

# L'ORÉAL

Dear Shareholder,

Our Annual General Meeting 2020 will take place on Tuesday 30 June. As you know, this year's meeting will be held behind closed doors in response to the exceptional health situation we are facing.

It goes without saying that we would have rather welcomed you to the Palais des Congrès to meet you in person and talk to you as we do every year.

Since this is such an important event in our relationship with you, we have done everything possible to ensure that this year's meeting is as interesting and lively as ever. It will be broadcast live and in its entirety on the website [www.loreal-finance.com](http://www.loreal-finance.com), and you will have the opportunity to submit your questions ahead of the meeting via a dedicated email address.

We will be delighted to share this occasion with you. As ever, we are counting on your loyalty and hope that many of you will be able to attend.

I also wanted to write to you because, as you know, your company has recently taken a number of important decisions in response to the exceptional situation in which we find ourselves. We will, of course, have the opportunity to discuss this further at the meeting.

Accordingly, the Board of Directors has decided not to proceed with the planned increase in the dividend and to propose a dividend to the General Meeting of 3.85 euros, which is identical to that paid in 2019. We are well aware of the efforts you are being asked to make, which is why we wanted to ensure that the dividend remained high and identical to the amount paid in 2019. In this same spirit of solidarity, I have proposed a 30% cut in my compensation for the whole of 2020 to the Board of Directors. I have also indicated that I would renounce any allocation of performance shares, should a plan be agreed for this year.

The company has also been keen to express its solidarity with all its stakeholders through various actions. L'Oréal has therefore supported health workers, customers, suppliers and associations in over 40 countries by donating over 14 million units of hand sanitiser, and 4.3 million other products, mainly moisturising hand creams and shampoos. We have also frozen the payments due from 100,000 customers and shortened the payment terms to almost 9,000 suppliers. As for non-profit organisations, the L'Oréal Foundation released 1 million euros to support those who are most disadvantaged. The Group has committed to maintaining all existing jobs and not to resort to furlough schemes in France, by paying all staff 100% of their fixed salary until the end of June. We have decided not to take up any of the financial, tax or welfare schemes available in France and not to delay the payment of any social security contributions or taxes due during this period.

In addition, to address the consequences that may arise from the health crisis, we have decided to create *L'Oréal for the future*. This is a very ambitious social and environmental solidarity programme that will dedicate 150 million euros to supporting vulnerable women and the environmental emergency.

As you can see, we believe that it is the duty of a Group such as L'Oréal to act on the global stage as a responsible, supportive global citizen. I hope that all these actions make you proud of your company.

Dear shareholder, you can count on the total mobilisation of all of us at L'Oréal to rebound. All of our employees have kept the business running throughout the pandemic with immense professionalism and commitment. L'Oréal has always emerged from a crisis stronger than before. I am confident this will also be the case once this current situation has passed.

I have great confidence in the future of your company, because our fundamentals are strong. Our financial situation is healthy and robust, the beauty market is resilient and our brands, which cover all distribution channels, all countries and all categories, are well equipped to grasp opportunities wherever they exist.

Once more, I would like to thank you for your loyalty and trust, which we strive to deserve more each day. Together, we will emerge from these challenging times stronger than ever.

Kindest regards,

Jean-Paul Agon  
Chairman and CEO