiques in 2025), and the electrification of the vehicle fleet. On Scope 3, the measures extend from packaging (lightweighting, promotion of refillable formats, increase in the share of recycled materials), to formulas (use of plant-based ingredients as an alternative to those derived from petrochemistry, replacement of high carbon emission intensity ingredients, promotion of regenerative agriculture practices, and the fight against deforestation), including digital marketing (optimisation of the digital format of advertising content), distribution and promotion activities (environmental design of POS), transport and distribution (optimisation of filling, and promotion of multimodal solutions), as well as employee

travel. Suppliers are subject to specific proactive support in the reduction of emissions related to their activities, and the reinforcement of transparency and tracking of their emissions.

In terms of results, the year 2025 marks a major pivot: with 100% renewable energy reached for all sites and boutiques, and a 58% reduction in emissions compared to 2019 on this scope. Moreover, Scope 3 emissions have begun a decrease in absolute value compared to the previous year. This change of direction reflects the efforts of the Group to decouple its economic growth from its GHG emissions. Regarding the absolute value reduction objectives validated by the SBTi, the performance stands at +5% compared to 2019 (against a reduction objective of -28% by 2030). Despite major advances in terms of transport, packaging circularity, and carbon efficiency of raw materials, volume growth and the evolution of the product mix continue to offset these advances.

Regarding the question of climate change adaptation, continuity plans are implemented in response to transition risks and physical risks identified in the medium and long term: on raw materials (diversification of sources, adaptation of production zones, promotion of more sustainable and resilient agricultural practices), on operations (analysis of climate scenarios, site risk reviews, and tailor-made adaptation plans, infrastructure resistance audits), and on product consumption (water-efficient products or technologies to allow consumers in markets subject to water stress to satisfy their hygiene and beauty needs).

On the topic of nature (including water, soils, and biodiversity), the activities particularly exposed to the transition include Research and Innovation activities, industrial activities, the industrial and agricultural activities of suppliers, as well as the use of products by consumers.

Regarding water, actions are carried out in each of these fields of activity, both on the quantities of water withdrawn and on the quality of the water; they include:

- **upstream of the value chain**, the incentive for strategic suppliers toward a responsible use of water, notably for sectors with high potential impact, the conservation and restoration of ecosystems through nature-based solutions, particularly in the territories where the Group sources key raw materials (including the promotion of regenerative agriculture practices contributing to the reduction of pollution), or even the respect for fundamental human rights related to access to water, sanitation, and hygiene;
- **on operated sites**, the reduction of water volumes used in production processes, the reuse and recycling of wastewater via advanced technologies to obtain a high-quality water reusable in industrial processes, and the continuous improvement of the quality of wastewater discharged by the sites;
- **and downstream**, the optimisation of the usage phase by offering water-efficient products or technologies to allow consumers, in markets subject to water stress, to satisfy their hygiene and beauty needs, or even the work on the biodegradability of ingredients and formulas to reduce their environmental footprint at end-of-life.

Regarding biodiversity, the main areas impacted are Research and Innovation and the supply of raw materials. The measures include the increasing use of biobased materials used in formulas as an alternative to ingredients derived from petrochemistry, sustainable forest management, the promotion of regenerative agriculture practices among suppliers within and around agricultural holdings, and support for the regeneration of natural ecosystems, particularly in key raw material sourcing areas.

For the 10th consecutive year, L'Oréal obtained the CDP Triple "A", notably rewarding its actions regarding climate, water, and forest protection.

2. Identified stakeholders

Within the framework of double materiality assessments conducted according to CSRD/ESRS requirements, L'Oréal identifies stakeholders likely to be affected by the environmental transition, particularly during the assessment of its risks and opportunities on material topics.

Overall, the identified stakeholders include employees, investors, suppliers, customers and distributors, consumers, and local communities affected by activities. For example, regarding consumers: they are both impacted stakeholders and levers of the transition. In this regard, in July 2025, the EcoBeautyScore association—grouping more than 70 stakeholders from the cosmetics industry—launched its public deployment in Europe: the L’Oréal Paris and Garnier brands began displaying the score (from A to E) on their e-commerce sites, allowing for a comparison of the environmental footprint over the entire product life cycle to encourage more sustainable consumption choices.

Suppliers are also the subject of specific attention and support in conducting their own transition: The Solstice fund (€50 m) was launched at the end of 2024 with Chenavari Investment Managers to support the decarbonisation investments of industrial suppliers (financing of clean energy and sustainable transport projects – 2025 URD, p195 section 4.1.2).

The Group recognises the exposure of communities located in sourcing and water-stress areas, with an obligation of free, prior, and informed consent for indigenous people (2025 URD, p251 section 4.9.2).

The Group has allocated more than 200 million euros to its endowment and investment funds linked to environmental and social issues (2025 URD, p51 section 1.4.2).

The Group has a *Speak Up* programme that allows internal and external stakeholders of L’Oréal to express their ethical concerns so that the Group and the Department of Ethics can address them.

c) Have you deployed a specific strategy to plan and implement a just transition plan? For example, are your governance bodies formally involved in your policy and strategy dedicated to a just transition, and have you put in place performance and monitoring indicators (KPIs) as well as deadlines? Do you have a budget dedicated to the implementation of this plan (training, social support, territorial dialogue, support for suppliers, franchisees etc.)? If so, how is it distributed and monitored?

Answer: L’Oréal has deployed a structured and fully operational strategy aimed at conducting its environmental transformation in a fair and socially inclusive manner. This strategy is built around three complementary axes: formalised governance at all levels, quantified performance indicators with precise deadlines, and dedicated financial resources.

The Board of Directors places sustainability at the heart of its strategic decisions, relying on the expertise of its four specialised committees whose missions have been reinforced to respond to transition issues and which report on their work to the Board:

1. **The Strategy and Sustainability Committee** prepares the strategic orientations defined by the Board and supervises major climate objectives, such as the decarbonisation trajectory, resilience to water challenges, and the L’Oréal for the Future programme.
2. **The Audit Committee** is in charge of the integrity of extra-financial information. It supervises the sustainability reporting strategy (CSRD standards), the Vigilance Plan, risk mapping, and internal control systems.
3. **The Nominations and Governance Committee** ensures the integration of CSR skills within the Board itself via the directors’ skills matrix. It analyses the composition of the Board with regard to sustainability issues and examines investor expectations, notably via the review of general meetings.
4. **The Human Resources and Remuneration Committee** integrates and monitors the achievement of CSR and HR criteria in the variable remuneration of executive officers. This aims to ensure the alignment of Management’s interests with the Group’s sustainability objectives. The Committee also ensures the application of ethics rules and Diversity, Equity, and Inclusion policies.

At the executive level, the Chief Corporate Responsibility Officer is a member of the Executive Committee, reporting directly to the Chief Executive Officer, and reports annually on the progress of environmental ambitions to the Board of Directors. The Human Rights Policy, which explicitly integrates just transition principles, was approved by the CEO and the Executive Committee and presented to the European Works Council.

The alignment between extra-financial performance and senior executive remuneration is fully effective: 10% of the CEO's annual variable portion and 15% of his long-term variable remuneration are indexed to the results of the L'Oréal for the Future programme, reflecting a concrete commitment of governance in the operational management of the transition.

Operational implementation is driven by the Network of Sustainability Leaders, which ensures the integration of sustainability objectives across all functions and Divisions of the Group.

The Group's main objectives are formalised within the framework of the *L'Oréal for the Future* programme, with quantified objectives, intermediate milestones, and external verification ensured by the Statutory Auditors with different levels of assurance. The *L'Oréal for the Future* programme is built around four essential pillars: accompanying climate transition, preserving nature, promoting circularity, and supporting communities.

L'Oréal has mobilised significant financial resources, distributed among several impact funds and operational investments integrated into the Group's annual financial planning:

- L'Oréal Fund for Nature Regeneration — €50 M: dedicated to biodiversity projects, funded to the extent of €27.6 million at the end of 2025.
- Solstice Fund (launched in November 2024, with Chenavari) — €50 M: oriented toward the decarbonisation of industrial suppliers.
- Climate Emergency Fund — €15 M: intended to strengthen the resilience of vulnerable populations facing climate hazards.
- L'Oréal Act for Dermatology programme (launched in 2025) — €20 M over five years: aimed at equitable access to dermatological care.
- R&I Budget — more than €1 bn per year: with an increasing portion dedicated to the green sciences programme and the substitution of petro-sourced ingredients.

Budgetary integration is systemic: an internal management standard ensures that each Group entity integrates sustainability parameters—including decarbonisation costs—into its annual Strategic Planning process, under the responsibility of the Group's Finance Department.

Finally, regional social dialogue is structured via the European Social Dialogue Body (European Works Council) and qualified external stakeholders (NGOs, civil society), in accordance with the provisions of the Vigilance Plan.

d) Can you detail how this plan was prepared and the procedures for consulting stakeholders (typology of exchanges and actors met, number of meetings, objectives)? Do you work with local actors (local authorities, NGOs, training organisations, employment actors) to co-construct solutions?

Answer: L'Oréal relies on robust and documented mechanisms for stakeholder consultation and co-construction with local actors, which constitute the foundations of its sustainable transformation programme.

The Group has conducted a double materiality assessment in accordance with CSRD requirements, involving internal stakeholders (business departments, human resources, responsible purchasing, compliance) and external ones (NGOs, independent experts, union representatives, strategic suppliers, affected communities, investors). Issues at the interface of human rights and the Group's activities—working conditions in the supply chain, access to water, impact on local communities—explicitly integrate the social dimension of the environmental transition. Alert and grievance reporting mechanisms open to external stakeholders ensure continuous dialogue, supplemented by the supplier social audit programme, conducted with independent third-party organisations. In 2025, 36 countries were EDGE or GEEIS¹ certified in terms of professional equality, covering more than 60% of the global workforce. Supervision of these commitments is ensured at the Executive Committee level.

Inclusive Sourcing — The Group mobilises its purchasing capacity to favour the economic inclusion of vulnerable communities through its suppliers, some projects being sponsored by NGOs and local integration structures. By

¹ GEEIS: Gender Equality European & International Standard; EDGE: Equity, Diversity and Gender Equality Certification.

the end of 2025, 115,000 beneficiaries from vulnerable communities had accessed a job or maintained a decent income, thanks to 1,403 projects deployed in 71 countries, involving more than 950 partner suppliers—including sheltered workshops for people with disabilities, integration companies, and fair trade producers. The programme is part of the L'Oréal for the Future trajectory aiming to help 100,000 people from disadvantaged communities gain access to employment (from 2020 to 2030). These programmes illustrate the co-construction approach at the interface of social and environmental issues.

The Group is part of several collective initiatives—Ellen MacArthur Foundation, RSPO, United Nations Global Compact—according to a logic of co-construction between companies, civil society, public institutions, and communities.

Internal and external impacts

e) What are the effects of your transition plan on the adaptation of jobs and skills, training needs, and possible disparities between professions and regions or countries? What precise measures are you taking to respond (requalification and upskilling)? Please specify the activities and categories of personnel targeted.

Answer:

Identified effects of the transition on jobs and skills

The Group's transformation toward a sustainable growth model generates new and transversal skills needs, the intensity of which varies according to functions and geographies. Research and development, industrial production, purchasing and supply chain, and marketing professions are on the front lines of this transition. Scientific and formulation teams are required to master the principles of green chemistry, biobased ingredient sourcing, and the development of low-impact formulas. Production operators and technicians must adapt to the transformation of the Group's industrial sites toward the use of 100% renewable energy used on operated sites as of 2025, reaching the historic objective set within the framework of the L'Oréal for the Future programme. Purchasing and logistics are impacted by the systematic integration of environmental and social criteria into sourcing practices, while marketing functions must integrate eco-design and responsible communication issues.

These transformations are geographically differentiated: industrial sites and sourcing countries remain the most exposed to mutations linked to decarbonisation and changes in the value chain.

In 2025, L'Oréal maintained a high level of investment in the training of its more than 95,000 employees, with a 100% participation rate. All employees had access to training courses dedicated to climate, biodiversity, and circularity issues, available via the internal One Learning platform. Within the framework of the Skills Revolution, the Group confirmed the 578 key skills necessary for the organisation of tomorrow, while the digital platforms One Profile and One Payroll were deployed to the entire workforce to harmonise talent management and development paths. The digital transition is accompanied by a massive acculturation effort: more than 45,000 employees were trained in 2025 in the GenAI for All programme, dedicated to generative artificial intelligence—and a new e-learning module, L'Oréal Trustworthy AI Awareness, was launched to enable a responsible and ethical use of AI. On the industrial level, some 10,000 factory employees and 4,000 operations engineers benefit from specific support for the adoption of new production technologies.

Beyond its workforce, the Group offers professional training opportunities to certain audiences particularly impacted by social inequalities. By way of an example, the *Beauty for a Better Life* programme, deployed by the L'Oréal Foundation in 329 centres across 21 countries, continued in 2025 to provide certified training in beauty professions to women in highly precarious circumstances, thus contributing to their economic integration in the regions most exposed to transition inequalities.

These systems testify to the Group's desire to ensure a just, inclusive, and territorially balanced transition, by making skills development a central lever of its sustainability strategy.

f) How do you integrate just transition issues into your human rights policy (adaptation of working conditions to climate change, decent wages, trade union rights, new supply chains, local development, land rights etc.)?

Answer: The Group's Human Rights Policy, updated in 2025 and aligned with the United Nations Guiding Principles on Business and Human Rights (UNGP), fully integrates just transition issues. This integration is based on the conviction that the decarbonisation of the economy cannot be done to the detriment of vulnerable communities, workers, or local ecosystems. Its implementation is placed under the direct supervision of the Chief Corporate Responsibility Officer, a member of the Executive Committee, supported by a network of more than fifty Human Rights Correspondents deployed worldwide.

On the issue of living wages, the Group has been certified as a "Living Wage Employer" by the Fair Wage Network for the third consecutive year, guaranteeing all its employees remuneration covering their basic needs. This requirement is progressively extended to the supply chain: at the end of 2025, 70% of strategic suppliers benefit from personalised support for its implementation, the objective being to have 100% of strategic suppliers² sign a living wage pledge with a time-bound action plan. A specific contractual clause relative to a decent wage is integrated into some new contracts concluded by the Group.

Regarding social dialogue and trade union rights, the Group bases its action on the fundamental conventions of the International Labour Organization relative to freedom of association and collective bargaining. Its European Works Council, established in 1996, covers twenty-six countries. In regions where the presence of independent unions is limited or discouraged, L'Oréal authorises its employees to gather independently to discuss their professional concerns.

On the adaptation of working conditions to climate risks, the Group integrates environmental issues into its Environment, Health and Safety (EHS) policy, notably through the monitoring of thermal stress in its industrial sites and within its supply chain. Furthermore, the Solstice fund was established to financially support the ecological transition of suppliers, with the guiding principle that the cost of this transition must in no case be passed on to workers.

In terms of duty of care and supply chains, the Group's Vigilance Plan includes a rigorous system of social audits, 1,499 of which were carried out in 2025, bringing the total to more than 5,969 audits since 2021. Any major deviation noted gives rise to the development of a remediation plan. L'Oréal reserves the right to end any relationships with business partners who fail to comply with regulations. The Inclusive Sourcing programme—formerly called Solidarity Sourcing—supported approximately 115,000 indirect jobs in 2025. Concerning land rights and the rights of indigenous peoples, the Group applies the principle of Free, Prior, and Informed Consent (FPIC), as recognised by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), in all procurement projects likely to affect ancestral territories. The Group commits to maintaining its global land footprint at a stable level compared to 2019, regardless of volume growth.

g) How do you ensure the availability and accessibility (affordable prices) of your products/services for your customers and final users?

Answer: L'Oréal enables the accessibility of its products through three strategic levers.

1. Multi-segment brand architecture: L'Oréal operates through four complementary Divisions—Consumer Products, Professional Products, Dermatological Beauty, and Luxe—covering the entire price spectrum. This structure ensures that no consumer segment is excluded from the Group's offer.

2. Global and multichannel distribution: Present in more than 150 countries, the Group relies on a diversified distribution network: mass market retail, pharmacies, professional salons, e-commerce, and local marketplaces. The omnichannel strategy guarantees optimal geographical and commercial accessibility, including in emerging markets.

² L'Oréal defines a list of strategic suppliers representing 80% of direct purchase spend and 50% of indirect purchase spend.

3. Adaptation to local markets: Product prices and formats are calibrated according to local purchasing power, with the development of unit packaging and smaller formats in middle-income markets. This approach directly supports volume growth in priority geographies.

CSR Dimension: These actions are part of the L'Oréal for the Future programme, which integrates accessibility as an explicit component of shared value creation. This constitutes a factor of business resilience and ESG performance recognised by non-financial rating agencies.

What is your forward-looking vision on the subject of just transition, and what are your short, medium, and long-term objectives if you have any?

Answer: For L'Oréal, ecological transition cannot be dissociated from social equity. L'Oréal considers that the sustainable transformation of its business model must be done by ensuring support for the most vulnerable populations in its value chain, as climate risks and resource scarcity are likely to exacerbate inequalities.

L'Oréal's short-term (2030) ambitions are carried by the L'Oréal for the Future programme which gathers 15 objectives around four strategic pillars. In the long term, by 2050, the Group aims to reduce Scope 1, 2, and 3 emissions by 90% compared to 2019, with residual emissions then being offset to reach net zero emissions.

Question 2: Decent standard of living in the value chain

A decent standard of living is not only ensured by the payment of a living wage, but also by means of social protection and financial benefits etc.

As a reminder, a living wage is defined by the Global Living Wage as "[t]he remuneration received for a standard work week by a worker in a particular place, sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing and other essential needs including provision for unexpected events."

That remuneration must also enable the worker and their family to take part in society, for example by engaging in leisure activities and having access to communication. The living wage, the amount of which varies between locations depending on the cost of living, must not be confused with the national minimum wage, where it exists.

This question concerns:

Workers in your value chain (excluding own workforce), upstream (suppliers' employees, service providers, contractors etc.) and downstream (franchise holders etc.).

Non-employee workers such as freelancers, temporary and contract staff.

The question does not therefore concern the employees of your company or its subsidiaries.

How do you guarantee, evaluate and ensure a decent standard of living for workers throughout your value chain (wages, bonuses, social protection, benefits), from the identification of risks and populations involved, to selection, monitoring, results obtained, and management of deficiencies with your suppliers and partners?

What is your forward-looking vision on the topic of a decent standard of living in the value chain, and what are your short, medium, and long-term objectives if you have any?

Answer: L'Oréal's values are based on strong Ethical Principles that guide its development: integrity, respect, courage and transparency. These principles are the foundation of its policies on sustainable development, and social and societal responsibility. L'Oréal promotes respect for all internationally recognised human rights and fundamental freedoms (2025 URD, p. 171, § 3.6.1).

L'Oréal's Human Rights Policy, recently updated and published in April 2025, aligned with the United Nations Guiding Principles (UNGPs), is the foundation of its ambition to respect these rights throughout its value chain (2025 URD p. 251, § 4.9.2.1).

The Group's approach is based on a mapping of its salient human rights risks. In this context, L'Oréal identifies the absence of a living wage as a risk for the workers of its suppliers (URD p. 172, § 3.6.4.1). This recognition is

part of its Human Rights Policy, which reaffirms the fundamental right of every worker to an adequate standard of living throughout the value chain.

The Group's responsible and sustainable purchasing policy cascades the Human Rights Policy to the upstream value chain level, and sets out several measures that are being implemented:

- **The Mutual Ethical Commitment Letter (MECL)**, initiated in 2002, sets out L'Oréal's requirements and commitments with its suppliers, in accordance with its programmes and policies on ethics, corporate responsibility, human rights, working conditions and compliance. The MECL was updated in 2025. This update incorporates the most recent international standards as well as the Group's latest practices in terms of responsibility and sustainability. This strengthened version clarifies and consolidates the Group's requirements and commitments. It continues to cover human rights, working conditions and labour law. It also mentions reporting mechanisms, such as L'Oréal Speak Up, in the event that suppliers feel that L'Oréal Group's own ethical principles or compliance policies are not respected in its operations and activities.
 - 95% of eligible suppliers⁽³⁾, including strategic suppliers, have made a contractual commitment to meet these obligations (2025 URD p. 186, § 3.6.7.3).
 - In addition, L'Oréal requires suppliers providing outsourced labour to sign the External Workforce Agency Standards. This document strengthens their commitment to the protection of human rights, in particular with regard to forced labour and access to a whistleblowing and reporting system.
 - The Group relies on various tools and processes to evaluate suppliers. Suppliers located in high-risk countries identified by Verisk Maplecroft are subject to a mandatory social audit before being listed (2025 URD, § 3.6.5.2, p. 181). In early 2025, L'Oréal joined the Supplier Ethical Data Exchange (SEDEX) initiative. This membership reinforces L'Oréal's vigilance and the continuous improvement of working conditions and environmental impact among suppliers, relying in particular on the Sedex Members Ethical Trade Audit (SMETA) audit methodology which allows for a thorough evaluation of working conditions and remuneration. The Group also conducts human rights impact studies in regions and sectors at risk, as well as field projects (2025 URD p. 186, § 3.6.7.3).
 - Using the SMETA standard helps to reduce the frequency of audits at suppliers' premises and places greater emphasis on monitoring corrective action for any areas of non-compliance.
 - In 2025, 1,499 social audits were carried out to verify the compliance of practices at the sites of tier 1 suppliers (2025 URD p. 186, §3.6.7.3).
 - At the same time, in 2025, 95%⁽⁴⁾ of strategic suppliers were evaluated via the EcoVadis platform, thus monitoring their sustainability performance, including the human rights component. (2025 URD p. 186, § 3.6.7.3).
- **The Living Wage programme:**

As part of its Employee Human Rights Policy of 2020, L'Oréal formalised its commitment to pay all its employees a living wage covering their basic needs and calculated according to best practices. This approach has been the subject of a "Global Living Wage Employer" certification by the NGO Fair Wage Network every year since 2023.

Furthermore, through its L'Oréal for the Future programme, the Group has committed to ensuring that, by 2030, 100% of its strategic suppliers⁽⁵⁾ will have made a commitment to pay their employees a living wage, with an action plan and a deadline for implementation. This programme aligns with the recommendations of recognised experts such as the International Labour Organization (ILO) and the IDH Sustainable Trade Initiative, and is supported by specialised partners such as the Fair Wage Network and the WageIndicator Foundation (2025 URD p. 172, § 3.6.4.1).

³ Value as a percentage of expenditure at the end of November 2025. Suppliers representing 100% of the amount of purchases intended for the manufacture of finished products and 90% of the amount of other types of purchases are eligible.

⁴ Value of expenditure.

⁵ L'Oréal defines a list of strategic suppliers representing 80% of Direct Purchase spend and 50% of Indirect Purchase spend.

Progress made by strategic suppliers on this topic is monitored through the following steps:

- Strategic suppliers must be committed to respecting the living wage at the company level.
- They must then work actively to assess the potential gaps between the current pay of employees and the available benchmarks on the living wage (benchmarks recognised by IDH such as the Fair Wage Network (FWN) or the WageIndicator Foundation).
- The next step for strategic suppliers is to remedy the gaps potentially identified by implementing an action plan with a fixed timeframe, validated by L'Oréal⁽⁶⁾, and ultimately achieve compliance.
- They must then make an official declaration of compliance or share proof of compliance with the living wage verified by a third party.

To support suppliers in their progress, L'Oréal is carrying out a series of structured actions through the Living Wage programme.

L'Oréal actively shares content (definitions, methodology, testimonials) on the living wage with its strategic suppliers via a dedicated platform, supplemented by a series of webinars.

During these sessions, with the support of partners including FWN, WageIndicator Foundation and IDH Sustainable Trade Initiative, the methodology and expectations are presented, and suppliers who have already implemented the approach share their experiences, thus promoting the sharing of best practices and the anticipation of potential difficulties between companies.

At the end of 2025, 100% of strategic suppliers were invited to webinars and to consult the content on the Living Wage programme and more than 200 suppliers confirmed that they were committed to the process. 25% of L'Oréal's strategic suppliers⁽⁷⁾ are aligned with expectations and the progression trajectory is managed in order to reach the goal of reaching 100% of strategic suppliers with a commitment to pay their employees a living wage, with an action plan and a deadline for implementation by 2030 (2025 URD p. 254 § 4.9.4.1).

Specific levers have been used to support the approach at the level of strategic suppliers, namely:

- This commitment is part of the aspects taken into consideration in the supplier performance evaluation system based on five criteria: quality, social and environmental responsibility, innovation, service, and competitiveness. A weighting of 20% is dedicated to environmental and social aspects (2025 URD p.224 , § 4.4.2.2).
- A specific living wage clause is now incorporated into certain contracts with the Group's strategic suppliers.
- L'Oréal has undertaken to provide financial support over the period 2024–2026 to make living wage data produced by the non-profit WageIndicator Foundation freely available.
- Beyond its strategic suppliers, as part of the Group's Human Rights Report published in 2024, the Group has committed to ensuring that Beauty Advisors, as service providers, are included in the Group's *Living Wage* programme.
- A gap analysis between the minimum wage and the living wages thresholds in these markets was carried out on 2025, allowing the implementation of remedial actions where necessary, and still requiring steps to finalise the analysis in some markets.
- Complementary actions to promote a decent standard of living are also being deployed upstream of the value chain.
- For example, as part of the Responsible Mica Initiative, L'Oréal supports the establishment of a price calculated using the living wage approach in addition to diversified income contributing to more resilient living conditions.
- Similar efforts are being made in the jasmine sector in Egypt through the Harvesting the Future of Rose coalition, launched by the Fair Labor Association.
- After calculating what constitutes fair remuneration for workers, based on current practices, previous studies and international standards, the Fair Labor Association (FLA) presented a methodological document on fair remuneration and collaborates with project partners for its implementation. The FLA

⁶ Validation methodology worked on with a third-party expert (Peterson).

⁷ Percentage of expenditure.

has also launched financial education and economic empowerment programmes for jasmine pickers and workers.

Complaint monitoring and collection tools:

L'Oréal is attentive to potential human rights violations through dialogue with stakeholders. **The *Speak Up* programme** (a secure and anonymous website accessible to all stakeholders, with a 24-hour system available in 30 languages, the performance of which is monitored through indicators – see the 2025 URD, p260 §4.13.2), as well as the grievance management procedure for palm and timber industries⁽⁸⁾, which is available and communicated to stakeholders including workers in the value chain, allows them to report any violations. This monitoring process is intended to ensure strict confidentiality, equitable treatment, protection against retaliation and compliance with national laws in the countries in which the Group operates. When a violation of the human rights of workers in the value chain or of affected communities is identified, the necessary actions are decided based on the particular context and are assessed using an impact assessment and any information gathered during discussions with stakeholders.

The Group engages in dialogue with its suppliers and implements a set of measures aimed, if necessary, at precisely identifying the source of the incident and implementing action plans with suppliers. These action plans aim to put in place concrete and remedial measures in the short, medium and/or long term.

In order to promote systemic change that can help resolve the root causes of certain violations and strengthen vigilance systems in a value chain, the Group may need to mobilise a range of key players (e.g. NGOs, public authorities, local civil society organisations and beauty and perfumery companies) — see 2025 URD p. 253, §4.9.3.

In addition, the Group asks eligible suppliers to commit to having their own reporting channels.

Finally, beyond its direct scope of suppliers, L'Oréal contributes to the exchange and sharing of best practices with the market, particularly via the UNGC *Forward Faster* forums, the forums led by IDH Sustainable Trade Initiative, participation in the *Aim Progress* initiative on the topic of the living wage, and lastly through the discussion meetings of the Engage & Care Corporate Coalition⁽⁹⁾.

What is your forward-looking vision on the topic of a decent standard of living in the value chain, and what are your short, medium, and long-term objectives if you have any?

Answer: Through its *L'Oréal for the Future* sustainable transformation programme, the Group integrates the issues of social equity and respect for human rights at the heart of its value chain. Convinced that the living wage helps make communities more resilient, L'Oréal has set a target that 100% of its strategic suppliers⁽¹⁰⁾ will have made a commitment to pay a living wage to their employees by 2030, with an action plan and a deadline for implementation. This gradual approach, which also encourages its partners to disseminate these standards to their own supply chains, is part of a collective dynamic. By working with its peers, international organisations and international or local stakeholders, the Group wishes to contribute to the emergence of shared solutions to support a sustainable improvement in the living conditions of workers.

In the short term, L'Oréal's experience on the topic since 2022 has highlighted the technical complexity of this transition for some suppliers. In response, from 2026 L'Oréal is offering a personalised coaching system led by a third party expert. This operational support helps willing suppliers make their gap analyses more reliable and structure remediation plans adapted to their contexts.

In the medium and long term:

The target by 2030 is that 100% of strategic suppliers will have made a commitment to pay their employees a living wage, with an action plan and a deadline for implementation. Support initiatives for strategic suppliers will therefore always be implemented. Maintaining a living wage is a long-term commitment that can be affected by

⁸ The procedure makes it possible to identify, evaluate and monitor complaints in supply chains on a permanent basis and, where appropriate, to put in place an action plan to remedy these reports.

⁹ [Engage & Care Corporate Coalition](#)

¹⁰ L'Oréal defines a list of strategic suppliers representing 80% of Direct Purchase spend and 50% of Indirect Purchase spend.

economic developments such as inflation. L'Oréal therefore plans to continue with regular evaluation of these initiatives.

At the same time, L'Oréal is strengthening the sharing of the Group's expectations with its suppliers in terms of cascading: tier 1 suppliers are expected to themselves become due diligence vectors in their own value chain. This implies a clarification of their role in monitoring working conditions at tier 2 and beyond.

Finally, convinced that these challenges go beyond the scope of a single company, the Group actively contributes to the collaborative work of platforms such as the UN Global Compact, IDH or Aim-Progress. The "SMETA 4-pillar" standard makes it possible to assess the living wage policies implemented at supplier sites. To collectively address this cross-cutting issue, L'Oréal is working with Sedex members to roll out joint awareness-raising and remediation initiatives. This involvement in collective initiatives promotes the emergence of industry standards and concerted actions throughout the value chain, while also facilitating dialogue with local authorities to address systemic social issues.

Question 3: Social impacts of AI

How does generative AI influence the management of your human capital/human resources (job creation, job deletion, training, career change etc.)?

Please provide figures to supplement your answer:

- **Share of AI-trained employees;**
- **Share of employees using AI on a daily basis;**
- **Potential reinvestment of productivity gains for human capital formation;**
- **Share of workforce likely to be negatively affected;**
- **Level of acceptance of AI by employees (measured, for example, by adding additional questions to the annual satisfaction/engagement survey), if applicable, broken down by geographical area, function, seniority level, degree level, age or gender;**
- **Any other relevant indicators.**

In the absence of figures or formalised surveys, please communicate your qualitative assessment of the perception of AI by employees, distinguishing the main categories of population concerned.

Answer: L'Oréal takes a human-centred approach to AI: it must empower employees. The priority is to support everyone in this transformation and to continue to develop the skills of employees.

Share of AI-trained employees

More than 76% of L'Oréal employees (all business lines combined) were trained in generative AI between mid-2024 and December 2025, via the Gen AI for All e-learning programme. This programme, available in four languages — English, French, Spanish and Mandarin — has been gradually extended to all populations, including employees working in factories, distribution centres, and Beauty Advisors, since July 2025. It covers the functioning of generative AI, usage best practices, associated risks and safeguards to be followed.

In addition, 3,300 employees from the IT, Tech and Data teams have been following mandatory e-learning for trusted AI since the end of 2024 — *Trustworthy AI Awareness* — with a completion rate of 80% at January 2026. A third specific programme, *Bias in AI*, was launched in 2025 to deepen the understanding and mitigation of bias in AI systems.

In total, more than 207,000 hours of Tech, Data and AI training, all programmes combined, were accumulated in 2025.

Share of employees using GenAI on a daily basis

Since its launch in October 2023 and until the end of December 2025, 60,000 employees have used GenAI's secure internal environment, an increase of 25% compared to 2024.

In daily use, the figures show an average of 1,900 users per day on GenAI's secure internal environment in standalone mode. Since the tool was integrated into Group employees' Outlook environment in March 2026, peaks of up to 20,000 unique users per day have been recorded, indicating the increasing integration of AI into everyday work tools.

In addition, 9,500 employees monthly use Companions – AI agents that can be customised to their individual or business needs. At the end of March 2026, more than 20,000 personal Companions had been created by the employees themselves, and the use of these agents increased by 412% in 2025 compared to 2024.

Reinvestment of productivity gains for human capital formation

In a survey of 4,700 users in October 2025, across all functions, 50% of employees surveyed said they saved more than one hour per week thanks to L'OréalGPT.

This freed-up time is reinvested in activities with higher added value: creativity, innovation, consumer relations, strategic tasks. The continued extension of training programmes to new populations — including field teams since July 2025 — illustrates the Group's investment in developing the skills of all its employees.

Share of workforce likely to be negatively affected

L'Oréal considers that AI is above all a lever for increasing human capacity. It makes it possible to alleviate the burden of certain repetitive tasks and must allow greater collective efficiency.

This philosophy is concretely reflected in the recruitment approach: AI assists recruiters in writing job offers, identifying diverse profiles and scheduling interviews but does not make any selection decisions for recruiters. Human decision remains central and is not delegated to an algorithm.

The gradual integration of all employees — including those from factories and distribution centres — into training programmes illustrates L'Oréal's desire not to leave any group out of this transformation.

Level of acceptance of AI by employees and possible breakdown

The Group is currently working on a survey with an external firm that will be deployed globally. Employees will be asked about their level of satisfaction with AI tools rolled out within the Group.

However, the adoption indicators monitored at Group level show a generally positive perception. The 25% increase in the number of L'OréalGPT users in 2025, the more than five-fold increase in the use of Companions, and the spontaneous creation of 20,000 personal Companions by employees are all signs of an active and willing appropriation of the tools.

What is your forward-looking vision on the topic of the social impacts of artificial intelligence, and what are your short, medium and long-term objectives if you have any?

Answer: L'Oréal chooses to approach the profound transformation linked to AI with as much ambition as humility. Artificial intelligence is, in its essence, a lever for enhancement: it amplifies human creativity, refines decision-making and opens up new opportunities for employees and consumers. L'Oréal's vision is simple: those who know how to use AI in a thoughtful way, while exercising their critical mind, will be better in what they do. L'Oréal also wishes to be transparent by noting that it does not have all the answers. No one today can predict precisely to what extent each business line will be impacted, nor the timeframe. L'Oréal wants to navigate this transformation with rigour, care for employees, and with the conviction that the human dimension remains at the heart of everything we do.

1. Responsible use of AI — Supporting managers and their teams

The Group's priority is to ensure that AI is always perceived and deployed as an amplifier, never as a substitute for the human touch that defines our Sense of Purpose: Create the beauty that moves the world.

- Empathy versus the algorithm: AI will never reproduce true empathy nor authentically human judgement. The Group draws a clear and deliberate line between technical automation and nuanced decisions, underpinned by emotional intelligence, that define the Beauty business line.

- Evolving methods, a lasting mission: As our ways of working change — for example, the shift from SEO to GEO⁽¹¹⁾ in marketing — our Sense of Purpose remains unchanged: Create the beauty that moves the world. AI is transforming the way we work; people remain the key to creating an emotional impact.
- Transparency about what AI really is: The Group makes a clear distinction between automation, projects with an AI component, and real artificial intelligence. For AI to be reliable and truly disruptive, it requires massive investments — and only rigorous human supervision can justify and validate this investment.

2. Future of work – make our people “AI-indispensable”

- Augmenting human judgement: the Group combines the accuracy of AI with human empathy and critical thinking to make even more impactful decisions. The goal is not to replace intuition — it is to refine it.
- A “Super-Vision” for leaders: AI elevates their natural intuition, reinforcing the Group’s profoundly human culture rather than automating it.
- Growing skills on a large scale: more than 72,000 employees worldwide have already been trained through programmes like *GenAI for All* and *Art of Prompting*, which demystify technology and develop the critical thinking necessary for its responsible use.
- Measuring real value: a declarative internal survey shows that 50% of L’OréalGPT users save more than one hour per week, freeing up time for higher value-added tasks – creativity, strategy and human relations.

3. Job security – Governance and responsible transition

The Group takes the issue of employment seriously and addresses uncertainty with honesty. The evolving nature of artificial intelligence, combined with the other transformations underway within the Group, makes it difficult to isolate and definitively quantify its specific impact at this stage. In this context, L’Oréal’s approach is based primarily on established governance principles.

- Human supervision as a non-negotiable principle: in all critical decisions, human supervision is paramount. AI can inform and assist — but it is the human who decides. This principle is integrated into the design and deployment of each AI tool.
- A pivoting strategy for talent: rather than waiting for disruption to occur, the Group is pro-actively investing in mobility bridges – to help Group employees rotate from one position to another as needs change. The strength of the Group lies in its ability to support the transition, not just adaptation.
- Disruption creates opportunities: technology transitions, when managed responsibly, open up new roles and new ways to create value. The Group invests heavily to ensure that AI tools are proven and reliable before impacting any task or function – change is supported, not imposed.
- Structured social dialogue: the Group maintains an ongoing dialogue with staff representatives through dedicated consultation bodies (European Works Council), co-constructing the approach to ensure that the transition is equitable and truly beneficial for all.
- Thanks to the many mobility bridges, the Group ensures a smooth technological transition in which human experience remains the foundation of its performance.

¹¹ The transition from SEO (Search Engine Optimisation) to GEO (Generative Engine Optimisation) marks the evolution from search engine ranking based on a list of links (e.g. Google) to a strategy aimed at being cited directly by artificial intelligence systems that generate responses (e.g. ChatGPT, Perplexity, Claude, Gemini etc.).

Question 4: Mental health

Mental health is a material issue for companies and investors. It determines the ability of employees to work in a sustainable way, to innovate and to fully commit to the company's objectives. It is also a key factor in organisational resilience: by preventing psychosocial risks and supporting employee mental health, companies increase productivity, reduce absenteeism and stabilise their teams, which improves their results.

L'Oréal explicitly identifies mental health as a fundamental human right, underlining the need for an equitable and inclusive work environment that allows everyone to fully develop. The company communicates publicly on mental health initiatives such as: *Share and Care, Simplicity*, targeted training on key topics such as harassment or improving its performance on taking mental health into account under the CCLA's Global workplace mental health benchmark. However, while the group's publications detail existing measures and guiding values, they do not provide consolidated indicators to assess the effectiveness and use of mental health actions, or how the Group measures the evolution of stress and psychosocial risks.

a) Is there structured governance and a global strategy around the topic of employee mental health within L'Oréal? Does this strategy have geographical and/or business disparities?

Answer: L'Oréal places health, both physical and mental, at the heart of its sustainable performance. The L'Oréal Share & Care global programme was launched in 2013 under the leadership of the highest level of the organisation. This programme guarantees a common foundation of social protection and well-being for all employees around the world. Health is one of the fundamental pillars of the Share & Care programme, in which a mental health strategy has been built over several years.

- Governance: the Share & Care programme is led by the Human Relations Department, and aspects thereof are regularly placed on the agenda of Board meetings.

- Global strategy: the approach is based on the "Health" pillar of Share & Care, which imposes global standards on all L'Oréal subsidiaries.

- Disparities: while there is no disparity in ambition and minimum level of guarantees, L'Oréal adopts local flexibility to respond to the cultural and contextual specificities of the geographical areas, thus guaranteeing the relevance of actions in each market.

- In addition, the topic of mental health is on the agenda of meetings with the workers' representative bodies.

b) What specific prevention measures are put in place by the Group to raise awareness among employees on this topic and to open up dialogue on potential difficulties encountered (actions to align the corporate culture and the objective of preserving the mental health and psychological safety of the teams, percentage of managers trained on this topic and how etc.)?

Although L'Oréal recognises the existence of psychosocial risks affecting the well-being of employees, the company does not publish specific quantitative data to assess these risks and the effectiveness of the measures put in place. The reported indicators are largely aggregated into scores of well-being, commitment or access to broader health programmes.

Answer: Over the past five years, the priority has been to strengthen a culture of prevention, dialogue and support.

- Awareness: L'Oréal deploys global internal communication campaigns such as on the occasion of World Mental Health Day, to normalise and promote dialogue around this topic: dissemination of articles, thematic videos and testimonials of employees and experts. Locally, the subsidiaries regularly organise activities promoting an open and caring culture on the issue of mental health.

The Group's Diversity, Equity and Inclusion policy also contributes, through the creation of an inclusive and equitable work environment, to supporting the mental health of employees, promoting their psychological safety

and preventing the risks of stress, anxiety, depression and even difficulties associated with trauma. Mental health is also addressed as part of the disability and physical and mental well-being actions carried out by the Diversity, Equity & Inclusion team. They result in awareness internally and externally, particularly due to the *Brave Together* programme launched in 2020 by the Maybelline New York brand, that leverages its global reach to de-stigmatise mental health and provide accessible support to people facing anxiety and depression (call and text message lines, as well as free training to help loved ones talk about mental health).

- Psychological safety: L'Oréal integrates the preservation of mental health into its leadership model through the *Simplicity 2* programme. Cascading down from top management to teams in the field, training modules have been delivered to employees. Psychological safety is a key indicator measured through the internal *Pulse* study.

- Prevention: L'Oréal deploys health checks incorporating mental health markers, provides access to employee assistance programmes including psychological support, as well as numerous information resources on overall health and stress management (Moka.Care, Wysa, SpringHealth, WPO etc.). L'Oréal promotes the practice of personal ecology, which consists of the conscious and sustainable management of a person's own internal resources – energy, attention, emotions – to avoid burnout and promote long-term fulfilment. The Group provides access to a variety of key resources for good mental health such as sport, nutrition, talks on sleep, meditation sessions, rest and re-energisation rooms etc. A *Recharge Day* is organised every year in the Group's subsidiaries. In addition, the *Share & Care* programme incorporates numerous schemes to promote work-life balance (support for parenting and family life, support for caregivers, teleworking and flexible working hours), as well as support for employees facing challenging situations that can have a negative impact on their mental health (arrival of a child, cancer and serious diseases, disability, bereavement, domestic violence etc.).

- Measurement: collective stress measurement campaigns are organised regularly (through the annual *Pulse* study and local campaigns) in addition to the approaches carried out at the individual level.

- Formalising the right to disconnect: a global charter on the right to disconnect and work-life balance has been rolled out.

- Training: a wide range of modules designed to help people better understand mental health and how to look after it are available to everyone through employee support programmes. L'Oréal rolls out mental health first aid training in several countries. Specific training modules related to stress management are offered globally.

c) Do you follow in-house psychosocial risk indicators (e.g. burnout rates, stress-related absenteeism, anxiety disorders, others), as well as indicators of utilisation/participation rate in initiatives proposed to employees concerning mental health? Could these indicators be publicly disclosed?

Answer: L'Oréal rigorously follows precise internal indicators to drive its strategy:

- Internal monitoring: L'Oréal tracks the overall absenteeism rate including illness, and data from the annual *Pulse* survey (measuring commitment and well-being, including perceived stress and psychological safety). L'Oréal also monitors the rates of use of its psychological support platforms.

- Internal communication: L'Oréal only reports aggregated scores on disease-related absenteeism and well-being

d) What are the next steps planned by L'Oréal to continue strengthening the consideration of mental health at work?

Answer:

- Training of managers: L'Oréal aims to train all its managers in the detection of weak signals and to adopt a caring management approach taking into account the issue of mental health.

- Roll-out of a "Mental health and well-being" guide: L'Oréal has rolled out a guide on a global level aimed at strengthening mental health prevention in all the Group's entities (local governance and strategy aligned with the global framework: awareness, training, access to support, measurement).

Letter from Pierre Legros dated 2 April 2026

The questions from Pierre Legros are hereinafter transcribed in their entirety and accompanied by their preamble, without acceptance by L'Oréal or the Board of Directors of the remarks made by him or the facts presented therein:

"To the Chairman of the Board of Directors,

In view of the Annual General Meeting of L'Oréal, of which I am a shareholder, on 24 April 2026, please find below several questions to which I would be grateful if you would kindly respond.

I hope that you receive this well.

Yours faithfully,

Questions for the Annual General Meeting of L'Oréal on 24 April 2026

Since 2024, the sales revenue of L'Oréal France essentially consists of service fees received from its subsidiaries. Excluding technology royalties, L'Oréal estimates that the fees for these services amount to around 6% of global sales revenue.

Previously, this remuneration was lower. L'Oréal was aware of this and set aside a provision each year for the risk of a tax adjustment (amounting to hundreds of millions of euros). The Audit Committee could not have been unaware of this deliberate under-invoicing, having been informed of it on numerous occasions by the Statutory Auditors and in a judicial expert report.

Ms Virginie Morgon and Mr Jean Victor Meyers, members of the Audit Committee, were informed personally.

Applying the current remuneration method adopted by L'Oréal to the years 2016 to 2023 shows an under-invoicing over this period of around €5 billion, which was transferred to subsidiaries, mainly abroad. All or part of it returned to France in the form of dividends, which are almost entirely exempt from tax.

These deliberate and unlawful transfers seriously undermine citizen equality with regard to taxation.

The situation is all the more concerning since a report by a judicial officer states that the L'Oréal Groupe has already acknowledged a case of tax fraud involving around 50% of the profits of three French subsidiaries being transferred abroad over several years.

These deliberate actions expose L'Oréal to a risk of criminal liability, which is all the more serious given that they constitute a repeat offence.

Question no. 1: Has the Audit Committee alerted the Board of Directors to this under-invoicing?

Question no. 2: For what reasons did General Management continue with these actions, which made it possible to transfer several billion euros abroad that should normally have been taxed in France?

Question no. 3: What decisions will the Board of Directors take to denounce these actions?"

Answer

Mr Pierre Legros, who posed these three questions, which are answered below, is a former employee of L'Oréal who has, over more than 15 years, initiated multiple legal proceedings in which his claims have systematically been rejected, except for a very small portion of his employment tribunal claims.

The Courts have also sanctioned him on several occasions for abusive proceedings, in particular for his misuse of shareholders' right to information. Such abuse was indeed recognised in the first instance, on appeal and by the Court of Cassation in proceedings that Mr Legros had initiated in respect of a question he had raised at the 2019 Annual General Meeting.

He introduces the questions he raises this year with false assertions and assumptions regarding the tax treatment of intragroup transfer pricing.

In contrast to Mr Legros's defamatory allegations, L'Oréal's tax policy is based on compliance with both the letter and the spirit of the laws and regulations of the countries in which the Group operates, including with regard to completing its tax declarations and paying its taxes by the deadlines. In France in particular, L'Oréal has entered into a partnership agreement with the French tax authorities under the trust-based relationship ("*relation de confiance*") programme set up by those authorities. L'Oréal's parent company and consolidated financial statements have also always been certified by the Statutory Auditors without any qualifications.

With regard to question 1: It is recalled that the Audit Committee – which carries out its duties with great rigour – is entitled to prepare the work of the Board of Directors. Following each meeting of the Audit Committee, its Chairman reports to the Board on the work of the Committee including, as the case may be, tax matters. In this particular case, Mr Legros's question bears no relevance because it is based on a false assumption that L'Oréal had "*acknowledged a case of tax fraud*" resulting from "*under-invoicing*". The Audit Committee is not required to give an "*alert*" regarding a situation that does not exist.

With regard to question 2: Likewise, this request to state "*reasons*" bears no relevance because it is based on a false assumption that "*deliberate actions*" have been allowed to "*continue*" that "*expose L'Oréal to a risk of criminal liability*". L'Oréal's General Management attaches great importance to compliance in taxation matters. In general, the Group's tax policy forms part of the sustainability of its business. It is based on three pillars, which are defined in the Internal Tax Charter prepared and distributed around the world: Compliance, Transparency and Legitimacy. L'Oréal, like all major companies, is subject to regular inspections by the tax authorities. Finally, it should be noted that the Group does not pursue an aggressive tax policy through artificial structures or transactions that have no economic or commercial substance and whose purpose would be strictly fiscal.

With regard to question 3: Again, the question bears no relevance because it is based on a false assumption that alleged "*actions*" should be "*denounce[d]*". The Board of Directors has no intention to "*denounce*" facts that do not exist. However, the Board attaches great importance to compliance with tax rules, and notes that, in 2025, the amount of tax L'Oréal paid to governments and local authorities worldwide was €3.3 billion, or approximately 37% of its operating income of €8.9 billion.