



L'ORÉAL

CAPITAL MARKETS DAY 2020

DIGITAL, THE FUEL
FOR GROWTH

LUBOMIRA ROCHET

CHIEF DIGITAL OFFICER, L'ORÉAL

30 Sept. 2020

OUR DIGITAL EDGE

1

HAS
TRANSFORMED
L'ORÉAL

2

IS LEADING US OUT
OF ADVERSITY

3

WILL SHAPE THE
FUTURE OF OUR
INDUSTRY

OUR DIGITAL EDGE

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OF ADVERSITY

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WILL SHAPE THE
FUTURE OF OUR
INDUSTRY



L'ORÉAL IS A DIGITAL-FIRST COMPANY

25%*

E-COMMERCE

>60%*

DIGITAL MEDIA

1Bn

VISITS TO OUR
MODIFACE
SERVICES

60M

CONSUMER
CONVERSATIONS

1.5Bn

CONSUMER
DATA POINTS

1.3Bn

VISITS TO OUR
WEBSITES

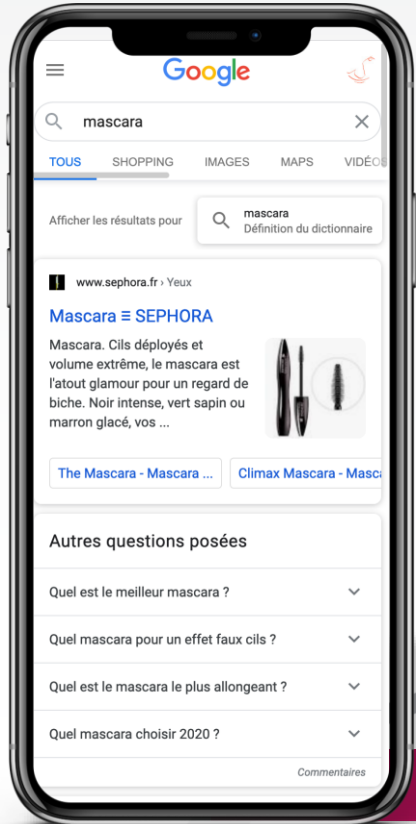
28%

YOUTUBE BEAUTY
TRAFFIC

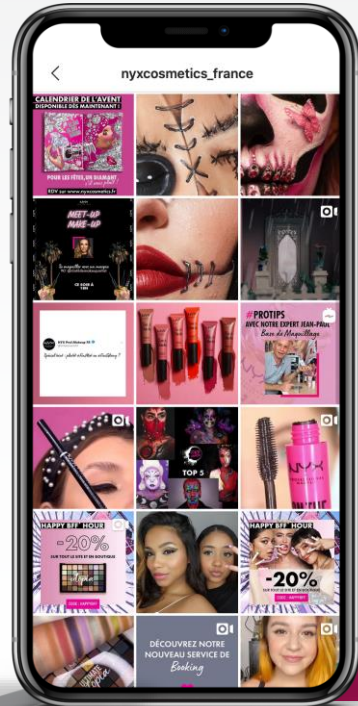
43K*

PEOPLE
UPSKILLED

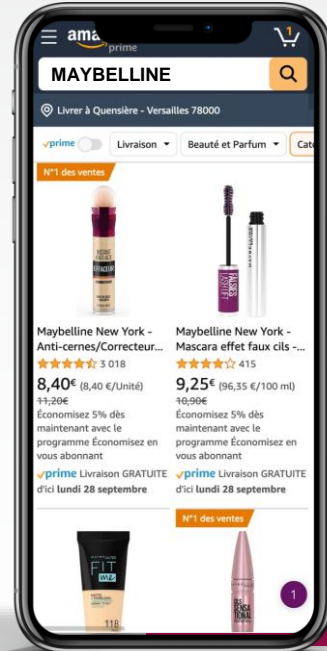
PIONEERING BEAUTY TECH TO REDEFINE THE BEAUTY EXPERIENCE



SEARCH



SOCIAL



E-COMMERCE



LIVE STREAMING



RATINGS & REVIEWS

BRICK & MORTAR





INTEGRATING BEAUTY TECH EVERYWHERE CONSUMERS SHOP



22
PARTNERSHIPS



30+
COUNTRIES



5 SERVICES
AVAILABLE

Tmall
天猫

watsons

DOUGLAS

Shopee

Lazada

SHOPPERS
DRUG MART

LOHACO

JD.COM

NOTINO
TODAY IS YOURS

amazon

macy's

SEPHORA

Boots

dm

NYKAA.COM
Your Beauty. Our Passion.

NOCIBÉ
la beauté libérée

LOTTE
DUTY FREE

LYKO

KOHL'S

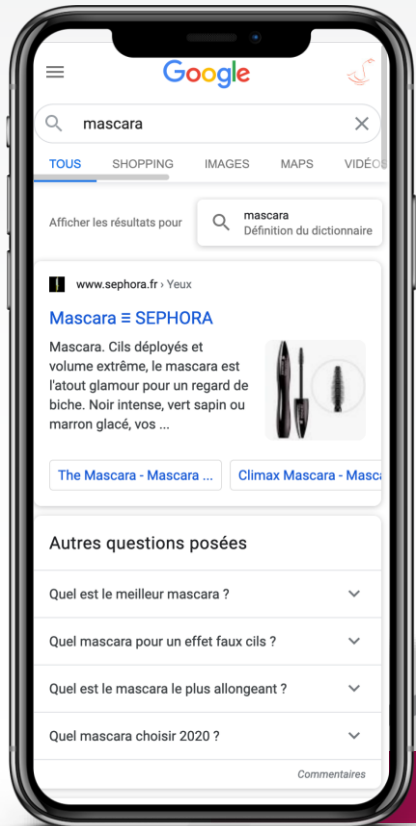
El Corte Inglés

ROSSMANN

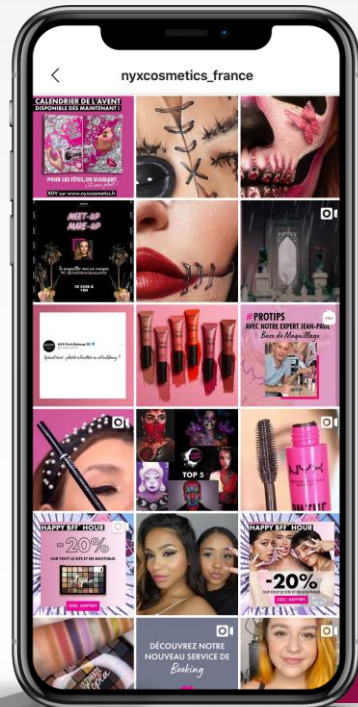
matas

L'ORÉAL

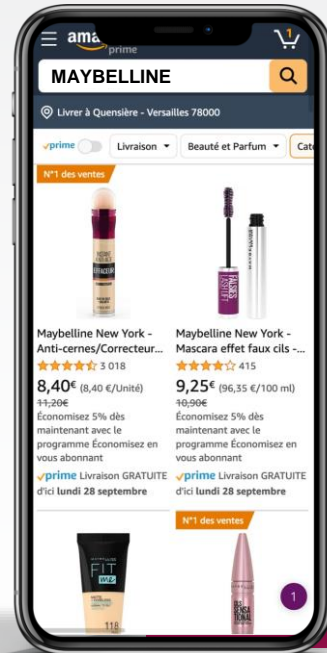
PIONEERING BEAUTY TECH TO REDEFINE THE BEAUTY EXPERIENCE



SEARCH



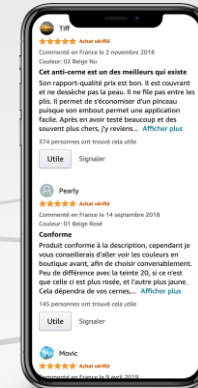
SOCIAL



E-COMMERCE



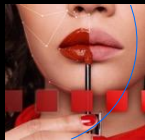
LIVE STREAMING



RATINGS & REVIEWS

BRICK & MORTAR





INTEGRATING BEAUTY TECH EVERYWHERE CONSUMERS LOOK FOR BEAUTY

1ST EVER
AR ADS



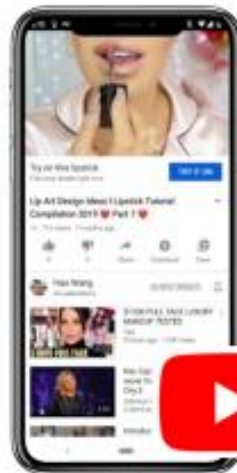
1ST EVER
BEAUTY AR
SHOPPING



1ST EVER
WECHAT VTO



1ST EVER
AR VIDEO

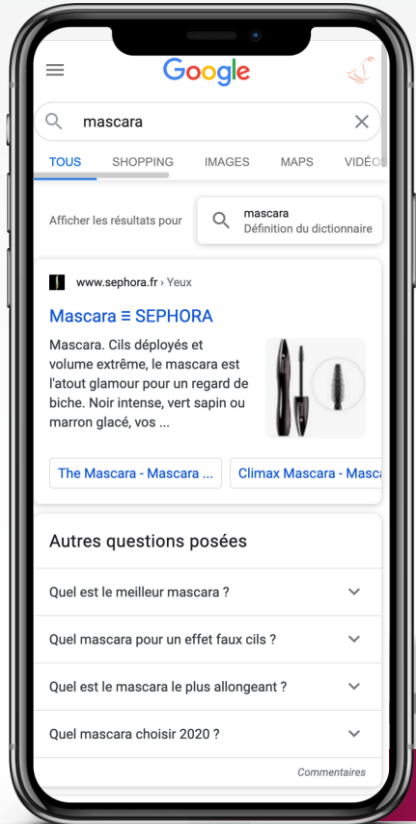


1ST EVER
HAIRCOLOR
VISUAL
RECOGNITION

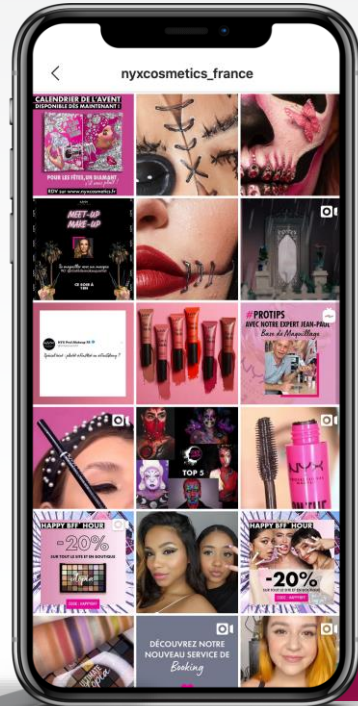


L'ORÉAL

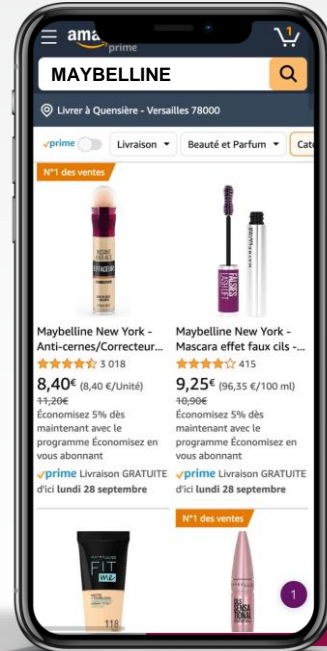
PIONEERING BEAUTY TECH TO REDEFINE THE BEAUTY EXPERIENCE



SEARCH



SOCIAL



E-COMMERCE



LIVE STREAMING



RATINGS & REVIEWS

BRICK & MORTAR



EQUIPPING BRICK & MORTAR RETAILERS FOR THE NEW TOUCHLESS ECONOMY



MASCARA VOLUME EFFET FAUX CILS

THE CURLER
EFFET RECOURBE-CILS
LASH CURLER EFFECT

MASCARA VOLUME
EFFET FAUX-CILS
FALSE LASH EFFECT VOLUME

RADICAL
VOLUME & NOIR RADICAL
RADICAL VOLUME & BLACK

1 4
2 5
3 6
WATERPROOF

NU MAKE-UP VIRTUEEL TESTEN

TRY IT ON

STAP 1
OPEN JE MOBIELE CAMERA

STAP 2
SCAN DE QR-CODE

STAP 3
TEST HET PRODUCT & KIES JE KLEUR

WELKE CATEGORIE WIL JE TESTEN?

LIPPEN **OGEN** **GEZICHT**

ROUGE PUR COUTURE

ROUGE PUR COUTURE 1
ROUGE PUR COUTURE 4
ROUGE PUR COUTURE 15



L'ORÉAL IS CONSTANTLY SCOUTING FOR INNOVATION IN BEAUTY



**FOUNDERS
FACTORY.**



STATION F

PLUGANDPLAY



2800 STARTUPS SCREENED, 60 CURRENTLY IN OUR PROGRAMS, 100+ PROJECTS

HOW DID WE GET THERE?





TEN YEARS COMMITMENT, A WINNING STRATEGY, FLAWLESS EXECUTION

Jean-Paul Agon declares the year of digital

- E-comm acceleration program
- Precision advertising program
- Influencer marketing program

- Jean-Paul Agon declares the year of ROI
- Real time performance tracking platform: "Cockpit"
- Open innovation programs

- Advocacy marketing program
- Social commerce program
- Live streaming Academy

- CDO nominated
- Definition of governance
- Upskilling program

- Group's data platforms program
- Websites factories
- Marketing / content efficiency program

- Acquisition of Modiface
- Marketing 3.0 org.
- "Excellence in execution" program

- Total media under CDO governance
- Consumer care transformation
- COVID-19

←-- Organic initiatives and projects across the Group --→

2010

2014

2015

2016

2017

2018

2019

2020



WE ARE DIGITAL ATHLETES



INSOURCED STRATEGIC
CAPABILITIES

UPSKILLED MANAGEMENT

STRONG DIGITAL FACTORIES
FOR SPEED AND SCALE

CULTURAL APTITUDE: SEIZING
AND SCALING WHAT IS STARTING

OBSESSION WITH EXCELLENCE,
EXECUTION & ROI

OUR DIGITAL EDGE

1

HAS
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FUTURE OF OUR
INDUSTRY



WE WERE READY WHEN THE BIGGEST DIGITAL STRESS TEST HAPPENED

+50%

TIME SPENT
ON YOUTUBE

+70%

USE OF
INSTAGRAM

+70%

USE OF
MESSAGING APPS

2Bn

DOWNLOADS
OF TIKTOK

+15%

ONLINE BEAUTY
CONVERSATIONS

+20%

WEB TRAFFIC

+68%*

TOTAL US E-RETAIL
GROWTH



DIGITAL HAS COMPENSATED FOR THE EFFECTS OF THE CRISIS

**ABSORBING DECLINE
OF BRICK & MORTAR**

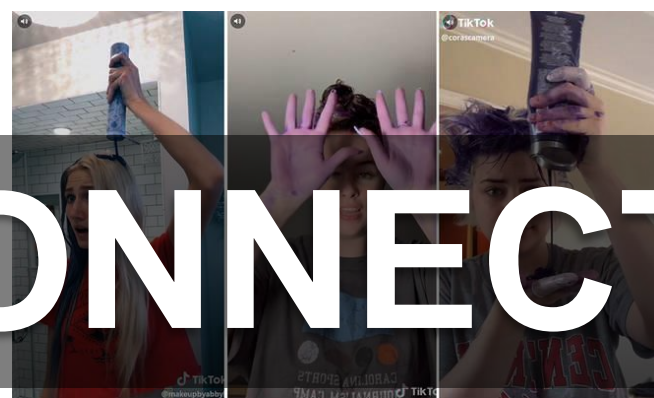
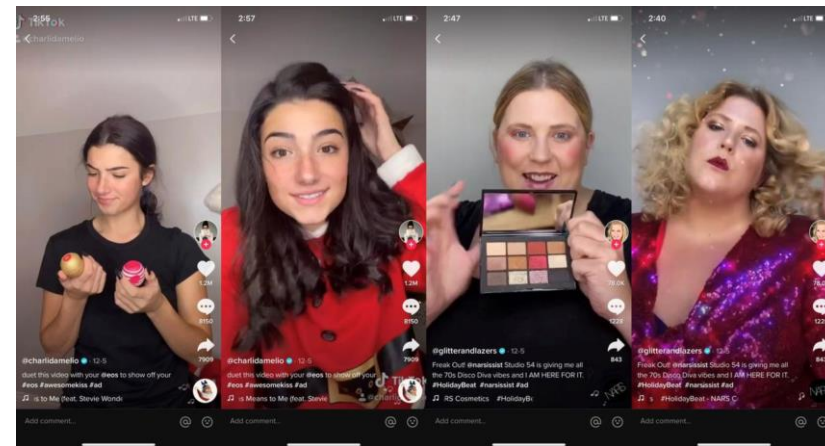
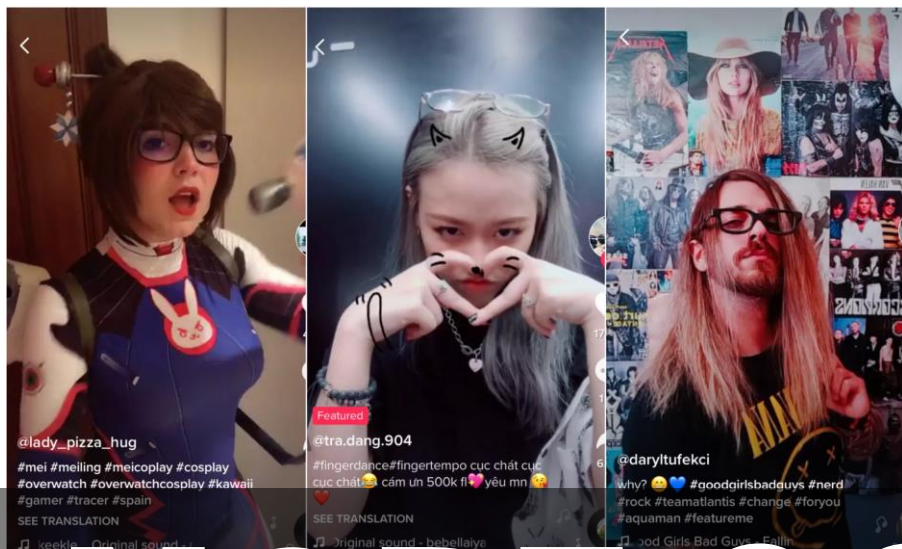
**ENSURING OUR
BRANDS' VISIBILITY**

**STRENGTHENING
CONNECTIONS
WITH OUR CONSUMERS**

GAINING MARKET SHARE



A MORE CONNECTED BEAUTY



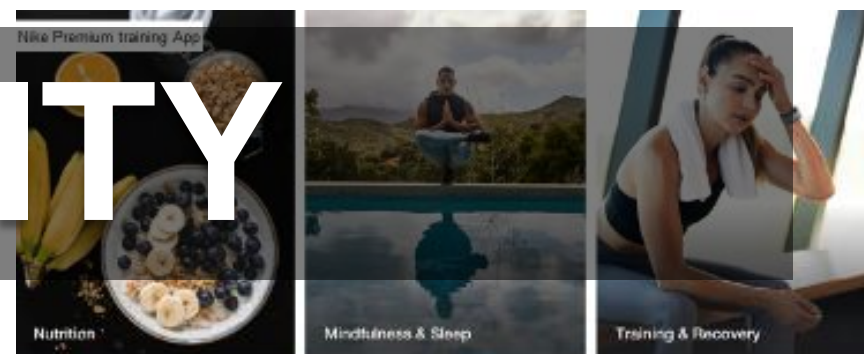
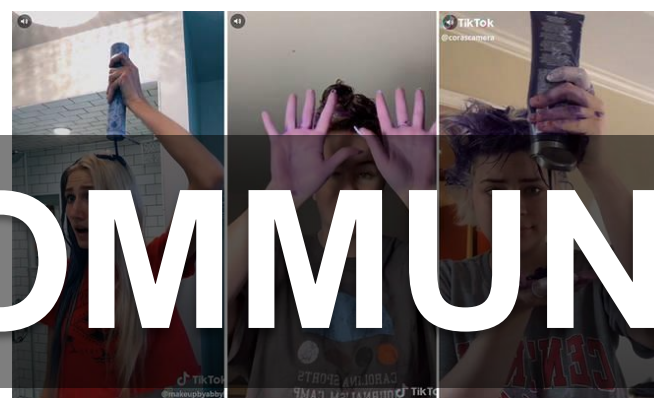
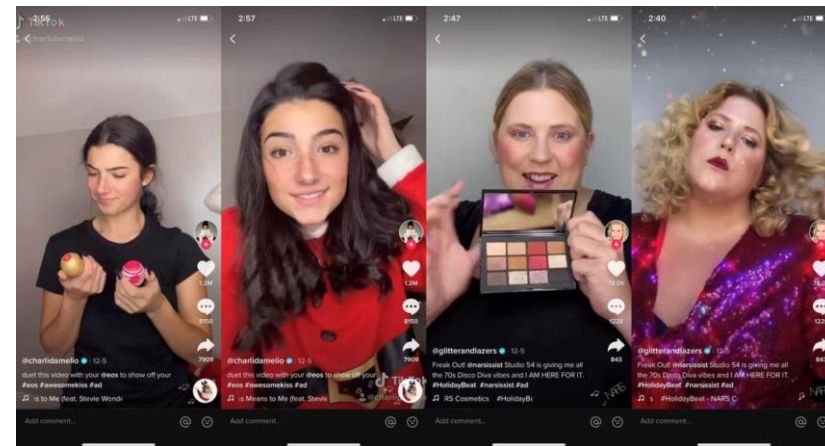
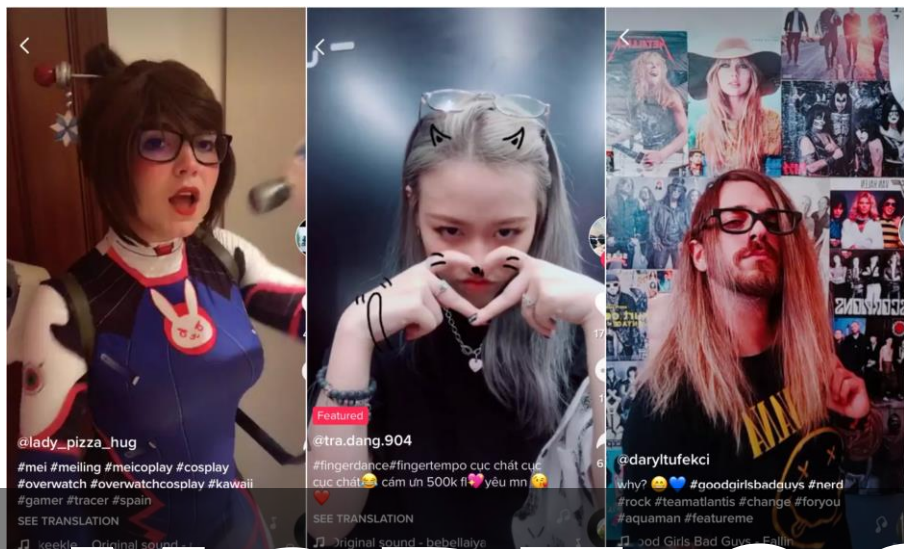
MORE CONNECTION



Youtube **+50%**
 Facebook **+13%**
 Connected TV **+25%**



A MORE SOCIAL BEAUTY



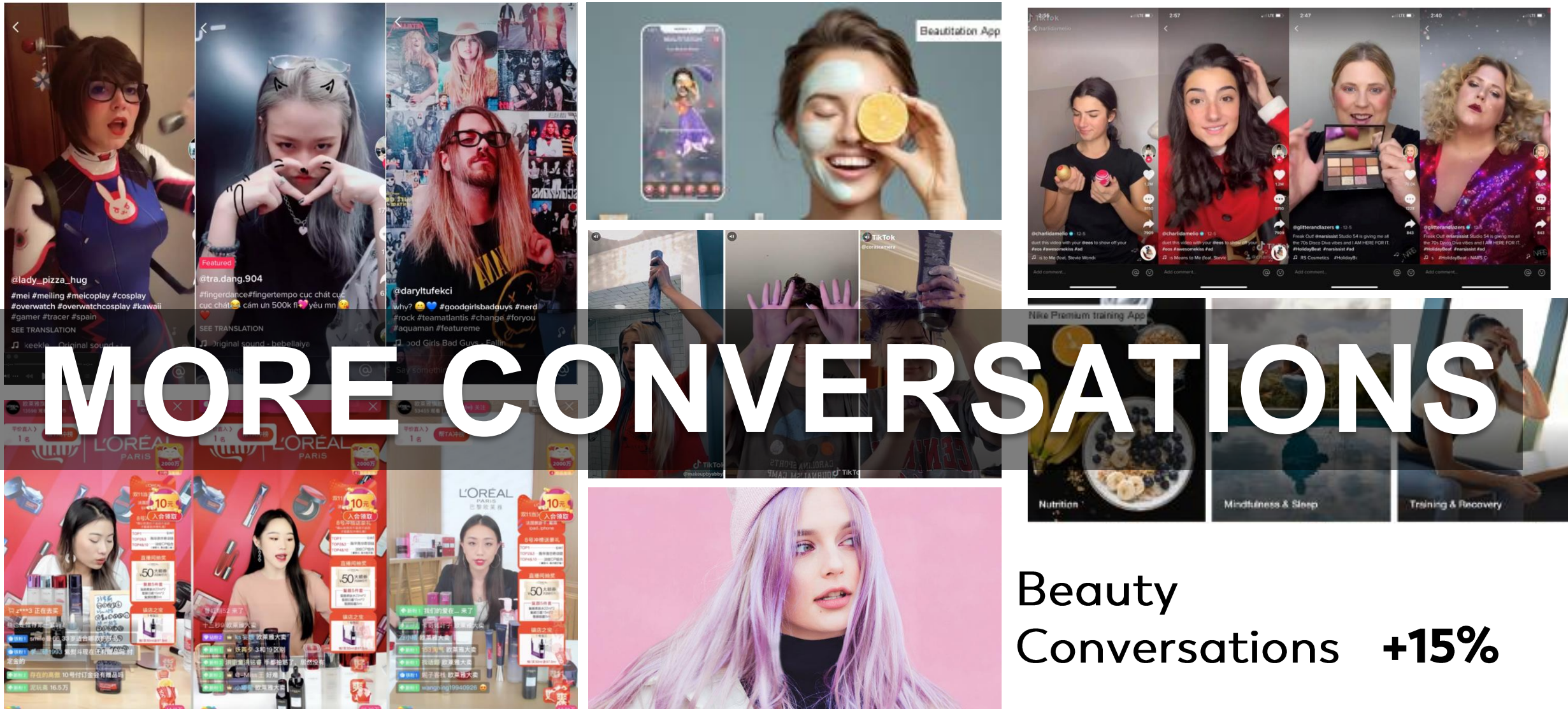
MORE COMMUNITY



Instagram

+70%

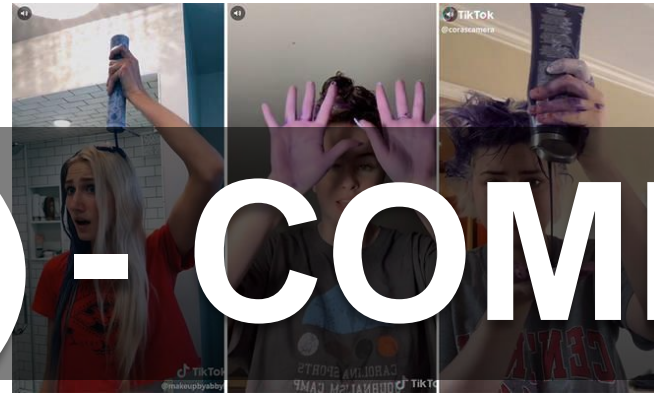
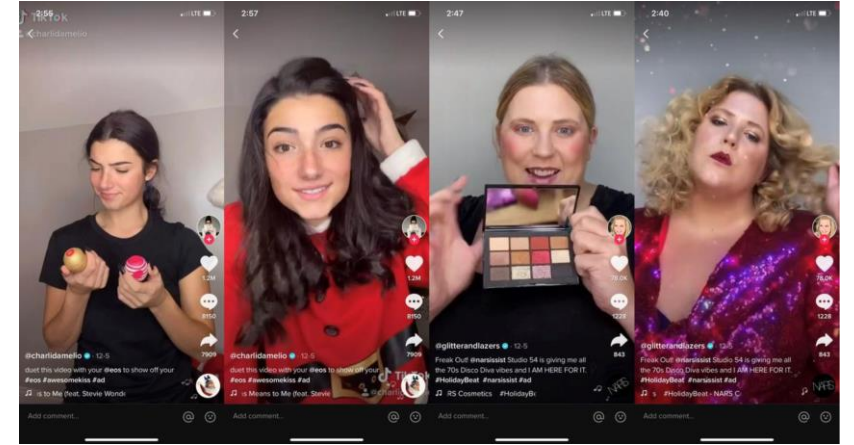
MORE CONVERSATIONS HAPPENING EVERYWHERE ONLINE



Beauty
Conversations **+15%**



BEAUTY E-COMMERCE HAS EXPLODED



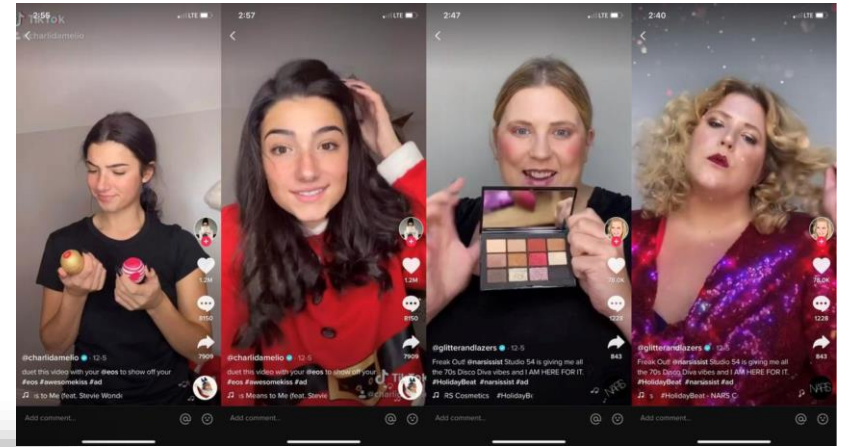
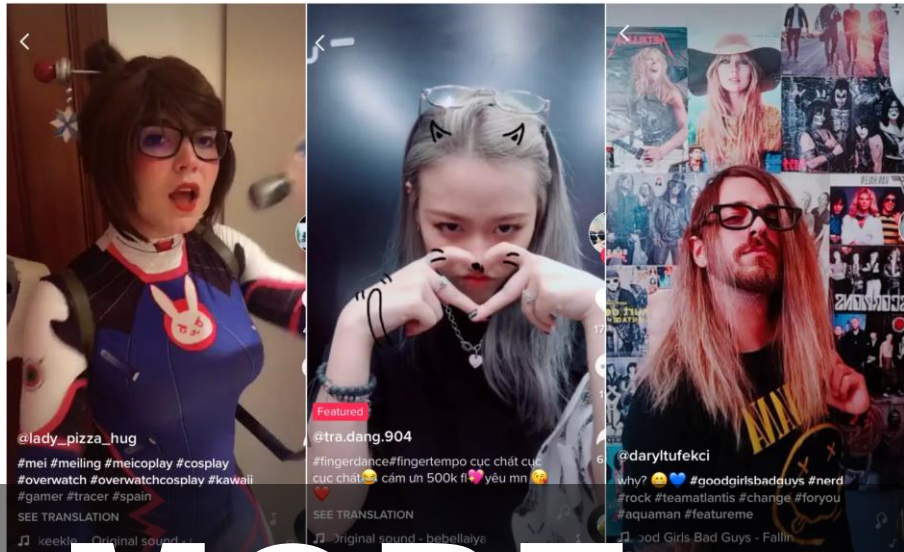
MORE (E) - COMMERCE



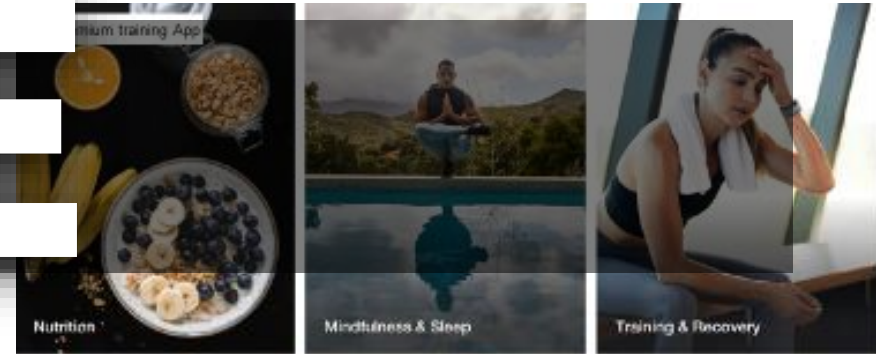
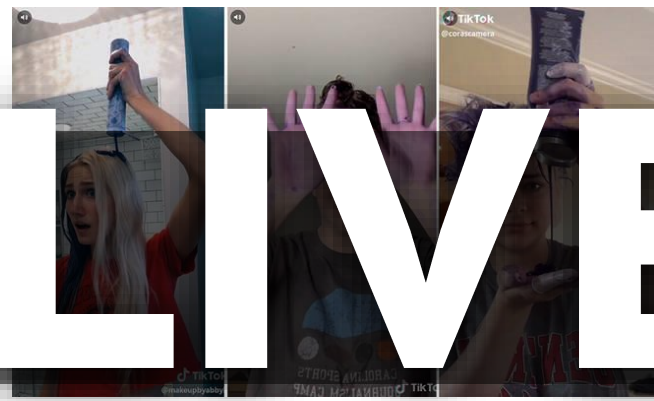
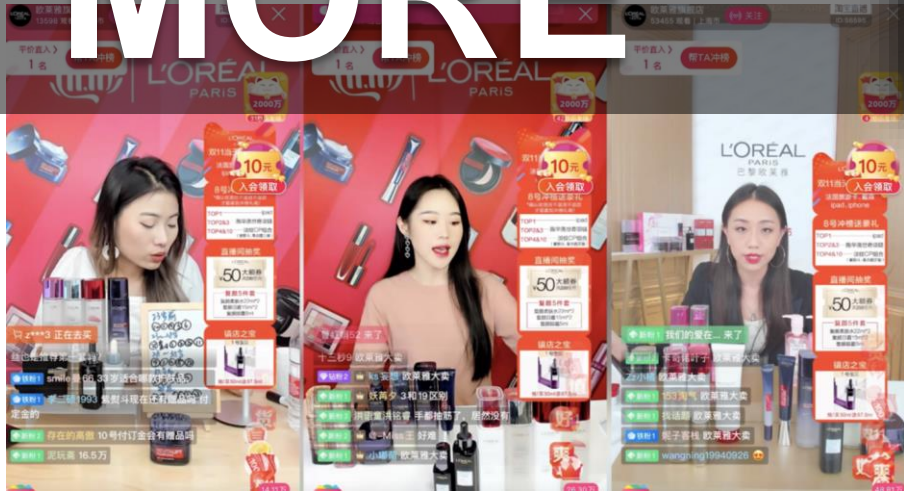
E-Commerce **+16%**
 Beauty E-Commerce **+36%**



BEAUTY IS GOING LIVE



MORE LIVE



Live streaming x2

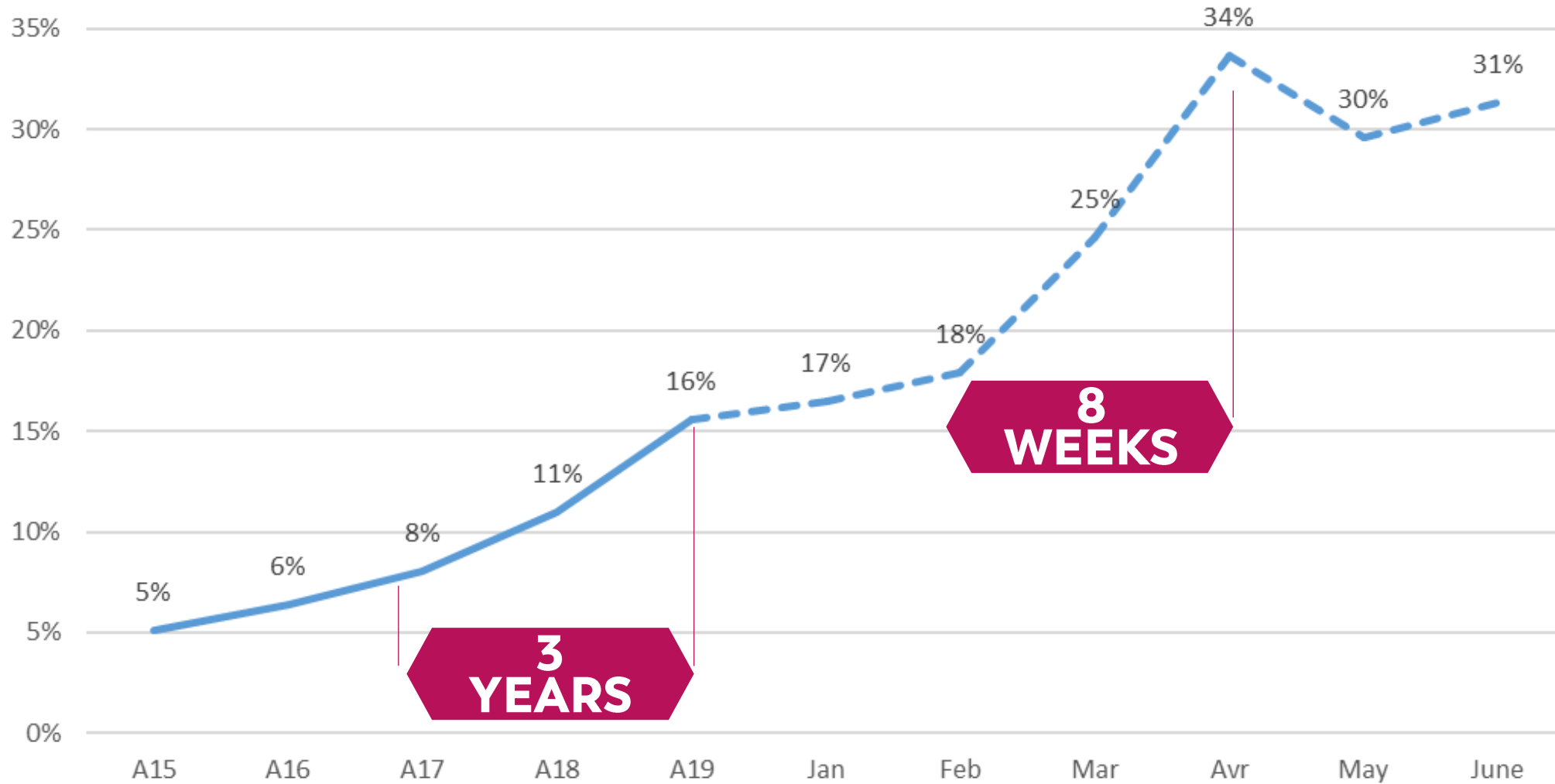
E-COMMERCE FUEL FOR GROWTH





COVID-19 HAS ACCELERATED THE CHANNEL SHIFT

E-COMMERCE WEIGHT





REST OF THE WORLD IS NOW LEADING E-COMMERCE GROWTH ...

TOTAL

+74%*

CHINA

+52%*

ROW

+112%*



...SHOWING A STRONG, SUSTAINABLE AND ACCRETIVE GROWTH POTENTIAL FOR THE YEARS TO COME



CANADA

+100%*

WEIGHT: 14%



UNITED-KINGDOM

+62%*

WEIGHT: 32%



USA

+83%*

WEIGHT: 23%



SPAIN

+84%*

WEIGHT: 10%



CHINA

+59%*

WEIGHT: 56%



JAPAN

+112%*

WEIGHT: 24%



BRAZIL

+138%*

WEIGHT: 10%



E-COMMERCE IS DELIVERING RESULTS

+10Pts

OF WEIGHT OF BUSINESS
IN 6 MONTHS

>35%

L'ORÉAL LUXE

TRIPLE DIGIT

ACCELERATION
ON BRANDS.COM

x2

E-COMMERCE
WEIGHT OF BUSINESS
IN THE US

+82%

ACTIVE
COSMETICS

TRIPLE DIGIT

GROWTH IN LATIN AMERICA
AND AFRICA MIDDLE EAST

1ST

CHANNEL AHEAD
OF FOOD IN EU5

ACCELERATING OUR BRANDS' PIVOT TOWARDS A DIGITAL FIRST ENGAGEMENT STRATEGY

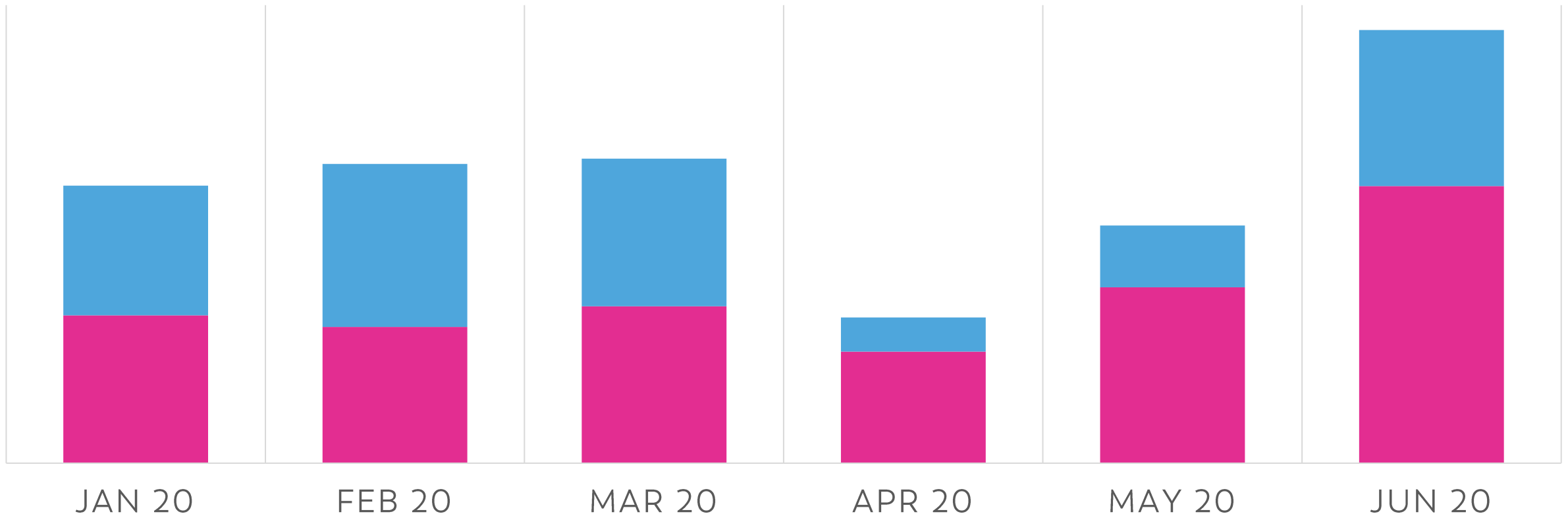




ACCELERATING THE SHIFT TO DIGITAL MEDIA

WORLDWIDE H1-2020 MEDIA O+O

■ Online Media ■ Offline Media



>60% MEDIA IS DIGITAL, +30PTS IN 8 WEEKS AT PEAK



ACCELERATING BEAUTY TECH

MODIFACE

MAKE UP VTO
& VIRTUAL
TESTER

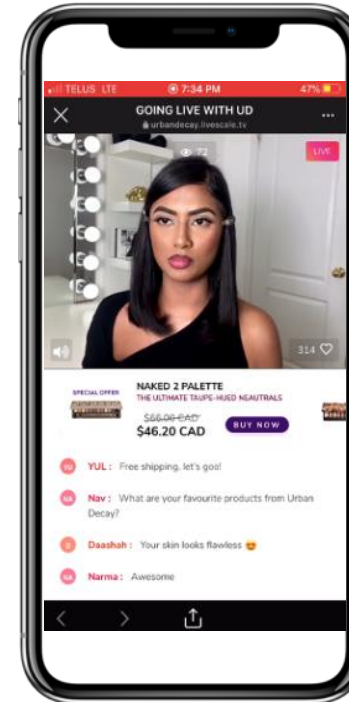
HAIR COLOR
VTO

SKIN
DIAGNOSTIC

SHADE
FINDER

LIVE
STREAMING

TELE
CONSULTATION



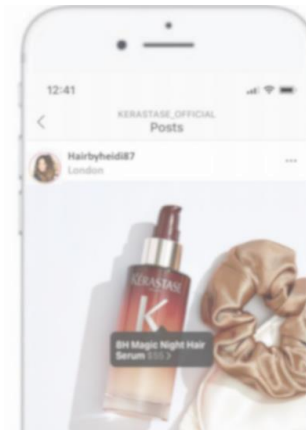
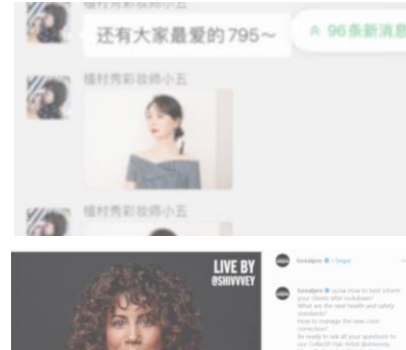
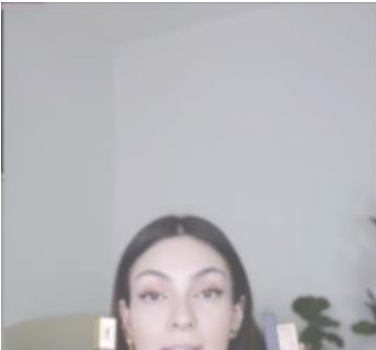
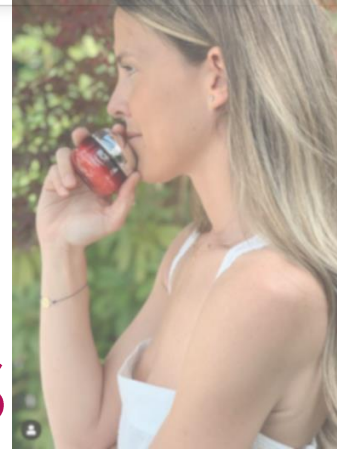
USAGE x5

DEVELOPED IN
4 WEEKS

ACCELERATING CONSUMER CARE TRANSFORMATION

+40%
BEAUTY
CONVERSATIONS

x2
REPLY RATE
IN 12 WEEKS



OBJECTIVE: 100% REPLY RATE
COMPLETE REORGANISATION OF OUR CONSUMER
ENGAGEMENT PRACTICE + AUTOMATION



ACCELERATING SOCIAL COMMERCE



**SOCIAL COMMERCE =
\$130Bn MARKET**

**10% CHINA E-COMM
REVENUES ON 6.18**



ACCELERATING SOCIAL COMMERCE

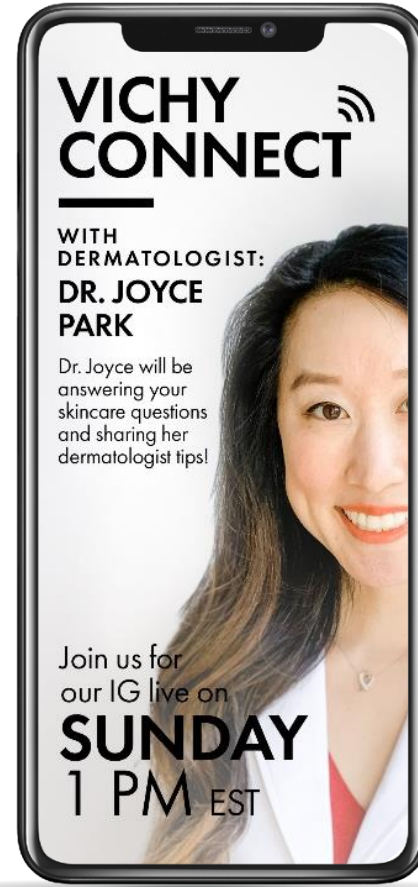


1 000 LIVESTREAM
BRAND SESSIONS

80M VIEWERS
IN **8 WEEKS**



ACCELERATING THE TRANSITION FROM B&M TO ONLINE



WITH LIVE STREAMING AND SOCIAL COMMERCE ON THE RISE, OUR POWERFUL ECOSYSTEM OF PRESCRIBERS IS TURNING INTO A GOLD MINE OF ONLINE ADVOCATES AND SELLERS



L'ORÉAL EMERGED FROM COVID-19 WITH AN EVEN STRONGER LEADERSHIP POSITION

x2

MARKET GROWTH
ON E-COMMERCE

+60%

WEB TRAFFIC IN
NORTH AMERICA
L'ORÉAL LUXE: +37%

53%

NEW CONSUMERS
ON D2C
x2 CONVERSION
RATE

60M

ONLINE
CONVERSATIONS

INCREASED SHARE OF
VOICE ON YOUTUBE
& FACEBOOK

#1

BEAUTY GROUP ON
CHINESE FESTIVALS

5 BRANDS

IN TOP 6
L2 GARTNER IN CHINA

OUR DIGITAL EDGE

1

HAS
TRANSFORMED
L'ORÉAL

2

IS LEADING US OUT
OF ADVERSITY

3

WILL SHAPE THE
FUTURE OF OUR
INDUSTRY



STRETCHING OUR LEAD

NOT ONE, BUT
6 E-COMMERCE MODELS

A NEW CONSUMER ENGAGEMENT
PLAYBOOK

TECHNOLOGY
TRANSFORMING BEAUTY

ONLINE AND OFFLINE
COLLIDING

NEW INFLUENCERS & ADVOCATES





WE ARE READY FOR A NEW WORLD

50% OF OUR BUSINESS IS DIGITAL

50% OF OUR GROWTH DRIVERS ARE DIGITAL

80% OF INTERACTIONS WITH CONSUMERS HAPPEN ONLINE

BEAUTY TECH IS CREATING NEW PATHS TO GROWTH





AGILITY AND ABILITY TO
EXECUTE THE **DYNAMIC**
RESOURCE SHIFTS
TOWARDS MORE **DIGITAL**
ARE THE KEY TO **GROWTH**
AND VALUE CREATION.

WE HAVE ALL IT TAKES TO
CONTINUE **TO LEAD AND**
SHAPE THE BEAUTY
INDUSTRY THROUGH OUR
DIGITAL EXCELLENCE



L'ORÉAL

CAPITAL MARKETS DAY 2020

**THANK
YOU**

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