OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS
GOOD VISION
A CROSS-CUTTING LEVER FOR GLOBAL DEVELOPMENT

AS THE SDGs FORM THE NEW GLOBAL AGENDA FOR THE DEVELOPMENT OF OUR SOCIETIES, WE WANTED TO EXPLAIN, ONE YEAR AFTER THEY CAME INTO FORCE, HOW ESSILOR’S MISSION OF IMPROVING LIVES BY IMPROVING SIGHT CONTRIBUTES TO ACHIEVING THESE GOALS.”

HUBERT SAGNIÈRES
CHAIRMAN AND CHIEF EXECUTIVE OFFICER
ESSILOR INTERNATIONAL
WE HAVE MADE IT OUR CORE MISSION TO PROVIDE EVERYONE, EVERYWHERE, WITH QUALITY VISION CARE SOLUTIONS TO PROTECT AND CORRECT THEIR EYESIGHT. WE CALL THIS IMPROVING LIVES BY IMPROVING SIGHT.

In this report, we have used the common framework of action and language developed through the United Nations to present the relationship between the SDGs and our sustainability workstreams. This also enables us to communicate our first areas of progress and demonstrate how our mission, combined with Essilor’s unique principles and values, are at the heart of the Group’s long term commitment to sustainable development.

We also hope that this report can help to raise awareness on the need to make vision care a development priority as it is a key enabler to reach the global goals. Despite the fact that 80% of impaired vision is preventable or treatable, poor vision continues to be the most widespread disability in the world and more than 2.5 billion people live with the consequences each day. This huge health challenge is estimated to cost the world $272 billion in global productivity loss each year, alongside countless negative social impacts on people’s capacity to learn, work and live life to the fullest of their capabilities.

At Essilor we are committed to help advance multiple SDGs by continuing our actions to raise awareness on the importance of vision care and to provide the appropriate solutions. We encourage even more open discussions with all our stakeholders to collectively bring positive impact.

JAYANTH BHUVARAGHAN
CHIEF MISSION OFFICER,
ESSILOR INTERNATIONAL

A SIGNIFICANT ROLE TO PLAY

On September 2015, 193 UN member countries adopted a set of goals to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda put in place by the United Nations.

Each goal has specific targets to be achieved over the next 15 years. These Sustainable Development Goals (SDGs) address the growing complexities of global and interconnected challenges requiring multi-stakeholder involvement.

At Essilor, we believe business has a significant role to play in solving these sustainable development challenges.

7.4 billion
PEOPLE NEED TO PROTECT THEIR EYESIGHT

4.6 billion*
PEOPLE NEED TO CORRECT THEIR EYESIGHT

$272 billion†
IN GLOBAL PRODUCTIVITY LOST EACH YEAR DUE TO POOR VISION

*Essilor estimates
†Smith et al. Potential lost productivity resulting from the global burden of uncorrected refractive error – Bulletin of World Health Organization 2009, 87: 431-437 (adjusted to 2015 population data)
ESSILOR AT A GLANCE

>1 billion
PEOPLE IN OVER 100 COUNTRIES
WEARING OUR VISION CARE PRODUCTS

>64,000
EMPLOYEES IN 69 COUNTRIES

Our approach to sustainable development is based on consideration of the environmental, social and societal impacts of our business activities on the various stakeholders along the value chain.

RAW MATERIAL SUPPLIERS

We are a customer of chemical companies and glass manufacturers around the world.

Production plants

We design, manufacture and customize corrective and protective lenses and optical instruments.

• Production plants
  The Group has 33 production plants across 17 countries. Each year, they produce more than 500 million lenses (both single-vision finished lenses and semi-finished lenses via key polymerization or resin injection molding).

• Prescription laboratories
  Prescription laboratories transform semi-finished lenses into finished lenses corresponding to the exact specifications of an optician or optometrist’s order. In the process, they apply tinting, anti-scratch, anti-reflective, anti-smudge, anti-static, anti-fog and other coatings.

Distribution centers

• Distribution centers
  Essilor has 16 distribution centers in 13 countries. Situated close to manufacturing units, the role of these centers is to coordinate the logistics flows between suppliers and customers.

• Operating divisions
  A portion of the Group’s employees work in registered offices, R&D centers, and operating and administrative divisions.

DISTRIBUTION CHANNELS FINAL CUSTOMERS

We supply optical retailers and chains worldwide and sell to online customers.

We are a supplier for optical retailers and chains worldwide and also sell online (contact lenses, prescription eyeglasses and sunglasses).

ESSILOR DESIGNS, MANUFACTURES AND MARKETS AN EXTENSIVE RANGE OF VISION CARE SOLUTIONS THAT AIM TO CORRECT, PROTECT AND PREVENT RISKS TO THE VISUAL HEALTH OF THE 7.4 BILLION PEOPLE ON THE PLANET.

A CLEARLY DEFINED BUSINESS APPROACH TO SUSTAINABLE DEVELOPMENT

ESSILOR’S MISSION TO IMPROVE LIVES BY IMPROVING SIGHT FIRMLY ANCHORS THE GROUP’S APPROACH TO SUSTAINABLE DEVELOPMENT.

Reaching over seven billion people with the vision care solutions they need requires a strong focus on product and business model innovation, in addition to raising awareness on the importance of good vision and deploying strategic giving. With that challenge comes the responsibility of paying careful consideration to our environmental, social and societal impacts on our different stakeholders. By continually strengthening these foundations, as we have done for close to 170 years, we support the long-term sustainable growth that enables us to fulfill our mission.

Our sustainability framework is based on a materiality analysis conducted in 2015 that has defined 20 priority areas which today form the basis of the group’s sustainable development approach. They are regularly updated in line with trends in stakeholder expectations and the critical nature of each challenge. In 2016, the SDGs and associated impacts have been taken into account to support the review of our materiality study. We conducted a gap analysis and confirmed that our sustainability approach is designed to maximize our positive impacts and manage our potential negative impacts. Only slight adjustments have been made to conclude on the materiality matrix below.

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STRATEGIC: key themes linked to the development of Essilor’s business model.

PRIORITY: key subjects for Essilor’s short, medium- and long-term value creation.

CORE: pillar of Essilor’s business culture.

MISSION - IMPROVING LIVES BY IMPROVING SIGHT

REDUCING ENVIRONMENTAL FOOTPRINT
CARING FOR OUR PEOPLE
WORKING WITH SOCIETY

ESSILOR’S MISSION TO IMPROVE LIVES BY IMPROVING SIGHT

- FIRMLY ANCHORS THE GROUP’S APPROACH TO SUSTAINABLE DEVELOPMENT.

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ESSILOR’S CONTRIBUTION TO THE SDGs

The SDGs focus on ending poverty, protecting the planet and ensuring prosperity for all. In order to identify where our contribution is most significant and where we could do more to support the SDGs, we carried out the following assessment with EY France:

- We mapped our impacts on SDGs along our value chain (horizontal axis), in line with the SDG Compass guidelines.
- We mapped those impacts against our priority areas (vertical axis), based on our materiality matrix. Following the two-step assessment, we formalized our SDG Matrix.

See page 08

AT ESSILOR WE CONTRIBUTE TO 13 SDGS THROUGH BOTH OUR CORE MISSION OF IMPROVING VISION AND OUR MANAGEMENT OF IMPACTS ALONG OUR VALUE CHAIN.

Our business activity, from the design to the provision of vision care solutions, is focused on ‘improving lives by improving sight’ and bringing tangible social and economic benefit to individuals and their communities.

Correcting vision is the foundation for healthy lives. It improves learning at school and creates a better-educated population, alleviates poverty by boosting employability and increasing productivity at work and enables people to stay active in the workforce longer.

Our business impacts, relating to our vision care solutions, are on goal n°3 ‘good health and well-being’, n°1 ‘no poverty’, n°4 ‘quality education’, n°5 ‘gender equality’, n°8 ‘decent work and economic growth’, n°9 ‘industry, innovation and infrastructure’ as well as n°10 ‘reduce inequalities’.

Our R&D investments, strategic partnerships and innovative inclusive business strategies also contribute to goal n°3 ‘industry, innovation and infrastructure’.

Reducing our environmental footprint

Managing our impacts linked to use of raw materials, manufacturing and transport we contribute to goals n°6 ‘clean water and sanitation’, n°7 ‘affordable and clean energy’, n°13 ‘climate action’ and n°12 ‘responsible consumption and production’.

Caring for our people

By working on employees’ development, health and safety, engagement and diversity, we contribute to goal n°4 ‘quality education’, n°8 ‘decent work and economic growth’, n°5 ‘gender equality’ and n°10 ‘reduce inequalities’.

Working with society

By anchoring our business ethics and corporate social responsibility in our collaboration with partners, suppliers and all other stakeholders across our value chain, we contribute to goal n°8 ‘decent work and economic growth’, n°12 ‘responsible consumption and production’, n°16 ‘peace, justice and strong institutions’ and n°17 ‘partnerships for the goals’.

Our contribution to the remaining four SDGs (n°2 ‘Zero hunger’, n°11 ‘Sustainable cities and communities’, n°14 ‘Life below water’ and n°15 ‘Life on land’) is not significant enough to justify a dedicated reporting on these goals. We will continue to take these into account wherever possible.

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SDG3
GOOD HEALTH AND WELL-BEING

ADDRESSING THE WORLD’S MOST WIDESPREAD DISABILITY: POOR VISION

Good vision is a fundamental enabler for all SDGs. Although 80% of impaired vision is preventable or treatable, poor vision continues to be the most widespread disability in the world. More than 2.5 billion people, 80% of whom live in emerging countries, are impacted in terms of social and economic inclusion and development, education, health and safety.

Essilor’s business is designing, producing and distributing high-quality products to correct and protect the visual health of the more than seven billion people in the world. Throughout its 170-year history, Essilor has been driven by one single mission: improving lives by improving sight.

OUR CONTRIBUTION
Investing in R&D to understand and respond to everyone’s vision health needs

Essilor’s R&D arms to push back the frontiers of poor vision through providing appropriate vision care solutions for the visual health of consumers in all their geographic and cultural diversity. Our starting point is an understanding of individuals and the impact of societal changes such as aging populations, increasingly urban and digital lifestyles or the alarming global acceleration in myopia, estimated to affect five billion people by 2050. Innovation efforts focus on meeting evolving or unmet needs through new technologies like UV and blue-light filtering lenses, and adapting or enhancing manufacturing processes to meet local specificities and business models adapted to all consumers, including those at the ‘base of the pyramid’ in emerging economies. By enriching all levels of our product range, from personalized lenses to the most simple eyewear, we can provide effective and accessible solutions for all.

Raising awareness about visual health

Millions of individuals are visually impaired and don’t realize they have a vision problem that can be easily corrected as they have never had a simple eye test. Building awareness starts with helping people know that there is something they can do to restore their vision. We work on a local, national and international level to raise awareness about visual health. Our global actions include screening events, media campaigns and consumer information websites to inform people about the importance of visual health.

Advocating for public vision health programs

Created in 2012 by Essilor with an advisory board comprising of five members, the Vision Impact Institute is a non-profit organization that collects global research data on visual health with the aim of educating policymakers and the general public about the quality of life benefits that corrected vision can bring. The Vision Impact Institute’s research resources and advocacy in 2016 have helped inform public policy discussions about visual correction in Africa, India and China as well as launch a new US vision care initiative focused on children.

Strategic philanthropy: a lever for change

The Essilor Vision Foundation, established in 2007 in the United States, deploys a range of initiatives from free vision screenings, donations of lenses and frames and awareness-raising campaigns in partnership with local non-profit organizations. We have since extended its impact by establishing the Foundation in India, Singapore, China, Canada, Australia and New Zealand, with activities reaching underprivileged populations in close to 40 countries. In addition, many of the group’s subsidiaries support local non-profit organizations engaged in providing free vision care activities in the community.

In 2015, Essilor created the Vision For Life funds in France and the United States to build on the group’s existing philanthropic activities by accelerating the development of primary care infrastructure in areas that currently lack access to vision care. At end 2016 the funds have financed 73 projects across 24 countries with a projected impact of 15 million people screened within the next five years.

Improving access through inclusive business models

Innovation in product conception, financing and distribution also enables us to reach people with little to no access to vision care today, particularly in regions lacking healthcare professionals. We work with a range of NGO, social entrepreneur and local governmental partners to create sustainable and inclusive business models to support vision health needs, as well as support the social and economic development of communities. Since 2013, the ‘Base of the Pyramid Innovation Lab’, created by Essilor and supported by the Singapore Economic Development Board, tests new business models and serves as a project incubator and a relationship facilitator between stakeholders including impact investors.

Creating innovation efforts throughpublicvisionhealth programs

In 2013, Essilor’s inclusive business division – 2.5 New Vision Division™ - leverages dedicated sales and logistics teams to roll out innovative and impactful business models. With a reach in 30 countries across Asia, Latin America and Africa the teams have equipped over three million people with eyeglasses. A significant number of beneficiaries live in India thanks to the work of Essilor’s Eye Mitra™ program (friends of the eye in Sanskrit) that helps to train unemployed women and men in rural and semi-rural areas as primary vision care providers. Following an intensive training, Eye Mitra opticians receive equipment to start a micro-enterprise carrying out basic eye tests and dispensing eyeglasses in their local communities. The expertise acquired through this program helps us in replicating and tailoring similar models in other countries, including China, Brazil, Mexico, Indonesia, Kenya and Cambodia.

Building strong relationships to better understand local needs

Essilor actively develops cross-sector partnerships with NGOs, industry, impact investors and local service providers to gain a better understanding of local needs and create programs that will be sustainable over the long term. In 2016, ‘Our Children’s Vision’, a global coalition, was co-founded by the Brien Holden Vision Institute and Essilor’s Vision For Life™ fund.

Supported by some 50 partners committed to boosting children’s vision health, the coalition has already helped 10 million children worldwide gain access to eye health services. Essilor is in addition part of EYElliance – a new cross-sector coalition seeking to close the gap in access to eye care for the 2.5 billion people who still live with uncorrected poor vision.

GOING FURTHER

Our ambition by 2020 is to improve 50 million lives at the ‘base of the pyramid’ by creating 25,000 Primary Vision Care Providers. We will also invest €30 million in philanthropic and sustainable programs to pursue our efforts in raising awareness and improving access to vision care in underserved regions.

50 million
LIVES IMPROVED CUMULATIVELY BY 2020

25,000
PRIMARY VISION CARE PROVIDERS BY 2020

€30 million
INVESTMENT IN PHILANTHROPIC AND SUSTAINABLE PROGRAMS

INITIATIVES SINCE 2013

€200 million
INVESTED IN RESEARCH AND INNOVATION EACH YEAR

6 million
PEOPLE EQUIPPED WITH EYEGLASSES THROUGH INCLUSIVE BUSINESS MODELS AND PHILANTHROPIC INITIATIVES SINCE 2013
VISUAL HEALTH CONTRIBUTES TO DRIVING THE ECONOMY
Health impacts the ability of people to work and ultimately contribute to the economy. Access to quality health (and vision) care thus promotes development and reduces poverty. The private sector is a key actor in helping local organizations and governments build capacity and scale up affordable health services. Essilor, as a global player with a growing presence in economically developing regions, has a significant role to play because 90% of the world’s visually impaired live in low-income, emerging countries.

OUR CONTRIBUTION
Providing vision to all
By supporting strategic giving activities across the world, Essilor helps to provide free vision care to individuals who live below the poverty line in over 40 countries. The Group also focuses on improving access to basic vision care for low-income individuals living in underserved regions. In 2006, Essilor created its first innovative inclusive business model in collaboration with local eye hospitals in India, by sending mobile vision vans to remote areas to educate villagers about visual health, assess vision correction needs and equip individuals if required with a pair of glasses. Our 2.5 New Vision Generation division is today rolling out new inclusive business models in 30 countries to reach ‘base of the pyramid’ consumers by imagining new ways to make products or services accessible to people at risk of social exclusion.

Actively reducing poverty
In 2015, Essilor appointed a third-party expert, Dalberg Global Development Advisors, to measure the social impact of its Eye Mitra™ program, which aims to provide primary vision care to populations in rural and semi-urban areas of India through skill training and equipping underemployed individuals to set up their own local vision care micro-business. The challenge is considerable: in 2013, it was estimated that 550 million people in India needed vision correction and the associated overall productivity loss was estimated at US$37 billion a year. Conducted in six provinces in northeast India, the study identified a boost to the local economy: 39% of the Eye Mitra interviewed were previously unemployed. The ones previously employed saw their income increase by 64% on average, 59% of wearers equipped, thanks to the program, reported an increased productivity in the workplace, and 75% of the customers reached by the program bought glasses for the first time.

GOING FURTHER
We aim to adapt the Eye Mitra™ program in other countries including China, Bangladesh and Cambodia to train and help 10,000 people set up their own micro-enterprise in primary vision care by 2020.

10,000 PEOPLE TO BE TRAINED AS EYE MITRA BY 2020
30 countries (WITH DISTRIBUTION OF ESSILOR’S INCLUSIVE BUSINESS PRODUCT RANGE)
~1 million SCREENED FREE OF CHARGE FOR VISION PROBLEMS ACROSS 40 COUNTRIES IN 2016
39% OF EYE MITRA LIFTED OUT OF UNEMPLOYMENT IN INDIA
**GOOD VISION IS FUNDAMENTAL FOR EDUCATION**

Impaired vision impacts learning and educational performance. 80% of all learning is visual and it’s estimated that at least one in four children around the world have uncorrected vision, limiting their ability and motivation at school.

Beyond vision care programs that seek to improve children’s educational opportunities at school, Essilor also has a significant responsibility for the education and evolution of our own employees. With a rapidly growing international business, including a presence in many emerging countries, transferring technical knowledge and the training and development of our talents is an ever-priority.

**OUR CONTRIBUTION**

Enabling education by advocating and giving access to vision care

The majority of strategic giving programs supported by Essilor focus on providing eye screenings for children from underprivileged communities and free pairs of eyeglasses where necessary to help them see clearly to learn better. Through the Essilor Vision Foundation and initiatives supported by Vision For Life funds, over 600,000 children were screened in 2016 in countries such as China, India, the United States, France, Australia and New Zealand. Vision For Life also co-founded the ‘Our Children’s Vision’ coalition with the Brien Holden Vision Institute with the ambition to make vision an inclusive part of school health programs across the world.

The Vision Impact Institute is a global advocate on the impact of poor vision on children’s learning and development. A national campaign in India highlighting that 41% of children under 18 suffer from uncorrected refractive error led to discussions with the country’s Ministry of Education. The Kids See: Success initiative was launched in the US to raise awareness among parents, politicians and educators for comprehensive eye exams prior to kindergarten to ensure correctable vision problems don’t hinder social and educational development.

Boosting skills and employability in communities

Essilor seeks to contribute to quality education in the communities where it operates. In 2014, Essilor created a vocational training center near its lens manufacturing production facility in Laos to help local workers develop skills appropriate for new industrial needs. The project provides an ongoing support for the transfer of high-tech knowledge and skills, as well as supporting local employment opportunities. In addition, Essilor’s inclusive business programs actively promote skills-building in primary vision care. The Eye Mitra program has at end 2016 trained 2,500 young people and today receives government funding in two Indian states.

Providing quality training to our teams and managing our talents

Essilor is committed to enhancing the professional development of our employees by making it easy for them to access training throughout their career and by broadening their roles and experience within the Group. Training ranges from integration programs for newcomers, skills development in specific job areas to management and leadership programs. A key platform is Essilor University – an online e-learning resource of over 850 modules offering employees a personalized training path according to their business sector, geographical area and seniority. LOTF (Learning Organization for Tomorrow) is one of our employee-led knowledge communities: a network of volunteer trainers and coaches operating across 40 countries that has trained 18,000 associates worldwide and enabled experts, technicians, lab and production site teams – developing technical skills, sharing best practices and problem-solving.

10 million CHILDREN SCREENED BY OUR CHILDREN’S VISION GLOBAL COALITION IN 2016

32,000 EMPLOYEES CONNECTED TO ‘ESSILOR UNIVERSITY’ ONLINE TRAINING PLATFORM

4,000 COMMUNITY PRIMARY VISION CARE PROVIDERS TRAINED IN SEVEN DEVELOPING COUNTRIES SINCE 2013

**ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL**

**SDG4 QUALITY EDUCATION**

**ENHANCE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL**

**SDG5 GENDER EQUALITY**

**GENDER EQUALITY FOSTERS DEVELOPMENT**

Ensuring equal access to education, health care, work and political or economic decision-making enables women to assume their rightful role in contributing to prosperous and sustainable communities.

Through its inclusive business programs, Essilor has shown that companies can play their part in empowering women economically and socially and providing equality of access to goods and services. Within the group, gender equality is a real source of strength and dynamism and contributes to our international expansion product and service innovation. It’s also an important way for Essilor to foster the professional development of female employees.

Essilor’s Vision Ambassador Program, which is expanding in China, Brazil and Indonesia, similarly encourages and supports women to develop a part-time commercial activity that brings them a better livelihood and more interaction in their communities.

Promoting and striving to ensure gender equality for our employees

Aware of the value that diversity brings to company performance, Essilor has put a greater focus over recent years to efforts to improve gender equality and cultural diversity. In 2013, Women’s Networks were launched in France and the US with the aim of increasing gender diversity by preparing women for leadership roles.

Similar initiatives have since been created in other entities that are rolling-out a range of measures to ensure gender equality in terms of training, recruitment and career management.

Essilor’s program ‘Diversity, let’s aim higher’ comprises four major areas, each covering practical initiatives to improve gender balance by monitoring the representation of women at different levels, encouraging local teams to raise awareness and take practical actions, and strengthening HR and managerial processes to ensure equality regarding internal job mobility.

54% OF ESSILOR EMPLOYEES ARE WOMEN

92% OF FEMALE EYE MITRA REPORTED A POSITIVE CHANGE IN SOCIAL STATUS

**OUR CONTRIBUTION**

Empowering women through increased independence and entrepreneurship

Essilor’s inclusive business programs contribute to the UN SDG for gender equality through the attention they give to empowering women by improving their social and economic contribution. Our Eye Mitra program in India has an increasing number of women entrepreneurs who choose to develop their skills and increase their financial independence in working as primary vision care providers. In a third-party evaluation of the Eye Mitra program, 92% of Female Eye Mitra reported a positive change in social status, community engagement and family interaction.

**GOING FURTHER**

We will continue our efforts in promoting gender equality in our business activities and through our B2B programs. Internally, we are working to improve our understanding of diversity across the group in order to define future targets, including gender equality.

**GOING FURTHER**

In the next three years, we aim to provide 100% of our employees with access to the Essilor University.

Through our programs and the ‘Our Children’s Vision’ coalition, we endeavour to accelerate and expand access to eye health services for 50 million children by 2020.

**SDG5 GENDER EQUALITY**

**ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS**

54% OF ESSILOR EMPLOYEES ARE WOMEN

92% OF FEMALE EYE MITRA REPORTED A POSITIVE CHANGE IN SOCIAL STATUS
Teams in production facilities from Brazil, the US, India, Ireland to France and China have been actively finding solutions to reduce water use. For example in São Paulo, Brazil where water supplies for 8.8 million local inhabitants are under pressure, Essilor’s Technopark lab has found ways to reuse and recycle water in coating and surfacing cycles to increase self-sufficiency and reduce water use by 20%.

Mitigating water-related risks
Attractive of our environmental impact, Essilor participates in the CD Project Water program as part of a voluntary disclosure on water topics and has scored A+, reaching the leadership status in 2016 for our actions and commitments on water management optimization.

To improve the quality of our water discharges, we invest in wastewater treatment systems to reduce loads in existing effluent. Essilor has more than 85 water treatment plants. In the last year only one has experienced an incident related to water discharge. Impact was non-significant and a remediation plan has been put in place.

The Group has a few sites located in areas of water stress, such as in India and Mexico. These sites may be faced with restrictions on water withdrawals imposed by local authorities, an increase in the cost of water, and potentially, questions from local stakeholders who are co-dependent on these water resources. To mitigate water-related risks, sites continually implement stronger and more active water management programs and adopt local specific targets on water reduction.

Having achieved significant success in water reduction after decades of efforts, our next goal is to further reduce water use per good lens produced by 20% by 2020, compared to 2015 baseline. In the long term, we will also continue to develop water close-loop solutions in our process to be independent to external water supply.

−20% WATER USE PER GOOD LENS PRODUCED BY 2020

They also have continued dialogue with public sector services, water suppliers and NGOs to anticipate changes in the availability and cost of water, in order to adjust production.

+85 MORE THAN 85 WASTEWATER TREATMENT PLANTS IN 2016

9.1 million m³ ESTIMATION OF TOTAL WATER SAVED SINCE 2007

−40% SINCE 2007, WE REduced OUR WATER USE PER GOOD LENS PRODUCED BY 40%
Promote, Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All

Fostering local economies by creating jobs and empowering local communities

Our inclusive business models aim to empower individuals in their communities, create local jobs and infrastructure and bring tangible social and economic benefit through improved vision. With the Eye Mitra™ program, Essilor works with local skills-building agencies to help train young under-employed men and women to carry out basic vision screening and set up their own business providing primary vision care and selling prescription glasses. 2,500 jobs have been created so far, and we aim to grow this to 10,000 in India by 2020. The expertise acquired through this program helps us in replicating and tailoring similar models in other countries, including China, Brazil, Mexico, Indonesia, Kenya and Cambodia.

Promoting respect of human rights and decent work across our supply chain

We are also committed to ensure decent working conditions across our value chain. The Group has introduced key preventive and vigilance mechanisms to ensure respect for human rights, ban child labor and complete integrity in its business operations within the group and with its ecosystem of partners and suppliers. Our Global Sourcing and Procurement Department has implemented a supplier charter that includes commitments to comply with the fundamental conventions of the International Labor Organization and local legislation in terms of minimum salary, working time, child labor and health and safety.

• We are working to improve employee safety by 2020 and to achieve the goal of zero accidents by reducing by 30% the rate compared to 2015 baseline.
• To pursue the promotion of human rights and ensuring decent work in our supply chain, we are committed to having 100% of our preferred suppliers acknowledge the Essilor Supplier charter and 100% of strategic suppliers receive external CSR audits.

Fostering local economies by creating jobs and empowering local communities

Poor vision costs the global economy $272 billion each year in lost productivity. Correcting and protecting people’s vision, particularly in emerging countries, helps to boost employability, productivity and improve individuals’ earning power as well as contribute to creating jobs and sustainable businesses.

As a global leader in ophthalmic optics, we distribute our products in 100 countries across five continents, generating more than $7 billion of revenues in 2016 and spending upwards of $2 billion in trade payables. Across the value chain, we have a significant impact on economic growth locally and regionally, and we are committed to ensuring that all our stakeholders benefit from this – from local communities, to our suppliers and our employees.

Addressing the economic consequences of poor vision

Poor vision costs the global economy $272 billion each year in lost productivity. Correcting and protecting people’s vision, particularly in emerging countries, helps to boost employability, productivity and improve individuals’ earning power as well as contribute to creating jobs and sustainable businesses.

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Our contribution

Ensuring decent working conditions for our employees

Policies concerning health, safety and quality working conditions are one of four program areas for ensuring employee well-being. Essilor has formalized and deployed for nearly six years an ambitious policy of prevention and risk reduction in the workplace including corrective action plans and the development of behavior-based safety programs. In collaboration with the Human Resources Department, the Global Environment-Health-Safety (EHS) Department, supported by a network of EHS coordinators at the Group’s main production sites, defines and monitors targets. In 2015, Essilor launched a global opinion survey to over 60,000 employees worldwide. The feedback has enabled the Group to develop tailored action plans focused on the improvement of daily aspects of work at Essilor – from training and skills development to internal collaboration.

Going further

Frequency rate = number of work-related injuries with lost days x 1,000,000/Total number of hours worked during the reporting period

• Frequency rate for work-related injuries with lost days x 1,000,000/Total number of hours worked during the reporting period

SDG8 Decent Work and Economic Growth

64,000 employees in 69 countries

80% of manager level employees at Essilor production sites are recruited locally

2,500 full-time self-employed jobs created through 2.5 New Vision Generation programs

1.9 frequency rate for work-related injuries

30% reduction in frequency rate of work-related accidents by 2020

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Fostering local economies by creating jobs and empowering local communities

Our inclusive business models aim to empower individuals in their communities, create local jobs and infrastructure and bring tangible social and economic benefit through improved vision. With the Eye Mitra™ program, Essilor works with local skills-building agencies to help train young under-employed men and women to carry out basic vision screening and set up their own business providing primary vision care and selling prescription glasses. 2,500 jobs have been created so far, and we aim to grow this to 10,000 in India by 2020. The expertise acquired through this program helps us in replicating and tailoring similar models in other countries, including China, Brazil, Mexico, Indonesia, Kenya and Cambodia.

Promoting respect of human rights and decent work across our supply chain

We are also committed to ensure decent working conditions across our value chain. The Group has introduced key preventive and vigilance mechanisms to ensure respect for human rights, ban child labor and complete integrity in its business operations within the group and with its ecosystem of partners and suppliers. Our Global Sourcing and Procurement Department has implemented a supplier charter that includes commitments to comply with the fundamental conventions of the International Labor Organization and local legislation in terms of minimum salary, working time, child labor and health and safety.

1.9' frequency rate for work-related injuries

30% reduction in frequency rate of work-related accidents by 2020

• We are working to improve employee safety by 2020, and to achieve the goal of zero accidents by reducing by 30% the rate compared to 2015 baseline.
• To pursue the promotion of human rights and ensuring decent work in our supply chain, we are committed to having 100% of our preferred suppliers acknowledge the Essilor Supplier charter and 100% of strategic suppliers receive external CSR audits.
Reaching the Base of Pyramid population

In 2016, Essilor launched an open innovation competition, the See Change Challenge, to find new solutions to help speed up the delivery of primary vision care for underserved populations. The initiative has invited start-ups, universities, app developers, vision scientists, optometrists and engineers to come up with innovative ways – from software solutions to hardware devices – to enable primary vision care providers to measure eye refractive errors more easily.

In 2016, Essilor launched Eye Protect System™ – a unique embedded technology that filters harmful blue-light and UV rays while preserving the transparency of the lens. Eye Protect System™ was created in 2016 to better understand needs and devise solutions that aim to satisfy all consumers at every stage of their lives.

Six Innovation roadmaps were created in 2016 to better understand needs and devise solutions that aim to satisfy all consumers at every stage of their lives.

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Our ambition is to improve 50 million lives at the ‘base of the pyramid’ by creating 25,000 Primary Vision Care Providers.
Following water and energy, waste lenses in place during transportation, that were used to hold semi-finished boxes to replace plastic moulded cups is our introduction of cupless cardboard packaging. An example of 3R in practice (manufacturing and distribution) and apply the 3 Rs approach as a pragmatic sites are taking actions to reduce their throughout the design, manufacturing resources and preventing pollution by responsibly managing natural

Managing environmental and social impacts in our operations

We are committed to decreasing the environmental impacts of our activities by responsibly managing natural resources and preventing pollution throughout the design, manufacturing and distribution of our products. Our sites are taking actions to reduce their water and energy consumption (see respectively SDG6 and SDGs 7 and 13) and also to reduce waste generation. We apply the 3R’s approach as a pragmatic daily tool. For example, the volume of materials used in the various processes (manufacturing and distribution) and reuse and recycle raw materials and packaging. An example of 3R in practice is our introduction of cupless cardboard boxes to replace plastic moulded cups that were used to hold semi-finished lenses in place during transportation, eliminating significant volumes of polystyrene waste.

Following water and energy, waste became the third pillar of the Reboost Program in 2016 to accelerate Group efforts to boost waste reduction initiatives. To extend our scope on managing and reducing our environmental and social footprint, as well as engage our partners, Essilor’s Group EHS policy has been enriched with topics including eco-design, biodiversity, paperless operations and product stewardship. A group EHS referential and a set of global standards have also been rolled out to be applied in all group entities.

Working on product eco-design

Eco-design is central to R&D efforts to ensure we develop products with limited impact on the environment. Our innovation process includes key steps such as Life Cycle Analysis of products, responsible purchasing of raw materials with our suppliers, low-carbon logistics and optimized production processes. As examples, Airwear® corrective lenses are made from a material which can be recycled at the end of its life cycle to produce items other than corrective lenses, and 70% of Costal® sunglasses are made using bio-based plastics.

Managing environmental and social impacts across our value chain

To engage suppliers to share our ambitions, our Global Sourcing & Procurement Department has rolled out a Supplier Sustainability Program with risk assessment and external CSR audits conducted to control and reduce the negative environmental and social impact along our value chain. The program also encourages suppliers across our network to collaborate with Essilor on sustainability initiatives - from environmental initiatives, solidarity sourcing to vision care related actions - to increase the positive impact along the value chain.

The program also encourages suppliers worldwide to collaborate with Essilor on sustainability initiatives - from environmental initiatives, solidarity sourcing to vision care related actions - to increase the positive impact.

GOING FURTHER

We will strengthen the internal process to provide our customers and consumers transparent and accurate information on the vision care benefits of our products. We will continue to work with our suppliers and partners along our value chain to guarantee human rights and to reduce our environmental footprint through our ‘Reboost Program’ on water, energy and waste.

100% ENSURE EXTERNAL CSR AUDITS FOR 100% OF OUR STRATEGIC SUPPLIERS

GUARANTEE 100% PREFERRED SUPPLIERS ACKNOWLEDGE ESSILOR SUPPLIER CHARTER

GOING FURTHER

Business thrives in stable and peaceful operating environments with effective institutions that oversee access to resources and infrastructure. Responsible business practices can prevent additional financial costs and legal, operational and reputational risks. How companies lead their business and collaborate with governments and civil society can have a powerful impact on society locally and globally. As a signatory of the Global Compact, Essilor has undertaken to promote the ten universally accepted principles relating to human rights, labor standards, the environment and the fight against corruption.

As a multi-local Group with a clear mission and a leader in vision health, we are strengthening our activities to drive sustainable growth through, amongst other things, strong partnerships, stakeholder dialogue and inclusive business models.

OUR CONTRIBUTION

Managing environmental and social impacts along our value chain

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PARTNERSHIPS FOR GOALS

FORGE STRONG AND LASTING RELATIONSHIPS TO ACHIEVE THE GOALS

‘Partnerships for the Goals’ is the transversal goal underlying all the efforts of businesses, non-profits, and governments in achieving the 2030 SDGs. As a multi-local group, partnership is an integral part of the way Essilor designs, develops and distributes products that are adapted to the diversity of visual health needs across the world – from R&D partnerships to local business partners to our work with social impact partners.

OUR CONTRIBUTION
Partnering with local organizations that share our mission to improve lives by improving sight, everywhere in the world

When more than 2.5 billion people don’t have the vision correction they need, it’s clear that the scale of this global challenge needs a collective solution. Essilor has a successful track record in ophthalmic optics, product innovation and a broad international presence, but we have much to learn from working more closely with local organizations. That’s why we continue to develop cross-sector partnerships with NGOs, social entrepreneurs and national governments to gain better understanding of local needs and barriers, as well as create the framework for projects that will be sustainable over the long term.

Working hand in hand with our suppliers

As Essilor has grown internationally, it has based its success on the proper consideration of local impacts, dialogue with stakeholders and the creation of shared value with suppliers. The relationship between Essilor and its suppliers is highly strategic and we launched our ‘Supplier Sustainability Program’ in 2015. Structured in two parts, it integrates CSR performance and the monitoring of supplier risk on one hand and promotes collaborative initiatives with ‘positive impact’ on the other, both designed to encourage suppliers to develop more sustainable and globally deployable solutions with Essilor. The Group’s ambition is to integrate 80% of its suppliers in this program by 2018.

GOING FURTHER

We pursue our strategy of actively acquiring new companies and forming partnerships with industry stakeholders, to deepen our local presence or enhance our innovation capacity.

We are at the beginning of the implementation of our ‘Supplier Sustainability Program’ and will continue deploying CSR evaluations and audits and invite our key suppliers to positive impact events.
At Essilor we contribute to 13 SDGs through both our core mission of improving vision and our management of impacts along our value chain.

We use our global innovation, production and distribution network to develop solutions for the wide diversity of need. Through inclusive business programs in 30 developing nations, we are transferring knowledge, developing skills and building vision care infrastructure.

We help address existing inequalities in income and opportunity. Our inclusive business programs positively impact through skills training, job creation and stimulating local economies; our strategic giving programs bring access to vision care for people excluded for a range of social, financial or other reasons.

Correcting vision increases productivity and earnings, bringing secondary benefits such as improved road safety and better adult literacy and participation in local economies. Our inclusive business programs empower individuals by creating jobs, and boosting income and productivity.

Water is a key resource for making lenses thus we seek to reduce consumption to minimise impact on local populations and the environment. Since 2007, we’ve saved 9.1 million m³ of water. We continue to deploy further water savings programs in our sites across the world.

Through inclusive business programs we provide free vision care to people living below the poverty line in over 40 countries. Our inclusive business programs improve vision and boost local economies by creating jobs and increasing incomes.

In rural areas of less developed countries, only one in six children who need glasses have them. Our strategic giving programs equip children from disadvantaged communities to see clearly, to perform better at school and improve educational outcomes. We also advocate at global, national and local levels to make vision a priority in school health programs.

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“NOW THAT I CAN SEE CLEARLY I CAN KEEP UP WITH MY FRIENDS AT SCHOOL. I FEEL MORE CONFIDENT IN LEARNING MY LESSONS AND I’M GETTING GOOD GRADES. THE WORLD LOOKS MUCH BETTER!”
IN A SPIRIT OF CONTINUOUS IMPROVEMENT, WE STRIVE TO UNDERSTAND ALL OUR STAKEHOLDERS’ NEEDS AND EXPECTATIONS WHEN IT COMES TO RESPONSIBLE CORPORATE CITIZENSHIP.

This report is one more step towards measuring and communicating our impacts. It complements other publications on Essilor’s Corporate Sustainability approach that are available on www.essilor.com

These include, but are not limited to:

- Essilor Principles and Values
- Essilor Intellectual Property Group Policy
- Essilor Corporate Mission
- Essilor EHS Group Policy
- Essilor Guidelines
- Essilor See Change Report
- Registration Document
- SEE CHANGE REPORT
- ESSILOR PRINCIPLES & VALUES
- ESSILOR SUPPLIER CHARTER

For more in-depth information on Essilor’s ambition and actions to reach the 2.5 billion people with uncorrected poor vision visit www.essilorseechange.com

We would like to thank all Essilor employees and partners who each contribute, every day, to fulfilling Essilor’s mission and to reaching the Sustainable Development Goals.

We also thank EY France for its support in the consistent application of the SDGs Compass methodology (www.sdgcompass.org), the prioritization and selection of the relevant SDGs.


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OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS