

## 4.18 Statutory Auditors' report

### Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024

*This is a free translation into English of the Statutory Auditors' report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English speaking users.*

*This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on "Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852".*

To the Annual General Meeting of L'Oréal,

This report is issued in our capacity as statutory auditors of L'Oréal. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 and presented in Chapter 4 "Sustainability Report" of the management report, included in the universal registration document (hereinafter the "Sustainability Report").

Pursuant to Article L. 233-28-4 of the French Commercial Code, L'Oréal is required to include the above-mentioned information in a separate section of its management report. This information has been prepared in the context of the first-time application of the aforementioned Articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. This information enables an understanding of the impact of the activity of the Group on sustainability matters, as well as the way in which these matters influence the development of the business of the Group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 paragraph II of the aforementioned Code, our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by L'Oréal to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code;
- compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on *Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*.

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by L'Oréal in its management report, we have included an emphasis of matter(s) paragraph hereafter.

#### Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide a guarantee regarding the viability or the quality of the management of L'Oréal, in particular it does not provide an assessment, of the relevance of the choices made by L'Oréal in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the Entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the management report is not covered by our engagement.

## **Compliance with the ESRS of the process implemented by L'Oréal to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code**

### **Nature of procedures carried out**

Our procedures consisted in verifying that:

- the process defined and implemented by L'Oréal has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that lead to the publication of information disclosed in the Sustainability Report, and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

### **Conclusion of the procedures carried out**

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by L'Oréal with the ESRS.

We inform you that, as of the date of this report, the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code has not yet been performed.

### **Elements that received particular attention**

We present hereafter the elements that have been the subject of particular attention on our part concerning the compliance with the ESRS of the process implemented by L'Oréal to determine the information published.

Information relating to the identification of stakeholders and impacts, risks and opportunities, as well as to the assessment of impact materiality and financial materiality, is mentioned in the "4.1.3 The Group's double materiality analysis: mapping of impacts, risks and opportunities" section of the Sustainability Report.

#### **Concerning the identification of stakeholders**

We obtained an understanding of the analysis carried out by the Entity to identify the stakeholders who may affect the entities in the scope of the information or may be affected by them, through their activities and direct or indirect business relationships in the value chain.

We interviewed the Sustainability and Legal departments and reviewed the available documentation. In particular, our work consisted in assessing the consistency of the main stakeholders identified by the Entity with the nature of its activities and its geographical location, taking into account its business relationships and value chain.

#### **Concerning the identification of impacts, risks and opportunities**

We obtained an understanding of the process implemented by the Group to identify actual or potential impacts (negative or positive), risks and opportunities ("IRO") in relation to the sustainability issues mentioned in paragraph AR 16 of the "Application requirements" of ESRS 1.

In particular, we assessed the approach implemented by the Entity to determine its impacts and dependencies, which may be a source of risks or opportunities.

#### **Concerning the assessment of impact materiality and financial materiality**

Through interviews with the Finance, Legal and Sustainability departments and a review of available documentation, we obtained an understanding of the impact materiality and financial materiality assessment process implemented by the Entity, and assessed its compliance with the criteria defined by ESRS 1.

In particular, we assessed the way in which the Entity established and applied the materiality criteria for the information defined by ESRS 1, including those relating to the setting of thresholds, to determine the information to be published under the indicators relating to material IROs identified in accordance with the relevant thematic ESRS.

## Compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS

### Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in the Sustainability Report, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by L'Oréal for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

### Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Sustainability Report, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

### Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the information provided in the "Uncertainties and limitations" paragraph presented in section 4.14.1 of the Sustainability Report, which highlights the uncertainties and limitations characterizing the first-time application of Article L. 233-28-4 of the French Commercial Code.

### Elements that received particular attention

#### Information provided in application of environmental standard ESRS E1

The information published in respect of climate change (ESRS E1) is mentioned in section 4.2 of the Sustainability Report.

We present hereafter the elements that have been the subject of particular attention on our part concerning the ESRS compliance of this information.

On the basis of interviews with the Sustainability, Environment and Finance departments, we assessed whether the description of the policies, actions and targets implemented by the Entity cover the following areas: climate change mitigation and adaptation.

With regard to the information presented by the Entity concerning **the greenhouse gas emissions balance**:

- we obtained an understanding of the protocol to prepare the greenhouse gas inventory used by the Entity and assessed its application methods, for a selection of emission categories and sites, for scopes 1 and 2;
- with regard to scope 3 emissions, we assessed:
  - the justification for the inclusion and exclusion of the various categories, and the transparency of the information provided in this respect,
  - the information collecting process;
- we assessed the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used;
- for directly measurable data, such as energy consumption linked to scopes 1 and 2 emissions, we reconciled, on the basis of tests, the underlying data used to calculate greenhouse gas emissions with the supporting documents.

With regard to the audits of **the climate change mitigation transition plan**, our procedures mainly consisted in:

- assessing the information provided in 4.2.2 concerning the approval of this transition plan by the corporate governance bodies referred to therein;
- assessing whether the information presented in the climate transition plan meets the requirements of ESRS E1 and provides an appropriate description of the structuring assumptions underlying this plan, it being specified that we are not required to express an opinion on the appropriateness or the level of ambition of the objectives of this transition plan.

## Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852

### Nature of procedures carried out

Our procedures consisted in verifying the process implemented by L'Oréal to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

### Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

### Elements that received particular attention

We determined that there were no such items to disclose in our report..

Paris-La Défense, March 17, 2025

The Statutory Auditors

*French original signed by*

DELOITTE & ASSOCIÉS

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