

REFINITIV STREETEVENTS

EDITED TRANSCRIPT

L'Oreal SA Annual Shareholders Meeting

EVENT DATE/TIME: APRIL 23, 2024 / 8:00AM GMT

CORPORATE PARTICIPANTS

Barbara Lavernos *L'Oréal S.A. - Deputy CEO*

Catherine Bellon *L'Oréal S.A. - Secretary*

Christophe Babule *L'Oréal S.A. - Executive VP & CFO*

Jean-Paul Agon *L'Oréal S.A. - Chairman of the Board*

Nicolas Hieronimus *L'Oréal S.A. - CEO & Director*

Sophie Bellon *L'Oréal S.A. - Independent Director*

-

CONFERENCE CALL PARTICIPANTS

-

Celine Eydieu-Boutté *Ernst & Young LLP - Partner*

-

PRESENTATION

Jean-Paul Agon *L'Oréal S.A. - Chairman of the Board*

It is 10:00 sharp. Good morning, ladies and gentlemen. I'm very pleased to welcome you here this morning, dear shareholders, dear friends. I'm delighted to welcome you here once again at Le Palais des Congrès for this L'Oréal AGM.

Now first order of business, thank you very kindly for joining us. Thank you for your support. And I'd like to welcome all of those who are joining us here for the very first time. I'd also like to thank the members of your Board of Directors who are seated in your first row. But let me you remind you that this AGM is public in nature. It is going to be streamed via the L'Oréal Internet site.

And let me remind you that, as usual, it's been designed to be a warm and friendly meeting as per usual. This is a significant event for us, for you, and we want to be as informative and we want to make it as pleasant for you as possible. After we've heard all of the speakers, you will, in turn, have an opportunity to express yourselves and ask any questions you might have about the company. And we have people on hand to collect your questions on question cards that we will collect before we begin the Q&A session.

Those of the shareholders who are connected online can put their questions via the platform, via the loreal-finance.com website and their questions will also be answered based on selection of the themes that seem to be of the greatest general interest. To stick to our speaking time, we will give priority to the questions that are put to us by people who are physically present. The shareholders physically present or represented will be closed at 11:30 so that we can establish the proper voting conditions and keep you informed of the results.

As usual, just to make sure that everyone can settle into their seat, we will show you a brief video clip, which is L'Oréal's calling card as we like to call it, which is a 2-minute summary of the values that are

embodied by our company with the critical financial and nonfinancial figures when it comes to our environmental and social commitment. So let's watch that.

(presentation)

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you very kindly. That is a lovely clip, which we think in 2 minutes sums up what we are all about at L'Oréal, our ambitions, our purpose and represents the company very well. I'm now going to officially call this meeting to order. I'm chairing the session. We have tellers who are 2 shareholders who held either directly or indirectly, the largest number of votes and who have agreed to this job.

We have Téthys, represented by Mr. Jean-Victor Meyers, Nestle represented by Béatrice Guillaume-Grabisch as their teller. The Chairman and the tellers will form the bureau of this meeting, and our Secretary is Ms. Catherine Bellon who is the Secretary of the Board. Mr. Nicolas Hieronimus, who you know very well, to my right, who is the CEO of L'Oréal, and Mr. Christophe Babule, to my right, who is the Managing Director for the Administration & Finance, are also with us here.

Our statutory auditors are with us. Celine Eydiéu-Boutté Ernst & Young, Mr. David Dupont-Noel for Deloitte & Associates (inaudible) who is also on hand. No shareholders have requested the addition of any resolutions or the addition of any items to the agenda. So Ms. Catherine Bellon will now give us the provisional quorum. You have the floor, Catherine.

Catherine Bellon L'Oréal S.A. - Secretary

Mr. Chairman, the shareholders have been convened according to the legal formalities. And before we begin, registrations had not been completed. But for the moment, we have [438,679,214] shares, so that's 82.04% of the shares of the company with voting rights. 979 shareholders are here physically. Thank you for joining us. 47 are represented, 634 have given proxy and 11,000 have voted via correspondence. So we have a quorum and can convene this meeting both for ordinary and extraordinary proposes.

And all the documents have been made available in due time for the shareholders and we have fulfilled and discharged all our legal duties to provide documentation in due time. The documents are here, and these documents having been made available to all, we will not read them out in full. Mr. Chairman, this AGM can be convened. We have a quorum.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you very kindly, Catherine. So in a few words, what this agenda holds is that as every year, we are very careful in choosing the topic for today's meeting, and we sent out to thousands of you a questionnaire to collect your preferences.

And many of you returned that questionnaire, thank you very kindly, which is why this year, we will be focusing on the topics of interest to you, the financial soundness of the corporation and its strategy,

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

particularly in the area of beauty tech and when it comes to sustainable development, which are subjects of particular interest to you.

And rightly so, we will first hear Mr. Christophe Babule, who, just like every year, will be reporting on the economic and financial record of your group in 2023. Then we hear Mr. Hieronimus, who will discuss the business of the company in 2023 and lay out for you his strategy and outlook. Barbara Lavernos, whom you have often seen and heard here, who is the Deputy General Director in charge of Research, Innovation and Technology, will be describing L'Oréal's progress in the area of beauty tech, which is a strategic business for the future.

Then Mr. Hieronimus will take the floor again and lay out for you L'Oréal's climate strategy. It is critical to be able to report on the climate strategy once a year. And then I will report to you on how the company was governed and I will report on the work completed by the Board in 2023.

Ms. Sophie Bellon, Chair of the Compensation Committee, will be reporting on the compensation of the directors as part of the resolutions that you will be voting on. Catherine Bellon, unrelated, although she has the same last name, will be describing to you the different draft resolutions.

The statutory auditors will give their report and then we will answer your questions in a general discussion. And then finally, we will report on the resolutions at the end of this meeting. Mr. Christophe Babule will now take the floor and report to you on the 2023 accounts. You have the floor, Christophe.

Christophe Babule L'Oréal S.A. - Executive VP & CFO

Ladies and gentlemen, good morning. The presentation of L'Oréal's results will include comments on our operational and financial performance, cash flow, balance sheet, dividends and as well as environmental and social commitments.

2023 was a record year for your company, a year that demonstrated the power of our multipolar model and the strength of our financial performance. My personal highlights were the double-digit like-for-like growth of 11%, gross margin of 73.9%, up 150 basis points, the operating profit margin of 19.8%, up 30 basis points and a 24% increase in cash flow to EUR 6.1 billion.

Consolidated sales increased by 7.6%, crossing the EUR 40 billion mark. On a like-for-like basis, growth amounted to plus 11%, the best in over 20 years, excluding 2021. The change in consolidation scope was a positive 1.6%. It was primarily due to the acquisitions of skinbetter science in 2022 and Aesop in 2023. Foreign exchange had a negative impact of minus 5% as the euro strengthened throughout the year.

Growth was driven by a good contribution to volumes up 4.1% and value up 6.9%. The value growth was a result of a combination of both price up 5.5% and a favorable mix up 1.4%. Let's look at the activity by division, each of which grew on a like-for-like basis.

Professional Products posted a 7.6% increase, twice that of the market. The standout performance came

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

from our Consumer Products. At 12.6%, it reported its best growth in over 30 years as each of its key brands pulled its weight.

L'Oréal Luxe grew 4.5%, double-digit growth in developed and emerging markets allowed us to compensate for the market softness in Northern Asia. L'Oréal Dermatological Beauty remained on its stellar trajectory at 28.4%. The division delivered a sixth consecutive year of double-digit growth and doubled its turnover in only 3 years.

Our business is increasingly well balanced by region. Each of the 3 largest, Europe, North America and North Asia, has sales between EUR 11 billion and EUR 13 billion, led by Europe, our historic home, with sales of EUR 6 billion or 15% of total. Emerging markets, including SAPMENA-SSA and Latin America are becoming a true growth engine for the group.

Now 2023 from a regional point of view was a tale of 2 cities. Three of our regions grew well into double digits, helping offset the temporary softness in Northern Asia, allowing us to deliver the best like-for-like growth in over 20 years at group level.

To me, the most remarkable performance was in Europe, which grew 16%. Every country in the region advanced strongly. In North America, momentum remained very strong at 11.8%, supported by a dynamic beauty market. In Northern Asia, sales declined by 0.9%. In a Chinese ecosystem that remains difficult, we significantly outperformed the market.

Emerging markets grew 23.7% with SAPMENA-SSA at 23.3% and Latin America 24.4%. Today, they contribute 30% of group growth, twice their contribution to group sales. Everyone of our large categories advanced in double digits. In order of their growth, fragrances were particularly dynamic at 16.9%, supported by a highly successful new product launches.

Hair care grew 15.3%, driven by the continued premiumization in both mass and professional. Skin care, our largest category, advanced by 10.4%, with growth in double digits across all regions with the exception of North Asia. Makeup continued its rebound at 10%, primarily driven by outstanding growth in the Consumer Products division, and hair color advanced by 6.5%.

As you can see on this slide, we delivered an excellent financial performance in 2023. Sales increased by 7.6%. Operating profit increased 9.2% to EUR 8.1 billion. Strong improvement in gross profit allowed us to continue to invest in our brands.

The operating margin stood at a record 19.8%, up 30 basis points over 2022. Net profit, excluding nonrecurring items, increased 7.1% to EUR 6.4 billion. Net attributable profit, excluding nonrecurring items, increased by 8.4% to EUR 6.1 billion. Earnings per share increased by 7.3% from EUR 11.26 in 2022 to EUR 12.08 in 2023.

Since 2019, L'Oréal has gone from strength to strength. Let me just show you a few key figures to

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

illustrate this. Reported sales increased 38% to more than EUR 41 billion. On a like-for-like basis, the 4-year compound annual growth rate amounted to 8.2%. In spite of going through a period of severe cost inflation, our gross profit advanced at a slightly faster pace than sales, resulting in a 90 basis point gross margin expansion.

We substantially invested into our brands to secure our growth and prepare for tomorrow. Relative to sales, our A&P spend was up 160 basis points amounting to over EUR 13 billion. Our operating profit increased at a 4-year compound annual growth rate of 10.1%, reaching EUR 8.1 billion in 2023. Therefore, our operating profit margin expanded by 120 basis points or 30 basis points on average per year.

Our cash flow amounted to nearly EUR 8 billion. In an operating environment marked by a gradual normalization of the supply chain, working capital improved significantly. Capital expenditure of EUR 1.5 billion came in at around 3.6% of sales. Operating net cash flow stood at EUR 6.1 billion, significantly up, up 24% relative to last year, to the previous year.

The financial situation remained healthy. At the end of December, net debt amounted to EUR 4.4 billion and EUR 2.5 billion, excluding the financial lease debt. The gearing ratio stood at 15.1%. The financial leverage of net debt over EBITDA stood at 0.5.

L'Oréal received excellent long-term issuer credit ratings from Moody's in March 2024 and from S&P in September 2023. The balance sheet remains very robust with shareholders' equity of EUR 29.1 billion or 56% of the total balance sheet.

Now, our quest for financial soundness is ongoing. Our focus on internal controls and compliance continued across a number of areas in 2023, including the monitoring of the group's policies regarding data policy -- data privacy, pardon me, fraud risk monitoring and the deployment of internal controls, the monitoring of digital risks and related matters and sustainable finance and the communication related to the fourth edition of the ethics charter released in early March 2023. All of this work was reported to the Audit Committee and in the case of our ethical policies, the Board of Directors.

The group's robust performance in 2023 as well as the quality of the balance sheet led the Board of Directors to propose to the AGM a dividend of EUR 6.6 per share, a further increase of 10%. As you can see on the graph on the left, L'Oréal share price increased by 68.5% between the end of 2019 before the pandemic and April 19, 2024. This is well ahead of the Paris Stock Exchange's CAC 40 index, which was up 34.2% over the same period.

On the right-hand side, you can see the total shareholder return, a comprehensive measure of stock market performance, that includes both the appreciation of the shares and the income received in the form of dividends. You can see that at the end of December '23, TSR stood at 90% per year, over 5 years, 1.6x that of the index over the past 5 and 10 years.

As you know, we published our first quarter sales last Thursday. Against a backdrop of generally buoyant markets, albeit still disrupted in North Asia, the group was off to a very good start. Sales totaled EUR 11.2 billion, up 8.3% on a reported basis and 9.4% on a like-for-like basis.

By division, on a like-for-like basis, the Professional Products division posted growth of 10.7%, with a growth of 11.1%. The Consumer Products division had another exceptional performance. L'Oréal Luxe recorded growth of 1.8%, a slight improvement over the fourth quarter. And L'Oréal Dermatological Beauty grew the fastest at 21.9%.

Growth was positive in all regions, except North Asia. Momentum was particularly strong in Europe, up 12.6%, and in emerging markets, up 16.3% with SAPMENA-SSA up 16.4% and Latin America up 16.2%.

North America remained very dynamic with a growth of 12.3%. In Northern Asia, sales declined by 1.1%. In a Chinese market that remains sluggish, the group outperformed and continue to win market shares.

As regards L'Oréal for the future, 2023 was another year of progress. On this slide, you can see some of our achievements in the effort to fight against climate change, to manage water scarcity, to respect biodiversity and preserve our natural resources.

Take the ingredients in our formulas. The group is committed to ensuring that 95% of our ingredients in formulas will be bio-based, derived from abundant materials or from circular processes by 2030. We reached 65% at the end of last year.

Last but not least, in 2023, L'Oréal was once again rewarded for its social and environmental performance and recognized among the best companies in the world by nonprofit organizations, rating agencies and international bodies, all leaders in their respective areas. I thank you very kindly for your attention.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you, Christophe. Okay. I'm going to now invite Mr. Nicolas Hieronimus, Chief Executive, L'Oréal, present the activity of company in 2023, strategy and outlook.

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Ladies and gentlemen, dear shareholders, I'm delighted to see you all once again for this general meeting. It is always a special moment, like your company, give an opportunity for me to share with you the performance and strategy of L'Oréal. It's also an opportunity for me on behalf of all L'Oréal employees to express to you our appreciation and gratitude.

L'Oréal has never been as solid and efficient, thanks to your faithful support that we can project a long-term vision and rolled it out with confidence and determination. I tend to say that L'Oréal is a family. You're one of its pillars. The other pillar is the 90,000 L'Oréal employees worldwide whose commitment and talent have made possible another year of outstanding results, both financial as well as societal,

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

environmental.

In 2023, L'Oréal strengthened its leadership position of beauty, crossing the symbolic bar of EUR 40 billion in sales. I'm going to share with you the key aspects of this performance achieved in 2023 as well as the items that make me confident for 2024 and in the out years, but before that, I'd like to also thank the members of your Board of Directors, in particular, its Chairman, Jean-Paul Agon. Thank you, Jean-Paul, for your support and your sound advice that are key advantages for the success of L'Oréal.

The year 2023 was a great year for L'Oréal, a great year that demonstrated the agility and resilience of our business model. Against the backdrop of geopolitical tensions and stagnation, beauty in China sales were up 11% like-for-like, delivering its best performance in 20 years if we exclude 2021, which was the mechanical post-COVID rebound. This performance is all the more remarkable, it allows us to grow 1.4x faster than a very dynamic beauty market in 2023, a plus 8%. I'm pleased to see this growth spread both in value and volume. It's the sign of our ability to enhance through the quality of our innovations whilst continuing to recruit new customers worldwide.

The major lesson this year is the outstanding resilience of our multipolar model that allowed us to achieve a third consecutive year of double-digit growth whereas just over a quarter of our turnover was under tension with a decrease in consumption in the Chinese ecosystem. Thanks to the balance of our geographical footprint and agile teams that we're able to adapt real time to this paradigm to seize growth where it was beginning.

Excluding Northern Asia, all areas delivered double-digit growth like-for-like. I'm really proud of the strong acceleration in emerging markets, now accounts for 15% of L'Oréal sales and contributed to the tune of 30% to group growth in 2023, becoming a real growth driver for the group with considerable potential SAPMENA-SSA, South Asia Pacific, Middle East, North Africa and Sub-Saharan Africa, delivered outstanding growth plus 23.2% with growth across categories, divisions and countries. And Latin America delivered similar growth, plus 24%, outperforming a very dynamic market.

If the emergences coming to the fore, Europe this year, once again, is the first driver of group growth, achieving its best growth over 20 years, plus 16%, driven by the success of our innovations and our power in the growing market of dermatological beauty across the Atlantic, North America driven by the valuation of these innovations, that would be hair care, and by optimizing its distribution channels is outperforming a dynamic market with growth up 11.8%. Here again, L'Oréal Dermatological Beauty is a powerful engine.

North Asia, the beauty market remains sluggish, impacted by a slowdown in travel retail and a slower-than-expected recovery of consumption in China. This backdrop didn't prevent us from significantly upping our market share in the vast Chinese ecosystem. It's not really the case in Continental China with growth coming in at plus 5.4%, thanks to our continuous investment behind our brands and the quality of our Chinese teams. Once again, the strategically centralized model and operationally decentralized of your group showed its worth.

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Republication or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

Divisions, Consumer Products in 2023 delivered its best performance in 30 years with sales up plus 0.6% coming to the fore as the leading division contributing to group growth. These remarkable results are the fruit of a strategy of democratization and premiumization flawlessly executed, supported by the best innovation like Elvive Bond Repair or GOOD from Garnier.

The Consumer Products is recruiting even more consumers in emerging markets and more than ever embodies the L'Oréal spirit of conquest. In 2023, L'Oréal Luxe has become a world #1. I'm particularly proud of this achievement that rewards our continuous investment in the brand portfolio and the success of its ambitious omnichannel strategy, completing the excellence of its physical stores, acceleration of e-commerce, including Amazon in the U.S.

During the past year, the division delivered a 13th consecutive year of market outperformance, driven by the strengthening of our leadership in the perfumes category with resounding successes of MYSLF by YSL, BORN IN ROMA Valentino, Paradoxe Prada, Angel Mugler and YSL Libre entering the top 5 of women's fragrances.

The Professional Products division delivered a historic high growth rate, 25%, twice as fast as the market of plus 7.6%. The division through its billionaire brands, L'Oréal Professionnel and Kérastase completed the reinvention of its business model, fully omnichannel, serves both the hair salons as well as consumers.

And Dermatological Beauty division grew the fastest in 2023, up plus 28.4%. The division benefits from a dynamism of a market at the crossroads of health and beauty driven by the greatest demand for health care, skin care, reconciling efficacy and safety recommended by health care professionals. And therein lies the expertise of the division that benefits from its unsurpassed understanding of this ecosystem that it's been focused on since it was founded 33 years, both focusing on the attention of its products and informing the 290,000 dermatologists and other health professionals as its partners.

As to our categories, if they are all recording double-digit growth in 2023, it's thanks to the success of our product innovation put on the market. Let's take a look at the video.

(presentation)

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

So innovations are the fruit of the unsurpassed creativity of our marketing teams, R&D teams whom I'd like to acknowledge creativity at the service of creating financial and nonfinancial value creation. As Christophe showed you earlier, our record performance in '23 allowed to post operating profit at some 19.8% of our sales, up 30 basis points versus 23%. Such an increase allows a further increase of the dividend by 10% coming in at EUR 6.60 this year.

As you know, at L'Oréal economic in social and environmental exemplarity are closely linked. These 2, I

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

believe, are the basis of our sustainable value creation strategies and investment choices long term. I'll present in greater detail our commitments and successes in the climate field in a few moments, but I'd like to pay tribute to Alexandra Palt, who has decided to leave the group to devote herself to new projects whilst remaining as the head of the L'Oréal Foundation. Her courage, energy and vision allowed L'Oréal to assert itself as a pioneer company, achieving a profound transformation of its societal economic model.

This year, again, we continue to innovate with the creation of the L'Oréal Fund for Climate Emergency with EUR 15 million to develop the resilience of vulnerable populations in the face of climate disaster. All these efforts are bearing fruit. I am very pleased that L'Oréal in 2023 is the only company in the world to see itself awarded a AAA by the CDP for the eighth consecutive year. It's an encouragement to accelerate our action to increase our positive impact on the planet and society and under the leadership of Ezgi Barcenás, replacing Alexandra. I'm delighted that she's joined the group's ExCo.

As you can see, I'm very proud of the financial, nonfinancial performance delivered by the L'Oréal teams in 2023. This pride goes with strong commitment in the ability of L'Oréal to outperform the beauty market. Going forward, my confidence rests on a conviction, beauty is an essential need of human kind. The quest for beauty has existed since the dawn of time and across civilizations, men and women have used various products to care, embellish and protect themselves and stand out from others.

Throughout our lives, we accompany beauty, both on our appearance as well as on our emotional state. This ability of beauty to confirm pleasure is at the heart of the dopamine effect of beauty. This hormone is happiness as it's known. What accounts for the historic vitality of the beauty market that has grown ceaselessly for the past 20 years is this dopamine effect. We believe it will continue to grow at a pace of 5% on average going forward on these markets as growth opportunities for L'Oréal are manifold.

The emerging markets are growing strongly. With consumers always more connected and keen on beauty, it's an ideal playing field for our innovations, combining superior quality, desirability and affordability. We believe in the rebound of China, it has considerable market potential, we continue to invest to meet the aspirations of Chinese customers.

Lastly, in Europe and in the U.S., we're seeing the growth of medicalized beauty driven by 2 grounds, well, the appetite of young generations for effective products and the continuous aging of the population. On the back of our expertise on longevity, we have everything it takes to capture this new growth pocket in mature markets.

Over and above geographic consideration, beauty remains an issue of society in all discussions. The best illustration is beauty is the #1 category on social networks, which really measures our time with over 442 billion mentions in 2023. My confidence in the future also rests on a strategic choice taken by L'Oréal that we maintain to devote itself to 1 business, beauty. But all of beauty with its unsurpassed portfolio of 37 brands, we cover all categories, all price points. In all distribution channels, we're ideally placed to respond to the infinite diversity of beauty aspirations.

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Republication or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

Among the brands, we're proud to count L'Oréal Paris is the leading beauty brand worldwide that has topped the EUR 7 billion sales mark. Maybelline New York, leading makeup brand, Kérastase, leading global brand of professional hair care, Lancôme ranked second in feminine luxury.

And of course, Couture brands amongst the most desirable, bought 3 of the 4 most prescribed brands by dermatologists with La Roche-Posay, Vichy and CeraVe. We numbers 12 billionaire brands with Helena Rubinstein entering that club in 2023, with many brands who are only in the infancy of their invention with strong growth potential, Prada, Valentino, Takami, Youth to the People and skinbetter science.

We continue to enrich our portfolio through targeted acquisitions. In 2023, we concluded the acquisition of Aesop, and you saw the wonderful products outside and the universe of this singular brand around an holistic sensory and sustainable luxury. We plan to grow this nugget by nurturing its potential in China in travel, retail and e-commerce. We also were pleased to receive the license of the Miu Miu brand as of January next year.

This brand portfolio unsurpassed in the beauty sector with our multipolar model means that we can adapt to market realities and seize opportunities wherever they arise. As you saw last week, L'Oréal got off to a very good start in Q1 this year with like-for-like growth plus 9.4%, demonstrating once again our ability to outperform a beauty market that remains dynamic at plus 6%.

Our confidence in the future would only make sense if it was supported by an ambition that of L'Oréal is to invent the beauty of the future, keeping pace with the technological revolutions of our century. L'Oréal is born in the mind of an inventor of genius passing on this DNA. Science is a pillar of our strategy. We devote EUR 1.2 billion to R&D, 3% of our turnover.

L'Oréal has the greatest R&D clout of the cosmetic industry. We filed 610 patents in '23, placing us amongst the most innovative companies in Europe. But today, new technological progress, biotech, AI revolutionizing the universe of possible. We've become a digital-first company a few years ago, our ambition is to put beauty tech at the service of well-being of consumers to create a beauty of the future, more personalized, inclusive and sustainable.

It's our vision of beauty tech that we shared at the Consumer Electronics Show at Las Vegas at the beginning of this year. And Barbara Lavernos, in charge of R&D, will present to you in a few moments. I'd like to stress, however, that beauty tech allows us not just to increase consumer experience by offering more and more personalized experience but transforming the way we work.

We can better leverage data and AI to push back the limits of creativity, improve the efficiency of our ads and strengthen the innovation capacity of our researchers. Its science at the service of human beings, that's the red thread of our approach for beauty because the L'Oréal adventure is above all a human adventure. Our main asset to address the future and achieve the ambition that we've set resides in our human capital, talent, commitment, creativity of our people, but also our collective culture.

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

L'Oréal culture rests on a corpus of value shared by our people worldwide. The quest of enterprise with a very high engagement rate, 80% that bears witness to the passion in our teams, transmission at the heart of our culture, over EUR 120 million investment in training every year also reflected in our commitment to develop young talents. To build the L'Oréal of tomorrow, transmission goes hand in hand with intergenerational solidarity, symbolized in the program. L'Oréal for all generations set to make L'Oréal a company where each and everyone can have his or her place, whatever age or experience.

And lastly, the inclusivity that is part of our daily process, to build a company in June with the diversity of its talents, consumers, communities. I'm proud that our efforts were recognized in 2023 across many international rankings. We ceaselessly cultivate this value to attract high-level talents of broad diversity. I'm pleased to see L'Oréal in the top 10 of Universum ranking this year once again.

What better symbol of our culture than the renaissance in 2023 of one of the most iconic places of L'Oréal, 14 Rue Royale become the visionary François Dalle space, former head office and cradle of all our group is a space of creativity and collaboration so our teams can writetogether the next chapter of the group.

(presentation)

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Ladies and gentlemen, for 115 years, your group has ceaselessly moved forward, driven by a spirit of conquest and innovation to satisfy the quest for beauty of consumers worldwide. Faithful to that spirit, L'Oréal continues to reinvent to push back the borders of beauty, the balance of our model, the power of our innovations and the commitment of our teams allow us to view the future with confidence and ambition. We're determined not to submit to the transmissions to come but to contribute to mastering them to create beauty for the future. Thank you.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you, Nicolas. Thank you very much indeed. We are now going to hear, as Nicolas announced, Ms. Barbara Lavernos, who's the Deputy Director in charge of Research, Innovation & Technology. You know Barbara, you've heard her speak before on a number of different subjects. She's only been with L'Oréal for 33 years, which is not such a very long time, but she has -- and she has held many important positions in the company. And in 2018, she was entrusted with the steering of the revolution in our IT systems and entrusted with the deployment of this new idea that we invented, the concept of beauty tech, which is technology that enhances the power of our beauty products and has an impact on people's daily lives. Now Barbara, everyone is wondering what beauty tech actually is, and we're going to turn to you for an explanation.

Barbara Lavernos L'Oréal S.A. - Deputy CEO

Thank you very kindly, Jean-Paul. Good morning ladies and gentlemen. I am delighted to have an opportunity to describe to you how L'Oréal became the beauty tech champion.

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

Now first of all, let me explain what beauty tech is. Beauty tech is the integration of new technologies applied to beauty to increase our capacity to innovate and create meaningful interactions with our consumers in order to provide enhanced beauty experiences for unequalled results.

Now these new technologies are everywhere, and they've transformed our daily lives in the past few years, whether the GPS in our cars, connected watches that monitor health or smart refrigerators. The main technologies behind these uses are computing power, AI, augmented reality and connected devices.

Now following L'Oréal's model of taking advantage of trends that are just beginning, we decided to embrace these new technologies on a large scale several years ago in order to become the undisputed leader in beauty tech and create innovations and services for a more personalized, inclusive and responsible beauty.

In this world of new technologies, we have a unique strength and an undeniable competitive advantage. We have more than a century of knowledge and data to train our algorithms in a precise and relevant manner, 115 years of data dedicated to beauty and all its dimensions, which today make up the world's most comprehensive beauty database with over 11,000 terabytes of data.

Now of course, our strength comes from our teams with more than 8,000 experts specialized in tech, digital and AI. Let us together take a closer look at specific examples of this beauty enhanced by technology that we've developed and launched in the past few years to strengthen the attractiveness of our brands and the loyalty of our consumers. Let's start with beauty tech services for innovative beauty experiences.

The first example is that of our virtual trials, which are available on your smartphone or your computer and allow you to choose a perfect shade of lipstick, foundation or hair color. By simply taking a picture, a consumer can discover and test a wide range of our products on their own face or hair before making a purchase. We've deployed these virtual try on services across 22 of our brands and with 70 retailers such as Amazon and Marionnaud.

Another example is our customized skin diagnostics. Here's the example of our Nexa technology deployed in over 1,000 points of sale worldwide and across 7 of our brands from Lancôme to Kiehl's to Prada. The consumer places their face in the device and with an AI-powered algorithm, we instantly analyze the clinical signs of skin aging.

Trained on over 20,000 images representing the diversity of many women around the world, Nexa is able to describe 19 skin attributes and signs of aging. This service is highly appreciated by our consumers as up to 70% of those who received a customized diagnosis at the point of sale proceeded to make a purchase. These diagnostic services are also deployed in hair salons. With AI that's been trained on over 12,000 pictures, we can analyze clients' hair and scalp and then offer them a customized range of

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

products perfectly suited to their needs thanks to K-Scan by Kérastase.

So as you can see through these 3 examples, we leverage new technologies to offer a wide range of services. They are now available across 31 of our brands and in 72 countries. In 2023, more than 100 million service sessions were made by our consumers, and we are increasingly integrating access to these services through QR codes that are printed on our products, and that can be easily scanned with a smartphone. In 2023 over 1.5 billion of our products worldwide already had a QR code.

Now that we've heard about services, let's take a look at the second aspect of beauty tech. Our ability to offer innovations with unequalled performance for augmented beauty. Tech allows us to reach unequalled performance. Take the example of Absolu Dual-LED Youth Treatment by Lancôme, thanks to LED light therapy paired with a serum enriched with active ingredients. This innovation activates cellular skin renewal, stimulates collagen synthesis and redefines facial contours. The result, superior effectiveness to act on aging signs. This innovation is covered by more than 20 patents.

Another major innovation enhanced by tech is Colorsonic by L'Oréal Paris. Our goal is to revolutionize the at-home hair coloring experience, helping our consumers simplify the application process for enhanced results. This is the result of 9 years of research, and it's protected by over 20 patents. Colorsonic enables uniform application of color through technology based on the oscillation of bristles at over 300 oscillations per minute. Simply insert the cartridge, click, apply and purchase a new cartridge for future applications. Colorsonic by L'Oréal Paris will be launched in July 2024 in the U.S. and has been named one of Time Magazine's best inventions.

We also decided to use tech to create inclusive beauty. Indeed, 1 out of every 7 people worldwide has a handicap and a dozen million have trouble using their hands due to accidents, cerebrovascular disease or Parkinson's disease. We partnered with a company called Alphabet, which had developed a fork for individuals seeking autonomy to create HAPTA by Lancôme. It is the first handheld computerized makeup application. By rotating 360 degrees, HAPTA compensates for hand and wrist mobility. We tested this device with 400 women worldwide who have these conditions and their testimonials were deeply moving. This revolutionary innovation has been recognized with numerous awards, including 1 of the best innovation year by Time Magazine.

Beauty tech also enables more responsible and sustainable beauty. Take the example of Water Saver by L'Oréal Professional, an eco-friendly showerhead that can save up to 69% of the water consumed during rinsing in hair salons. This unique technology based on the fragmentation of water into micro droplets was invented by the Swiss start-up Gjosa, which we recently acquired. These showerheads are already installed in over 5,000 hair salons across Europe, America and Asia, resulting in 200 million liters of water already saved. Our Professional Products division aims for a massive rollout with a target of equipping no less than 50,000 salons worldwide by 2026.

Lastly, let me tell you about AirLight Pro by L'Oréal Professional. AirLight Pro is a revolutionary hair dryer based on advanced infrared technology, which transforms the act of simply drying hair into a true beauty

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

gesture. This unique technology does not damage the hair with heat, allowing the hair to remain magnified, hydrated and appear shinier. Additionally, drying time and energy consumption are reduced.

We worked with a start-up called Zuvi to develop this invention. And together with our hair care laboratories, we have filed no less than 150 patents. AirLight Pro will be launched this year in France and in the U.S. and has received numerous innovation awards worldwide.

As you can see, your company has seized the opportunities provided by these new technologies at an early stage to create the beauty that moves the world, one that is more customized, inclusive and responsible.

Recognized worldwide as the beauty tech leader, L'Oréal was invited to give the 2024 opening speech at the prestigious Consumer Electronics Show in Las Vegas. This presentation was led by our CEO, Nicolas Hieronimus, who I had the privilege of accompanying. The CES is renowned as the world's most influential event for tech innovations, attracting more than 130,000 participants.

With L'Oréal, it was the first time a consumer goods company had been selected to deliver the opening speech, captivating an audience of over 3,000 tech enthusiasts. Our presentation was viewed nearly 1 million times within the following 24 hours and was covered by media outlets worldwide.

I thank you for your attention. And I hope that through these concrete examples of the services and innovations we offer to our consumers, you can see how your company has taken the lead as a pioneer in harnessing the power of new technologies to become the undisputed leader in beauty tech. Thank you very kindly.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you very kindly, Barbara. Thank you very kindly indeed. So now that you know everything there is to know about beauty tech, remember that L'Oréal has been the inventor of that very concept and we're now not just the inventor, but the pioneers and the #1 in this area.

Now let us turn to a different subject, which is L'Oréal's commitment to the fight against global warming, which is a commitment that was a high priority of your company and has been for many long years. Now Nicolas is going to describe to you L'Oréal's climate strategy. Our goal is to decarbonate our activity and become #1 and take along with us all of the people and the companies with whom we work.

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Ladies, gentlemen, dear shareholders, the fight against global warming is one of the most critical challenges of our day. The climate crisis requires that the company act in a proactive manner to reduce our carbon footprint, innovate in the search for solutions, bolster our resilience and bolster the resilience of our ecosystem and our partners, although our industry is very limited contributor to greenhouse gas emissions with only 1.5 of the international emissions.

In 2023, L'Oréal activities generated [11.5 megatonnes] of CO₂, and our emissions broke down as follows: 1 and 2 Scope emissions account for only 1% of our overall emissions. Those emissions are due to reduction in energy consumed in our group. And then Scope 3 emissions, which include all the other emissions of Greenhouse gases across our value chain, well, we have less direct control among those CO₂ emissions due to the manufacturing of packaging and raw materials that are used for our formulae, acquisition of services for marketing and advertising, the shipping of our products or the use of hot water by consumers for the rinsing of certain products such as shampoo or liquids.

So in the last 15 years, aware of the urgency, we took significant steps to decrease our greenhouse gas emissions. And right from the start, we brought in our suppliers to this dynamic. So we, in 2013, created a program called Sharing Beauty With All to limit emissions due to the shipping of our products. Then in 2015, we undertook the science-based targets program to reduce our CO₂ emissions across our value chain. Our goal at that time was to make L'Oréal's business model compatible with the Paris agreement, which aimed to decrease the global warming, limit that increase to 1.5 degrees.

In 2019, L'Oréal joined the business ambition for 1.5 degrees initiative with a long-term trajectory of zero emissions by 2050. In 2020, we joined or created L'Oréal for the Future. And in October 2023, we launched into a program called Net Zero. That's part of the science-based targets initiative, and the goals there are set for 2030 and 2050, and we announced those goals in December of 2023.

Now the science-based targets initiatives validated just recently new decarbonation goals for L'Oréal. Now what does this mean concretely for L'Oréal? Well, it means that by 2030, L'Oréal will reduce its CO₂ emissions in absolute terms relative to 2019 by 57% for all of its industrial activities, shops and vehicles. And across the value chain, we will be 100% renewable by 2025.

And then we want to reduce by 28% our emissions due to the rest of the value chain giving priority to the emissions that are closest to our direct control, goods and services bought by the group and emissions due to shipping of products. For the long term, by 2050, L'Oréal intends to decrease in absolute terms by 90% its CO₂ emissions across the value chain, and we will compensate our residual emissions so as to achieve zero emissions by that time. Now these are very ambitious goals, but L'Oréal is committed to this struggle.

Now how are we doing? In 2023, we posted a decrease of 74% of CO₂ emissions in our directly operated sites compared to 2019 whereas production had increased by 12% during the same period. The group reached 91% renewable energy for its plants. We decreased by 9.7% per finished product emissions due to shipping of our products relative to 2016 by reducing our dependence on air freight. And more generally, our emissions have decreased across our scope by 10% relative to 2016. We're very proud of these results.

But as I explained initially, our missions in Scope 1 and 2 only account for 1% of our total emissions. So we're aware that we need to go further, and we're determined to bring along in this momentum, our suppliers and our consumers to decrease our Scope 3 emissions. To reach this goal, we've identified new

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

decarbonation levers, and we're going to accelerate the work that we've already undertaken.

Eco-design of our products. As part of our program, we intend to cover a 1/3 of our targets by 2030. Packaging will address 3 priorities. We need to increase the share of recycled materials, plastics and aluminum primarily. By 2023, 32% of our plastic packaging was already recycled. And then we want to resize our packages, lighten them, as you can see on the screen. By 2023, the group decreased by 4% the amount of packaging used for its products relative to 2019. And then we need to increase the share and availability of reusable and rechargeable packaging.

When it comes to our formulary, L'Oréal is focused on decarbonation by relying more and more on bio-sourced ingredients, which are produced using abundant minerals or come from circular processes, in 2023, 65% of our ingredients were bio-sourced. To reach our 2030 goal, we have new plans. We're going to decrease the impact due to certain categories like aerosols are going to decrease the impact of certain ingredients that come from farming, and we will pursue our efforts against deforestation and incur suppliers to switch to sustainable and regenerative agricultural practices.

Additionally, the group will work to decrease the environmental footprint of its digital marketing work and advertising materials for points of sale and also decrease emissions due to our logistical activities, and we want to reach 1/4 of our 2030 targets in this manner. We will decrease emissions due to our digital marketing activities. And the technology offers solutions to protect the climate, as Barbara Lavernos just told you, with Water Saver and our other innovations. And to reach net zero and we intend to achieve 1/3 of that goal by 2030, we will need our suppliers to move along this process at the same speed as we do.

By 2030, the group's main objective will be to pursue the work done with suppliers to reduce their direct and indirect emissions. And the main thrust of these programs will be to continue to support our strategic suppliers in the identification of the main decarbonation levers and then set even more ambitious targets to operate in line with the Paris agreement, and we'll need to bolster transparency.

Our new decarbonation plan is very ambitious, and we need to keep our efforts very energetic, we need to convince our suppliers, and we need to rely on a favorable climate in the regulatory, technological and societal realms. We are convinced that the fight against global warming is a necessity. And we also know that it can be a driver for innovation. Including these challenges in our strategy, right now, we will decrease our impact and prepare the company, bolstering its capacity to create long-term value and maintain its competitive advantage.

We have undertaken all of these programs with enthusiasm. All of our teams are convinced of the importance of these targets. To continue to create the beauty that keeps the world going, we will continue to challenge ourselves and continue to seek excellence for a more sustainable and inclusive world. Thank you very kindly for your attention.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

Thank you, Nicolas. I'm very proud of the acceleration of this transition plan towards a decarbonated future given the fact that there is a true urgency. Our determination at L'Oréal is total, Nicolas Hieronimus is dedicated to this and as we all are. Thank you.

Ladies and gentlemen, dear shareholders, through the presentations of Nicolas Hieronimus and Barbara Lavernos, it's L'Oréal of the Future emerging before you. At L'Oréal, the cutting edge beauty augmented through science and technology, L'Oréal citizens company fully assuming its role. I have immense trust in the future of your company because to make L'Oréal a company every day more efficient, innovative and impactful is rooted in each of any one of us as well in the very foundations of our company.

First of all, your company is led by an outstanding management team. Nicolas Hieronimus, whom you know well, is a great captain and inspiring leader who once again has demonstrated his remarkable ability to continually optimize the steering of the L'Oréal ship with his executive committee here today and all the teams, so that together, they can seize the most favorable wins.

Year after year, the excellence of your model has delivered the twofold economic and societal requirement.

Our humanist culture that we're very much attached to, in tune with consumers the obsession of progress, permanent through R&D innovation, quality, the resolve to democratize access to the best and value creation profiting one and all. These foundations represent L'Oréal's DNA from the day 1 is the secret of its sustainable and shared growth, our strengths and our difference.

We are determined to set the bar even higher. As Nicolas showed you, your company has once again, in 2023, delivered record performance. It allows us, as we've said, 3 times to offer a 10% increase in the dividend per share, EUR 6.60. And as you all know, of course, the dividend increased by 10%, EUR 7.6 for those of you who've held your registered shares for over 2 years, the fair reward of your loyalty over the long term.

We're continually stepping up our payout policy because the dividend has increased fivefold over 17 years. It's performance-led, as you saw to the rise in the L'Oréal's stock since 2010, the share price of your company has increased almost sixfold, whereas the CAC 40 benchmark doubled over the same period. I know that it's important for all of you to assess the overall valuation of your investment.

You will have noted that the total profitability for you stood at 15.3% over 10 years, demonstrating the virtuous model of your company. This ambition of excellence is shared by all L'Oréal teams, of the life blood of our company, to be a L'Oréalien means acting as an entrepreneur impassioned with boldness, perseverance. The unique temperament is to be found in every innovation, every impact project, every subsidiary worldwide.

At a time when AI is generating many questions on the place of the human being, our deep conviction is that no algorithm will represent the magic of collective intelligence, the power of creativity, the instinct

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Republication or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

of the 90,000 L'Oréalians. On behalf of the Board, in my own name, I'd like to thank warmly all the teams and express my full admiration to them.

Dear shareholders, you're giving us the means for our shared ambition. No L'Oréal success would be possible without your unconditional support. As Chair, I measure every day, the importance and value of loyal and committed shareholders. And beyond the company's performance, I know that you're deeply attached to your company. To strengthen this relationship that binds us, we multiply moments of interaction and dialogue.

In 2023, we were pleased to reach out to by resuming shareholder meetings across France. We also sought to welcome you on our facilities, offer ourselves to give you a glimpse of the life of L'Oréal to which you contribute fully. Also thank members of the Advisory Committee in attendance with us today. Nicolas Hieronimus and Christophe Babule said they were delighted with the quality of your interaction. Your involvement on our side is vital to help us to better meet our shareholder expectations.

I'd also take this opportunity to acknowledge the great work of the teams at your side, they're constantly innovating to make available to you the best setups and content. Their achievements were once again rewarded with several prizes that investor award outreach, the Golden Trophy, best digital communication of CAC 40 and the TOP/COM of the best annual report.

There may be amongst you today, new shareholders of L'Oréal. You were 12,000 more last year and shareholders, if that's the case, I'm very pleased to welcome all of you who've joined us and my warm thanks to you for supporting us.

Lastly, our commitments are drivers as key as economic performance success is not enough for us. We want to be a leader aligned on values with the human factor as a bedrock, and I know you're committed to that. We strive for exemplary behavior. L'Oréal has always grown on strong value, sound ethical principles to guarantee our integrity.

Our ranking by Ethisphere amongst the most ethical companies in the world for the 15th consecutive is very meaningful for us as well as for you. We're also vigorously supporting the environment, as Nicolas said, we're proud to be the only company in the world. It's quite remarkable to have obtained from the CDP, which is the most representative body in terms of environmental ranking, the best ranking possible for the eighth consecutive year.

We're also working for our teams in 2023. We celebrated the 10 years of our pioneer program, Share & Care, that we presented. This universal bedrock of social benefits has changed the lives of thousands of our people throughout the world. A decade later, we continue to adapt Share & Care to new needs with this program. L'Oréal has served the model to the international labor organization paving the way to social innovation for many companies.

We're also supporting quality and inclusion because merit knows no gender or origin. We're very much

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

proactive and remain mobilized because it requires active and constant vigilance to be ranked #1 in France, as Nicolas shared, gender equality by the Equileap Group, encourages us to encourage our action against all forms of inequality, discrimination.

Lastly, with the L'Oréal Foundation, we commit to defending the right place of women in society. 2023 will remain a memorable year. We celebrated the 25th anniversary of For Women in Science. It is crucial for the career and recognition of over 4,000 women scientists that we have financially supported across 110 countries. Amongst these women that we rewarded, 7 since have received the Nobel Prize, which is a confirmation of the value of that prize. More than ever, the foundation is at women's side so that they can assume their full share in decisions that will mark our common future.

I know the commitment of the teams is total for a more sustainable and inclusive planet. As Chairman, I'll constantly ensure that L'Oréal embodies and inspires change with consistency and sincerity. Your company is celebrating this year its 150th anniversary. You must realize that L'Oréal is a champion, in better shape for the future. And I'm convinced of that, a champion a beauty unique of its kind because L'Oréal, as you know and as you understand, is a centenarian startup devising its energy and the strength of it -- and can adapt at lightning speed to the transformations underway, giving confidence to hundreds, thousands of people throughout the world is a great mission. Thank you for sharing with us this great adventure of beauty with us. Thank you.

I'll stay here. I still have something more to tell you about governance. I share with each Board member, the deep conviction that demanding sustainable and plural governance is a source of value for the company. We ceaselessly strive to make it in line with best practices. Governance is a key asset of L'Oréal. It confers stability, visibility over the long term.

Your company can count on a very committed Board with remarkable individuals and very involved Board members, working collectively, openly and transparently. They express their views in an open-minded way in the interest of the company and its stakeholders.

Your Board that I have the honor of chairing is very active. It met 8 times in 2023 with an attendance rate remarkable of 96%. I'd like to briefly summarize its work during 2023.

The Board, first of all, fully assumed its role in setting out the group's strategic policies and review its long-term development possibilities through constructive and open interaction with management, with regular meetings with the main leaders. The Board members were fully informed of all the group's activities, its performance versus its peers and challenges going forward.

As every year, a strategic Board meeting was held last June, conducted an in-depth and forward-looking review on the following issues: The geopolitical context for the next 10 years, China, Southeast Asia, emerging countries and also the metaverse session of interaction and feedback was organized between Board members on the transformation of organizations.

The Board continued to follow closely the digital transformation of L'Oréal with this year particular focus on the huge potential of AI. The Board also looked at the rollout of the ambitious program, L'Oréal for the Future through 2030, also reviewed the group's climate strategy as part of the new decarbonization strategy, 2030, 2050.

The Board also reviewed the HR policy of L'Oréal, in particular, that of diversity and gender equality at every level of the company and notably, within the representative bodies as well as the implementation of its ethical policy. Lastly, the Board undertook an annual assessment of its functioning and composition. It was noted that governance works in an optimum fashion and contributes to the ambitious and harmonious expansion of L'Oréal. It also served to identify areas of improvements and set the priority issues to be addressed in 2024.

As you know, the Board basis most of its decisions on the recommendations of its 4 committees that met in total 18 times in 2023. I'd like to say a few words about those. Firstly, Strategy and Sustainable Development Committee that I chairs is at the heart at looking at the strategic outlook for L'Oréal. These meetings that address the potential of a group brand and analyze the recent launches, M&A projects that of Aesop, in line with our dual excellence project, it reviewed the progress of the group's sustainable development program, L'Oréal for the Future.

It also focused, of course, on the decarbonization plan just presented by Nicolas and the Audit Committee chaired by Virginie Morgon, reviewed the financial statements, the group's financial position, internal controls in place and the vigilance plan and corruption prevention committee, devoted a lot of its time to sustainability as part of the implementation of CSRD on sustainable reporting standards and reported -- recommended to the Board of 2 sustainability auditors put to your vote.

The Human Resources and Remuneration Committee chaired by Sophie Bellon made proposals regarding the compensation of corporate officers, assessed the performance of the CEO, reviewed HR policies, notably recruitment, and that in favor of employing seniors proposed implementation of the allocation of performance shares and the fourth Employee Share Ownership Plan.

And lastly, Nominations Governance Committee headed by Patrice Caine reflected on the composition of the Board and propose the nomination of a new independent Board member, as with every year, reviewed succession plans and key positions in the organization, also led the annual procedure for assessing the operations of the Board.

I'd now like to share with you future changes in the makeup of your Board. Madam Belén Garijo informed the Board that she wished to end her term as Director at the end of this AGM for reasons of availability linked to her professional activity. On behalf of the Board, your behalf, I'd like to thank her warmly for the quality of her contribution to the work of the Board and the HR and Compensation Committee over her 10-years tenure. Thank you, Belén. Well done.

Upon recommendation of the Nominations Governance Committee, the Board decided to propose the

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

appointment of a new independent Board member, Mr. Jacques Ripoll. And you can see the short clip.

(presentation)

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Clearly, Mr. Jacques who's not yet a member of the Board and knows everything there is to know about L'Oréal. So we're delighted to welcome him on to the Board of Directors, and he will be a contributor to our work with his skills in finance and innovation, which will be harnessed to fight against global warming. So I do hope you will vote for him unanimously.

We're also considering a renewal of 4 terms. Béatrice Guillaume-Grabisch, who is the Managing Director of HR and Business Services at Nestle. She's been on the Board at L'Oréal since 2016 and a member of the Audit Committee. We've been greatly enhanced by her knowledge of international markets, her skills when it comes to steering change and her knowledge in the area of HR.

The Board of Directors would also like to extend the term of Ms. Ilham Kadri who's the Managing Director of Syensqo, which is an international group in chemistry and specialties, which is the result of a split of the Solvay group. She's been on the Board at L'Oréal since 2020 and a member of the Audit Committee and contributes her expertise when it comes to transformation of industrial companies, her extensive knowledge about innovation and sustainable development and her strong commitment to inclusion and diversity.

We'll also extend the contribution of Mr. Jean-Victor Meyers. He's been with L'Oréal since 2012 on the Board of Directors and member of the Strategy and Sustainable Development Board and has been working very hard as a Director and contributing his long-term vision for L'Oréal, which is a company he is committed to.

And then we're hoping you will vote for Mr. Meyers' renewal. He's been on the Board since 2020. He's a member of the Audit Committee and he, in addition to his extensive knowledge about L'Oréal and his commitment to the company, is particularly interested in new technology and his commitment to social, sustainable development is unequalled. And we hope that the changes made to the compensation of the committees with the inclusion of Mr. Jacques Ripoll to the Audit Committee, as an independent member, he will raise the level of independence to 2/3, which is pursuant to the MEDEF Code.

Mr. Ricard will join the HR and Compensation Committee, representing Belén Garijo and providing you approve, the Board will have 16 directors, 40% women, 60% men, and 50% independent directors with 3 directors from the Meyers family, the founding family and 2 directors from Nestle, 7 independent directors and 2 directors representing the employees of the company.

Now more than ever, a plurality of views on the part of our directors will help us understand the complexity of the world and shape L'Oréal's future. I'm very proud indeed to chair this Board given the quality of its governance. And I will now hand over to Ms. Sophie Bellon, who will sum up for you the

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

draft resolutions regarding compensation of our Directors. Sophie Bellon, you have the floor.

Sophie Bellon L'Oréal S.A. - Independent Director

Ladies and gentlemen, dear shareholders, as we do every year, we are to approve the compensation paid to the directors in 2023 pursuant to the compensation policy that you approved and compensation policy for 2024 that will allow us to pay out compensation to the directors. Now as chair of the HR and Compensation Committee, let me lay out these proposals for you. For 2023, we're asking you to vote for the compensation paid out to Mr. Jean-Paul Agon as the Chairman of the Board, which was an annual fixed amount of EUR 1.6 million to the exclusion of any other form of compensation.

As to the compensation to -- in 2023 to Mr. Nicolas Hieronimus, as CEO, compensation was made up of fixed annual amount of EUR 2 million and a variable compensation of -- EUR 2 million, which could rise to EUR 2.4 million, which is 120% of the fixed amount should there be outperformance relative to the goal set. The goals and the waitings are displayed on the screen. The Board of Directors assessed Mr. Hieronimus' performance is 112.5% of the target goal, so 112.1% for the financial criteria and 113.1% for the nonfinancial and qualitative criteria. Should you vote for this resolution, Mr. Hieronimus will be paid an amount of EUR 2.25 million. The total of the fixed and variable compensation of Mr. Hieronimus for 2023 will stand at EUR 4.25 million. The Board approved an attribution of 17,000 -- performance shares to the Managing Director for 2023, which is 2.61% of the total number of shares attributed according to the 2023 performance.

As to the compensation policy for the directors for the Chairman of the Board, and this policy will apply to Mr. Agon for 2024, 3 years after we split the functions of President and CEO, the Board has observed that Mr. Agon has been very successful in handing over the responsibility for managing the affairs of the company to our CEO, and seconded Mr. Hieronimus very successfully in his relations with the Board as part of his missions. The HR compensation committee has recommended to the Board that the end of this transition period be marked by an adjustment of the compensation paid out to Mr. Agon. And so as part of our draft resolution #15, the fixed annual compensation paid out to Mr. Agon instead of EUR 1.6 million will be reduced to EUR 950,000 starting on May 1 of this year.

We'll also ask you to approve the compensation policy regarding the Managing Director, which will apply to Mr. Nicolas Hieronimus for the year 2024. The Board has renewed its compensation policy applicable to the CEO, which has remained unchanged since 2021. You can see the main principles on the screen. An equal share of short-term and long-term compensation and there will be fixed compensation, variable annual compensation, and the allocation of performance shares, 75% of this compensation will be subject to performance requirements.

Mr. Hieronimus fixed compensation will remain fixed at EUR 2 million. The variable compensation will remain fixed -- 100% of fixed and can rise to 120%, should there be outperformance relative to the goals established. The Board decided to apply the same performance criteria in the same balance between financial and nonfinancial criteria, and they too can be read off the screen at the moment. These criteria are in direct line with L'Oréal's strategy and integrate sustainable development program between now

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

and 2030, which is called L'Oréal for the future.

The Board can decide to attribute performance shares to the Managing Director. This will lie within 50% and 60% of the total compensation annually, and the performance requirements will apply to 100% of the shares allocated. Let me remind you that in addition to the financial performance criteria, which will be renewed, the nonfinancial performance criteria have been introduced, and that started in 2022 and this criteria related to the successful completion of commitments as part of the L'Oréal for the future program and attaining the equal representation objective, the strategic positions, including the executive committee. And lastly, there will be no change to the directors' compensation policy. It will remain the same as last year. The details are visible on the screen at the moment. I'd like to thank the members of the HR and Compensation Committee for their active participation and their commitment. And I thank you for your kind attention.

Catherine Bellon L'Oréal S.A. - Secretary

Thank you, very kindly, Ms. Sophie Bellon. I'll now ask Catherine to read out to us to resolutions that you will be voting on. As to the ordinary portion of the meeting, the first 3 resolutions concern the accounts and the proposal regarding the dividend. This has been described to you at the beginning of the assembly. The fourth resolution pertains to the appointment of Mr. Jacques Ripoll as a director, the fifth to the eighth concern the renewals of directors terms. Ms. Béatrice Guillaume-Grabisch, Ms. Ilham Kadri, Mr. Jean-Victor Meyers and Mr. Nicolas Meyers. These appointments and these renewals have been described to you by the Chairman when he reported on the governance of your company.

The ninth and tenth resolutions pertain to the designation of sustainability auditors whose task it will be to certify sustainability information as per the new directive on sustainability reporting called CSRD. The 11th to 16th resolutions regard compensation of the directors. Ms. Sophie Bellon, Chair of the HR and Compensation Committee has just reported on those in details just a few moments ago.

The 17th resolution pertains to the new authorization to grant the company permission to pursue its policy of share buyback outside of public sale offering period. The authorization will apply to a maximum of 10% of the capital and the share price cannot exceed EUR 700. Let us now turn to the extraordinary portion of the meeting. The 18th and 19th resolutions request the general assembly's approval to grant to the Board ability to decide for a period of 26 months capital decrease or cancellation of shares acquired by the company within the limit of 10% of the existing capital on the date of the cancellation and attribution of free shares to employees and directors.

And in the 20th and 21st resolutions, the assembly is asked to approve the delegation to the Board the ability to decide on a capital increase for a maximum amount of 1% of the corporate capital reserved for employees who have subscribed the corporate savings plan for a period of 26 months and employees of foreign operations for a period of 18 months. Thank you very much. That was where the draft resolutions.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Republication or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

Thank you very much indeed, Catherine. Now that we've hear those presentations. We're now going to hear Ms. Celine Eydieu-Boutté from Ernst & Young, who is going to report as a statutory auditor. You have the floor, madam.

Celine Eydieu-Boutté Ernst & Young LLP - Partner

Thank you, Chairman. Good morning, ladies and gentlemen, on behalf of the joint auditors, Deloitte & Associés, and Ernst & Young. I'm pleased to report to you on the performance of our engagement for FY 2023. We've issued various reports to enable you to exercise your judgment when voting on the resolutions, our reports to the ordinary general meeting relate to the annual financial statements, the group's consolidated financial statements and regulated agreement. Those relating to the extraordinary meeting required by law or regulation in connection with various transactions involving the company's share capital. I'll now present to you our main findings and conclusions.

First of all, for the ordinary general meeting, we issued an audit opinion on the financial statements as a parent company as well as on the group's consolidated financial statements as of 31st of December 2023, they are to be found on Pages 387 to 390 and 356 to 360 of the Universal Registration document available to you as well as on pages 43 to 53 of your invitation notice.

These financial statements were approved by your Board on February 8 this year. Our work is intended to provide you with reasonable assurance that the accounts presented a free from material statement that the accounting methods are appropriate risk adequately covered that laws and regulations are correctly complied with. For this, we performed and coordinated audit procedures on a set of subsidiaries in more than 30 countries, the work carried out both on the financial statements and internal processes, covered specific event full year 2023, such as scope changes and specific transactions. We also performed specific verifications required by laws and regulation on the information relating to the group given in the report of the Board.

We have no matters to report as to its fair presentation and consistency with consolidated financial statements. All our work and conclusions were shared regularly with your group's audit committee as well as your Board. In conclusion, having had the necessary means to complete our assignment, we issued a nonqualified opinion both on the parent company financial statements as well as on the group's consolidated financial statements. We also highlighted our key audit matters on our reports. These subjects are those which have required particular attention because of their nature, their relative weight in the financial statements or a significant level of judgment needed to assess the assumptions of estimates use.

These key audit matters concerned valuation of investment and intangible assets in the group's financial statements, including goodwill in the consolidated statement. Revenue recognition, in particular, the estimation of all the items deducted there from valuation of provisions for tax risks and uncertain tax positions. Our reports contain a detailed description of these key audit matters as well as in the audit procedures implemented.

On Pages 127 and 128 of the universal registration, on Pages 54 to 55, the notice meeting, you'll find our special report on regulated agreements. As we were not informed of any new agreement authorized during the past year, our report only includes the former agreement relating to the employment contract of your Chief Executive, previously approved by the AGM in 2021.

We've issued various reports required by law with regard to the resolutions relating to transactions involving the share capital, your company to be found on Pages 433 to 435, the universal registration document and Page 56 to 58 of the convening notice and concern the proposed delegation to your Board of the competence of powers to conduct operations on the capital of your company, such as capital reduction by cancellation of shares for the free award of shares to group employees and some of its executive officers, the issuance of securities for employees, members of a savings plan in France or an employee as a foreign subsidiary, this within the maximum limit of 1% of the share capital for periods of 26 and 18 months, respectively.

None of these reports include any observation being specified that the underlying transactions are being performed within the conditions prescribed bylaw and you've been provided with information needed to enable you to assess the cancellation of your preferential share rights. Ladies and gentlemen, Chairman, thank you for your attention.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you for that. So we're now going to move to the Q&A discussion session. I might warn you something that could occur. The police authorities have informed, no worries, no panic -- has informed us that they wanted to conduct a test on the telephones. I mean that's the way things do. In the 17th district between noon and 1 p.m. it shouldn't affect this whole, but no one never knows. So if ever, all of a sudden, you have your phones or phones that start ringing in the hall. Well, we won't blame you for that because it won't be of your fault. Secondly, won't last long, so no worries there. But maybe nothing will happen. We tried with our small influence exerted a bit further away from this place. I'm not quite sure we were successful with that.

QUESTIONS AND ANSWERS

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Be that as it may, we will now open our Q&A session before getting underway. Let me tell you that prior to this meeting, we've received written questions as with every year. So firstly, from the forum for responsible investment sent in March, very documented numerous varied robust, rigorous questions on sustainable development. So we've answered those in writing on the website.

Secondly, from our IPAC received April and Mirova April '24. So all these answers, we're not going to address them orally. Otherwise, it would take us all day, but you can consult those on the website. And we, of course, responded to those points. It's also the answer of the Board. We provided very detailed and comprehensive answers.

So let's now move to questions in the hall. Firstly, we'll take questions from the hall put directly into a microphone. I'd ask you to kindly introduce yourself before you ask a question. Limit yourself to 1 or 2 brief questions. So as many people as possible can speak. We have some -- we received some notes with very interesting questions that I'll read out to you. We will be receiving or we've received questions on the platform that has been open since the 18th of April. Now we have also received questions prior to this meeting, and we've sought to group together the questions that recur the most often. I suggest we start with these questions because they seek to respond to many shareholder points we'll take for and then we'll move to questions in the hall. So Catherine, what are the 4 questions that we have selected amongst all those addressed to us prior to this meeting.

Well, perhaps the first many questions on India. What's your strategy expansion of L'Oréal in India? Is India, the new China? I'm sure Nicolas is really knowledgeable on India. He's there often.

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

So the end of the question, is India, the new China? We tend to say that the new China is China because China has huge growth potential. We're selling L'Oréal consumers EUR 100 million, another EUR 400 million growth potential in China. It's a market that's grown high-end luxury. Unlike India, growing strongly, ranked ninth in beauty terms, but only ranked 15th for L'Oréal. Why is a market which is it to was inadequately structure and access to the consumer. That's changing fast with the growth of rising middle classes, the consumer base with the spending power to access our products is set to grow 350 million people over the next 10 years. We have an 8% market share, so beginning of a great adventure, good professional products division, consumer products, developing a lot of opportunity up until recently, no skin beauty or L'Oréal Luxe. Now that's changed. We launched CeraVe last year, the first steps of Skin Beauty and Luxury will also be relaunched in 2024.

So a lot of potential and what will allow us to accelerate in India is the rollout of digital, very young digital natives that we can connect to and sell products, getting them to test their products on the phone and shipping and by e-commerce. It's a great land of opportunity for L'Oréal. We hope it will top the EUR 1 billion turnover market as soon as possible. Catherine. Back to you.

Catherine Bellon L'Oréal S.A. - Secretary

The L'Oréal fund for climate emergency, what is the purpose of this fund? Back to you, Nicolas.

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Yes. Well, the fund, as I said in my presentation, the L'Oréal fund for climate emergency was set up this year. in 2023, following up on our historical commitments to address humanitarian and environmental challenges. We've all seen that the world was increasingly struck by climate emergency. This fund, EUR 15 million over 3 years (ended heightening the resilience of people in the face of climate catastrophes, relief efforts, NGOs, but also educating the most vulnerable populations, often women so that they can act preventively in the face of a climate emergency, it complements the nature fund, the women's fund, circular innovation. And so this year, we've started to assist 2 community solution projects and start

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

network of A NGOs actively involved. So it's part and parcel of this dual performance, financial, nonfinancial, to build on L'Oréal success to reach out to needy populations. Well done, Catherine, back to you.

Catherine Bellon L'Oréal S.A. - Secretary

So questions on the skin beauty division. Skin beauty dermatological division delivered excellent results. How do you account for that? .

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Well, as I said earlier, it's true that we're very pleased, delighted. I see Myriam, who heads this division in the (inaudible) space has grown from EUR 3 billion to EUR 6 billion, had tremendous acceleration. It's of course demand driven from consumers to ride that rising expectation for increasingly medical care on the back of COVID, the importance of the physician for many people. So these needs are expressed through the brands they find their answers in the brands that we market. We've got a very full book of brands, products at EUR 5 such as CeraVe or products that retail for EUR 200 at SkinCeuticals of data science, so it covers all consumer profiles.

And the success of this division, everyone's seen the consumers wanted skin products, but they're built in a relationship of trust, forged over time, 33 years with the dermatologists, physicians, that's the unique strength of L'Oréal. The sole beauty group for a very long time, has a division dedicated to physicians, dermatologies in explaining our formulas and also the codevelopment of products were done they feel more at ease in recommending them and there's a group effort between dermatologists, physician and R&D leads to extraordinary products.

I'm delighted we're about to market La Roche-Posay and other brands, a new compound Melasyll, which is probably the most efficient effective compound to erase blemishes linked to the sun, it's about to be rolled out. It's, of course, the skin care division that's rolling out. And I'm sure this compound will irrigate other products in June with our ambition to offer beauty for all this saga of skin care is not going to end anytime soon. There's the demand and the know-how from L'Oréal.

Catherine Bellon L'Oréal S.A. - Secretary

Great, thank you. Fourth and final question received earlier. These questions concern the distribution of value across stakeholders. Well, I'll speak to that because I need to do some work. I can't let Nicolas answer all the questions. Well, it's a question that's often put the distribution of value across stakeholders. Well, value added. So first of all, value added is what? It's in fact, we can consider that it's a margin equal sales, minor goods and services supplied by third parties, minus payment of employees, taxes and expenses set aside by company to grow. What's the distribution of its value added. We calculate that for 2023. The results are as follows: employees 25.9% of value added about 36, what's that employees, social benefits, profit sharing, bonus, 36% second item are the levies by local authorities.

We never affected. That's 21.6%. Payroll costs, corporate tax, tax on financial transactions, compensation, sales, operating taxes, I could give you a list as long as you're on of all the taxes that are

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

inflicted upon us. That's 21.6% L'Oréal for its own needs. Took 21.8% of value-add and shareholders. After all, at least represented 19.7%, say, 20%. So we see that the split in value added is a very uniform, harmonious distribution, I would say, and in my view, quite exemplary.

Now let's move to questions from the hall. We'll start with the advisory shareholder committee and then over to other questions. The advisory Shareholders Committee, where is their representative? Please stand up. A lot of people standing up. You madam. Very good.

-

I am a member of the Advisory Committee of the individual shareholders. I have 2 questions for you. The first has to do with the cash flow. How has L'Oréal employed that? And the second question has to do with AI. What does this mean in practical terms? And what are the applications, the practical applications of AI to the price.

Catherine Bellon L'Oréal S.A. - Secretary

Okay, so cash flow and AI. That covers a lot of territory. We'll turn to our expert Christophe to answer the cash flow question, which would you rather answer the question about AI or the cash flow question?

Christophe Babule L'Oréal S.A. - Executive VP & CFO

Well, as the financial manager CFO, let me answer the cash flow question. As I told you, it's just over EUR 6 billion, and our gross margin in 2023 was EUR 8 billion. Now as you know, the cash flow is very sound and has maintained our financial health at L'Oréal, how is set to be employed? Well, we employ it in 3 major areas. The first is to finance the organic growth of the group through investments made into our manufacturing, into our points of sale and into tech expenses and our working capital requirement, which grows as the revenues grow.

So to sustain the development of the group, we've spent EUR 1.9 billion, i.e., 1/4 of the gross margin, which is devoted to internal growth. Second application is funding or financing of acquisitions in small and large to bolster our already very diverse portfolio. In 2023, we invested EUR 2.5 billion, i.e., 30% of our gross margin into acquisitions. And then, of course, the distribution of the dividends which has been growing steadily. And in 2023, it was EUR 3.5 billion, i.e., 40% of the gross margin, which was directed towards the compensation of our shareholders. So those are the 3 main applications of our cash flow. And then we will be spending some of that money to buy back shares.

First, to cover -- and that's only 5% on a whole. That's for our employee shareholding scheme. L'Oréal is a great producer of cash flow. It's a significant strength at L'Oréal. Its ability to generate significant amount of cash flow. Now the other question had to do with AI.

Well, that can be answered by Nicolas. I could have called on a friend, Barbara Lavernos those to answer that question. But she presented a portion of the use to which we put our data and the computing power of our computers, 115 years of beauty data that we apply to improve the experience of our consumers or to improve the effectiveness of our employees with skin diagnostics and virtual services,

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

the better our skin diagnostics, better our recommendations will correspond to the expectations and the needs of our consumers. So AI is going to allow us to make a powerful use of that accumulated data, and this is true for the virtual try-on.

Of course, we've also used it for the development event of Lancôme's HAPTA, which is an answer to people who don't have as much dexterity as they would like. And this is used inside the company and outside. We collect data on an ongoing basis. We have a tool called consumer loop and in real time, we can collect the reactions of our consumers to our products, which help our researchers to improve our products. And that ties into another use of AI, which is formulation design assistance and suddenly an ingredient becomes unavailable. Well, how do we compensate for that ban? Well, that's where AI comes in.

We can use data to better allocate our media spend. We have a proprietary tool, which will allow us to save a great deal and become more effective. And then there's generative AI, which is going to be ChatGPT. You've all heard of what is going to be a powerful tool in our hands. We recently created our L'Oréal GPT, which allows all the employees of the group to process information and get answers to their questions without any intrusion into our protected data from the outside. This opens up vast avenues for our development. So this is really harnessing science in the service of human beings, be they L'Oréal employees or consumers. Thank you very much, Nicolas.

We can now field questions from the floor. I see that #4 has a question, Mr. Soulange I see you, leapt to grab the microphone. We're glad to see you again, sir.

-

Well, we're amongst friends, let me share something with you. I now understand what beauty tech is all about. Thank you very kindly for your explanations. Congratulations, sir. I regularly convened family reunions. My children are in North America, and I always said I wanted beauty in my portfolio, and they've always said I should add tech. Well, I have tech now, thanks to L'Oréal, so Beauty and Tech all rolled into one question. What are your plans in order to optimize and retain talent? What are your plans in house for that. What about the noncompetition clauses? Are they sufficiently robust?

And then my second question is whether you are under cyber attack on a regular basis or -- not cyber attack, okay? What defenses have you got against cyber attacks? Do you demand of your suppliers the same stringency? Thank you very kindly in advance for your interest.

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Thank you, Mr. Soulange, those are 2 very different questions. First question about talent, second question about cyber security.

Nicolas, well, indeed, talent is the lifeblood of our company. Our success can entirely be ascribed to the commitment of our employees. Clearly, you've got to be able to attract, retain and develop talent. There's no doubt about that. Our HR manager can attest to that L'Oréal must be as attractive a company

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

as possible to work for. So should you have beauty in your portfolio, I'm convinced that you should. But in addition to that, L'Oréal has got to attract old and young. 1.3 million people applied for a job at L'Oréal last year. That was up 7%. And that's one thing that AI is very helpful with. We can process such data. So L'Oréal remains a magnet for young talents.

We are among Universum top 10 lineup of attractive companies. We attract young graduates, 130,000 new crews last year. And we attract young graduates, and we also develop our senior talent on a consistent basis, which is why we can boast people such as Barbara who has been with us for 33 years. On average, our employees stay with us 18 years. A lot of the excom positions are held by people who rose up through the ranks at L'Oréal, who entered the company at a young age. So beauty is an attractor.

Our compensation program is an attractor, and we have a specific system to boost the loyalty of our young recruits who didn't qualify for the loyalty -- long-term loyalty programs. Our turnover stands at a reasonable level, 13%. And among the people who we work hard to retain it drops to 5% the turnover rate. So we're doing a good job, which is not to say that we can rest on our laurels. Some people try to poach away our talent. So our turnover, we've worked hard to keep to a minimum, but we do have noncompetition clauses. Yes, indeed. We enforce them. We're very tough in that regard, we apply the legal requirements in case law precedents. And if anybody contravenes those rules, well we take the action that is required. And we've always been upheld in our rights when we had to go to court. I hope that answers your question.

I can add something. L'Oréal has long been seen as a fantastic training ground. Our purpose at L'Oréal is to take in young professionals as early as possible in their careers and to create a talent pool, which has no peers and there is no doubt that this spirit has allowed us to develop some excellent talent. So we can hold our own. Now what about cyber security?

Yes, I can answer that question. Do we sustain cyber attacks? Yes, daily, of course, less than sensitive industries, you know Thales the aerospace players under more attacks than we are, but we are under cyber attacks. Most of them are insignificant and don't generate an alert. We had a few security alerts last year, but we've got 100 people to grapple with those issues. So we're very well defended against cyber attacks. We have been ramping up our cyber defense program. It's called Titanium. It's an in-house program. And we test it on a regular basis. We mount attacks to test its robustness. And we train our employees on an ongoing basis to guard against human error because that's how those attacks can succeed.

We train our employees in the avoidance of phishing attempts. We trained 60,000 employees last year on cyber security. And this is an ongoing struggle. So we will not let up our efforts. There are a lot of people out there interested in breaking into our systems, but they've never succeeded. No cyber attack has ever been an impact on our operations. So I think we're doing a good job. We'll keep our fingers crossed nonetheless.

Catherine Bellon L'Oréal S.A. - Secretary

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

REFINITIV 

Another question. Number 7. Mr. Simon Thomas, an individual shareholder, I'd like to know what the economic and industrial consequences for L'Oréal would be should France, European Commission and NATO inflict on China the same sanctions imposed on the Russian Federation since 2014.

As L'Oréal is significantly doing business in Brazil and China, what could L'Oréal do to facilitate dialogue and trade between ambitious BRICS and determined Western so beauty for all, peace for all, are L'Oréal values after all.

Well, we fully subscribe to your view I often recall that the #1 beauty brand in the U.S. is L'Oréal. The #1 brand in China is -- beauty brand in China, L'Oréal. What was -- what used to be the #1 beauty brand in Russia, L'Oréal. So you're absolutely right. Beauty is a unifying force, it brings people together. So it would be a wonderful thing indeed, and we promise to do our best to ensure that beauty can quell these tensions. To answer the first part of your question, L'Oréal is powerful in the 4 corners of the globe.

As Nicolas explained, we have a multipolar model, and it's based on the fact that we do business everywhere so that by definition, as we operate in every country in the world, we're exposed to the risks that emerge in all the countries of the world. But again, being present everywhere is a form of immunity to risk because we spread the risk around the world. That's about as much as I could say to answer your question. We will do our best to improve our results. We'll do our best to contribute to World Peace, Nicolas, any miracle recipes.

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

No. But one thing is for sure, when you travel the world, as I do. One thing is for sure, the leaders of all the major powers of the world greatly appreciate the cosmetics industry because they recognize that the cosmetics industry contributes to generating dopamine and to the well-being of our fellow humans. When I talk about L'Oréal and when I talk about beauty, China, for instance, I am bearing glad tidings for the local population. So our task is not a political one. Our task is to, as managers of this company to derisk and that's why we are multipolar, and that's why we have spread our suppliers around the world and spread our teams. And we proved in 2023 that in China that was growing 0%, you could still generate profits and growth for your company. Thank you. Another question. Well, I don't see any questions. Is that #8 back there? You back there. Sir, or Madam.

Thank you. I'm an individual shareholder. And my question has to do with what the last 2 speakers discussed, what are the risks that L'Oréal has identified? The company did extraordinarily well last year, but risks abound. And my question is how you intend to overcome those risks?

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Thank you very kindly for that excellent question. We are very transparent with you. We don't hide the fact. Yes, it's true. There are some areas of frailty. If you've been a shareholder for a long time, you will know that L'Oréal has always adapted to changing circumstances. But we're aware that we're not

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

immune to unexpected changes in risks. We do everything we can to shore up or development and optimize our growth. As I've said, one of the obvious risk is geopolitical risk in the best way, the only way to protect yourself against a geopolitical risk is to be present in a ubiquitous manner as you can because that means you can take up opportunities as they emerge if a risk emerges somewhere.

-

Can you say a word about risk mapping, Nicolas?

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Yes, indeed, every year we perform that task of risk mapping where we identify, assess and analyze potential risks to L'Oréal. What is the significance of the impact and to what extent do we have control over these situations, and we do our best to try to spread our business so that we don't put all our eggs in one basket, and we use this risk map to identify risks and create action plans. Mr. Soulangé asked a question about cybersecurity.

Well, cybersecurity is a critical risk for any business anywhere around the globe, and this is something that we can address through training, through investment, into our defense systems. And for every risk that we identify, we proceed similarly. Whether it's a regulatory risk or any other type of risk, we have action plans which are designed in all seriousness and with an attempt to do a good job anticipating future changes.

I've been with L'Oréal for some 46 years now, and I can testify to the fact that L'Oréal is very good at adapting to changing circumstances. There are limits to that, but let's think back to the COVID epidemic. That international sanitary crisis was completely unpredictable. No one could have anticipated that risk no matter how careful you are risk mapping. And we did an absolutely excellent job adapting to the situation, and we succeeded in weathering that crisis. We weathered that crisis. We came out the other end in a very good shape because we were able to adapt. And that adaptability is a tremendous asset for L'Oréal. So we're keeping our fingers crossed and working very hard to prepare for the unexpected.

Another question? Yes, number 5, back there.

-

Thank you, good morning. I'm an individual shareholder, my 27th L'Oréal AGM. It's true that I really appreciate the clockwork regularity of the results delivered. That's wonderful.

Three questions on rising competition. Everyone knows today there are new trends emerging. People want fresher, more natural, more concentrated, less industrial products. So my question is, what's your position in terms of all these new brands that are coming to the fore, being presented on TV shows by entrepreneurs? Thank you. That's the first question.

Second question, product quality. I know they're good, but I have noticed that certain products are poorly rated by Yuka. I've seen them 0 out of 100. How is that possible? Is that a mistake? Is it an old

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

product? Thank you for enlightening us.

And my third, on something that I view is important for L'Oréal, consumer tests. What's your position on that? Are they really necessary? Thank you.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you. I see you're a marketing specialist. Another specialist is going to answer you. Nicolas, over to you.

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

Well, firstly, competition. It's true that there's a lot of competition on the market. L'Oréal, whilst being far and away the global beauty leader, only has 15% -- less than 15% of the global beauty market. That leaves 85% with other brands. What's important, every year, we're making inroads, boosting our leadership, so we tend to gain market share across all geographies in the face of this flourishing new competition, a lot of brands that appear, others limited lifetime. L'Oréal has 115 years of success in these brands.

I guess some stimulator is the reason behind our eternal youth, our ability to gain market share. We see brands that arrive with very interesting ideas of products that we haven't thought about. We don't have a monopoly on good idea. We observe. We look. We drive our R&D to go the extra mile. That's regularly what happens, a lot of hair innovation that worked in 2023, stimulated by a competitor who spurred us on. There are brands that we acquire among these brands. We do M&A: Aesop recently, Takami, skinbetter science. So it's a market. Beauty is a very dynamic flourishing market. And this competition, well, we say, "Welcome, stimulators. Give us good ideas." From time to time, we enrich our brand portfolio through the acquisitions. No worries, the goal for L'Oréal market is to gain market share. That's what they do.

Product quality. Turning to your second question, you mentioned Yuka. Well, Yuka is really part of these apps that exist that have a kind of a formulation, kind of bias, I mean [teams], that certain ingredients, certain preservatives, are non-grata ingredients, persona non grata. All those who use those preservatives have a score that's deplorable, and yet they're ingredients that are safe, authorized by French European authorities, present no hazard for consumers, otherwise, we wouldn't include them in our formula. If Yuka decides that a particular preservative is banned, you have 0, but you can be in the next door association with its app that will say precisely the opposite. We trust science, regulators, and the products that we market are products that are of high quality.

Since you mentioned consumer scores, moving to your third, we're assessed daily with stars you know, the firm ratings and reviews, 3, 4, 5 stars, as you sometimes do on a book or a film. And our scores are quite high, and that means we can gain market share. It's the quality of our products and consumer loyalty.

Third question, consumer test. Yes, you need them, always. We never market a product without

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

endorsing the fact that it brings something better, innovative, different to the consumer. We need to trial regularly, clinical trials, beauty, dermatological. As I mentioned earlier, the customer success is of prime importance L'Oréal to make sure he's always satisfied.

-
Thank you, Nicolas.

Nicolas Hieronimus L'Oréal S.A. - CEO & Director

I can reassure you, sir, the quality of the products is probably the foremost priority of L'Oréal. You asked me what is the secret ingredient of L'Oréal's success for 115 years. It's product quality. That's what it's down to. No compromise on product quality. And the kind of proof positive of that is the growth of the company, the success of its brands. We think -- we believe consumers are smart and only buy products of which they're satisfied and happy with. That's how it works. Product quality, second to none, paramount.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Final question before going to the resolutions. I don't know, maybe just you at the back, though.

-
A question pertaining to L'Oréal shareholders. At the end of the concert between Bettencourt Meyers, 35%; and Nestle, 20% of the capital in 2018, L'Oréal did not weaken by the occurrence of a hostile takeover bid. What are the means implemented by the company to counter that?

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Sir, you're hinting to a possible takeover -- hostile takeover bid by Nestle. I could ask Mr. [Bouvet] in the room. But no, I won't put him on the spot. Let me reassure you, sir. I can't guarantee promise it or write it. But trust me, from what I know and understand, Nestle has no plans to launch a hostile takeover bid on L'Oréal, and there are signs that demonstrate that.

Firstly, Nestle has been a loyal shareholder at the side, supporting L'Oréal for 60 years. Our partnership, I mean it's a long-standing share ownership stake. And as you know, Nestle has reduced its holding at L'Oréal on 2 occasions. Nestle had up to 29% of the L'Oréal share capital 20 years ago. It's reduced its holding by 7%, 8% in 2014 during a first strategic transaction with the group and reduced further its stake in 2021. So now Nestle owns 20%, has gone from 29% to 20%. And of course, although the question doesn't arise, a company that would wish to launch a takeover bid wouldn't begin by reducing its holding by 1/3. So really, there's no worry, no anxiety on that score.

And let me also take this opportunity to say we can all welcome not that Nestle reduced its stake, that's their decision, but the family, Bettencourt Meyers, has upped its holding because it creates a strong core of shareholders for L'Oréal guaranteeing its durability, future, independence, autonomy. It's the best possible news for all shareholders. That's what I can say in answer to that very unexpected but nevertheless, interesting question.

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

I'd just like to end with 2 or 3 questions that I've received because if we ask you to complete the forms, it's really not -- it's rather unkind not to read out the question. In fact, you also asked the question, and you had also, yes, completed the form, too, and also on the Internet. I wanted to be sure that we'd answer your question. I hope you're satisfied.

There's a question I find very spot-on. Can we visit the Visionnaire? You're right, the Visionnaire is quite remarkable, and I can bet -- approve that idea. It's a bit complicated currently because we use it as a place to train all our people worldwide. So it's full every day. But it seems to me quite normal that both our employees and shareholders should be able to enjoy a visit.

He was going to organize. I've got a second -- if I could just say a word, the Visionnaire is open during the heritage days. So there's already a setup. We're going to consider with our teams how we can extend favorable treatment to our shareholders who'd like to visit that facility on that occasion. But if not, we'll find another date of the heritage days and maybe organize something else.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

And just picking up on an earlier question that is asked every year, shouldn't we form a shareholders' club. We've never done that, but I'm not opposed to the idea. Maybe we could start proposing to individual shareholder's specific activities, not necessarily to go to the theater, that type of thing, but to visit L'Oréal locations. And the Visionnaire should be a good opportunity to start with shareholders who'd form a club after that.

Briefly, a very interesting question, how to get the Water Saver mentioned by Barbara. Well, you can open a hair salon, if you like. But if not, for the time being, it's reserved to hairdressers. But sooner or later, we need to spread the technology that saves 2/3 of water consumption. It's part of our plans for the future, made easier by the fact that we bought out the company that designed and developed the product. As soon as the Water Saver is available, I'll get back to you.

Finally, we're going to hold shareholder meetings in Toulouse. I think we have someone from Toulouse, a warm welcome. Of course, a resounding yes. Pascale tells me we're going to hold meetings in Toulouse.

And lastly, a final question, share buybacks. Because you know there are ideas floated about taxing share buybacks. While we do share buybacks, we do very few, hardly ever, the only -- aside from a strategic transaction such as a strategic deal with Nestle on 2 occasions. Aside for those 2 exceptional occasions, we do very few share buybacks. The sole purpose isn't at all to -- you name it. It's really just to avoid a shareholder dilution. Every year, we create shares for our employees, for the employee share ownership plans, incentive plans, when we create these shares. Because we up the number of shares, it's necessarily a dilution so as not to penalize individual shareholders in particular. We offset that dilution for a small number of share buybacks just to cancel the impact of dilution. It's something really very minor, which is really just there to defend the share value for shareholders.

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

©2024 Refinitiv. All rights reserved. Reproduction or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks of Refinitiv and its affiliated companies.

So I think we've answered the maximum number of questions. Thanks very much for your question. Back to Madam Catherine Bellon to the resolutions and to vote on the final quorum.

Catherine Bellon L'Oréal S.A. - Secretary

Since the attendance sheet notes the rep is 438 million shares, that's 82.07% of all shares making up the share capital. 1,500 shareholders are in attendance, 255 represented. I won't record the figures, [power is to Chair], votes by correspondence. The same as at the outset that ordinary resolutions are approved by simple majority and extraordinary resolutions are approved with a 2/3 majority.

Regarding practical arrangements to vote, you must use the tablet that you received when you registered. There are just 3 keys on the screen: green, a vote in favor; yellow, abstention; and red, a vote against.

Abstention is not considered as a vote that's expressed. After reading each of the resolutions, we'll announce the vote is open. You'll see the hourglass on the screen. I'll indicate when the vote is over. The final results will be displayed onscreen after the vote on each resolution. After the meeting, the full results will be displayed onscreen and, of course, available on the company website, loreal.finance.

We can vote on the first resolution. So first resolution, approval of the company financial statements for FY '23. Please vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Vote closed. Resolution 1 approved, 99.94% of the votes.

Second resolution, approval of the consolidated financial statements FY '23. Vote now.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

No more voting. In favor, 99.94%.

Resolution two approved the resolution appropriation of 2023 earnings setting of the dividend. Please vote now.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

No more voting. Resolution 3 approved, 99.93% in favor.

Fourth, approve Mr. Jacques Ripoll as Company Director. Please vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Vote closed. Resolution 4 approved, 99.43% of the vote.

Fifth resolution, renewal of the term of Mme. Béatrice Guillaume-Grabisch. Please vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

No more voting. Fifth resolution approved, 93.71% of the vote.

Sixth resolution, renewal of the term of Mme. Ilham Kadri. Please vote now.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

No more voting. Sixth resolution approved, 88.44% of the vote.

Seventh resolution, renewal of the term of Mr. Jean-Victor Meyers. Vote open.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Vote closed. Seventh resolution approved, 96.20% of the vote.

Eighth resolution, renewal of the term of office of Mr. Nicolas Meyers. Please vote now.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

No more voting. Eighth resolution approved, 93.49% of the vote.

Ninth resolution, appointment of Deloitte as auditors certifying the information regarding sustainability. Please vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

No more voting. 99.40% in favor, resolution 9 is adopted.

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

Tenth resolution, appointment of Ernst & Young Audit as auditors certifying sustainability information. Please vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Thank you and the result is 99.74% in favor, so that resolution is carried.

11th resolution, approval of the information regarding the compensation of all of the directors as per Article L. 22-10-91 of the Code of Commerce. You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. That is carried by [96.8%] of votes. That is carried.

12th resolution, approval of the fixed and variable compensation to be paid for 2023 to Mr. Jean-Paul Agon as Chairman of the Board of Directors. You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

No more voting. And that's carried by 95.36%. That resolution is carried.

Resolution 13, approval of the fixed and variable components of the total compensation and benefits of any nature the financial year 2023 paid to Mr. Nicolas Hieronimus as the Managing Director. You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. Resolution 13 is carried 95.66% of the votes.

Resolution 14, approval of the compensation policy regarding members of the Board. You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. That's carried in the amount of 99.9% of the votes cast.

Resolution 15, approval of the compensation policy regarding the Chairman of the Board of Directors.

REFINITIV STREETEVENTS | www.refinitiv.com | [Contact Us](#)

You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. That's carried by 97.9% of the votes cast.

Resolution 16, approval of the compensation policy pertaining to the CEO. You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. 93.11%, that's carried.

17th resolution, share buyback on the product company authorization. You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. And you have approved that resolution by 99.33%. Thank you.

18th resolution, authorization granted to the Board of Directors to decrease the capital by cancellation of shares acquired by the company as per Article L. 22-10-62 of the Code of Commerce. You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has ended. That's carried in the amount of 99.52%. That was resolution 18.

Now Resolution 19, authorization given to the Board of Directors to allocate free shares to employees, directors to issue shares with the renunciation of preferential subscription rights.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. 97.38% in favor, that resolution is approved. Thank you.

20th resolution, delegation of powers to the Board of Directors to allow it to undertake capital increases for employees with the dilution of the preferential subscription rights for shareholders. You may vote.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. Resolution 20 has been approved, carried by 99.78% of the votes cast.

The 21st and final resolution, delegation of powers granted to the Board of Directors in order to allow it to undertake a capital increase for certain categories of beneficiaries, employees of foreign operations with dilution of the right to existing shareholders to preferential subscription.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Voting has closed. That's carried by 99.78% of the votes cast.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you very kindly indeed, Catherine. Thank you all very kindly.. So the resolutions put to you for approval have been carried quasi-unanimously.

Thank you very kindly for joining us. Thank you for supporting us through the years. Thank you for your loyalty. We hope you enjoyed today's session, and we hope that we've given you a better understanding of the company's prospects. Thank you all very kindly.

Catherine Bellon L'Oréal S.A. - Secretary

I believe there is a 22nd resolution to be voted and I didn't have a record of that powers for formalities, which have got to be officially approved. Yes.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Yes. Thank you all very kindly. Let's vote on that before we conclude this session.

Catherine Bellon L'Oréal S.A. - Secretary

So Resolution 22, powers for formalities. You may vote. That's never in doubt, but let's vote on that.

(Voting)

Catherine Bellon L'Oréal S.A. - Secretary

Thank you very kindly. That's carried by 99.95% of the votes.

Jean-Paul Agon L'Oréal S.A. - Chairman of the Board

Thank you all very kindly once again. See you next year on April 29, 2025 at 10 a.m. Thank you all very kindly. Goodbye.

DISCLAIMER

Refinitiv reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes

In the conference calls upon which Event Briefs are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT BRIEFS REFLECTS REFINITIV'S SUBJECTIVE CONDENSED PARAPHRASE OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT BRIEF. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2024 Refinitiv. All Rights Reserved.