OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

A 2018 UPDATE
Vision care is a cross-cutting lever for global development.
That’s why we’re working to eradicate poor vision from the world by 2050.

Our 2020 sustainability roadmap focuses on development priorities that will help us get there - creating new primary vision care providers to transform lives at the ‘base of the pyramid’, reducing our environmental impact and engaging employees and suppliers in ensuring a responsible and sustainable business. We embrace our role in supporting the UN’s 2030 Agenda for Sustainable Development and the goals to which we are actively contributing.

Through the efforts of employees and partners we are on track to meet or exceed our 2020 targets and are already looking at how we can contribute further to the world’s sustainable development.
In 2017 Essilor aligned its sustainability targets, first published in 2016, to reflect our contribution to the UN Sustainable Development Goals. The table below shows how we are on track to meet these 2020 commitments as of December 31, 2017.

<table>
<thead>
<tr>
<th>Sustainable Development Goals</th>
<th>% of progress to 2020 target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CREATING WEARERS</strong></td>
<td></td>
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<tr>
<td>Improve the lives of 50 million individuals at the “base of the pyramid” (cumulative, reference year 2013)</td>
<td>27%</td>
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<tr>
<td>Create 25,000 primary vision care providers (cumulative, reference year 2013)</td>
<td>23%</td>
</tr>
<tr>
<td>Invest 30 million in philanthropic visual health programs (reference year 2014)</td>
<td>163%</td>
</tr>
<tr>
<td><strong>REDUCING FOOTPRINT</strong></td>
<td></td>
</tr>
<tr>
<td>Reduce water intensity by 20%, compared to a 2015 baseline</td>
<td>50%</td>
</tr>
<tr>
<td>Lower energy intensity by 15%, compared to a 2015 baseline</td>
<td>20%</td>
</tr>
<tr>
<td><strong>CARING FOR PEOPLE</strong></td>
<td></td>
</tr>
<tr>
<td>Decrease by 30% work-related injury frequency rate (compared to a 2015 baseline) towards a zero-accident goal</td>
<td>47%</td>
</tr>
<tr>
<td>Give 100% of employees access to Essilor University online training platform</td>
<td>60%</td>
</tr>
<tr>
<td>35% of employees as shareholders, with a longer-term ambition of 50%</td>
<td>157%</td>
</tr>
<tr>
<td><strong>WORKING WITH SOCIETY</strong></td>
<td></td>
</tr>
<tr>
<td>100% of strategic suppliers receive external CSR audit</td>
<td>92%</td>
</tr>
<tr>
<td>100% of preferred suppliers acknowledge Essilor’s Supplier Charter</td>
<td>57%</td>
</tr>
</tbody>
</table>

As part of ongoing efforts to further strengthen Essilor’s contribution to the Sustainable Development Goals, we will be updating our commitments and associated targets in the coming years. Having identified three topics to help accelerate our efforts, Climate Change, Circular Economy and Human Rights, we are working to develop programs along our value chain and employee engagement. Topics include renewable energy, logistics efficiency, product eco-design, waste optimization and recycling, and fair working conditions.

1 “Base of the pyramid” refers to underprivileged and high-risk populations characterized by high rates of poverty, living on less than $2.50 a day.

2 Targets measured per good lens produced across a defined scope of manufacturing facilities with Group’s most significant environmental footprint.
OUR APPROACH TO SUSTAINABILITY

For 170 years we have been driven by the mission to improve lives by improving sight through the provision of quality vision care solutions for everyone on this planet.

We designed our sustainability framework, structured around people, environment and society, to serve our mission. This helps us to deliver it responsibly and gives everyone a role to play. Each function has its own sustainability agenda with targets that contribute to our 2020 objectives and the UN SDGs. These include our Group mission for visual health, reducing our environmental impacts and ensuring a responsible supply chain.

We extend this sustainability mindset to transversal initiatives with suppliers and industry partners. By engaging our entire eco-system on topics such as human rights, better resources management and mitigating or adapting to climate change, we are part of a bigger movement that’s more transparent about how we are helping to contribute to a stronger, more resilient and sustainable global economy.

In 2017 we were one of the first businesses to publicly report our contribution to the Sustainable Development Goals. This helped us to engage our employees and develop the cross-sector partnerships we have formed with many governments, research and academic bodies, development agencies, industrial partners, NGOs and community groups.

Over the next few pages you can read about our unique contribution to the global goals and hear from some of the people behind our progress.
A PANORAMIC VIEW

At Essilor we contribute to 13 Sustainable Development Goals through both our core mission of improving vision and our management of impacts along the value chain.

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.

Vision underpins everyone’s health and wellbeing. We aim to correct and protect the visual health of the world’s 7.4 billion people, especially the 2.5 billion individuals who lack vision correction. We innovate to continually adapt our solutions to vision needs linked to emerging demographic, health and lifestyle changes.

Our strategic giving programs equip children from disadvantaged communities to see clearly, learn better and improve educational outcomes. We also advocate at all levels to make vision a priority in school health programs. In addition to training new primary vision care providers, we enhance the professional development of all our employees through programs like our online learning platform Essilor University and the COMET program.

We want women and girls to have equal access to good vision, education and opportunities to contribute socially and economically to their communities. Many of our inclusive business programs empower women to develop new skills, create a professional activity and improve financial independence through providing vision care locally.

By lowering our water consumption and managing waste water we minimize our impact on local populations and the environment. We have an active program, ReBoost, across the Group’s production sites to measure, reduce, reuse and recycle water use at each step of our manufacturing process.

While our main focus is on lowering energy consumption, we are increasing the use of renewable energies locally where these are available and engaging energy utilities and transport suppliers in carbon efficiency programs.

Correcting vision increases productivity and earnings, bringing secondary benefits such as better adult literacy and wider participation in economic activity and growth. Our inclusive business programs empower individuals by creating jobs, boosting income and rejuvenating local communities.

We use our global innovation, production and distribution network to develop solutions for the diversity of need including low-income consumers. We are bringing our inclusive business experience to new partnerships where we can develop skills to build a sustainable eye care infrastructure for developing nations.

We address inequalities in income and opportunity. Our inclusive businesses impact through skills training, job creation and stimulating local economies. Our strategic giving programs give vision care to those in need. Our inclusive working culture means opportunities for all to positively contribute to each other and the organization.

We explore how best to meet all needs by designing and responsibly manufacturing products and solutions that support sustainable consumption. We engage our internal and external stakeholders through actions such as product lifecycle analyses and our Supplier Sustainability Program.

In 2017 we renewed our commitment to fighting climate change through reducing our GHG emissions and maintaining our position as a low-carbon company (the Group’s carbon footprint is estimated at 2.7 million tons CO2eq). As part of the French Business Climate Pledge, we aim to go further through energy efficiency programs, optimizing production and logistics chains. Our Code of Ethics, Supplier Charter and a Group-wide compliance program help us set the example in key areas from human rights, prevention of corruption or environmental protection.

Commitment to the UN Global Compact, we take a lead to ensure fair and responsible business practices across our value chain. Our Code of Ethics, Supplier Charter and a Group-wide compliance program help us set the example in key areas from human rights, prevention of corruption or environmental protection.

We are proud to work with multi-sector partners on all levels to pool our knowledge, experience and resources to achieve greater positive impact together in a more sustainable way.
RESPONSIBLE PRODUCTION

Essilor seeks ways to reduce the environmental impact of its operations and move towards a more circular economy approach.

"I’m of indigenous origin, so the environment is important to me personally. At our site in Amazonia, we now recycle 100% of our waste in different ways, from internally reusing materials to upcycling industrial waste into road surfacing materials. We also developed a recycling program with our local school to educate younger generations that recycling is everyone’s responsibility."

Eliomar Cavalcante, Environmental Analyst, EDAM production facilities in Manaus, Amazonas, Brazil

REDUCE INEQUALITIES

Essilor works to provide equal opportunities for all Group employees.

“Inclusion & Diversity makes sense for our people and for our business. That’s why our leadership support dedicated education, awareness and engagement initiatives as well as inclusive recruitment and accelerated leadership development programs. These include formal mentoring, sponsoring business resource groups, and special events like “Gravitas Boot Camp” – a one day workshop offering employees self-assessment and feedback on how to positively position themselves in the organization”

LaShanda Reed-Larry, Director Inclusion, Diversity & Affirmative Action, Essilor of America.

HUMAN RIGHTS

Essilor is ensuring a fair, effective and safe business environment.

"In 2017 we launched a multi-function taskforce to improve our Group’s policy and vigilance plan. Our priorities have been to identify the main risks in our value chain, raise awareness among employees and roll out an alert mechanism in order to ensure the respect and promotion of human rights. We are now also working with each business unit to put in place appropriate action plans.”

Alexandre Guinet, Senior Manager Corporate Sustainability, Essilor International

AFFORDABLE AND CLEAN ENERGY

Essilor continually reviews its operational practices to embrace the use of clean energy.

“Thanks to the efforts of a cross functional team and with the support of top management, we have successfully executed, Project “Saura Shakthi”, Solar Energy in Hindi. To replace our dependency on conventional fossil fuels with renewable energy, we undertook an in-depth risk assessment, due diligence and after board and regulatory approvals as of June 2018, 70% of our energy needs are met through solar energy. And we’re geared up to achieve more.”

Manoj Phagotra, Managing Director, Essilor Manufacturing India Private Limited

DECENT WORK & ECONOMIC GROWTH

Essilor’s Eye Mitra program develops skills, jobs and tackles poor vision through creating a network of primary eye care providers in India.

"Before joining this course, I was like any other ordinary girl. We learnt a lot of skills and the way I participated in class helped me to speak freely without hesitation in front of other people. After becoming an Eye Mitra, there has been a drastic change in my lifestyle, especially financially.”

Rekha Kumari, India, who is supporting her family and bringing vision correction to her village through her work as an Eye Mitra.
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We thank all the people who contributed to this brochure and all those working to improve lives by improving sight.

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