
L'OREAL

Société Anonyme

14, rue Royale
75008 Paris

Reasonable assurance report of the Statutory Auditors on a selection of consolidated non- financial information published in the Group management report

For the year ended 31 December 2020

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This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the attention of General Management,

In our capacity as Statutory Auditors of L'Oréal, (the "Company") and at the Company's request, we have carried out verification procedures with the aim of expressing reasonable assurance on a selection of non-financial information for the year ended 31 December 2020 published in the L'Oréal Group management report.

The information selected by L'Oréal is as follows:

- Human resources information:
 - total workforce, breakdown of headcount by geographic zone;
 - percentage of brands managed by women, number of entities that have been awarded the European labels "Gender Equality European & International Standard" and "Economic Dividend for Gender Equality".

- Social information:
 - number of social audits carried out during the year and breakdown of non-compliance by subject audited.

- Environmental, health and safety information:
 - units of finished goods produced;
 - direct and indirect CO₂ emissions using the “market-based” method, total energy consumption and by finished good, breakdown by energy source (electricity, gas, fuel, steam, other energies), percentage of renewable energy consumed, renewable electricity consumed, refrigerant gas leakages;
 - total net water consumption and by finished good (excluding recycled and rain water used for gardening);
 - transportable waste excluding returnable packaging in rotation, with returnable packaging accounted at source, returnable packaging in rotation, treatment of transportable waste linked to activity, waste to landfill, of which for local regulatory constraints, recovery and material recovery rates;
 - conventional frequency rates, enlarged frequency rates, and severity rates for work accidents.

This information was prepared under the responsibility of L’Oréal’s Board of Directors in accordance with the guidelines used by the Company (hereinafter the “Guidelines”), a summary of which appears in the management report and which are available upon request from the Operations, Human Resources and Environmental and Social Responsibility Departments.

Based on our work, it is our responsibility to express a reasonable assurance conclusion on the selected information.

Nature and scope of procedures

We performed our work as described below in accordance with the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with international standard ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information*).

We conducted the following procedures with the aim of expressing reasonable assurance that the consolidated human resources, social, environmental, health and safety information selected by L’Oréal has been presented, in all material aspects, in compliance with the Guidelines used by L’Oréal.

- We examined, at Group level, the reporting procedures set up by L’Oréal with regard to their relevance, completeness, reliability, neutrality and clarity.
- We verified the process set up to collect, compile and check the selected information with regard to its completeness and consistency. We also reviewed the internal control and risk management procedures used to prepare the selected information.
- We conducted analytical procedures and verified, using sampling techniques, the calculations and consolidation of the data. The work was backed up by interviews with persons from the L’Oréal Environmental and Social Responsibility and Sustainable Development Departments in charge of data collection and consolidation and the proper application of procedures.

- We selected a sample of entities for which:
 - we verified, through interviews with the people in charge of data collection, the correct application of procedures;
 - we conducted tests of details on representative samples, which consisted in verifying the calculations and corroborating these samples with supporting documents.

The following entities were selected:

- for selected human resources information: the activities in Germany, Brazil and China, representing 20% of the Group's headcount;
- for selected social information: the L'Oréal head office which centralizes all the information;
- for selected environmental, health and safety information: South Africa (Midrand), Germany (DC Germany, Karlsruhe), Belgium (Libramont), Brazil (Sao Paulo), China (Suzhou), Colombia (Funza), Egypt (Cairo), United States (DC Cranbury, DC Little Rock, DC Streetsboro, Florence, North Little Rock, Piscataway), France (DC PL Roye, DC PP Centreal, Gauchy, Saint-Quentin, Tours, Rambouillet, Vichy-LRP), Italy (Settimo), Mexico (DC Mexico, San Lui Potosi), Poland (Warsaw), United Kingdom (DC Trafford), representing 52% of Group activity (in units of finished goods reviewed).

We were assisted in our work by our sustainable development experts.

Conclusion

Based on our work, the consolidated non-financial information selected by L'Oréal, presented hereinabove and published in its management report, has been presented, in all material aspects, in accordance with the Guidelines.

Neuilly-sur-Seine and Paris-La Défense, 17 February 2021

The Statutory Auditors

Deloitte & Associés

PricewaterhouseCoopers Audit

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