

Clichy, 14 March 2025

L'ORÉAL

Publication of information relating to the remuneration for the corporate officers of L'Oréal, in accordance with the AFEP-MEDEF Code of Corporate Governance for listed companies, released in December 2022

Meeting on 13 March 2025, the L'Oréal Board of Directors, on the recommendation of the Human Resources and Remuneration Committee, reached the following decisions concerning the remuneration of Mr. Nicolas Hieronimus, Chief Executive Officer and Mr. Jean-Paul Agon, Chairman of the Board of Directors.

Mr Nicolas Hieronimus, Chief Executive Officer

Variable remuneration for the 2024 financial year

In accordance with the remuneration policy for corporate officers approved by the Annual General Meeting of 23 April 2024, the Board of Directors evaluated Mr. Nicolas Hieronimus' performance as Chief Executive Officer, based on the performance evaluation criteria detailed on pages 104-105 of the 2023 Universal Registration Document, to determine the annual variable portion of his remuneration, which may reach a maximum of 120% of fixed remuneration if objectives are exceeded, with the target set at 100% of fixed remuneration.

The Board concluded that the overall rate of achievement was 102.4%, i.e. an achievement rate of 94.6% for financial criteria and 114.2% for non-financial and qualitative criteria.

Mr. Nicolas Hieronimus was therefore awarded variable gross remuneration for the 2024 financial year of 2,048,500 euros.

Pursuant to Article L. 22-10-34 of the French Commercial Code, payment of this annual variable remuneration is subject to the approval of resolution n°13 to be submitted to the shareholders at the Annual General Meeting of 29 April 2025.

Fixed and variable remuneration from the 2025 financial year

At its meeting on 13 March 2025, on the recommendation of the Human Resources and Remuneration Committee, the Board of Directors decided that at the Annual General Meeting on 29 April 2025, when the shareholders will be asked to re-appoint Nicolas Hieronimus as a Director, it will put forward proposed changes to the Chief Executive Officer's remuneration policy.

If the Annual General Meeting of 29 April 2025 approves the remuneration policy for the Chief Executive Officer, all of the policy's components will apply from 1 January 2025.

- **Fixed remuneration from the 2025 financial year**

At its meeting on 13 March 2025, on the recommendation of the Human Resources and Remuneration Committee, the Board of Directors decided that at the Annual General Meeting on 29 April 2025 it will ask the shareholders to raise Nicolas Hieronimus' annual fixed remuneration to €2.3 million, i.e., an increase of 15%.

The Board mainly took into consideration the fact that:

- the Chief Executive Officer's skills and experience in his role have increased and been strengthened over the past four successful years of his leadership, as reflected in (i) the findings of the Board of Directors' 2024 self-assessment, (ii) the growth percentages between 2021 and 2024 for sales (+34.7%), operating profit (+41%) and EPS (+43.5%), and (iii) the Group's top-class financial and ESG ratings ;
 - the responsibilities of the Chief Executive Officer have become wider in an ever-more complex and highly competitive environment which demands constant change and adaptation for the Group;
 - L'Oréal is exploring adjacencies to its position as a pure beauty player, in line with the Group's mantra of "seize what is starting" (*saisir ce qui commence*).
 - the Chief Executive Officer's fixed remuneration has remained the same since he was first appointed in 2021, and in principle, the new amount of his fixed remuneration will remain unchanged for the next four years;
 - there has been an overall upward trend for fixed remuneration within L'Oréal in view of the inflationary environment (+ 13.7% increase in France since 2021 according to INSEE):
 - fixed remuneration for the members of the Executive Committee based in France increased by an average 14.5% between 2022 and 2025;
 - fixed salaries for employees based in France rose by an average 17% over the same period.
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- **Variable remuneration from the 2025 financial year**

At its meeting on 13 March 2025, on the recommendation of the Human Resources and Remuneration Committee, the Board of Directors also decided that at the Annual General Meeting it will propose that the Chief Executive Officer's remuneration policy be amended to give more stretch to his annual variable remuneration. This proposal entails:

- capping the variable amount that can be awarded in the event of outperformance at 130.4% of his fixed remuneration (i.e., €3 million) instead of 120% previously (€2.4 million), representing a 25% increase; this outperformance is assessed on a criterion-by-criterion basis with no possibility to offset between criteria;
- setting a target variable amount of 113% of fixed remuneration (i.e., €2.6 million) instead of 100% previously (€2 million), representing a 30% increase;
- defining floor values for each of the financial criteria below which no amount would be due, in order to ensure that underperformance is penalised at least as harshly as outperformance is rewarded, with no offsetting possible between criteria.

The Board's aim is to:

- encourage outperformance, without excessive risk taking, in an increasingly complex and tough operating environment, and to penalise underperformance proportionately;
- ensure that the Chief Executive Officer's annual variable remuneration is competitive in relation to the benchmark panel by positioning the target amount between the median and the 3rd quartile in accordance with his remuneration policy;
- ensure consistency, both within the Group in comparison with the maximum annual variable remuneration of Executive Committee members, and outside the Group compared with the variable remuneration structure for the benchmark panel (target and maximum amounts).

These items, along with the findings of the study conducted by an independent consulting firm, will be included and detailed in the 2024 Universal Registration Document, which will be published shortly.

Mr Jean-Paul Agon, Chairman of the Board of Directors

Fixed remuneration for the 2025 financial year

The Board of Directors decided to maintain the fixed part of Mr. Jean Paul Agon's gross remuneration at its current level of 950,000 euros per annum.

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This news may contain forecast information. While the Company believes that these statements are based on reasonable assumptions as of the date of publication of this press release, they are by nature subject to risks and uncertainties which may lead to a discrepancy between the actual figures and those indicated or suggested in these statements."

CONTACTS

L'ORÉAL

Switchboard

+33 (0)1 47 56 70 00

Individual shareholders

Pascale GUERIN

+33 (0)1 49 64 18 89

Pascale.guerin@loreal.com

Financial analysts and institutional investors

Eva QUIROGA

+33 (0)7 88 14 22 65

Eva.quiroga@loreal.com

Media

Brune DIRICQ

+33 (0)6 63 85 29 87

Brune.diricq@loreal.com

Christine BURKE

+33 (0)6 75 54 38 15

Christine.burke@loreal.com

For further information, please contact your bank, stockbroker or financial institution (I.S.I.N. code: FR000012031) and consult your usual newspapers or magazines or the Internet site for shareholders and investors, www.loreal-finance.com, the L'Oréal Finance app or call the toll-free number from France: 0 800 66 66 66. 0 800 66 66 66

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