

# 2023 Sustainability Report

Extract from the 2023  
Universal Registration Document

**EssilorLuxottica**

# Social, environmental and societal information

(2023 non-financial statement of EssilorLuxottica)

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# Message from the Chairman and CEO and the Deputy CEO

## Dear Shareholders,

Marking another year of notable achievements, we are pleased to share our latest progress with you in the 2023 EssilorLuxottica Sustainability Report.

Our Company-wide Eyes on the Planet sustainability program is an integral part of our corporate culture, and we are committed to addressing sustainability at every stage of EssilorLuxottica's value chain in a tailored manner. Thanks to the collaborative contributions of our employees, we are continuing to embrace sustainability across our vertically integrated business, from its foundations to our entire ecosystem of partners, customers, suppliers and local communities.

Our sustainability strategy is strongly intertwined with our Mission to help people 'see more and be more', notably through social impact activities delivered by the OneSight EssilorLuxottica Foundation. As the largest foundation in the world driving inclusive vision care access, last year it radically accelerated actions to equip 14 million people in underserved communities with eyeglasses, establish more than 4,900 rural optical points and vision centers, and provide permanent vision care access for 177 million rural community members globally.

One of the most significant accomplishments we achieved in 2023 is reaching carbon neutrality (Scopes 1 & 2 emissions) for our direct activities in Europe, following targets met in Italy and France at the end of 2021. EssilorLuxottica is setting the stage to become carbon neutral (Scopes 1 & 2) globally by 2025 by continuing to improve energy efficiency across facilities as well as increase the self-production and use of renewable energy, along with the corporate Power Purchase Agreement (PPA) we signed for the sourcing of wind electricity in Italy. In addition, our commitment to setting new carbon emission reduction targets



**Francesco Milleri**, Chairman and CEO, and **Paul du Saillant**, Deputy CEO

in accordance with the Science-Based Targets initiative (SBTi) has marked a new step in our Group approach to sustainability, focusing not only on direct impact but also on indirect impact.

Our climate commitment is closely complemented by our circularity ambitions, leveraging sustainable innovation in our processes, products and services to make a measurable difference for our industry, the environment and communities where we operate. In addition, our retail network is becoming central in encouraging consumers to extend product life through circular services like in-store repairs, subscription models and the possibility of bringing used eyewear back to be recycled or repurposed. To advance in-store sustainability, in December we embarked on an endeavor to advance our retail network with the circular use of materials and waste management to build less and better, aiming to have 400 WELL-certified stores in the next three years.

All efforts and achievements in executing our Eyes on the Planet program are possible thanks to our talented employee community of more than 190,000.

Through our diversified global presence, EssilorLuxottica inherently embraces all backgrounds, genders, experiences, perspectives, and cultures that each of us brings, while sharing the same values makes us unique. In 2023, a series of global and local events raised internal awareness, promoted inclusivity and celebrated how our diversity makes us stronger. Our Leonardo platform is playing a key role in further building our inclusive learning culture inside and outside our Company. Since its launch in 2021, Leonardo has earned a strong reputation as the educational point of reference across the eyewear and eyecare industry by leading education on topics such as vision care, practice management, people development, compliance and more.

The successes we celebrated in the past year are paving the way for a future full of opportunities. Sustainability is a long-term responsibility that belongs to all of us, and we want to thank you for being part of this exciting journey.

# 1 EssilorLuxottica's Approach to Sustainable Development

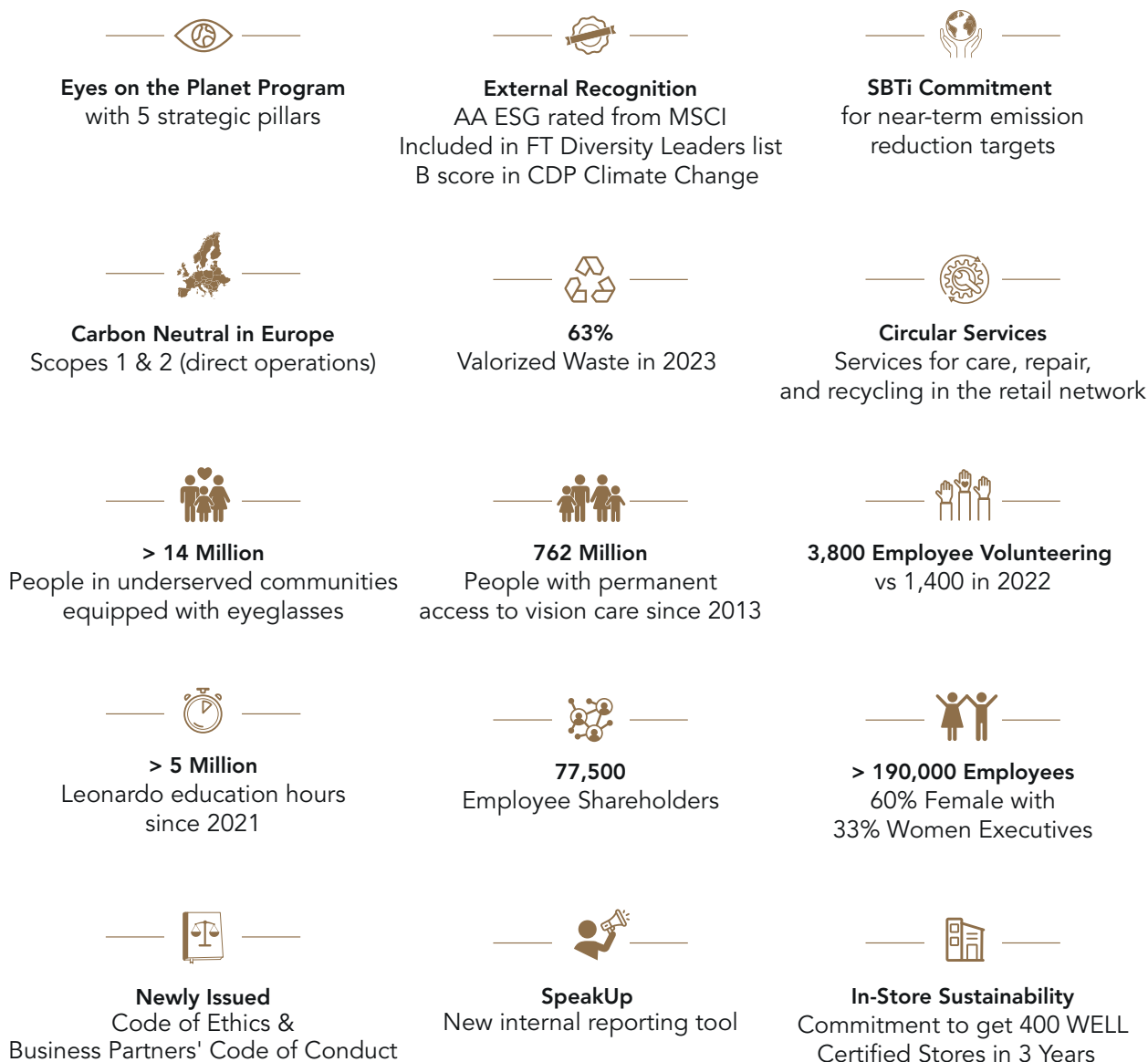
## Introduction

To help people around the world 'see more and be more', EssilorLuxottica's Mission drives its strategy and activities. It is at the heart of the Company's values and principles and informs its integrated approach to sustainable development.

Doing good for its employees, customers, consumers, and communities while doing good for the planet is at the core of its Company-wide sustainability program called 'Eyes on the Planet' launched in July 2021. Its commitments towards carbon

neutrality, circularity, world sight, inclusion, and ethics reaffirm how its Mission, sustainability, and business strategy are strongly intertwined at EssilorLuxottica. From fighting climate change, managing and reducing water use at manufacturing sites, improving occupational health and safety, and ensuring equal opportunities to engaging local communities in outreach initiatives, its Eyes on the Planet program consistently supports its Mission (see Section 2.3).

## Key figures



Through its sustainability strategy and the philanthropic initiatives led by the OneSight EssilorLuxottica Foundation, the Company contributes to 13<sup>(1)</sup> of the 17 UN Sustainable Development Goals (SDGs) that form the 2030 Agenda. In addition, the UN General Assembly resolution<sup>(2)</sup> on vision further supports EssilorLuxottica's own ambition to eliminate uncorrected poor vision in a generation.

This Chapter represents the Group's non-financial statement pursuant to article L. 225-102-1 II of the French Commercial

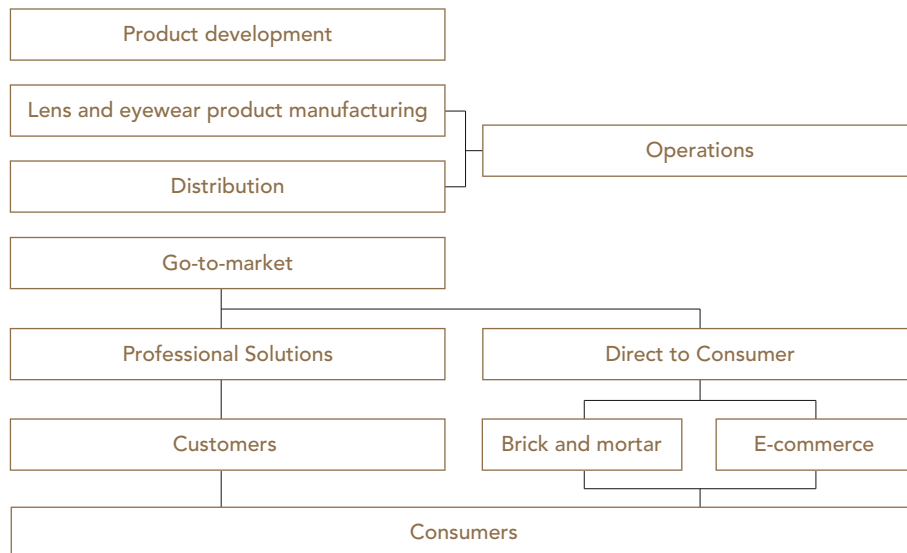
Code. Furthermore, the 2023 non-financial performance is described following the five pillars of the Company's sustainability program 'Eyes on the Planet' and in accordance with other major sustainability-related regulations, such as Duty of Care (see Section 2.5) and EU Taxonomy for sustainable activities (see Section 3). A methodology note including cross-reference tables with GRI Standards, TCFD guidelines and EU Taxonomy is available at the end of this chapter (see Section 5).

## 1.1 Business Model and Environmental and Social Considerations

Section 1.4 of this Universal Registration Document provides detailed information on the Group's strategy, business model, key figures and geographical presence. Meanwhile this section provides an overview of how EssilorLuxottica's approach to sustainable development extends to every aspect of its business model and is strongly intertwined with its Mission to help people 'see more and be more'.

The Company's vertically integrated business model covers every single step of the value creation process. It draws on the complementary expertise of two industry pioneers, one in advanced lens technologies and the other in the craftsmanship of iconic eyewear to set new industry standards for vision care and the consumer experience around it. The acquisition of GrandVision was also a major step in the Group's strategy and its positioning in the global eyecare and eyewear sector. The Group's retail footprint increased by over 7,200 stores worldwide, reaching approximately 18,000 stores, further consolidating its presence in the European market.

Its vertically integrated business model enables EssilorLuxottica to oversee the entire value chain, with a strong focus on manufacturing excellence, service, and a geographically diversified footprint. This control of all phases - from product development to distribution - also allows it to closely oversee environmental issues, health and safety, and human rights along the value chain and, ultimately, to adopt socially responsible practices. In this context, in 2023 the Company committed to setting near-term emission reduction targets according to the Science-Based Targets initiative (SBTi), as another step forward in its long-term goal to address climate change by reducing the carbon footprint of its operations and value chain (see Section 2.1).



(1) SDG 3 'Good health and well-being', SDG 4 'Quality education', SDG 5 'Gender equality', SDG 6 'Clean water and sanitation', SDG 7 'Affordable and clean energy', SDG 8 'Decent work and economic growth', SDG 9 'Industry, innovation and infrastructure', SDG 10 'Reduced inequalities', SDG 11 'Sustainable cities and communities', SDG 12 'Responsible consumption and production', SDG 13 'Climate action', SDG 16 'Peace, justice and strong institutions', SDG 17 'Partnerships for the goals'.

(2) UN General Assembly resolution 'Vision for Everyone: accelerating action to achieve the Sustainable Development Goals' available at [un.org](https://un.org).

## EssilorLuxottica's Approach to Sustainable Development Business Model and Environmental and Social Considerations

- *Product development:* Innovation and technological development are core priorities for EssilorLuxottica, to remain at the forefront in providing consumers with appropriate vision solutions to meet their needs. The Company's global R&D network is supported by leading scientific, industrial and academic communities, and is centered on four areas: bringing vision to new heights; powering style; making eyewear a gateway into new worlds; and digitizing the industry from the ground up. Sustainability and innovation go together, with the product naturally at the center of EssilorLuxottica's circular economy approach to minimize impact on the environment, covering also raw material, energy and water consumption, while enhancing product excellence and quality (Section 2.2). In this context, the Group focuses on talent management given the crucial role played by the teams involved in the different R&D projects, and on business partner relationships, for better engagement concerning ethical, human, social and environmental standards as well as to help reduce the Group's environmental footprint (e.g., purchase of raw materials with less environmental impact). Its approach to innovation is supported and strengthened by proactive intellectual property management. At the end of 2023, the Company owned approximately 13,000 patents and created over 3,500 new eyewear models. See Section 1.4.2 of this Universal Registration Document.
- *Lens and eyewear product manufacturing:* The Company's manufacturing capabilities, include 35 corrective and plano lens mass production facilities plus 13 eyewear mass production plants and 583 prescription laboratories and edging-mounting facilities. These account for the majority of direct environmental impacts. This is due to products and raw materials used for production, energy and water consumption, waste production, and resulting greenhouse gas emissions. Given the concentration of environmental impact, EssilorLuxottica places emphasis on water, energy and waste, as well as on occupational health and safety measures. Actions to reduce its environmental impact include the continuous diversification of its portfolio of materials from traditional metal, plastic injections and acetate slabs to include bio-based and recycled materials with lower environmental impact assessed via specific Life Cycle Assessments (LCA). See Section 1.4.3 of this Universal Registration Document.
- *Distribution:* EssilorLuxottica has a global network of 128 distribution centers for lenses, eyewear, contact lenses, instruments, equipment, AFA (apparel, footwear and accessories), marketing materials and advertising as well as store-specific furniture. Situated close to manufacturing sites, these centers coordinate the logistics flow between suppliers, production plants, prescription lens laboratories, wholesale clients, retail stores, and e-commerce customers. Most of the environmental impact of these centers comes from greenhouse gas emissions from transportation (air and road freight, etc.). The high number of employees working in the Group's distribution centers and the nature of activities performed make workplace health and safety a key area of focus. This is also in line also with the Company's commitment toward zero work-related accidents pursued through the implementation of dedicated policies and programs. EssilorLuxottica's efficient distribution network

makes it possible to maintain close contact with customers and consumers, serving their needs while maximizing the visibility of the brand portfolio.

- *Professional solutions network:* The Company serves third-party eyecare professionals ranging from independent opticians to optical retail banners, as well as specialty sun retailers; sport channels offering Oakley and Costa branded eyewear, apparel, footwear and accessories; department stores and duty-free shops. EssilorLuxottica also counts among its partners third-party e-commerce platforms and independent distributors that provide vision care in remote and rural communities in underserved regions. To this regard, the Group's inclusive business models provide vision care to underserved populations without access to conventional distribution channels (see Section 2.3). Pre- and post-sale services, an open learning platform (Leonardo), information security and data protection, digital tools that connect the Group's operations to its customers and consumers, and digital support for eyecare professionals are key to the success of long-lasting, trust-based relationships. In 2023 the Company launched a new division focused on helping ECPs leverage modern technology to improve the eyecare experience for patients and help doctors run their practice more effectively.
- *Direct to Consumer network:* The Group's expertise in the Direct to Consumer business has given it a unique understanding of consumer needs and trends in key countries. With approximately 18,000 stores globally and e-commerce platforms, EssilorLuxottica serves the end consumer with a wide range of prescription frames and sunglasses, lens options and eyecare services. Engaging websites, omnichannel solutions and continuous training for store employees translates into an increase in consumer awareness around vision care as well as digitally enhanced consumer experiences and services. The Group's stores are also paying attention to energy efficiency, building less and better, circularity in the use of materials and waste management. EssilorLuxottica is working to obtain the WELL international certification for innovative energy consumption as well as the use of recycled or regenerated materials, and it is also testing possibilities to generate new materials from eyewear production waste that could be useful for its retail, office and showroom spaces.

EssilorLuxottica's sustainability efforts extend to its subsidiaries in terms of environmental footprint reduction (e.g. energy optimization) and social impact on local employees (e.g. development opportunities and mobility) and communities (e.g. access to quality eyecare). In addition, employees are encouraged to receive training on sustainability topics through a comprehensive online learning path that is being developed and delivered through the Leonardo platform.

As detailed in Section 1.4, the Company is committed to addressing critical Environmental, Social and Governance (ESG) risks in its value chain, including climate change, talent management and sustainable offering. At the same time, it responds to the world's growing vision needs with a large portfolio of innovative eyecare and eyewear products accessible to everyone, everywhere in support of its Mission (see Section 2.3).



## 1.2 Stakeholder Engagement

EssilorLuxottica's approach to sustainable development relies heavily on the environmental and social impact of its business activities related to various stakeholders along its value chain.

As the significance and handling of social and environmental issues differ between countries, stakeholder relationships are generally managed locally, under the responsibility of senior management of the legal entities. However, as EssilorLuxottica continues to grow, ensuring the Company has a unified presence across markets has become increasingly important. The EssilorLuxottica Code of Ethics sets forth principles that apply to all its employees, contractors, vendors and suppliers everywhere and in every circumstance. In addition, the Corporate Sustainability Communications Policy provides guiding principles for governing and coordinating the Company's external and internal communication flows regarding sustainability.

The Group aims to maintain a regular and proactive dialogue with all its stakeholders so that it can continuously respond to their needs and expectations.

Depending on the situation, interactions between EssilorLuxottica and its stakeholders serve a range of purposes including to:

- support people development via training and engagement between managers and employees thanks to continuous feedback processes and performance review; moreover,

employees can express their concerns also via the dedicated internal reporting system EssilorLuxottica SpeakUp;

- provide a consultation process for the purpose of anticipating business developments, the market and regulations, as well as managing risks and identifying opportunities;
- involve stakeholders in strategic decisions through customer satisfaction surveys, forums, training sessions, etc.;
- inform stakeholders by providing reliable, factual data using different communication methods, including brochures, websites, annual reviews and questionnaires;
- contribute to growth via partnership projects, particularly in the fields of health and the environment, such as support for patient associations, humanitarian aid programs and partnerships with universities.

Relations and transparent communication with stakeholders are therefore key for the Company, as their needs and viewpoints fuel its strategy and operations. Stakeholders' main concerns are also documented and addressed. In addition, EssilorLuxottica communicates on its sustainability initiatives and provides regular updates throughout the year on its corporate channels, including its corporate website, social media accounts and Leonardo learning platform.

The table below presents the main topics related to stakeholder engagement.

Stakeholder group	Main topics
<b>Employees and Representative Organizations (e.g. trade unions)</b>	<ul style="list-style-type: none"> <li>Quality of working conditions</li> <li>Work-Life balance</li> <li>Talent recruitment, attraction and retention</li> <li>Development and training</li> <li>Equal opportunities, diversity and inclusion</li> </ul>
<b>Business Partners (including licensors) and Suppliers</b>	<ul style="list-style-type: none"> <li>Sustainable procurement and supplier CSR audit/responsible sourcing</li> <li>Collaboration on innovation and development</li> <li>Integrity and compliance with regulations and laws, including Human Rights</li> </ul>
<b>Clients (e.g. ECPs) and Consumers</b>	<ul style="list-style-type: none"> <li>High quality and innovative products</li> <li>High quality customer service and training</li> <li>Responsible marketing</li> <li>Integrity in business relations</li> <li>Sustainable offering</li> <li>Meeting health needs related to societal trends (e.g., digitalization, aging population)</li> <li>Data protection</li> </ul>
<b>Shareholders, Investors and Rating Agencies</b>	<ul style="list-style-type: none"> <li>Management of sustainable development and ESG risks</li> <li>Transparency and evaluation of sustainability disclosure</li> <li>Progress in sustainability strategy and Eyes on the Planet program, including ESG KPIs, commitments and updates</li> </ul>

Stakeholder group	Main topics
<b>Public Authorities and Governments, NGOs and Consumer Associations</b>	Social and economic impact Transparency (on social initiatives, environmental footprint, product performance, etc.) Sponsorships and philanthropy Contribution to visual health and inclusive economy Fair business practices, including responsible marketing Dialogue, partnership and education
<b>Educational Institutions</b>	Cooperation for R&D and innovation (e.g. scholarships, partnerships) Talent attraction, recruitment and development
<b>Local Communities</b>	Employment creation, support to inclusive businesses and local economies Raising awareness and providing access to vision correction and protection Sponsorships and philanthropy

## 1.3 Governance of Sustainability

The development and execution of the Eyes on the Planet program is based on a robust and effective governance model.

The EssilorLuxottica Corporate Social Responsibility (CSR) Committee consists of three members, two of which are Independent Directors. It is chaired by an Independent Director. The main duty of the CSR Committee, within the remit of the Board of Directors, is to ensure that the Group effectively addresses the deployment of its Mission, which is fully integrated in its strategy. The CSR Committee also addresses the deployment of the Group's sustainability program (Eyes on the Planet framework).

As detailed in Section 3.1.2.6 of this Universal Registration Document, CSR Committee duties go beyond philanthropy, sustainable programs and compliance to address how the Company manages its economic, social and environmental impacts as well as its relationships with stakeholders.

The EssilorLuxottica Corporate Sustainability function directly reports to the Chief Executive Officer and leads efforts on environmental and social challenges while enhancing the development of its Company-wide sustainability strategy and roadmap.

The role of the Corporate Sustainability function is to involve and coordinate with other departments, functions, business units and brands in the execution and development of the Group's Eyes on the Planet sustainability program at global and local levels in a way that is consistent with EssilorLuxottica's Mission and business strategy (see Section 2). This translates into the following main responsibilities:

- ensuring effective management of environmental and social issues along the value chain;

- advancing the organization's awareness and culture on sustainability topics while supporting communication inside and outside the organization;
- ensuring that activities are directed and coordinated across the Group consistently with its sustainability program;
- sharing best practices and promoting cross-functional collaborations and taskforces;
- guaranteeing compliance with non-financial disclosure and other major sustainability related regulations;
- identifying and managing ESG (Environment, Social, Governance) risks in coordination with the Group Risk Management function;
- providing guidance and expertise on delivering the Group sustainability strategy at local or brand level as well as driving bottom-up actions for improving the Company's sustainability efforts on the ground.

The Eyes on the Planet program therefore informs the organizational structure of the Corporate Sustainability function, where each member is accountable for the development and execution of a specific pillar and/or works cross-functionally with many colleagues in different business units and regions to ensure the program, roadmap and tasks are well anchored close to the business.

As described in Section 3.3 of this Universal Registration Document, a CSR objective has been included in the 2023 Executive Corporate Officers' annual variable compensation package and is linked to the efforts pursued through the 'Eyes on the Planet' sustainability program. In addition, since 2022, a CSR objective has been also included in the annual variable compensation of more than 15,000 employees.



## 1.4 ESG Risk Management

Risk management is an integral part of the business and can be defined as any events or situations that could have financial, non-financial, or reputational impact, threatening the achievement of business objectives and strategies or the Company's tangible and intangible assets.

EssilorLuxottica faces an evolving landscape of environmental, social and societal related risks that can impact its profitability, growth and reputation, and could compromise the Company's overall performance. The Company is risk-averse toward events that could negatively affect the safety or well-being of its

employees, consumers, and other stakeholders or endanger the natural environment. To reach its strategic and sustainability objectives, the Group strives to anticipate and manage risks to which it is exposed in all different activity areas.

Chapter 5 focuses on sustainability topics highlighted as most important during the annual ESG risk assessment, which is fully integrated into the EssilorLuxottica Group-wide risk assessment process (see Chapter 1 of this Universal Registration Document).

### Methodology of EssilorLuxottica ESG Risk Assessment

As part of its commitment to mitigate environmental, social and governance risks, the Group has integrated the analysis of risks related to sustainability topics (ESG risks) into the annual risk assessment process conducted by the Risk Management function in collaboration with the Corporate Sustainability function, involving all regions, legal entities, and business units.

Compared to the risk assessment process carried out in 2022, which introduced the ESG dimension into the Group's risk taxonomy, in 2023, the Group went a step further in identifying and integrating ESG-related risks and introduced the double materiality perspective.

#### Double Materiality Perspective

Following the preliminary identification of the Group's ESG-related priority risks through an internal survey, interviews, workshops and expert reviews, these were then assessed with a double perspective, involving:

- **Inside-out (or impact perspective):** a sustainability topic is considered material from an impact perspective when it relates to the company's actual or potential material impacts on people or the environment, in the short-, medium- or long term.

- **Outside-in (or financial impact):** a sustainability topic is considered material from a financial perspective if it triggers or may trigger material financial effects on the company's development, including cash flows, financial position and financial performance, in the short-, medium- or long-term.

While the financial materiality is fully evaluated within the Enterprise Risk Assessment, the Group smoothly integrated the impact of materiality considerations into the process. In particular, the interviews were an opportunity to discuss with the involved internal stakeholders about the potential impacts that ESG-related risks may have on the business as well as a preliminary indication of the potential impacts the Group may have on the environment and society.

By so doing, the Group set the basis for the proper assessment, which will be conducted in due course. To this regard, the Group reserves the right to deepen the integration of double perspective during the next financial year, in line with the regulatory requirements defined within the Corporate Sustainability Reporting Directive (CSRD), which will apply to the Group as of January 1, 2024.

## ESG Risk Description and Mitigation Measures

Ten ESG risk factors were identified as most relevant for EssilorLuxottica and regrouped into five priority topics: climate change, responsible business practices, non-financial communication, sustainable offering and production, and talent management and well-being.

The tables below detail risk descriptions and related mitigation measures:

### Climate Change

Risk Factor	Risk Description	Mitigation Measures
<b>Climate Transition</b>	<p>As the world goes through a low-carbon transition, the Group may encounter risks arising from the instability of supply and demand (e.g. energy), emergence of new stringent climate regulation (e.g. carbon tax), and development of competing low carbon technologies (e.g. 3D printing) or increased concern/expectations from stakeholders (e.g. new customer preference) that may lead to the inability to achieve its climate commitment or adapt its business model.</p> <p>Risk may be exacerbated by the Group's inability to track the effectiveness of existing actions and consequent missed opportunities.</p> <p>Moreover, delays in delivering the EssilorLuxottica climate roadmap may be caused by a lack of proper organization, expertise and resources, further impacting the Group reputation and its external perception.</p>	<p>In line with its 'Eyes on the Planet' program, EssilorLuxottica has developed a Carbon Neutrality roadmap that brings together representatives from various internal functions (Procurement, R&amp;D, Supply Chain, EHS, Corporate Sustainability, etc.), and whose progress is regularly reviewed by the Chief Operating Officers of the Group.</p> <p>Key actions contributing to carbon neutrality transition include:</p> <ul style="list-style-type: none"> <li>• regular reporting of GHG emissions for Scope 1, Scope 2 and Scope 3 emissions;</li> <li>• completing and regularly updating the carbon footprint assessment to evaluate the Group's overall GHG portfolio;</li> <li>• optimizing its production process and equipment to continuously improve energy efficiency;</li> <li>• investing in renewable energy production (e.g., solar and biomass heating systems) and maximizing the use of renewable energy where possible;</li> <li>• reducing CO<sub>2</sub>e emissions of logistics activities to build a low carbon supply chain;</li> <li>• supporting carbon capture or carbon reduction projects beyond the value chain to contribute to the global carbon neutrality agenda.</li> </ul> <p>EssilorLuxottica is on track to achieve carbon neutrality for its direct activities (Scope 1 and Scope 2 emissions) by 2025, starting in Europe in 2023. The Group is also committed to setting near-term emissions reduction targets according to the Science-Based Targets initiative (SBTi). Various indicators have been defined to closely assess the progress of different programs (e.g. energy consumption and associated Scope 1 and Scope 2 emissions, GHG reduction of logistics initiatives).</p> <p><i>For further details, see Section 2.1.</i></p>

## Climate Change

Risk Factor	Risk Description	Mitigation Measures
<b>Business Interruption</b>	<p>The Group may be exposed to risks arising from the potential disruption of critical operations as a result of both internal and external events (see Section 1.6 of this Universal Registration Document).</p> <p>As climate change is increasingly becoming a global emergency, the Group may be exposed to either natural disruptive events or long-term changes in climate patterns (e.g. rising temperatures), as it operates in countries exposed to adverse natural events such as heat waves, floods, droughts, hurricanes and earthquakes. Similarly, the Group may face water scarcity issues, which may impact its operations and sustainability.</p> <p>The increasing number of disruptive events and the difficulty of adapting to related consequences may lead to an increase in insurance premiums, leading to higher insurance costs, and higher operational costs/lower revenues as well as delays in the supply chain.</p> <p>Moreover, the concentration of manufacturing facilities may lead to potentially severe business interruptions in case of natural disasters affecting these areas. Difficulties in adapting to related consequences may lead to business disruptions or higher operational costs.</p>	<p>EssilorLuxottica pays close attention to climate events and prepares comprehensive adaptation measures to ensure business continuity.</p> <p>As explained in Section 2.1, the Group monitors its level of climate risk exposure for various industrial sites and stores to ensure risk mitigation measures are in place and ensure business continuity.</p> <p>In addition, the Group continuously monitors and updates its Business Continuity Plans and Disaster Recovery Plans and conducts climate risk assessment prior to the selection of building sites.</p> <p>The Group also closely monitors indicators such as the number of sites exposed to water risks.</p> <p>Finally, as mentioned in Section 1.6, the decentralization of production sites is another measure to reduce business Interruption risks.</p> <p><i>For further details, see Section 2.1.</i></p>

## Responsible Business Practices

Risk Factor	Risk Description	Mitigation Measures
<b>Ethical Behavior</b>	<p>EssilorLuxottica, due to its international footprint, is exposed to different local and international laws on business ethics (e.g. anti-corruption, human rights, international economic sanctions, antitrust). Non-compliance with these regulations or third parties and business partners that do not respect the Group's Code of Ethics and pursue unethical behaviors (e.g. bribery, trickery, breach of confidence) may lead to fines, sanctions and reputational impacts for the Group.</p> <p>Additionally, problems with compliance could arise from a lack of clear internal communication regarding best practices and appropriate behaviors.</p> <p>The potential involvement in controversies might negatively impact the Group's operation and the local communities where it operates.</p>	<p>Promoting ethical behaviors within the organization fosters the protection of the local communities in which the Group operates, and includes various aspects, among all:</p> <p><b>Antitrust</b></p> <p>The Group actively integrates antitrust considerations into its business decisions and processes. To ensure that M&amp;A operations and commercial practices do not violate antitrust regulations, EssilorLuxottica performs preventive antitrust assessments with the support of several specialized international advisors, as well as antitrust agreements with local third parties.</p> <p>For more information, please see Section 1.6 of this Universal Registration Document.</p> <p><b>Ethics and Corruption</b></p> <p>In 2023, EssilorLuxottica published a new Code of Ethics and released several policies to mitigate unethical behavioral risk (e.g. Anti-bribery and Corruption policy, Conflict of Interest policy, Competition Law Compliance policy, Data Privacy Compliance program). In addition, the Group is planning to launch an Anti-money Laundering Policy, currently under review.</p> <p>Moreover, to further engage stakeholders on the subject, the Company published the new Business Partners' Code of Conduct.</p> <p>Alongside the publication of the updated Code of Ethics, the Group is working on a specific training module for employees. In 2023, the Group also launched a new internal reporting system (EssilorLuxottica SpeakUp) as well as a dedicated procedure and training, for employees and investigators. The Group also launched an Anti-bribery and Corruption training, through its Leonardo platform in several languages.</p> <p><b>Human Rights</b></p> <p>The Group responds proactively to risks related to potential human rights violations through initiatives designed to improve safeguards and reinforce the existing system. External and internal audits are performed on EssilorLuxottica's own operations.</p> <p>The topic is also covered in both the Group's Code of Ethics and the new Business Partners' Code of Conduct.</p> <p><i>For further details, see Section 2.5.</i></p>

## Responsible Business Practices

Risk Factor	Risk Description	Mitigation Measures
<b>Supply Chain</b>	<p>Within supply chain, the Group is aware of reputational, legal and compliance risks that may arise from non-responsible behavior.</p> <p>The presence of own facilities in many countries can make it difficult to harmonize different rules and regulations and threaten the possibility to ensure greater control over respect for human rights, health and safety and welfare standards for workers, but also for suppliers and other business partners involved in the activities of the Group.</p> <p>Given its international footprint, the Group works with third parties based in different regions, each with different sustainability and ethics models.</p> <p>To know more on the Supply Chain risk and mitigation measures at large, please, see Section 1.6 of this Universal Registration Document.</p>	<p>The Group sets responsible sourcing standards and initiatives through the EssilorLuxottica Responsible Sourcing Program. This program brings together representatives from various internal functions, including but not limited to Sourcing, Risk Management, Manufacturing and Corporate Sustainability.</p> <p>EssilorLuxottica is committed to respecting and promoting human rights across its entire value chain. For instance, the Group's Business Partners' Code of Conduct aims to ensure that business partners (e.g., suppliers, distributors, franchisees, consultants and agencies) uphold the Company's commitment in areas such as ethics, human rights and labor standards, environment, health and safety.</p> <p>Furthermore, to ensure compliance, qualified third parties assess supplier environmental and social performance through a self-assessment platform or on-site audits. Suppliers who fail to meet the Company's requirements, and are unwilling to implement necessary corrective actions, or demonstrate persistent problems in multiple audits, may be assessed for terminating or reducing business.</p> <p>Besides, the Group has training and awareness initiatives in place targeting suppliers and the procurement community. EssilorLuxottica tracks specific indicators (e.g. number of audits, number of critical nonconformities) to identify risks, put in place mitigation measures and ensure the overall effectiveness of the program.</p> <p><i>For further details, see Section 2.5.</i></p>

## Responsible Business Practices

Risk Factor	Risk Description	Mitigation Measures
<b>Data Privacy</b>	<p>International legal regulations concerning data privacy are different among each other and in constant evolution. Failure in compliance with such regulations and standards exposes EssilorLuxottica to reputational risks.</p> <p>Inadequate data protection measures can lead to breaches that expose sensitive consumer and stakeholder information, such as health or financial data, to harmful parties.</p> <p>Privacy is one of the key issues to be addressed by EssilorLuxottica, which works to expand its smart eyewear capabilities and partnerships with other companies, such as Meta. Broadening its perimeter and serving a growing number of customers and patients will require EssilorLuxottica to process and protect personal as well as sensitive digital data related to health information (e.g. visual impairment).</p> <p>The Group continues to increase digitalization and innovation, as in the case of the HELIX division, which will involve the management of personal and sensitive customer health data.</p> <p>Additional concerns may arise from greater exposure to third party data management introduced as part of the digitalization and innovation path undertaken by EssilorLuxottica, for instance in relation to the launch of HELIX, which will allow ECPs leverage modern technology to improve the eyecare experience for patients and support doctors run their practice more efficiently. This could potentially make data privacy a structural risk to the large amount of data managed in outsourcing.</p> <p>From an investment point of view, effective data collection and robust data privacy practices are closely considered by rating agencies as key indicators of sustainability. Rating agencies assess a company's approach to data privacy when evaluating overall sustainability alignment: a low score can potentially result in adverse impacts on the company's performance and reputation.</p> <p>To know more on the Data Privacy risk and mitigation measures, please, see Section 1.6 of this Universal Registration Document.</p>	<p>EssilorLuxottica invests in protecting its stakeholder's data privacy, whilst ensuring compliance with all the applicable Data Protection and Privacy acts across the world.</p> <p>To ensure data protection is respected by all employees, specific trainings related to data privacy are available on the Leonardo learning platform and awareness programs serve to improve the data protection culture. In addition, particular attention is given to the processing of personal data by business partners when launching new products or services (e.g. teleoptometry, Ray-Ban I Meta, app).</p> <p>Moreover, as part of the GrandVision integration process and the subsequent surge in data volume, EssilorLuxottica has introduced a unified common sales system (Ciao), that aims to streamline the collection, management and storage of sensitive consumer data from various sales channels. The implementation of this system represents a significant step toward more effective control and improved administration of consumer data, enabling the Group to supervise information collected at various points of sale more efficiently. This approach provides a centralized source for sensitive data, greatly simplifying monitoring and ensuring enhanced security in handling information.</p> <p>Finally, EssilorLuxottica raises awareness on data privacy through conferences and collaborates with various authorities and Data Protection Authorities to implement appropriate information programs as well as data protection awareness campaigns.</p>



## Non-Financial Reporting

Risk Factor	Risk Description	Mitigation Measures
<b>Brand Integrity &amp; Perception</b>	<p>In today's business landscape, brand integrity and perception represent an increasing risk, particularly in reference to sustainability. Beyond the potential for fines or legal claims, the most critical peril lies in the potential harm to the brand's reputation within the corporate sphere.</p> <p>Responsible marketing practices are crucial for promoting the Group's sustainability goals and targets. This, in turn, can enhance brand credibility and enable customers to make informed decisions.</p> <p>A company's reputation and trust can be damaged by the risk of not providing sufficient information on the sustainable characteristics of a product (e.g., type of material used, whether recycled, certified, bio-based, other) or service (e.g., green shipping). In addition, providing misleading information on the sustainability characteristics of a product or service can lead to the risk of greenwashing. This not only undermines transparency in reporting but can also erode the Group's credibility and the effectiveness of genuine sustainability efforts that may be in place.</p>	<p>The Group uses a variety of sources to assess how the brand is perceived in the marketplace, including ongoing monitoring of newspapers, social media and other information sources to measure public and community response to sustainability campaigns. The Net Promoter Score (NPS) is used as a specific market metric, tracked via a centralized system, to measure customer satisfaction. To guarantee an omnichannel approach to customers, it is applied to retail and e-commerce channels. It is used in different stages of customer interaction with the Company to measure both sales experience and product satisfaction evaluating hard and soft components of the selling process that are part of its vertically integrated business model. For non-positive scores, the case is treated as a customer service case. Those consumers are asked if they want to be contacted by customer service staff to gather more feedback to properly manage and address any issue.</p> <p>In addition, the Group makes a substantial investment to uphold a high standard of consumer service. This proactive approach allows for the rapid identification of deviations in various situations.</p> <p>Lastly, the Company also has a validation process for product marketing statements (including sustainability claims) to ensure that appropriate proof exists and performance of the products in the laboratory can be taken into account within its production environment.</p> <p>To improve its reputation, the Group is considering implementing a system based on NPS, customer service, logistic accuracy and website communication, and, in terms of Corporate Sustainability, promoting specific initiatives and projects.</p> <p><i>For further details, see Section 2.2.</i></p>

## Non-Financial Reporting

Risk Factor	Risk Description	Mitigation Measures
<b>Reporting &amp; Communication</b>	<p>EssilorLuxottica operates internationally and has the liability to fulfill different already existing and upcoming country laws and regulations.</p> <p>Upcoming changes in the regulatory landscape include the Corporate Sustainability Reporting Directive, the Corporate Sustainability Due Diligence Directive, and the Green Claims Directive, as well as a growing focus on CSR/sustainability issues, which are raising stakeholder expectations for transparency, accurate data, and consistent information. Moreover, heightened investor appetite for sustainability strategies and performances requires constant improvements in non-financial reporting capabilities and disclosure, which are ultimately used by ESG rating providers to assess company ESG performances and issue public scores. Poor data and disclosures may result in low ESG scores and a wrong perception of the Company's sustainability efforts. EssilorLuxottica's image and reputation may be hindered by insufficient or incomplete communication on the achievements and milestones reached or by non-accurate, not reliable or not clear disclosure of sustainability-related information.</p>	<p>To support its sustainability journey, the Group has developed a Corporate Sustainability Communication Policy, to ensure that its sustainability approach and efforts are communicated accurately and coherently to all stakeholders and audiences in different regions. The policy includes principles to guide and coordinate the Company's internal and external sustainability communication.</p> <p>On sustainability reporting, EssilorLuxottica's Sustainability Reporting Protocol provides comprehensive guidelines and a glossary to ensure uniformity of indicator definitions, reporting rules and data consistency. The Sustainability Reporting Protocol is reviewed and updated annually to ensure alignment with the latest reporting standards.</p> <p>The Corporate Sustainability function closely monitors regulatory developments to ensure compliance with non-financial requirements and other key sustainability regulations. For example, the Group is working to organize specific meetings with different stakeholders, including investors and business partners (e.g. licenses), to communicate the Group's performance in Corporate Sustainability-related areas.</p> <p>In terms of accountability, the Group is working to establish ownership of specific issues, especially in response to strong due diligence requirements that will be required by the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD).</p> <p>The most relevant KPIs that support the Group's sustainability strategy are presented in the present Chapter 5 of this Universal Registration Document. These are also used to complete ESG rating questionnaires and review ESG reports with the Investor Relations function.</p> <p><i>For further details, see Section 1.5.</i></p>

## Sustainable Offering and Production

Risk Factor	Risk Description	Mitigation Measures
<b>Product Innovation &amp; Circularity</b>	<p>EssilorLuxottica has a wide and unique range of products that requires adapted production resources, specific raw materials and innovative services. In these regards, the Company may not yet fully (i) integrate sustainability criteria (such as recycled materials) into each stage of the development and production process, (ii) reduce waste generation and (iii) manage properly the end of life of its products. As consumer expectations for sustainable products and services are not fully met, this risk may have a negative impact on the Company by causing it to lose competitive advantage and market share, particularly among younger generations.</p>	<p>EssilorLuxottica is making significant efforts to make its business model more circular with the aim to shift from fossil-based materials to bio-based and/or recycled materials and embed eco-design in all its developments by 2025. By so doing, its sustainable innovation expertise embraces the Group's products and services to meet the Company's environmental commitments without compromising excellence and quality, and always guaranteeing the best vision experience.</p> <p>These principles inspire the Group's circular approach which encompasses the entire product life cycle from sourcing and researching new innovative materials, developing internal recycling processes and reducing input materials, to satisfying customer preferences and demands for more sustainable products, as well as packaging, by favoring eco-conscious designs and investing in new technologies. Being consumer-oriented, the Group is also implementing circular services to extend product life or give products a second life.</p> <p>As an open Company, EssilorLuxottica's internal experts also engage with an entire ecosystem (academics, start-ups, etc.) to build innovative solutions that require collaborative actions such as end-of-life management.</p> <p><i>For further details, see Section 2.2.</i></p>

## Talent Management & Well-Being

Risk Factor	Risk Description	Mitigation Measures
<b>Health &amp; Safety</b>	<p>Health and safety issues and working conditions are receiving increased attention from the market and regulators, the latter having introduced stricter regulations on those specific matters in recent years. Violations would result in negative consequences for the Group, also in terms of reputation and brand integrity.</p> <p>The Group could be adversely affected if employees perceive their working conditions to be unsafe and/or their welfare policies to be inadequate and/or unsatisfactory. Such situations may lead to intensified social dialogue and even social conflict (e.g. strikes), exposing the Group to potential business disruption, reputational damage and legal action. In addition, breaches of health and safety standards can lead to accidents and health damage that may jeopardize the physical well-being of employees, while excessive working hours could potentially have a long-term impact on their well-being.</p> <p>Furthermore, given the Group's presence in countries where local health and safety standards are not always aligned with international standards, inadequate working conditions could have a negative impact on the image/brand of EssilorLuxottica, locally and at global level, leading to a deterioration of relationships with local authorities and preventing the establishment of new partnerships/agreements with local third parties.</p>	<p>EssilorLuxottica is committed to protecting the health and safety of its employees, as well as ensuring a safe workplace. The Group has implemented several internal policies and procedures to mitigate the risks associated with these issues and has introduced measures to make the workplace safer and healthier, even in countries where health and safety requires more careful monitoring.</p> <p>Moreover, the H&amp;S team continues its local consolidation in all regions for each business to strengthen existing local teams. An Ergonomics Group Manager has been appointed to develop a long-term strategy on the topic.</p> <p>In countries where it operates, the Group is committed to complying with all applicable laws and regulations. For areas where the Group identified critical situations, lagging behind current Group Standards, the Group has set up a plan focusing specifically on H&amp;S topics. To ensure compliance, internal and external audits are conducted each year.</p> <p>Moreover, to strengthen its commitment in this field, several production facilities, logistics sites and prescription labs have obtained ISO 45001:2018 Occupational Health and Safety Management certification, which provides a framework to identify and improve employee safety while preventing workplace risks.</p> <p>Finally, EssilorLuxottica supports its employees with a comprehensive welfare package. The Group has also defined multiple indicators to monitor the effectiveness of its Health and Safety programs, including indicators of incident frequency and severity rate.</p> <p><i>For further details, see Section 2.4.</i></p>

## Talent Management & Well-Being

Risk Factor	Risk Description	Mitigation Measures
<b>People Management</b>	<p>Talent attraction and retention is crucial to allow and foster growth of the Group, particularly due to increasing importance placed on topics such as diversity and inclusion and learning development paths nowadays.</p> <p>As explained in Section 1.6, the Group's ability to attract and retain talent may be jeopardized by: (i) effectively creating a single organization by integrating different backgrounds and cultures; (ii) changing attitudes to work-life balance (e.g. through spread of remote working); (iii) shortage of qualified personnel, such as optometrists, that can lead to delays and inefficiencies in vision impairment treatment; (iv) difficulties in certain countries where the Group operates to ensure that working conditions meet international and internal standards.</p> <p>Given the growing importance that younger generations attribute to sustainability topics (e.g. equal opportunities, and respect for the environment), any perceived gap between the sustainability commitments communicated by the Group and their actual implementation could have an impact on attracting talent, efficiency of recruitment and ability to retain employees.</p>	<p>EssilorLuxottica considers its employees to be one of the most important factors in its success. The Group is committed to ensuring a safe, welcoming, and positive working environment for its employees, and is constantly planning and developing initiatives to foster community. A tangible advancement in this respect is 'weare:' global project to identify and consolidate one company culture, enhance people engagement and elevate the Company's Mission and business strategy. In recent years, the Group has continued to implement its talent development and retention initiatives, like performance review, competitive pay and bonuses. Through the Leonardo platform employees are engaged worldwide in learning initiatives aimed not only at enhancing their skills but fostering a stronger sense of belonging within the Company.</p> <p>Several programs are being developed to improve corporate culture and enhance values of inclusion across all locations. In 2023, the Global DE&amp;I function was strengthened, marking the implementation of the Company's strategy and commitments for Diversity, Equity, and Inclusion to enhance the sense of belonging. The Corporate Sustainability team strictly collaborates with HR on diversity and inclusion issues, while it works with other functions to address issues such as fair compensation.</p> <p>Another mean of internal cohesion is the international Employee Shareholding Plan called 'Boost' which is steadily expanding year by year.</p> <p>In terms of well-being, the Group offers employees flexibility with a smart working model, in addition to providing a comprehensive corporate welfare system. The Company aims to promote relationships between employees, encouraging them to plan days in the office so they can work together and organize live meetings.</p> <p>To adapt to an evolving labor market, the Group is reviewing its recruitment, attraction, and retention policies to meet new expectations, particularly those of younger generations. The Company also works with schools to increase knowledge and awareness of opticians among younger generations.</p> <p>The Group uses indicators to monitor the impact of its various programs (for example: breakdown of employees by gender, age, contract type and category, hours of training provided and number of women in management positions worldwide).</p> <p><i>For further details, see Section 2.4.</i></p>

Combined with the mitigating measures described above, EssilorLuxottica is implementing dedicated CSR policies, procedures and controls at both operating and holding levels.

As required by regulation, the themes of 'fighting against food waste and food poverty', 'means in favor of responsible, fair and sustainable food', 'actions aimed at promoting the link between the nation and the armed forces and supporting commitment in the reserves', 'the respect of animal welfare' and 'actions to promote the practice of physical activities and sports' have been analyzed, and none of them have been rated with high potential ESG risks for EssilorLuxottica. For more details about the Company-wide risk assessment, see Section 1.6.

## 1.5 Protocol and Organization of Non-Financial Reporting

Non-financial reporting provides a tool to help the Company monitor and understand its status and progress on sustainability priorities, risk management, and associated impacts. It is also an opportunity to provide stakeholders with a complete and consistent overview of the Company's environmental and social impact.

As a French-listed company, EssilorLuxottica takes European Directive no. 2014/95 (transposed into French law in August 2017, Decree no. 2017-1265, Article L. 225-102-1, II of the French Commercial Code) as reference for its non-financial statement.

### EssilorLuxottica Sustainability Reporting Protocol

The EssilorLuxottica Sustainability Reporting Protocol contains detailed guidelines and a glossary that ensure alignment on indicator definitions, rules of reporting, and data consistency.

The Reporting Protocol follows guidelines in the Global Reporting Initiative (GRI) Standards (version 2016 and version 2021 for Universal Standards); it also takes into consideration the global agenda of the United Nations Sustainable Development Goals (SDGs) and specific frameworks such as recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). For indicators on greenhouse gas (GHG) emissions, the Company follows the GHG Protocol and framework in the Global Logistics Emissions Council (GLEC).

For certain specific sustainability topics (e.g. health and safety indicators), the information reported is analyzed and monitored by the Company in the normal course of its business, using company-specific KPIs and definitions.

The document is reviewed and updated annually to ensure the most current reporting standards are followed and support sustainability performance monitoring and management.

#### (i) Reporting scope

The reporting scope of non-financial information covers all entities and subsidiaries that are fully-consolidated. The list of entities requested for sustainability reporting is updated annually according to the financial consolidation scope.

For each specific indicator, reporting coverage can vary, and is specified in the disclosure of each indicator based on the headcount of entities reporting information and the Company's total headcount.

#### (ii) Key indicators

The selection of EssilorLuxottica indicators covers key sustainability topics that were identified following the Group ESG risk assessment, major topics related to 'Eyes on the Planet' and mandatory requirements set by the EU Directive no. 2014/95 (transposed into French law in August 2017, Decree no. 2017-1265). Other criteria, such as expectations from key accounts, rating agencies and indices and institutional investors were also considered when selecting the indicators.

See Section 5 for more information on reporting scope, period, rules of reporting and consolidation, and other guidelines related to the information disclosed in this chapter.

### Reporting organization

In 2023, the reporting campaign was organized through a collaborative and integrated process that was centrally managed by the Corporate Sustainability function. It followed guidelines defined in EssilorLuxottica's Reporting Protocol.

Specifically, workforce information is consolidated by the HR controlling team through the operational employee monitoring system that relies on the SAP, E-Talent and KPEYE platforms; educational information is centrally collected via the Leonardo platform and Sustainability Portal; environment, health and safety indicators for manufacturing sites and prescription laboratories are collected by the Benchmark ESG™|Gensuite® software and environmental information for retail activities is collected through Oracle Cloud EPM Planning. Health and safety indicators for retail activities are collected through Excel.

At the beginning of the reporting campaign, the Corporate Sustainability team held specific training webinars to explain the reporting process and information requested to relevant teams globally, as well as engage them on the importance of timely and consistent sustainability reporting.

All the information presented in this chapter has been reviewed by PricewaterhouseCoopers Audit, an independent third-party organization, in accordance with regulations resulting from European Directive no. 2014/95. See Section 6 'Report of the Independent Third-Party Organization' for further details.



## 2 Eyes on the Planet, EssilorLuxottica's Sustainability Program

### Program Description

Sustainability is deeply rooted at the core of EssilorLuxottica, both as an essential part of the Company's DNA today and key to continuing its history of corporate responsibility to help people 'see more and be more'. Doing good for its employees, customers, consumers and communities while doing good for the planet is at the heart of its Company-wide Sustainability program Eyes on the Planet. First presented in 2021, the program is based on five key pillars described below: Eyes on Carbon, Eyes on Circularity, Eyes on World Sight, Eyes on Inclusion, and Eyes on Ethics. Each pillar has a clear commitment and is broken down into a set of core activities that are easy to recognize in the Company's business model, offering presence and connection with local communities and territories.

- **Eyes on Carbon:** EssilorLuxottica is committed to addressing climate change and preserving the environment by reducing energy consumption and water use within its operations, limiting its carbon footprint across the value chain and being resilient to climate-related risks. In 2021 the Company announced its journey to become carbon neutral in its direct operations in Europe by 2023 and worldwide by 2025. In 2023, the Company also committed to setting near-term emissions reduction targets according to the Science-Based Targets initiative (SBTi). This represents another step toward its long-term goal of addressing climate change by reducing carbon footprint across its operations and along its value chain. See Section 2.1.
- **Eyes on Circularity:** EssilorLuxottica's climate commitment is deeply intertwined with its circularity goals along the value chain, leveraging its sustainable innovation expertise across its materials, processes, products and services. The Company's efforts focus on optimizing the use of resources, including a shift from fossil-based materials to bio-based materials and embedding eco-design in all its product developments by 2025, while ensuring high product standards. The Group is also taking steps to put an end to waste following the 4Rs 'Research-Reduce-Reuse-Recycle'. See Section 2.2.

- **Eyes on World Sight:** Based on its belief that good vision is a basic human right, the Group has an ambition to eliminate uncorrected poor vision in a generation and make vision care accessible to everyone, everywhere. This responsibility toward vision and society also includes other corporate citizenship initiatives, such as advocacy for good vision on the road and art accessibility. See Section 2.3.
- **Eyes on Inclusion:** The Company's employees are the leading players and contributors to EssilorLuxottica's sustainable development and value creation efforts. The Company seeks to develop a culture of learning, diversity and safety along with the creation of a working environment that offers everybody the same opportunities on the basis of merit and without discrimination. See Section 2.4.
- **Eyes on Ethics:** EssilorLuxottica's vertically-integrated business model is the key to delivering and ensuring a fair and ethical business approach wherever it has a presence. Reinforcing its ethics efforts, in 2023 EssilorLuxottica updated its Code of Ethics and developed a Business Partners' Code of Conduct to establish harmonized practices and protect human and labor rights across its entire value chain, as per the International Bill of Human Rights and ILO Conventions. See Section 2.5.

Ever since its launch, the Company and its subsidiaries have been consistently executing projects and initiatives under each 'Eyes on' strategic pillar of the program, aiming to further embed sustainability into its business model. By advancing its Eyes on the Planet program, EssilorLuxottica contributes to its Mission and involves the entire organization in addressing environmental protection, employee well-being, and the economic and social progress of the local communities it serves.

EssilorLuxottica 2023 sustainability highlights are reported throughout this chapter according to the corresponding pillar.

### 2.1 Eyes on Carbon

Adapting to climate change and moving toward a low-carbon economy are topics among the global agenda today. EssilorLuxottica's climate commitment addresses these global challenges along its vertically integrated business model.

In 2023, EssilorLuxottica reached carbon neutrality for Scope 1 and Scope 2 emissions (direct operations) in Europe, as part of a broader Scope 1 and Scope 2 carbon neutrality objective to be reached worldwide by 2025. In addition, the commitment to the Science-Based Targets initiative (SBTi) represents a key milestone in its long-term goal to address climate change. In this respect, following the update of its full carbon footprint assessment, the Company prioritizes climate actions within its sphere of influence and engages all its stakeholders. This

commitment stems from a sense of global responsibility and the understanding that operational efficiency, innovation, and competitiveness are vital in addressing climate change.

As part of a broader awareness of the climate-related risks and opportunities while executing and evolving its climate roadmap, the Company supports recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). EssilorLuxottica's approach to addressing climate change is consolidated under the Eyes on Carbon pillar and is recalled below according to the four key building blocks of the TCFD guidelines. Additional references are provided in the reconciliation table in Section 5.

## Governance

Climate change topics are reviewed by the Company's CSR Committee annually. The role of the CSR Committee is stated in Chapter 3 of this Universal Registration Document and in Section 1.3.

At an operational level, EssilorLuxottica has specific governance structures and working groups to ensure the advancement of actions:

- a cross-functional task force including the EHS, Procurement, Logistics, Supply Chain, Product Sustainability and Corporate Sustainability functions was formalized to ease

collaborative projects, support key decision-making, deploy carbon reduction actions and ensure the achievement of associated targets. The work of the task force is reviewed by the Group's co-Chief Operating Officers on a regular basis;

- a task force on climate resilience, including the Internal Audit, Risk Management, EHS and Corporate Sustainability functions, was also set up to assess the maturity level of climate risk management at strategic sites through a specific climate resilience review framework designed internally.

## Strategy and Commitments

EssilorLuxottica's approach to climate change has two main dimensions.

First, the Company continuously makes efforts across its value chain to limit and reduce its impact on the climate. These include investing in energy efficiency programs and renewable energy production, maximizing the use of renewable energy where possible, optimizing production organization and logistics flows, and innovating in the field of sustainable raw materials and low-carbon products and services.

Specifically, EssilorLuxottica announced its first climate commitment in 2021, aiming to achieve carbon neutrality for its direct operations (Scope 1 and Scope 2) by 2025, starting with Europe in 2023 which has been achieved.

In addition, the Company's commitment to set near-term emissions reduction targets according to the Science-Based Targets initiative (SBTi) in the first quarter of 2023 represents

another step forward in its long-term goal to address climate change by reducing the carbon footprint in its operations and value chain. As part of this commitment, during the year the Company updated its carbon footprint assessment to have a more accurate understanding of its direct and indirect CO<sub>2</sub>e impacts. In 2024, different functions are going to be involved in the identification of key decarbonization levers and in the design of a science-based roadmap to reduce direct and indirect emissions. The Group will also engage its main suppliers on this journey.

Second, concerns about climate change require EssilorLuxottica to understand its climate risk exposures and develop solutions to adapt and quickly respond to the challenges posed by this issue. The Company aims to maintain good knowledge of global climate projections and assess its vulnerability to climate change risks to improve its resilience and prepare the business for potential consequences.

## Climate-Related Risk Management

Following the recommendations of the TCFD framework, two categories of climate-related risks – risks related to the physical impacts of climate change and risks related to the transition to

a lower-carbon economy – are considered to prepare the Company for potential operational, financial and reputational impacts, and to build the climate resilience of its activities.

### Identification and Management of Physical Climate Risks

Since 2021, EssilorLuxottica has been performing physical climate risk assessments to gain a better understanding of the Group's climate-related risks. The Group updated and expanded the scope of its physical climate risk assessment in 2022, covering the Group's full activities, including manufacturing and logistics facilities, offices and directly managed stores. This climate risk model was built based on four chronic climate hazards (heat stress, sea level rise, precipitation and drought) and three acute climate hazards (tropical cyclones, extreme flooding and fire weather) over the mid-term (2030) and long-term (2050 and 2100). The model takes into consideration three 'Representative Concentration Pathways' (RCP) scenarios developed by the Intergovernmental Panel on Climate Change (IPCC):

- RCP 2.6 (>+1.5°C by 2100) - consistent with the Paris Agreement, in which energy transition is considered in accordance with the ambitious mitigation goals;
- RCP 4.5 (+2-3°C by 2100) - a specific scenario with limited action in which temperature increase estimates are considered with current global policies announced;

- RCP 8.5 (>+4°C by 2100) - considers the worst-case climate scenario, in which no specific climate-change mitigation measures are implemented.

A dedicated risk scale has been clearly defined for each climate-related risk (e.g. number of days in heatwave, or drought duration per year) to clearly identify the potential gross risks (i.e. the inherent risk before any mitigation measure is implemented) for the Group's analysed assets. This updated climate risk model helps the Group screen the physical climate risk exposure of a specific site based on its location, anticipate and prepare for potential climate hazards, raise awareness and protect employees in urgent situations and improve the resilience of its assets and supply chain. According to this model, the main climate-related risks for the Group are precipitation, heat stress and extreme flooding. Finally, the model can support management decisions when evaluating a new building project or when acquiring a new company.

In addition, the resilience against major threats is verified and strengthened following a site visit by the Property and Asset insurer, as part of the loss prevention and business continuity approach of the Group. For example, for flooding risk, mitigation measures usually involve the implementation of a flood emergency response plan that may also include the installation of barriers to avoid penetration of the water inside the buildings.

Moreover, the Company pays particular attention to natural resources and the protection of natural ecosystems close to its manufacturing and distribution sites. To this regard, the physical climate risk model is complemented by the water risks assessment as explained in Section 2.2

In 2023, the Group used the WWF Biodiversity Risk Filter to perform a preliminary analysis of its main assets to identify those located in protected, conserved or key biodiversity areas.

## Identification and Management of Transition Climate Risks

The Company may be exposed to extensive policy and regulation changes, technology limits, market shifts or reputational risks throughout the global transition towards a lower-carbon economy.

The table below provides an in-depth analysis of the 'Climate Transition' risk presented in section 1.4 ESG Risk Management. Indeed, EssilorLuxottica closely monitors regulatory, technological and market changes, anticipates possible challenges in the future, and implements actions to reduce carbon footprint across its value chain, continuously studying standards and benchmarks to improve its climate change roadmap.

Topic	Risk Description	Mitigation Measures
<b>Current and Emerging Regulation</b>	With its international footprint, the Group can be exposed to regulatory or market changes related to climate transitions (e.g. carbon taxes, new reporting obligation like CSRD).	The Group has developed an internal Carbon Neutrality roadmap to achieve carbon neutrality for its direct operations by 2025 and committed to the Science Based Targets initiative (SBTi) to further reduce its carbon emissions. The Corporate Sustainability function maintains a constant regulatory watch to guarantee compliance with non-financial disclosure and other major sustainability-related regulations.
<b>Technology</b>	As the world goes through a low-carbon transition, the Group may encounter risks from the development of competing low-carbon technologies (e.g. 3D printing).	EssilorLuxottica closely monitors technological changes, anticipates possible challenges in the future, and has implemented actions to reduce carbon footprint across its value chain, continuously studying standards and benchmarks.
<b>Market</b>	It is crucial for EssilorLuxottica, as leader in the eyewear sector, to anticipate customer needs. As consumer expectations for sustainable products might not be fully met, this risk may have a negative impact on the Company.	EssilorLuxottica is making significant efforts across its entire production cycle, including a shift from fossil-based materials to bio-based materials, biodegradable materials, and products easier to recycle. To do so, it nurtures key fundamental work streams such as: <ul style="list-style-type: none"> <li>• investing in breakthrough technologies;</li> <li>• increasing renewable content in its products;</li> <li>• developing eco-design with LCAs or in-house tools like the Sustainability Assessment Methodology (SAM).</li> </ul>
<b>Reputation</b>	Sustainability topics such as climate change are gaining importance due to the expectations of employees, consumers (especially the younger generation), customers and third parties. The Company's credibility and reputation may be hindered by insufficient communication of the achievements and milestones reached or by non-accurate, unreliable or unclear disclosure of sustainability-related information.	The Group is promoting integrity principles to support its interest in the theme. For employees, different training modules and awareness sessions are organized throughout the year. For 15,000 eligible employees, part of their variable remuneration was based in 2023 on climate efforts done by the Group to reduce its GHG emissions. Regarding external stakeholders, regular calls and meetings are organized with different stakeholders, including investors and business partners (e.g. licenses) to present the Group's sustainability program and progress. As for customers, the Group is able to identify all market trends and weak signals to adjust its offer to customer expectations thanks to a fully integrated business model.

EssilorLuxottica has also implemented environmental management systems that conform to the ISO 14001 standard. As a result, 38 of its manufacturing facilities, 22 lens laboratories, two distribution centers and one corporate office are ISO 14001 certified, which covers around 30% of total Group headcount.

Going forward, the Company will move from the current site-by-site ISO 14001 certification approach to a company ISO 14001 certification scheme, in line with its strategy to expand the application of this certification within the Group. In

addition, it is worth remembering that the global Environment, Health and Safety (EHS) function of EssilorLuxottica is responsible for the deployment of the environmental management systems aimed at reducing the Group environmental impact and ensuring the health and safety of all employees. This function relies on a network of correspondents present locally on production and distribution sites to oversee the operation of environmental and health and safety management (see Section 2.4).

## Key Actions, Metrics and Targets

In line with its Eyes on Carbon commitment, the Company continuously initiates, advances and monitors different climate actions within its operations and along its value chain.

### Carbon Reduction Efforts in Direct Operations

By actively working with internal teams and key suppliers, EssilorLuxottica is progressively increasing the scope of its actions and is identifying new initiatives to reduce its carbon emissions. As a result of this strategy, in 2023 the Company achieved a key milestone of its first climate commitment published in 2021: carbon neutral Scope 1 and Scope 2 emissions in Europe, on track to achieve the carbon neutrality for its direct operations worldwide by 2025. This also marks a significant step in the Group ambition to reduce carbon emissions along its value chain.

To deploy its strategy and achieve its commitments of Eyes on Carbon, the Company is focusing its efforts on minimizing its emissions before offsetting any residual ones as described below.

#### 1. Improving Energy Efficiency

EssilorLuxottica's energy initiatives are led by the EHS function, with actions such as:

- a review of the energy efficiency for manufacturing processes and peripheral units;
- improvement of equipment efficiency ratios (EER) by upgrading large electrical motors with higher energy efficiency class, and redefinition of the stoppage or standby conditions for equipment with the highest consumption. The mapping of more than 5,000 motors was done in 2022 and 2023, the first phase of motor replacement in major mass production sites for lenses was deployed. The first pilot phase demonstrated energy savings up to 30%, compared to the previous ones. In 2023, 85 motors were replaced. A second wave of replacement is planned in 2024 for mass production, whereas mapping and assessment of existing motors in Rx labs will allow the identification of those to be replaced in the next three years:

- the installation of meters to monitor energy consumption for main prescription laboratories and mass productions units in real time and the use of specific indicators to identify priority action areas and define new projects and improvement plan;
- raising awareness and training technicians and maintenance teams;
- continuous improvement of energy efficiency for existing buildings and stores in terms of lighting, air conditioning and heating systems.

Associated with the Company's efforts to improve energy efficiency and structure its energy management systems, 13 of its manufacturing facilities, four lens laboratories, two distribution centers and one corporate office have obtained ISO 50001 certification over the years which covers around 15% of the Group total headcount. ISO 50001 certification is complementary to ISO 14001 certification and enables the Company to assess the energy footprint of its sites and strengthen energy management.

Following its Leadership in Energy and Environmental Design (LEED) certification for logistic hubs built in recent years, in 2021, the Company started to draft its 'New Building Guidelines', which include criteria to obtain Gold level LEED certification for all of its new manufacturing and distribution buildings. These criteria attest that the design and construction respect the surrounding ecosystem, and have already been applied to three new or currently under construction buildings in France, Thailand and Mexico.

In addition to LEED certification, the guidelines also contain climate-related criteria such as renewable energy consideration, air emissions, water risk management, waste management and site location selection including climate risk analysis.

Sustainability considerations are also applied to the Group store network, as described in Section 2.2.

The table below shows the Company's energy consumption in 2023, and the evolution compared with 2022:

	2023	2022 (restated)	2022 (disclosed)
<b>TOTAL ENERGY CONSUMPTION (GWh)</b>	<b>2,148.8</b>	<b>2,127.5</b>	<b>1,930.6</b>
Renewable energy produced on site - Solar	12.7	7.4	7.4
Renewable energy produced on site - Biomass	1.2	1.2	1.2
Electricity purchased from renewable sources	702.9	638.0	543.3
Electricity purchased from non-renewable sources	1,176.7	1,199.8	1,122.2
Steam	2.5	2.6	2.4
Gas	244.3	267.7	244.8
Liquid Fuel	8.5	10.7	9.3

Note: The comparisons are performed referring to the 2022 'restated' column, which reports the figures resulting from the Carbon Footprint Assessment completed in 2023 on 2022 data. As explained in the methodology note (Section 5), 2023 and 2022 restated data cover 100% of the Group headcount. 2023 energy data remained at a similar level as 2022 'restated'. In line with EssilorLuxottica climate roadmap, the Group has continuously extended the use of renewable energy. Specifically, thanks to the constant investments and gradual roll-out of photovoltaic panels, the production of renewable energy on site increased by 62%. Meanwhile, the amount of purchased renewable energy with Energy Attribute Certificates (EACs) has registered an increase of 10% compared to previous year. 2023 energy consumption actual data consolidated covers around 92% of the Company's headcount including the retail network. These actual data have been used to extrapolate the consumption of the remaining Company's headcount, leading to a coverage of the entire Group. For more information on the reporting rules for energy and on the estimation methodology, please refer to Section 5.

In 2023, the distribution of energy consumption per geographical area was as follows: Asia-Pacific (41%), EMEA (27%), North America (23%) and Latin America (9%).

## 2. Increasing the Use of Renewable Energy

As part of the Group's efforts to minimize its own emissions (Scope 1 and Scope 2), actions on renewable energy have been largely accelerated with more investment in self-produced renewable energy and a formalized renewable energy purchasing roadmap.

Since 2013 manufacturing and distribution sites have started to reduce GHG emissions thanks to the installment of photovoltaic panels systems and biomass heating and cooling systems.

Their gradual rollout has enabled the Company to increase the amount of self-generated renewable energy from photovoltaic plants, producing, in 2023, approximately 9.3 GWh in Italy and 3.4 GWh in other countries (overall +5.3 GWh in 2023 compared to 2022). The installed plants are expected to generate in total, at full regime, 16 GWh per year from 2024, enabling an avoidance of more than 7,400 tCO<sub>2</sub>e globally (increase of circa 50% compared to 2022). This achievement is boosted by new photovoltaic systems introduced in Australia, Italy and Portugal in 2023 adding capacity of 4.2 MWp that, summed up to capacity installed in past years in Tunisia, Honduras, France, Australia Italy, Portugal, UK, Switzerland and China, brings the total installed capacity to 13.3 MWp.

Moving forward, new renewable energy installations and projects are ongoing worldwide and some already started the execution phase in 2023 in Italy, US, Mexico, the Netherlands, Poland, Spain and France. Additional CO<sub>2</sub>e savings for these

new projects are estimated to be around 16,600 tCO<sub>2</sub>e. In addition to photovoltaic plants, a new biomass plant is under development in Agordo, with a capacity of 4.5 MW to produce hot water and 1.5 MW to produce cold water, saving 3,000 tCO<sub>2</sub>e per year. This biomass plant joins the existing small biomass plant in Cencenighe (Italy).

Meanwhile, the Group has continued to switch to renewable energy sources worldwide also in 2023. Specifically, the supply of renewable energy covers a significant percentage of electricity consumption for its sites, offices and stores in Europe. The Group has also started purchasing renewable energies for its major operation sites in Asia-Pacific, such as China, Thailand and the Philippines. Thanks to its renewable energy supply program, the Group avoided more than 347,000 tons of CO<sub>2</sub>e emissions in these countries, which is also reflected in the market-based Scope 2 emissions disclosed in the below table.

In 2023, EssilorLuxottica sites in Italy started using renewable energy following the 12-year Power Purchase Agreement (PPA) signed with ERG Power Generation for the supply of approximately 900 GWh of green energy between 2023 and 2034. The agreement is based on the sale by ERG for approximately 75% of the energy produced by its Partinico-Monreale wind farm near Palermo, Italy, the first in the Group's portfolio to complete repowering activities. Following the replacement of the entire facility with latest generation equipment, the wind farm consists of 10 turbines of 4.2 MW with total installed power of 42 MW and an estimated annual production of 94 GWh.



The table below shows EssilorLuxottica's overall Scope 1 and Scope 2 GHG emissions, with both location-based and market-based accounting methodology.

	2023	2022 (restated)	2022 (disclosed)
<b>TOTAL SCOPE 1 + SCOPE 2 EMISSIONS - LOCATION-BASED (tCO<sub>2</sub>e)</b>	<b>953,435</b>	<b>960,611</b>	<b>813,257</b>
<b>TOTAL SCOPE 1 + SCOPE 2 EMISSIONS - MARKET-BASED (tCO<sub>2</sub>e)</b>	<b>663,110</b>	<b>734,961</b>	<b>745,308</b>
<b>Scope 1 emissions</b>	<b>133,486</b>	<b>172,587</b>	<b>108,453</b>
Gas	50,074	54,880	50,082
Liquid fuel	2,320	2,917	2,500
Refrigerants	62,141	83,674	45,213
Company cars	18,938	31,103	10,658
Biomass	13	12	
<b>Scope 2 emissions - location-based</b>	<b>819,948</b>	<b>788,024</b>	<b>704,804</b>
Electricity	819,522	787,575	704,373
Steam	426	449	431
<b>Scope 2 emissions - market-based</b>	<b>529,624</b>	<b>562,374</b>	<b>636,855</b>
Electricity	529,198	561,924	636,311
Steam	426	449	544

Note: The comparisons are performed referring to the 2022 'restated' column, which reports the figures resulting from the Carbon Footprint Assessment completed in 2023 on 2022 data. As explained in the methodology note (Section 5), 2023 and 2022 restated data cover 100% of the Group headcount. Reflecting the Group's effort on the production and purchase of renewable energy, the Scope 2 emissions calculated with the market-based approach decreased by -6% compared to last year. The Scope 1 emissions decreased significantly thanks to the reduced usage of gas and fuel, limited number of refrigerant leakages occurred during the year and to the refinement in the GHG emissions calculation from company cars. For more information on the reporting rules and estimation methodology, please refer to Section 5.

In 2023, the distribution of Scope 1 emissions per geographical area was as follows: Asia-Pacific (32%), EMEA (41%), North America (20%) and Latin America (7%). The distribution of Scope 2 location-based emissions per geographical area was as follows: Asia-Pacific (63%), EMEA (15%), North America (16%) and Latin America (6%); as for Scope 2 market-based emissions,

the geographical distribution was as follows: Asia-Pacific (57%), EMEA (8%), North America (25%) and Latin America (10%).

Through the above-mentioned efforts on energy and the initiatives to reduce the waste generated, increasing its valorization, EssilorLuxottica also monitors and works to lower the indirect effects of its direct operations in terms of GHG emissions.

The table below shows EssilorLuxottica's Scope 3 GHG emissions associated with the energy consumed and the waste generated in its operations, with both location-based and market-based accounting methodology. These emissions represent the categories 3.3 and 3.5 of the GHG Protocol.

	2023	2022
<b>SCOPE 3 EMISSIONS - LOCATION-BASED (tCO<sub>2</sub>e)</b>	<b>289,709</b>	<b>268,586</b>
Scope 3 emissions associated with fuel- and energy-related activities	253,231	225,005
Scope 3 emissions associated with waste generated in operations	36,477	43,583
<b>SCOPE 3 EMISSIONS - MARKET-BASED (tCO<sub>2</sub>e)</b>	<b>210,055</b>	<b>210,532</b>
Scope 3 emissions associated with fuel- and energy-related activities	173,578	166,951
Scope 3 emissions associated with waste generated in operations	36,477	43,581

Note: Starting from 2023 EssilorLuxottica reports the indirect emissions deriving from the Group's fuel-and-energy activities and the waste generated in its operations. The 2022 figures reported result from the Carbon Footprint Assessment completed in 2023 on 2022 data. Scope 3 emissions associated with fuel-and-energy related activities, considering a market-based approach able to reflect the Group's effort on renewable energy, resulted in line with last year. Meanwhile, Scope 3 emissions associated with waste generated in operations decreased compared to last year as a result of the Group's increasing waste valorization rate. For more information on the calculation methodology, please refer to Section 5.

To respond to the increasing demand for environmental transparency, EssilorLuxottica has disclosed through the Carbon Disclosure Project (CDP) Climate Change questionnaire since 2022, and in 2023 received a 'B' score, in recognition of the improved environmental disclosure and performance.



### 3. Supporting Carbon Reduction Projects Beyond the Value Chain

In line with its climate commitment, EssilorLuxottica recognizes the need to have a positive impact beyond its value chain.

Following the launch of a first major forest restoration project in the foothills of the Dolomites in 2020, the Group started an offset program that covers the residual Scope 1 and Scope 2 emissions for Italy and France since 2021 and for Europe in 2023.

In particular, the Company invests in natural ecosystem projects and buys carbon credits generated by nature-based projects or energy projects. EssilorLuxottica set selection criteria that consider projects located in countries where it operates and that have a positive impact on biodiversity and socio-economic development of local communities (e.g. creation of job opportunities). The Company's criteria consider only carbon credits that have a vintage within five years from the date of retirement and are verified by well-recognized international standards. Moreover, EssilorLuxottica requires evidence from its carbon-credit suppliers of their own specific due diligence for the projects selected.

In 2023, the Company selected two projects in China and India to support, respectively for afforestation and solar panel installation, in line with Group's effort on its own value chain. These projects generated carbon credits that supported, for approximately 83,000 tCO<sub>2</sub>e, the achievement of target set in 2021 to balance Scope 1 and Scope 2 residual emissions of Europe by 2023 (carbon neutrality).

## Decarbonizing the value chain

### 1. Assessing EssilorLuxottica's Complete Carbon Footprint

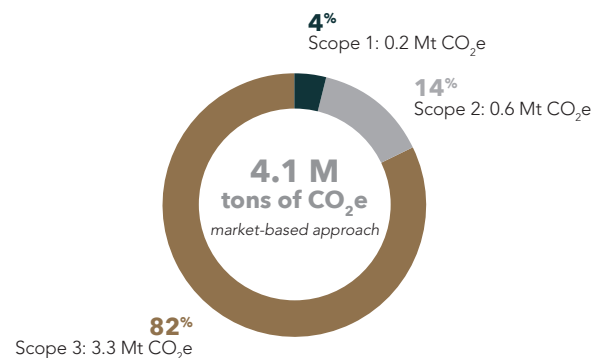
In 2023, EssilorLuxottica updated its carbon footprint assessment globally, with the involvement of different functions across the Company, including Procurement, Logistics, EHS, Product Sustainability, Engineering, HR and Finance. Following the guidelines of the GHG Protocol, the analysis provided a complete understanding of the Company's direct and indirect CO<sub>2</sub>e impacts at each stage of the value chain, including a clear overview of all Scope 3 emissions relevant to the Group activities. See Section 5 for all emission categories included in the complete carbon footprint assessment.

Based on this assessment, EssilorLuxottica complete GHG emissions arrive at around 4.1 million tons CO<sub>2</sub>e per year, based on 2022 data (including GrandVision). Scope 1 and Scope 2 emissions represent 18% of the total and Scope 3 emissions account for the remaining 82%, reflecting EssilorLuxottica's vertically integrated business model. Out of the 12 relevant Scope 3 emission categories, the top five emission categories are: 1) purchased goods and services (52% of Scope 3

emissions), 2) upstream transportation and distribution, which include transportation both managed by suppliers and by the Company (13%), 3) capital goods (13%), 4) fuel- and energy-related activities (5%) and 5) processing of sold products (5%). The rest less contributing emission categories account for a total of 12% of the Scope 3 emissions. Based on this result, the carbon intensity of EssilorLuxottica related to its revenues, for the year 2022 amounts to 0.167 kgCO<sub>2</sub>e/euro.

The Company is constantly working to improve and refine the process to assess its carbon footprint. This work is instrumental in building carbon reporting capacity across different teams and will be the base to further improve carbon accounting, initiate decarbonization actions across the Group, and prepare a more comprehensive climate roadmap, with particular reference to the SBTi commitment.

### Carbon Footprint Assessment results - 2022 Total GHG emissions



### 2. Reducing Carbon Footprint of Logistics Activities to Build a Low-Carbon Supply Chain

EssilorLuxottica has focused particularly on the transportation and distribution of products, which accounts for some of the most important indirect carbon emissions sources. The Company has a team dedicated to low-carbon supply chain initiatives, including carbon reporting guidelines, engagement with suppliers and action plans to reduce GHG emissions.

In recent years, sustainability has become part of the selection criteria for carriers with the inclusion of a specific chapter for requests for quotations and contracts with the Company's global forwarders and carriers. This chapter includes a questionnaire and a scorecard dedicated to the carrier's low-carbon supply chain strategy, program and KPIs enabling measurement of different actions to decrease carbon footprint, such as increasing carbon-free solutions for last-mile and inner-city transportation and introducing carbon-neutral services.

EssilorLuxottica's low-carbon logistics projects fall under the following areas:

- **Modal Shift:** This project aims to reduce logistics emissions through shifts in transportation mode, notably from air freight which is the Group's main source of logistics carbon emissions and especially concerning the replenishment flows from the mass production plants to the main region/country destination. In 2023, the alternative-to-air performances measurements (switch from air to alternative mode of transportation) has been improved with weekly monitoring enabling agreed targets to be reached. Thanks to all modal shift efforts done by all regional Supply Chain & Logistics teams, the KPI representing the alternative-to-air ratio has increased globally by +13% compared to 2022 for international lens flows (in volume), mainly from APAC mass production plants to EMEA/North American entities. The same initiative has also been deployed for finished frames product category enabling the switch from air to ocean/rail transportation mode for 2% of the total replenishment volume (two containers per week on two lanes, China-US and China-Italy).
- **Nearshoring/Reshoring:** The redesign of the Group supply chain and certain transportation flows not only reduces transportation distances but also allows switching from air to ground transportation when possible. For example, in the US market, lens production originally managed by manufacturing sites in Ireland and Thailand has been

transferred to Mexico to reduce the logistics carbon impact. For European and Asian markets, part of lens production between manufacturing sites in Thailand, the Philippines, France, and Ireland has been relocated to reduce the logistics climate impact.

- **Alternative Fuel Projects:** The Company is continuing the partnerships with local providers for alternative fuel solutions and green vehicles where available, including using LNG (Liquefied Natural Gas) trucks for middle mile (from distribution center to carrier warehouse or to airport) and electric vehicles for last mile deliveries in city centers.
- **Carbon Neutral Shipment:** In 2021, EssilorLuxottica has joined its top logistic providers' carbon-neutral shipment programs in North America and Europe for certain activities, including its e-commerce platforms. These services tend to maximize ground transportation to reduce environmental impact, and moreover the domestic residual emissions are compensated with select carbon reduction projects.

Meanwhile, the Group implemented an internal tool for active monitoring and follow-up of main projects to reduce carbon emissions. The supply chain team has continued to improve the mapping of all logistics flows, and further aligned its GHG reporting methodology for transportation, especially to include GrandVision and contact lenses flows in 2023. The Group is also closely surveying the SAF (Sustainable Aviation Fuel) deployment of airlines companies and global forwarders to assess the consistency of this strategy in the airlines industry.

The table below shows EssilorLuxottica's Scope 3 GHG emissions associated with the transportation of products and materials managed by the Company. These emissions are the Group's main contributor for the GHG Protocol category 3.4 Upstream transportation and distribution. To better reflect internal actions, GHG emissions associated with transportation are disclosed under three product categories: 1) Eyewear, 2) Lenses and 3) Other products/materials (e.g. spare parts, components, instruments, etc.). Meanwhile, to reflect Company's effort on reducing GHG emission associated with transportation, the breakdown between air shipping and other shipping modals (road, ocean and rail) is reported below.

	2023	2022 (restated)	2022 (disclosed)
<b>SCOPE 3 EMISSIONS ASSOCIATED WITH TRANSPORTATION (tCO<sub>2</sub>e)</b>	<b>317,384</b>	<b>302,789</b>	<b>299,478</b>
<b>Eyewear</b>	<b>157,149</b>	<b>135,995</b>	<b>135,995</b>
Air shipping	151,716	131,196	131,196
Other shipping modes (ocean, road, rail)	5,433	4,799	4,799
<b>Lenses</b>	<b>90,899</b>	<b>105,962</b>	<b>105,962</b>
Air shipping	82,595	97,828	97,828
Other shipping modes (ocean, road, rail)	8,304	8,134	8,134
<b>Other products</b>	<b>69,366</b>	<b>60,832</b>	<b>57,521</b>
Air shipping	51,306	48,001	45,488
Other shipping modes (ocean, road, rail)	18,030	12,831	12,033

Note: With respect to 2022 data, 2023 figures also included the emissions of the full perimeter of the Contact lenses (included into 'Others' category), counting for 9.4 tons of CO<sub>2</sub>e. 2023 emissions globally increased by 4.8% due to increase of the business volumes. Meanwhile EssilorLuxottica keeps all efforts towards lower carbon emission solutions for all product categories.

The most significant results has been achieved for the transportation of lenses, whose emissions decreased for the second year in a row by 14.2% thanks to initiatives such as reshoring and modal shift led by all regions mainly from APAC mass production plants to EMEA and North America entities and within APAC entities. Emissions from eyewear and other products/materials have increased mainly due to increase of volumes, the change of origin/destination mix and the perimeter extension. However, the increase has been partially balanced by the introduction of modal shift from air to ocean/rail. In particular, for finished frames product category 2% of the total volume has been switched from air to ocean/rail (China-US and China-Italy).

As a consequence of all the above actions, from a global point of view, the Emission Intensity (KgCO<sub>2</sub>e/Kg shipped) has decreased by 3.6% in 2023 vs 2022. The emission factors for transportation are based on the GLEC database. For more information on reporting scope and reporting methodology please refer to Section 5.

Beyond actions to reduce logistics emissions, the Group continuously conducts a comprehensive mapping of logistics packaging, with the main goal to eliminate plastics from shipping packaging worldwide. To advance on this front, the Company keeps investing in machines and technologies that help to eliminate plastic tape and void fill, and switch to paper solutions. The Company also works on eliminating plastic from other packaging parts.

### 3. Engaging All Stakeholders on the Climate Journey

The compliance with environmental laws and goals towards carbon neutrality, circularity and environment reaffirms how the Mission, sustainability and business strategy are strongly intertwined within the Group. All EssilorLuxottica's businesses and functions contribute to the Group's sustainability journey, whether in R&D, Operations, offices, subsidiaries, or in the retail network. Examples include the design of new lens technologies or frames (e.g., use of bio-based materials), water and waste reduction and recycling initiatives in its factories, distribution centers, offices, and stores. In addition, employees are encouraged to take part in sustainability training and awareness initiatives available via a comprehensive online learning path on Leonardo.

Specifically, the first module of the Eyes on Carbon training path has been available on Leonardo since 2022. During the year, the Eyes on The Planet Newsletter was released twice, reaching 58,000 employees in June and approximately 98,000 employees in December via mail and showcasing capabilities through articles on climate actions and key projects within the Group.

All issues of the newsletter are also available on the EssilorLuxottica intranet. A specific dashboard with key environmental performance information for the Group's main Operation sites is also regularly updated in production sites to raise awareness on environmental topics.

In addition, climate change awareness workshops, designed to increase awareness on climate change consequences and engage employee action, reached more than 4,000 employees across 50 countries during the year, counting a total of 900 workshops delivered since their initiation in 2020. Virtual classrooms on climate change are also regularly hosted on the Leonardo learning platform.

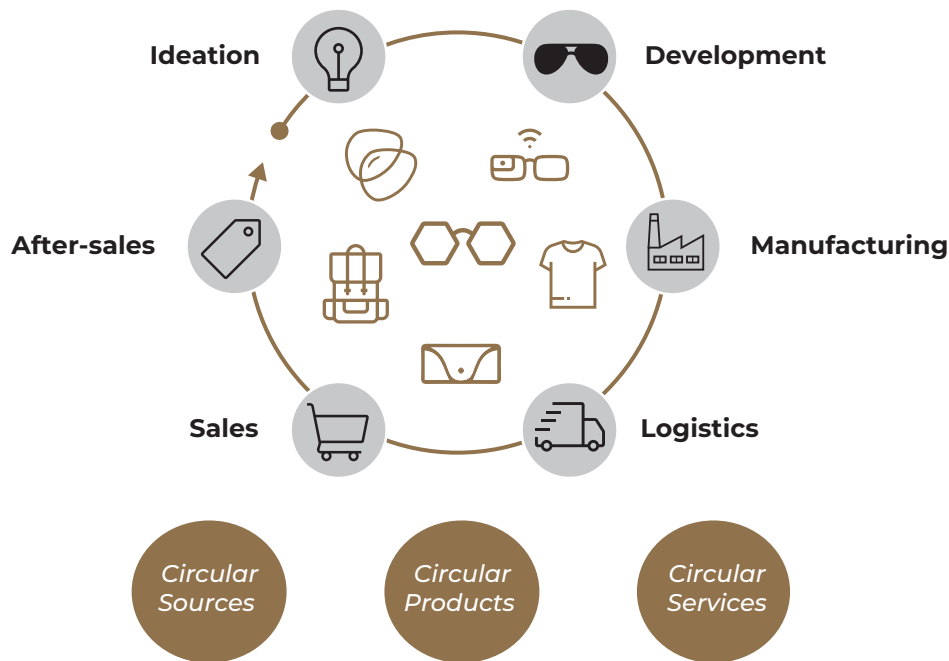
EssilorLuxottica works to engage customers and consumers on its climate and sustainability journey. In 2023, the second edition of its 'Sustainability Week' took place on Earth Day to support the official Earth Day 2023 theme – 'Invest in Our Planet' – and raise awareness on sustainable practices. Throughout the week, live virtual classrooms were hosted on EssilorLuxottica's Leonardo learning platform to present 'Eyes on the Planet: 2022 Highlights' plus a deep dive into the program's five key pillars and how sustainability is connected to the Group's Mission. A second livestream virtual class on 'How We Are Progressing Toward a Sustainable Future' featured guest host Matteo Ward, with examples of how the Group is bringing sustainable innovation and environmental awareness to the market.

## 2.2 Eyes on Circularity

From product and design innovation to reimagining the consumer experience and establishing new business models, EssilorLuxottica teams constantly push the boundaries of what is possible and question how the Company can better serve both its customers and consumers. One of the most important drivers of EssilorLuxottica's sustainability efforts is the idea that sustainability, products and services goes hand-in-hand, right from the development phase. To this regard, the Company embarked on a journey to make its business model more circular with the aim to shift from fossil-based materials to bio-based and/or recycled materials and embed eco-design in all its developments by 2025. By so doing, its sustainable innovation expertise embraces the Group's products and services to meet the Company's environmental commitments without compromising excellence or quality, and always guaranteeing the best vision experience.

These principles inspire the Group's circular approach which encompasses the entire product life cycle. The activities span from sourcing and researching new innovative materials, developing internal recycling processes, reducing input materials, to favoring eco-conscious designs and investing in new technologies. This is also to satisfy customer preferences and demand for more sustainable products and packaging. The Group is also implementing circular services to extend product life or give products a second life.

The circular approach of the Group will be further expanded and aligned with its SBTi commitment as circularity actions are key levers in EssilorLuxottica's climate change mitigation strategy (see Section 2.1 Eyes on Carbon).



Operationally, a cross-functional task force, including its R&D, Procurement, Risk Management, EHS, Logistics, Supply Chain and Corporate Sustainability functions was formalized to coordinate the deployment of fundamental work streams outlined below, ease collaborative projects, support key decision-making, ensure program progress and facilitate alignment between functions. The task force's work is regularly reviewed by the co-Chief Operating Officers.

### Circular Sources

As part of its transition to a more circular business model, EssilorLuxottica wants to be resource efficient wherever possible by working with suppliers to scout alternative materials with renewable and/or recycled content. Moreover the Group is willing to increase the use of renewable energy in its plants

As an open Company, EssilorLuxottica's internal experts also engage with an entire ecosystem (academics, start-ups, etc.) to build innovative solutions that require collaborative actions such as end-of-life management. For example, along with other multinationals, EssilorLuxottica jointly launched the first international research chair devoted to circular economy at ESSEC Business School, called the 'Global Circular Economy Chair'.

(see Section 2.1 Eyes on Carbon) and strengthen programs when it comes to water, chemicals (see Section 2.4 on Health and Safety) and waste management while developing internal opportunities to recycle scraps and investing in new technologies.

## Increasing Renewable and Recycled Content

EssilorLuxottica is committed to produce the best products in the market, always raising the bar to face the challenge of shifting from fossil to bio-based materials. As this paradigm shift entails time and investment, the R&D teams have partnered with different players of the industry to find a proper sustainable alternative while maintaining the exact same performance of traditional materials. Over the last few years, innovative bio-based and recycled materials have been introduced into EssilorLuxottica's portfolio of raw materials for all types of products, enabling the launch of specific eyewear collections. In 2023, the Group further increased permeation of alternative materials compared to traditional ones, especially in the plastics family with bio-acetate and bio-nylon and introduced bio-circular polycarbonate.

Bio-acetate, introduced extensively in 2018, is now becoming the baseline for acetate technology. Bio-acetate is obtained from the mix of cellulose acetate, a synthetic fiber from cotton or wood pulp, and a bio-based plasticizer from renewable sources (cereals, beets or sugar cane). Bio-plasticizer is used in substitution to the traditional fossil-based version. The final material, for example the M49 produced by Mazzucchelli, has a bio-based carbon content of around 67%, calculated using the ASTM D6866 international standard.

The Company also expanded the use of bio-based nylon, firstly introduced in 2022, for Plano lenses and frames applications, with the bio-based content coming from castor oil in both cases. Frames bio-based nylon applications reach a bio-based content of a minimum 45%, and bio-based nylon used for lenses has around 40% of bio-content, both guaranteeing the same product performances as fossil-based nylon.

In 2023, EssilorLuxottica enlarged the sourced quantity of bio-based nylon up to around 31% of sourced nylon (for frames and Plano lenses), with a growth of more than 90% compared to the previous year.

## Increasing Recycling Opportunities

EssilorLuxottica's circularity goal is to create a circular process that makes it possible to reintroduce waste materials in the production cycle, thereby limiting disposal and reducing plastic waste. The Company is developing projects to initiate new recycling loops for its material waste, such as from frame/lens to frame/lens or packaging. For example, in 2023 the Company expanded to its Tristar plant in China an in-house process already launched in the Agordo plant in Italy to recycle and compound nylon plastic scraps derived from the injection manufacturing of frames into black raw nylon. Both plants, where the internal recycling process takes place, received the International Sustainability & Carbon Certification (ISCC) Plus for the Circular Economy covering 2022-2023. At the same time, the Campinas plant in Brazil, through an external partner, is able to continue recycling nylon, and both sites are ISCC Plus certified. The third-party certification ensures, through the mass balance approach, the traceability of the material throughout all production phases: from waste collection to injection molding. The recycled granule maintains the high standards of

R&D and Engineering teams are always looking to extend their supply sources of secondary or innovative raw materials by working with multiple industries, thus reducing the use of virgin or fossil-based materials. Multiple projects are currently developed with suppliers. For example, EssilorLuxottica also in 2023 partnered with Bureo to develop the Costa Del Mar Untangled collection 2.0 with sustainable frames made of 97% to 100% recycled fishing nets. Discarded fishing nets are collected from commercial fishing ports in South America and Bureo recycles the nets into raw material pellet form. The recycled raw material is then used to produce recycled frames by EssilorLuxottica, combining them with mineral glass lenses, avoiding the use of new plastic materials and providing superior lens clarity and durability.

In 2023, EssilorLuxottica introduced the bio-circular polycarbonate for Plano lenses. Polycarbonate, with its unique characteristics of resilience and performance, was not always easily replaceable with existing sustainable materials (e.g. bio-based content nylon). This material leverages the replacement of some fossil feedstock with renewable and circular feedstock (recovered waste or residues like cooking oil, tall oil...). The renewable and circular content is tracked throughout the process by means of mass balance accounting principles and is certified by International Sustainability and Carbon Certification PLUS (ISCC+)<sup>(1)</sup>.

Additional alternative materials are being studied and/or applied to specific categories such as recycled Polymethylmethacrylate (PMMA) and chemically recycled polyester for readers category along with packaging alternative solutions.

To know more on the application of sustainable materials in eyewear collections and quality tests, see the Circular Products paragraph.

quality and performance of the original. The plants together have recycled more than 90 tons of nylon this year.

The Company is also investing in new R&D activities to identify additional recycling opportunities and initiatives to lower input materials. In 2023, EssilorLuxottica was able to reduce waste generated in its Barberini glass production plant, recycling approximately 15 tons of precious glass containing rare-earth elements, thanks to a dedicated line to collect and sort specific waste containing those elements.

EssilorLuxottica shares its circular economy journey with ecosystem actors to join forces in limiting plastic waste. The Group signed a partnership agreement with Mazzucchelli to increase process efficiency and limit environmental footprint. The partnership focuses on opportunities to limit plastic waste, and Mazzucchelli started providing EssilorLuxottica with low-impact recycled acetate resulting from a recycling technology known as Carbon Renewal Technology (CRT).

(1) The ISCC Plus is a sustainability certification program for bio-based and circular (recycled) raw materials.

Recycled content is not the only sustainable feature that acetate can offer as the Group worked with its supply chain to combine recycled content and renewable sources, obtaining bio and recycled acetate. EssilorLuxottica and Mazzucchelli have confirmed ISCC Plus certification for sustainable acetate. The certification was awarded thanks to the development of specific internal processes to track recycled materials with end-to-end production processes. The Company is working to extend

certification to other Italian plants and other regions. The end goal is to scale up opportunities to recover generated waste, creating a closed loop toward a circular economy.

Many other projects are under development to find new possibilities to recover and regenerate obsolete polymeric materials, derived of scraps from manufacturing processes and warehouse stocks.

## Improving Process Efficiencies to Reduce Waste Generation

Waste management is a crucial pillar of EssilorLuxottica's commitment to reducing its environmental footprint. It encompasses several initiatives to effectively reduce waste generation from industrial operations and contribute to a more circular economy. These include: the reduction of raw material loss; policies to recover residual parts and scraps during production activities and processes; discarded consumables; and wasted chemicals throughout production processes and packaging. Moreover, the Company completed a waste

generation analysis of its main manufacturing plants, distribution centers, and laboratories to determine the type and weight of waste generated and improve the identification of waste management solutions with a focus on the potential for material recycling and energy recovery. It was extended to new plants in 2023, and now represents 40 sites covering almost one third of Rx lenses and more than half of mass production lens volumes.

The table below shows the Company's waste generation in 2023 and the evolution compared with 2022:

	2023	2022 (restated)	2022 (disclosed)
<b>TOTAL WASTE GENERATION (Tons)</b>	<b>139,121</b>	<b>135,049</b>	<b>116,071</b>
<b>Total non-hazardous waste</b>	<b>85,509</b>	<b>85,844</b>	<b>73,459</b>
Sent to material recycling	43,805	39,857	34,844
Sent to incineration with energy recovery	22,499	22,799	18,501
Sent to incineration without energy recovery	3,592	4,349	3,641
Sent to landfill	15,613	18,839	16,473
<b>Total hazardous waste</b>	<b>53,612</b>	<b>49,205</b>	<b>42,612</b>
Sent to material recycling	15,003	10,172	8,893
Sent to incineration with energy recovery	7,014	4,938	4,007
Sent to incineration without energy recovery	3,020	2,720	2,277
Sent to landfill	28,574	31,375	27,435
<b>WASTE VALORIZATION RATE</b>	<b>63%</b>	<b>58%</b>	<b>57%</b>

Note: The comparisons are performed referring to the 2022 'restated' column, which reports the figures resulting from the Carbon Footprint Assessment completed in 2023 on 2022 data.

2023 reported waste generation increased by 3%, mainly due to the higher production volumes compared to 2022. In 2023, 63% of the Company's total waste has been recycled or recovered, in line with initiatives to continuously increase waste valorization. The waste valorization rate is calculated as the ratio between the amount of non-hazardous and hazardous waste sent to recycling and sent to incineration with energy recovery, on the total amount of non-hazardous and hazardous waste generated.

2023 Waste actual data consolidated cover 83% of the Company's headcount excluding the retail network. These actual data have been used to extrapolate the waste generation of the remaining Company's headcount for Operations (retail excluded). For more information on the reporting rules and on the estimation methodology, please refer to Section 5.

EssilorLuxottica focuses on new industrial solutions to reduce in-house scraps to limit waste and the use of plastic as much as possible. Waste reduction is mainly achieved through the improvement of manufacturing yields (quality management, continuous improvement, eco-design, production processes optimization and reusing opportunities). Examples are listed below:

- The Slim Fit project for lenses production aims to decrease input material that, consequently, reduces waste generation during the lens production process. To achieve this goal, the design for standard raw blank lenses has been

optimized to obtain the same final high-quality lens. The roll out of the Slim Fit project in the Group's biggest Rx labs around the world has accelerated in 2023, allowing to avoid more than 1,250 tons of waste in 2023.

- Continuous process optimization has led the Company to scale compacting for surfacing residues of all substrates. This reduces the weight and volume of waste (less picking rotation, with an impact on CO<sub>2</sub>e), and recycles water. Water is then filtered and reinjected into the prescription laboratory's in-house system, following a circular approach. Five new equipment pieces were added in 2023.



- Additional waste management initiatives are also ongoing with partners like Mazzucchelli and several recycling initiatives are taking place locally, including one in Mexico, contributing to help local communities. In 2023, SOFI plant sent 60 tons of waste, mostly made of plastics (production consumables) to a small recycling company, employing local communities. They turn those waste into ready to use raw materials, sold to other companies in the country, producing final objects like sandals, crates or insulating materials. Part of the revenues supports the activity of the Index association, which helps local workers and their families, in educational and health programs (access to medicine, kindergarten, dental care, etc..)
- In 2022, EssilorLuxottica launched its first waste expertise training session, for employees who contribute to reducing

the Group's waste footprint. Following this successful pilot, waste training was deployed in 2023 in North America for all relevant activities, and included a 2-day workshop held in Dudley, bringing together Mass Production & Rx lenses and Frames & Retail teams in North America.

EssilorLuxottica's manufacturing flexibility and improved demand forecasting capabilities are also key to the reduction of waste in its plants. Over the years, it introduced a retro-planning approach for the creation and launch of each eyewear collection, allowing it to better plan production volumes and avoid manufacturing more units than needed. In more recent years, the Company has also invested in the continuous improvement of manufacturing processes to further reduce its environmental impact, such as the installation of evaporator systems and wastewater treatment systems.

## Reduction of Water Use

Water is a key natural resource for the Company's activities, and it is a primary element for lens and frame manufacturing processes. Robust water management is not only important to ensure the quality, continuity and efficiency of production operations, but it is also essential for the well-being of the Company's employees and local communities where it is present.

Water risks are periodically assessed in key areas where EssilorLuxottica sites are located. By doing so, the Company is able to identify water risks, seize potential impact, and monitor the implementation of water stewardship projects. In 2023, based on a renewed assessment for an expanded scope of assets and performed through the WWF Water Risk Filter, around 5% of the analyzed assets accounting for less than 1% of Company's current total water use, were exposed to very high or extreme water scarcity risks.

EssilorLuxottica mitigates related water risks by defining a more stringent water roadmap for these sites with specific water efficiency targets, water supply management and interaction with local communities. Water reduction actions include:

- water mapping for equipment using water for main laboratories and mass production sites;
- installation of 'smart' meters to accurately measure water use with different levels of granularity, which help structural improvements of traditional resource-heavy processes, such as galvanization;
- comparison of site water performance with the benchmark process or 'water model';
- closed-circuit water systems in galvanizing plants, and in painting and hard-coating processes;
- defining a medium-term plan to reduce water use at site level.

The table below shows the Group's water footprint in 2023 and the evolution compared with 2022:

	2023	2022 (restated)	2022 (disclosed)
<b>TOTAL WATER USE (M<sup>3</sup>)</b>	<b>10,780,279</b>	<b>11,523,190</b>	<b>8,344,903</b>
<b>Third-party water</b>	<b>9,542,984</b>	<b>10,329,982</b>	<b>7,192,018</b>
<b>Natural water</b>	<b>1,237,295</b>	<b>1,193,208</b>	<b>1,152,885</b>
Surface water	3,248	53,157	13,644
Ground water	1,234,047	1,140,050	1,139,241

Note: The comparisons are performed referring to the 2022 'restated' column, which reports the figures resulting from the Carbon Footprint Assessment completed in 2023 on 2022 data. As explained in the methodology note (Section 5), 2023 and 2022 restated data cover 100% of the Group headcount. Starting from 2023, the Retail water consumption is included in the reporting scope. The methodology applied for the 2023 Retail water consumption estimates has been refined compared to the one applied for the 2022 'restated', resulting in lower third-party water use. Excluding the Retail impact, the comparison versus last year would show a slight increase due to production volumes trend. Surface water decreased significantly during 2023 due to the closing of a site that used largely surface water.

2023 Water use actual data consolidated cover 85% of the Company's headcount excluding the retail network. These actual data have been used to extrapolate the usage of the remaining Company's headcount for operations (excluding the retail network). Water consumption for retail has been fully estimated leading to a coverage of the entire Group. For more information on the reporting rules and on the estimation methodology, please refer to Section 5.

## Wastewater Management

Quantity and quality of water discharge are monitored and managed, whenever relevant. EssilorLuxottica has invested in onsite wastewater treatment systems at its facilities that integrate treatment and recycling of wastewater into a single flow or complete process.

For frames production in Italy, many initiatives have been implemented over the last three years such as a wastewater treatment system in its Rovereto plant, which has reduced liquid waste generated by barreling and galvanic processes of an estimated 2,700 m<sup>3</sup> of waste per year. Other important initiatives have been implemented in its Agordo plant, including: the installation of an evaporator system with an estimated yearly reduction of 80 tons of waste; a metal tank regeneration project that decreased waste of around 1,000 tanks per year; optimization of the wastewater treatment system adding an intermediate tank to improve the saturation of the treatment and consequently decreased the final waste produced.

## Circular Products

EssilorLuxottica defines its innovation priorities by listening to customers and consumers and anticipating their needs and lifestyle choices. At the same time, innovation is also enabled by the progressive scouting and introduction of alternative materials, as explained above in Circular Sources. Thanks to its comprehensive multi-channel go-to-market strategy, including Professional Solutions, physical Direct to Consumer network and e-commerce platforms as well as inclusive last-mile models, the Company is able to identify market signals and trends, and anticipate consumer demands, including product sustainability. In addition, following the acquisition of GrandVision, EssilorLuxottica expanded its Direct to Consumer footprint in

In addition, suspended material parameters are monitored within the 'Wastewater Model' program, which helps to identify required actions to prevent water discharge incidents outside permitted limits, especially due to the reduction of water withdrawal that will consequently increase the concentration of pollutants. It also helps create opportunities for water close-loop solutions.

To reduce water, use and recover wastewater, onsite closed-circuit water recycling systems have been installed for prescription lenses generation processes. In addition, a project for cascading water in the hard-coat process has been completed in European Rx labs. In the last lab deployed, this project helped to save up to 0.5 liter per lens (representing around a 15% decrease in total water consumption).

Europe and consolidated its presence in Direct to Consumer eyecare and eyewear on a global scale, presenting an opportunity for the Group to engage more effectively with consumers, and thus raising the visibility and quality of the entire eyecare and eyewear industry for the benefit of all its stakeholders. The recent acquisition of Fedon builds on the Group's sustainability strategy, adding a fundamental lever to the overall sustainability journey that accompanies core eyewear products throughout their life cycle. The Company's sustainability commitments to environmental and social dimensions have been inspiring strong innovation, as shown by the fundamental work streams outlined below.

## Adopting an Eco-Socio Design Approach

EssilorLuxottica aims to create circular products from the very start of the innovation process using eco-design principles. This approach and Life Cycle Assessments (LCAs) are part of the Company's wider vision of how to integrate sustainability into business and operational practices. The Group has developed a proprietary eco-design tool, Sustainability Assessment Methodology (SAM), for its lens division, whose main pillars are circularity capability, resources, and process efficiency along with low-impact raw materials and societal benefits. In 2023, within the SAM scope, 100% of researchers were trained, and 60% of lens research and development programs were assessed. Thanks to the SAM, the new Varilux XR series lens has reduced plastic consumption by 19% compared to previous Varilux X series lens, leading to an estimated decrease of 6% in CO<sub>2</sub>e emissions.

With the ambition of continuously learning and improving, EssilorLuxottica is evolving SAM developing the eco-design tool to strengthen the R&D measuring of environmental and social impact as well as expanding the perimeter of analysis to frames with the aim to develop products with an ever-lower environmental impact according to the Product Environmental Footprint (PEF) methodology.

To strengthen sustainability and eco-design assessment of new products and R&D activities, EssilorLuxottica is also focusing on bringing transparency and clarity across its entire supply chain. Quantitative impact assessment is the backbone of Group sustainability and eco-design assessment, and for this reason, the Company invested in LCAs with its partners, pursuant to ISO 14040 and ISO 14044 international standards, to quantify environmental impact of the most used upstream materials for both frames and lenses:

- The Company has supported suppliers to perform some cradle-to-gate LCA analysis for different grades of bio-nylon, both for frames and lenses application. These studies aim to collect specific data along the supply chain to gain more transparency on the environmental impact of raw materials sourcing and production. Considering the whole life cycle of raw materials is an important evaluation driver, especially when it comes to bio-based materials; this is why EssilorLuxottica is increasingly asking its suppliers for access to specific data.

- For lens production, the Company expanded LCA analysis to assess its most important materials (including ultra-high indexes in addition to low index), such as polycarbonate, ORMA, MR7 and MR8 lenses, and included calculation modules to assess key production processes, packaging and distribution modes.

## Guaranteeing Product Safety & Quality

For EssilorLuxottica, product safety is an absolute priority and the foundation of any sustainable offering. Its products are the result of continuous investment in research, design, and innovation, and are developed according to high-quality standards with stringent controls on mechanical, chemical and optical characteristics that are equal or superior to industry standards and regulatory requirements in terms of safety, performance and durability. Indeed, the Group sustainable innovation expertise embraces products and services without compromising excellence or quality, and always guarantees the best vision experience. New control plans and test protocols have been developed to guarantee increasingly greater product safety (*i.e.*, optical powers, lens transmittance and filter category, the correct fixing of ophthalmic lenses even on frames received by the customer, new sustainable collection). To reduce the waste of materials, samples of products that would have otherwise been destined for destruction are used for testing New Products Introductions.

To guarantee its customers, patients, and consumers maximum product safety and efficiency, EssilorLuxottica performs, with ever-increasing effort, all tests required to ensure compliance with international regulations concerning chemical substances, and medical and consumer products, using both in-house laboratories and third-party certified facilities. Particular attention is given to compliance with restrictions for PFAS products and possible developments of related regulations at international level in the coming years.

Considering general growing sensibility around animal welfare practices, expressed also in the EssilorLuxottica Company Policy, and, at the same time, the need to test products to ensure skin biocompatibility as required by international medical device regulations, a roadmap has been traced to merge these two needs. While waiting for a completely in vitro test protocol to be included in the ISO regulations to evaluate skin biocompatibility of materials, it was decided at Group quality level to always use in vitro tests only for these purposes and the complete elimination of animal testing. In 2023, no tests to evaluate skin biocompatibility were carried out on animals.

In 2023, the central laboratory in Dallas was certified ISO/IEC 17025. The Company's certified central laboratories have confirmed accreditation according to the ISO/IEC 17025 standard for the competence of testing laboratories.

The Agordo Central Quality laboratory has been completely rebuilt to increase testing capabilities and capacities: a part of the lab is dedicated to mass production monitoring in terms of REACH regulation compliance testing on finished products, while new sections host new parts of the business. Among

The Company is working to integrate LCA analysis to merge frames and lenses components, starting with already available results, as well as packaging solutions, to reach the final goal of a comprehensive LCA for the complete pair.

these, new products from Essilor Instruments are now presented in an Ophthalmic laboratory where Telemedicine certification is also in scope. The laboratory has been upgraded to perform Rx lens testing and new wearable products can now be tested in terms of water resistance thanks to IPX custom equipment. The Oakley AFA division has new equipment that measures trekking shoes, zipper, bike clothing and snow jacket performances to help determine improvements for this business. Regarding the eyewear industry, a new automatic environment simulation was developed to accelerate high humidity, and temperature conditions usually found in APAC regions, in order to test sun lenses coatings.

During the year, EssilorLuxottica developed and reinforced its internal competence for smart eyewear regulatory framework and compliance aspects, applying shared and common guidelines for the qualification of new products in every region. Given the riskier nature of this new type of eyewear which integrates frame batteries and electronic components, EssilorLuxottica is enforcing mandatory control plans with more restrictive policies to control product safety, sampling in mass production units for testing, even if already certified. In the context of a constantly evolving regulatory world, EssilorLuxottica continues to develop a proactive and synchronized organization that helps anticipate requirements linked to International and European Regulation evolution. EssilorLuxottica is anticipating worldwide needs in terms of sustainability for smart eyewear, considering strategies for future product development focused on battery replacement and waste management. The same direction was taken by the European Union, which developed a new Battery Regulation this year focused on sustainability and safety. As part of the ever-increasing importance of environmental responsibility and sustainability of waste recycling issues, new European and international guidelines for marking and identifying materials used for packaging are continuously monitored and implemented to inform consumers how to correctly dispose of packaging waste. Quality systems are in place to meet regulations across the product life cycle and create ever-greater standardization at group level.

In the medical environment for prescription lenses, the Company is moving toward an adapted quality system. In 2023, EssilorLuxottica extended ISO 13485 certifications to most lens factories and its most important prescription laboratories as well as renewed accreditation of Luxottica as a legal manufacturer of prescription lenses. It is also developing programs to receive structured feedback from customers and end-consumers to continuously improve satisfaction.

With 22,816 trademarks and, approximately 13,000 patents and designs owned, intellectual property is one of EssilorLuxottica's most important assets, and ensures the excellence, uniqueness and superiority of its products. It is based on the registration and maintenance of the Company's trademarks and patents across the world. As described in Chapter 1, the protection of intellectual property rights also involves combating counterfeiting. The worldwide proliferation of counterfeiting not only threatens official sales channels and company reputation, but it also poses risks to the health and safety of consumers. Counterfeit products do not ensure the same elevated quality standards as the originals, which are certified for excellence by the most stringent quality tests and use of highly innovative materials. The Company's authentic products are impossible to process or replicate without the necessary

know-how as well as the ongoing innovation used in the production processes. To ensure consumers are not exposed to counterfeit products, the Company collaborates with local institutions and authorities around the world to intercept counterfeit products and combat the entire illegal production chain as best permitted by law. For greater effectiveness in the battle against counterfeiting and the expansion of parallel markets that divert goods into unauthorized sales channels, EssilorLuxottica has developed GLOW (Guaranteed Luxottica Origin Worldwide). GLOW is a traceability system based on RFID technology that can verify the authenticity of products as well as the suitability of resellers. It is passive and emits no radio waves, making it safe health-wise. It also does not record personal data and only delivers product information.

## Investing in Breakthrough Technologies

EssilorLuxottica is investing in new technologies and materials to drastically reduce its impact while responding to new business opportunities. The Company has structured a distinct strategic initiative called the 'Lab of the Future' to imagine what future product performances, technology platforms and material production systems will look like for prescription lenses. This initiative has already stirred up important new technology research programs in R&D. For example, it helped in moving from current subtractive and batch technologies to additive manufacturing and one-piece flow technologies for its lenses (like Inkjetting, films transfer). Furthermore, the R&D team has been expanding its skills with the integration of experts in digital technologies to reinvent the vision care chain through digitalization.

EssilorLuxottica is also researching and investing in breakthrough technologies at each step of its industrial processes. For example, the Company developed and launched an innovative Rx process for lens blocking called ART (Alloy Replacement Technology), completely eliminating the use of alloy in its lens manufacturing and replacing it with a UV curable adhesive, an alternative to traditional alloy blocking. There are close to 200 ART lines worldwide, and this new technology has been set as the new standard for all new Rx Labs.

## Rethinking Packaging

EssilorLuxottica extends its circularity approach to packaging at every stage of the product life cycle to avoid the use of single-use plastics wherever possible.

The acquisition of Fedon in 2022, a leading company in the production and distribution of eyeglass cases and accessories for eyewear, represented a step forward in EssilorLuxottica's vertical integration strategy, allowing the Group to pursue its sustainability commitment and invest in the circularity of its packaging materials. Fedon represents the Company's excellence center for packaging solutions and development, driven by innovation and sustainability together. Furthermore, Fedon acquisition also led to the creation of a task force on sustainability certifications to strengthen transparency on sustainable materials adoption.

Priority collaborative workstreams include:

- Design for sustainability: it mainly consists in the elimination of unnecessary layers and creation of new concepts, such as 'easy to disassemble' and 'foldable design' to optimize space needed for shipments, for packaging solutions to create less impactful production and distribution, and end-of-life management for packaging components. In 2023, the Group worked on the first version of sustainable packaging guidelines to help relevant teams assess new developments.

- Primary packaging: the Company removed or reduced some packaging components, for example replacing the case with a pouch and the marketing leaflet with a QR code, or reducing the types of labels on boxes. For alternative materials, huge focus is placed on alternative recycled and bio-based materials to substitute traditional ones, and on identifying opportunities to avoid or substitute single-use plastics. As an example, the plastic sleeve that protects temples and the plastic bags containing cases or pouches are gradually being replaced by paper solutions.
- Contact lenses: a key pillar for the contact lenses category in terms of improving carbon footprint is to reduce packaging material by optimizing box sizes in collaboration with contact lenses suppliers. This goes hand-in-hand with initiatives that aim to reduce the weight of the products the Group sells under its private-label brands.
- Logistic packaging: many initiatives, mainly targeting plastic avoidance are currently being implemented. For example, plastic pluriball and plastic tape have been substituted with a paper alternative. For e-commerce, new recyclable and certified paper packaging has been introduced. An example in its Germany retail chain (Apollo), traditional cardboard boxes used for transporting products from logistic centers to stores have been replaced by innovative reusable shipping containers for daily dispatching to over 900 locations.

## Permeating Sustainability Into the Brands

Every new collection is the result of an ongoing R&D process that anticipates and interprets needs, including the increasing demand for responsible eyewear. Enabled by the availability of alternative materials, in 2023, the Group strengthened its permeation of responsible materials in its eyewear collections, both for house brands as well as licensed ones. The switch toward bio-based and recycled materials is thus becoming the new standard and new brands joining the EssilorLuxottica portfolio adopt them by default in their collections.

For example, Ray-Ban extended its offering with bio-acetate for frames and bio-nylon for lenses. Also, with the new Ray-Ban | Meta packaging the external box containing the case is made with certified paper and the case uses a minimal amount of plastic. The charging cable is not included with the glasses, reducing input materials and waste disposal.

## Circular Services

EssilorLuxottica feels the responsibility to set the new standard and apply a sustainable development model that involves the entire value chain. Circular services are increasingly taking on a leading role in this holistic vision in order to enable the consumer to use the product more, to use it for longer, to reuse it and to recycle it. These projects aim to strengthen consumers awareness on sustainability issues and increasingly involve them in these initiatives, as they are the driving force for change. Communication about sustainability also plays an important role in its relationship with customers and the Company puts increasing efforts into this matter.

In this context, stores become enablers of circularity and this is also possible thanks to EssilorLuxottica's vertically integrated business model, from R&D to logistics to in-store sustainability. As described in the paragraphs that follow, examples include

Similarly, Burberry, Giorgio Armani, Emporio Armani and Tory Burch introduced new models with the same material combinations. Prada and Versace first introduced recycled acetate in their 2023 collections while Chanel continued to extend its product offering with bio and recycled acetate.

Arnette instead leveraged internal recycling processes for waste from the production of injected nylon to create frames featuring 95% recycled plastic. This circular process can be carried out several times without affecting the quality and performance of the material and the recycled content has been certified under the ISCC Plus scheme. Standard internally recycled nylon, with 50% recycled content, has been progressively introduced in many carry over models.

For kids collections, in 2023 Emporio Armani used bio-nylon in combination with bio-based rubber.

encouraging consumers to bring back used eyewear so it can start a new journey; and activating repair and maintenance services to increase the product lifetime. With reference to in-store sustainability, EssilorLuxottica has embarked on an ambitious roadmap that includes major investments in its brick-and-mortar activities related to energy efficiency, building less and better, circularity in the use of materials, waste management and the implementation of a three-year plan aimed at obtaining WELL certification for 400 Salmoiraghi & Viganò, LensCrafters and Sunglass Hut stores in Europe and the US, starting from Salmoiraghi & Viganò in Italy. The WELL certification would in fact be the natural prosecution of a broader framework of initiatives being implemented by the retail chain to achieve greater sustainability, including service circularity, responsible shipping, last-mile deliveries, use of bio-based materials and the obtainment of the LEED certification.

## Applying Responsible Marketing Practices

EssilorLuxottica is committed to communicating with its customers and consumers in a clear, authentic way about the performance of its products and services in accordance with regulations. This transparency, which reinforces the trust that the Company has built over many years with its customers and consumers, is one of the its major intangible assets today.

EssilorLuxottica ensures, from manufacturing to marketing, that its product communication is accurate and complies with applicable regulations in effect, and specifically with regards to advertising. This may involve a link with local authorities and/or consumer associations that inquire about specific features and characteristics of the Company's products to confirm that the performance and benefits outlined are both genuine and proven.

To maintain the accuracy and consistency of messages, the Company offers training (face-to-face or e-learning) for its salesforce, retailers, licensees, and eyecare professionals that focus on product features, lens and frames design, quality standards, and other aspects. It should be noted that due to the diversity of regulations in effect around the world, each of

the subsidiaries involved in marketing the Company's products and services may undertake their own monitoring to comply with local laws, standards and voluntary codes in force.

The Company has also implemented a validation process for product marketing statements to ensure that appropriate proof exists for each of them and performance of the products in the laboratory can be taken into account within its production environment. For example, most prescription products and services are based on wearer tests carried out with representative panels that take real-life and experimental conditions into account. In 2023, the Group reinforced its marketing claim process to encompass sustainable claims with a reviewed process and dedicated training.

A specific online training for 'Responsible Communication' was offered for the Company's Central Marketing Teams in 2022, to raise awareness of communication challenges related to sustainability, diversity and inclusion as well as provide tools to empower its marketing community to develop and implement more responsible communication campaigns.



## Expanding Products Life Cycle

With increasing pressure on raw materials, tightening of industry regulations, and changing consumer behaviors, EssilorLuxottica is looking to adapt its business models radically. To make circular economy a priority in its value chain and tackle the most present stakes in the optical industry, EssilorLuxottica is always looking for new and better ways to efficiently use resources and reach its environmental goals. The Company believes collaboration with its stakeholders is key to redesigning its products and processes and develop new business models with more bio-based and recycled content, making it easier to disassemble and reuse materials.

EssilorLuxottica aims to work on circular services in partnership with its consumers through different phases: first, by offering a product of excellent quality, then ensuring proper maintenance to prolong its life, considering every possible use and, as a final option, managing its end-of-life cycle.

In 2023, all existing product care guidelines and internal quality procedures were collected and analyzed to proceed with rationalization and harmonization, adopting a unified EssilorLuxottica approach for sharing best practices on how to wear, protect and clean glasses properly, and these guidelines are available via its Salmoiraghi & Viganò and Ray-Ban brands as well as on some GrandVision brand websites. EssilorLuxottica is committed to sharing this content to educate final consumers and internal staff.

Repair to enlarge product life is one of the key focuses for the Company: wholesale, retail and final consumers can order original spare parts to replace damaged ones; toolkits are distributed and training sessions are available on Leonardo. In 2023, the Group's repair service was expanded widely to different retail brands, including Sunglass Hut and LensCrafters in the US and Ray-Ban Stores in Europe.

## Managing Product end-of-life

As a leading company in the industry, EssilorLuxottica feels the responsibility to set the standard and apply a circular model that involves also product end-of-life management.

In this context, the Collect & Reuse project, started by Salmoiraghi & Viganò, focused primarily on the life cycle of eyewear, with the goal of maximizing the value of the customer's eyewear, both during and after the product life. Since April 2023, Salmoiraghi & Viganò has provided its customers with the opportunity to bring unused sunglasses and prescription glasses from any brand back to the store, free of

On top of official product care guidelines and extended repair service, Ray-Ban launched a brand specific activity, the Renewal Station. An itinerant repair corner that visited four Italian cities – Florence, Bologna, Milan, Turin – between June and October 2023. The Renewal Station offered services such as frame adjustment, thorough cleaning using ultrasonic machines or polishing wheel, and/or replacement of damaged components.

The service encourages customers to take care of their eyewear, and was supported by technicians from key EssilorLuxottica factories in Agordo, Sedico and Lauriano.

The initiative served as a model area that highlighted the project value for consumers while also providing a thorough understanding of their needs and uncovering new opportunities for improvement, in preparation for the project expansion in 2024.

A good example of a full circular approach is the Salmoiraghi & Viganò journey, which started in 2021 with the 'Salmoiraghi & Viganò for the planet' manifesto. Thanks to its subscription program final consumers can extend frame life with a complete renewal of the frames and brand-new Rx lenses.

Another example is Synoptik retail banner, which launched the 'Vision as a Service' spectacle subscription program in Denmark and Sweden. From ownership to usership, the program has attracted a high number of customers. To maximize the product lifetime, returned spectacles are sold as second-hand under the concept PreLoved with discounted pricing, donations to communities, or sent for recycling.

Product transparency throughout the entire value chain, from product creation to end-of-life management, is the current focus to offer broader reliable information to EssilorLuxottica consumers. The first step was taken with the Arnette collection, providing a QR Code on eyewear packaging that gave direct access to an official brand website page.

charge. The Company takes responsibility for the revaluation of materials or donates them for educational purposes in the optometry field.

Since its launch in 2023, Salmoiraghi & Viganò has collected more than 5,000 frames/sunglasses. Revaluation involves breaking down the materials and reusing them to give them a new life. Regarding donations, the products are used by the Institute of Optics and Optometry (IRSOO) in Vinci, province of Florence, for educational purposes. This initiative will be extended to include new countries in 2024.

## 2.3 Eyes on World Sight

EssilorLuxottica's Mission is to help people around the world 'see more and be more'. The Mission drives the Group's strategy, and is at the heart of its principles and values. It inspires the Group's integrated approach to sustainable development and its ambition to eliminate poor vision in a generation.

Despite the ongoing challenges and uncertainties faced by the world, EssilorLuxottica remains resolute in its commitment to providing access to vision care in the most vulnerable communities, for the well-being of society.

The launch of the OneSight EssilorLuxottica Foundation in 2022 - the largest foundation in the world driving inclusive vision care access - marked a new chapter in EssilorLuxottica's journey to accelerate its Mission and bring vision care to those in need. The Foundation brought together all the Group's longstanding philanthropic and advocacy activities and it works with governments and non-governmental organizations, like-minded partners, and thought-leaders in the industry to establish and support strategies that ensure the provision of vision care and eyeglasses to those without access around the world.

In 2023, the OneSight EssilorLuxottica Foundation continued to spearhead the actions of the entire group around its Mission, positively impacting the lives of more than 14 million people in underserved communities by equipping them with eyeglasses. More than 4,900 rural optical points and vision centers were established, providing permanent access to vision care for 177 million rural community members globally.

This collective impact was made possible by more than 3,800 EssilorLuxottica volunteers who supported the OneSight EssilorLuxottica Foundation through legacy volunteering initiatives to deliver patient care in their region and, starting in 2023, by engaging in new skills-based projects. Skills-based projects provide opportunities for employees to support the Foundation beyond clinics, leveraging their unique skills and experience to further the actions of the Foundation.

The establishment of the OneSight EssilorLuxottica Foundation office in Latin America in 2023 marked a major milestone for the region. Headquartered in Columbia, the Foundation aims to serve the 190 million people in Latin America living with

uncorrected poor vision, while also bridging research and data gaps in the region.

With this accelerated momentum, the OneSight EssilorLuxottica Foundation remains optimistic in its endeavor to eliminate poor vision in a generation. Since 2013, the Group's programs have now provided 762 million people in underserved communities with permanent access to vision care within one day's travel and more than 71.8 million individuals have been equipped with eyeglasses. 27,700 rural optical points have been created, bringing vision care to developing communities where it did not exist before.

Today:

- 2 billion people are wearing glasses, and will continue to need eyewear that suits their changing lifestyles and evolving vision needs;
- 2.7 billion people, or one-in-three globally, suffer from uncorrected poor vision due to lack of awareness and access, 90% of whom live in developing economies at the base of the pyramid<sup>(1)</sup>;
- 6.2 billion people do not protect their eyes from harmful rays (sun, UV, blue light).

By 2050, over 50% of the world's population<sup>(2)</sup> is expected to suffer from myopia, a figure likely to be reinforced by multiple years of pandemic-related lifestyle changes. For some, myopia can be so progressive and severe it is considered a degenerative condition and can lead to blindness.

EssilorLuxottica's roadmap 'Eliminating Uncorrected Poor Vision in a Generation', launched at the sidelines of the United Nations General Assembly in 2019, outlines four key priority pillars for progress:

- creating permanent access;
- innovating for affordable solutions;
- funding subsidized and free services; and
- raising awareness.

Work in these areas has benefited not only the Group's efforts, but also those of its partners including like-minded governments, NGOs and other organizations.

### Creating Permanent Access

Creating permanent access to vision care remains at the forefront of the OneSight EssilorLuxottica Foundation's efforts. To date, the Group has created over 27,700 rural optical points globally, which provide more than 762 million people with permanent access to vision care.

To create this permanent access, the Group expanded its network of primary vision care providers across the world to provide access where it did not previously exist, training under-and-unemployed youths to become vision care entrepreneurs

in India (Eye Mitra Opticians), Bangladesh (Eye Mitro Opticians), Indonesia (Mitro Mata Opticians) and Kenya (Eye Rafiki Opticians). The creation of rural optical points is further accelerated by the training of more than 1,200 shop-owners, such as pharmacy operators and grocers, in rural Cambodia to screen for presbyopia and offer reading glasses and sunglasses for sale to their customers. Additionally, more than 6,100 informal optical shops in China have been organized and upskilled to provide enhanced screening services and products.

(1) Base of the pyramid refers to populations with annual per capita income – based on purchasing power parity in US dollars – of less than US\$1,500, the minimum considered necessary to sustain a decent life. Source: Coimbatore Prahalad and Stuart Hart, 'The Fortune at the Bottom of the Pyramid', *Strategy+Business* 26 (2002): 54-67, <http://dx.doi.org/10.19177/reen.v1e220081-23>.

(2) Gretchnyn Bailey, Myopia (nearsightedness): causes, treatment, AllAboutVision.com. Page updated July 2020. <https://www.allaboutvision.com/conditions/myopia.htm>.



## Eyes on the Planet, EssilorLuxottica's Sustainability Program

### Eyes on World Sight

In India, there are more than 9,500 Eye Mitra opticians, providing more than 240 million people with access to vision care. In partnership with the different state Governments of India and JHPIEGO, a global health non-profit funded by USAID among other donors, the OneSight EssilorLuxottica Foundation implemented a year-long vision care pilot project connecting Eye Mitras to the Government's flagship Health and Wellness Centers (HWCs) in Odisha and Madhya Pradesh. In 2023, the pilot saw 125 Eye Mitras mapped to 236 HWCs, creating more than 41,000 wearers. With the support of Eye Mitras, the OneSight EssilorLuxottica Foundation aims to screen more than 100,000 people, while replicating the program in different cities.

To further increase the uptake of Eye Mitra training in India, the OneSight EssilorLuxottica Foundation launched digital training modules to complement on-ground training. This has resulted in reduced costs while increasing registration and interest in the program. This is in line with the country's goal to drive digitization that will revolutionize the long-term delivery of healthcare services. Based on the success of the pilot in India, the Foundation will consider replicating this model globally.

## Innovating for Affordable Solutions

EssilorLuxottica's relentless commitment to providing innovation for affordable solutions benefits not only the Group's efforts, but also other public, private and NGO partner programs in their ability to serve communities most in need.

In North America, the Changing Life Through Lenses platform has been integral in providing eyecare professionals and charities with access to free prescription glasses, trial frame collection services, and resources to start and expand charitable engagement. With the support of these eye care professionals, charities, and advocates of vision care, 450,000 people in North America have been able to access the necessary vision care. Witnessing the success of the Changing Life Through Lenses platform in North America, the OneSight EssilorLuxottica Foundation is replicating this regionally in Oceania, Europe, and subsequently ASEAN.

Recognizing the potential of digital solutions such as tele-refraction in solving the issue of shortage of technical manpower in rural communities, the OneSight EssilorLuxottica Foundation launched a research study in collaboration with Dr. Shroff's Charity Eye Hospital comparing the accuracy of vision screenings conducted virtually in real-time, versus face-to-face examinations to diagnose and manage refractive errors. The clinical study, comprising 225 subjects aged 18 to 55 years old, showed promising results with 85% of the tele-refraction measurements conforming to the gold standard of face-to-face refraction. The study has been submitted for publication and is currently being reviewed by independent experts in the vision care industry. The Foundation will embed tele-refraction in its access creation efforts to enable faster scale-up and expand impact.

The award-winning ClickCheck™ refraction tool, launched in 2020, has continued to provide a low-cost, portable, and easy-to-use solution for determining refractive errors. An updated version, ClickCheck™ 2.0 is currently in the prototyping stage. With new Bluetooth integration, the battery-operated device will allow automatic digitization of patient results, transmitting the data to a companion mobile application.

The Group's Ready2Clip™ range, which was developed specifically for consumers at the base of the pyramid and can

In the Pacific region, in addition to continuing its programs to benefit the underserved communities across Australia and New Zealand, the OneSight EssilorLuxottica Foundation also made an impact on those living in Papua New Guinea. In collaboration with the CBMNZ Christian Blind Mission, a vision center within the Goroka Eye Unit (GEU) in Papua New Guinea's Eastern Highlands Province aims to provide affordable vision care to nearly 1 million people. The center, which is equipped with quality equipment, spectacles, and lenses, will correct refractive errors, while empowering and educating the local workforce to ensure continued permanent access to vision care in the community.

In 2023, the OneSight EssilorLuxottica Foundation successfully launched different access solutions in Africa, creating access to vision care for more than 15 million people in the continent, while simultaneously improving livelihoods for optometrists in the region. This required the partnership of government, non-government organizations, and optometrist associations, among many others, and will result in long-term positive impact, including significant improvements in the delivery of vision care services where it was not available before and economic development.

be customized, prepared and collected on the spot, has undergone an upgrade. The Ready2Clip™ Generation II offers the same core benefits of on-the-spot customization with improved features. These include a streamlined design and a lighter frame for greater comfort, the implementation of different sized bridges and adjustable temples to fit wearers across a variety of face shapes, and an easy click-release bridge for vision care providers to seamlessly customize and assemble.

The Ready2Clip™ was put to good use in India's National Truckers Eye Health Program. Run by Sightsavers India, a non-profit vision organization, the program faced a key challenge of truckers not returning to collect their glasses after being screened. With the Ready2Clip™ in use, the truckers were able to get their glasses on the same day as being screened, saving them a return trip. During the survey period from February to March 2022, the program reported a 55% decrease in the non-collection of glasses. Most of the truckers are satisfied with the quality, design, and comfort of the Ready2Clip™ glasses and three-quarters of those who received them use them continuously.

Leveraging the power of technology, the OneSight EssilorLuxottica Foundation is also in the process of developing an AI-powered vision care chatbot to engage the masses and raise awareness. The chatbot will be integrated with industry-leading large language models (LLMs) and trained with knowledge from the Foundation. Delivered via popular messaging apps, the chatbot aims to provide helpful information to users about their questions on vision issues in a familiar environment.

Further to this, the OneSight EssilorLuxottica Foundation is also launching an application aimed at creatively communicating the importance of vision care to young children and easing them into the process of vision screenings. A successful field pilot was conducted in Cebu, in the Philippines, with children responding positively to the application. Further development and enhancement of the application are underway for use as part of the Foundation's global advocacy and pre-screening tools.

## Funding Subsidized and Free Services

EssilorLuxottica and its employees remain committed to providing free and subsidized vision care services to the most vulnerable populations globally. Milestones in 2023 include:

- Establishing a partnership with the United Nations High Commissioner for Refugees (UNHCR), the UN Refugee Agency, to provide 100,000 refugees with vision care services and glasses to those with uncorrected refractive errors. Kicking off the partnership, the OneSight EssilorLuxottica Foundation, UNHCR, UNHCR Italy, the Ministry of Health in Moldova and Ungheni City Hall, alongside the Low Vision NGO, set up a vision clinic for Ukrainian refugees in the Republic of Moldova. The clinic screened more than 1,000 refugees and the underserved community in Moldova.
- Providing vision care support to the athletes participating in the Special Olympics World Games in Berlin, 2,965 athletes were screened and 1,363 received a pair of glasses, empowering them with the confidence and clarity necessary to pursue their dreams, both on and off the field. 100 dedicated volunteers from GrandVision and EssilorLuxottica contributed their time and efforts to ensure seamless delivery of vision care support to these athletes.
- Expanding the 'Vision for All' partnership with the Government of Goa, Maharashtra, and Karnataka in India, the state-level school eye health program trains teachers to deliver basic visual acuity tests to identify children who might be facing vision challenges. As the technical partner of this initiative, the OneSight EssilorLuxottica Foundation

will support in positively impacting 1 million school-going children in Maharashtra, while already creating vision care access for 800,000 in Karnataka and 250,000 in Goa.

- Screening of 48,000 children in South Africa, as part of Phase 1 of the 'One School at a Time' program which is co-founded by the OneSight EssilorLuxottica Foundation and UC Berkeley's school of vision, in collaboration with the African Eye Institute and Cooper Vision, among many others. The program aims to provide refractive services in 25,000 schools, reaching 12 million school-going children in South Africa by 2030.
- A landmark donation of 50,000 frames was made to the Ikatan Refraksionis Optisien Indonesia (IROPIN), the Indonesian optometrist association to equip the underserved in the country. This contribution received recognition from MURI, Indonesia's book of records.
- Partnering with leading ophthalmic clinics to make Corivale, commonly known as 'The Big Snake', in Rome, poor vision free. 2,000 residents in the building were offered vision screenings, and glasses were distributed to those who needed them.
- Continuing the collaboration with the Adolphe de Rothschild Foundation Hospital to host six screening events for underprivileged families. Each event examines and corrects the vision of 200 people and is supported by doctors, volunteer ophthalmologists and EssilorLuxottica volunteers.

## Raising Awareness

EssilorLuxottica proudly joined the global vision care community in October by celebrating World Sight Day (WSD), an annual day dedicated to raising awareness of the importance of vision care. To support the vision care cause, EssilorLuxottica's employees and volunteers across the globe conducted vision screenings and fundraising activities, reflecting the Group's ongoing commitment to making a tangible difference in the lives of those in need.

Throughout the month of October, screenings were provided to more than 270,000 beneficiaries, equipping more than 108,000 people with a pair of glasses.

EssilorLuxottica continued to raise awareness of good vision as a basic human right through powerful portraits from world-renowned photographer Steve McCurry as part of 'The Right To See' campaign. The campaign called attention to the importance of vision care for children as they are among the most vulnerable. Lack of access to vision care at a young age can affect the rest of a child's life in terms of reaching their full potential and cause them to miss out on crucial learning as they develop. The campaign was supported across EssilorLuxottica's portfolio of brands, business units, and global employee network.

Employees also participated in 'The Right To See' photo competition, which invited Group employees to showcase what 'The Right To See' meant to them through portraits of their family, friends, customers, and beneficiaries. The winning entries were prominently showcased across EssilorLuxottica offices worldwide, in celebration of WSD.

Beyond WSD, the OneSight EssilorLuxottica Foundation continues to put the spotlight on the importance of vision care at the highest levels. In partnership with the Sant'Egidio Community in Rome, Italy, the Foundation set up a vision center that successfully conducts 1,000 eye exams for beneficiaries in need annually. The President of the Republic of Italy, Mr. Sergio Mattarella, joined the Foundation at the vision center, as part of the 'Days of Sight' activities, which also included support delivered to beneficiaries at the Enzo Jannacci shelter.

As part of the launch in Latin America, the OneSight EssilorLuxottica Foundation also embarked on a partnership with the Latin American Association of Optometry and Optics (ALDOO), a non-profit organization created to unify and strengthen the community of professionals in the field of optometry and optics in the region. The Foundation's partnership with ALDOO will focus on a variety of projects and programs working to advocate, build capacity, and generate research to close the data gap in the Latin America region.

## Eyes on the Planet, EssilorLuxottica's Sustainability Program

### Eyes on World Sight

In addition to raising awareness among consumers and employees, EssilorLuxottica focused on educating base-of-the-pyramid (BoP) consumers on the importance of vision care, running a campaign that reached nearly 29 million people across rural regions in Bangladesh, India, and Indonesia on the common symptoms of refractive errors, and educating them on the importance of vision care.

In partnership with the Group's marquee brand, Oakley, the OneSight EssilorLuxottica Foundation also leveraged the power of celebrity ambassadors to raise awareness and support for the Group's Mission. Ambassadors include Diamond DeShields from Dallas Wings of the Women's National Basketball Association (WNBA); Rohit Sharma, the Captain of the Indian cricket team; Kylian Mbappé, the French football superstar; Li Zhixuan, the Chinese National Marathon runner; and Italo Ferreira, a Brazilian surfer and Olympic gold-medalist. Their commitment has proven instrumental in driving our Mission forward, especially in regions where the awareness on the importance of wearing glasses is low, and the stigma against wearing glasses is high.

To further highlight the impact of uncorrected poor vision in Asia, the OneSight EssilorLuxottica Foundation partnered with the Group's licensed brand, Kodak Lens, in a first-of-its-kind digital collaboration. Supporting Kodak Lens' existing 'Gift of Great Vision' initiative, the collaboration invited eligible customers who purchased a pair of Kodak Lenses to redeem a limited edition non-fungible token (NFT) which featured Kody, a loveable astronaut mascot. As a badge of support, the Kody collectibles are aimed at recognizing and uniting consumers who contribute to the cause of good vision.

The OneSight EssilorLuxottica Foundation continued its collaboration with the Group's retail banners, most notably Lenscrafters and Sunglass Hut, to educate retail customers about the Group's Mission, the Foundation's impact and invite them to donate to support the Foundation's programs. As a result of extensive awareness-building across EssilorLuxottica retail banners and e-commerce platforms, more than 1.4 million retail and online consumers supported the Foundation's Customer Giving initiatives globally.

## Social and Economic Development

As a global leader, EssilorLuxottica contributes to the social and economic development of countries where it has a presence. Locally, its manufacturing and distribution activities and retail presence foster local sourcing and business partnerships, create direct and indirect employment, develop local skills and expertise, and generate taxes and duties (see Section 2.5).

EssilorLuxottica is driven by a strong sense of responsibility and corporate citizenship, and continues to pursue its commitment toward the local communities and territories where it operates. It supports initiatives that span many areas, such as community outreach programs, cultural heritage preservation and philanthropy. Below are some of its most significant initiatives to promote and protect cultural, social, and environmental heritage:

- Eyes on Art, launched in 2020, makes art open for everyone in new and innovative ways by sharing it in all its forms through large urban digital screens in Milan, London, and New York and transposing artworks into tactile means via a surface 3D-printing process. This year, the Company supported two special projects, part of the 'Bergamo Brescia Italian Capital of Culture 2023' program: the

EssilorLuxottica continues its efforts to advocate on the importance of good vision on the road and safe mobility. This can be witnessed by the Group's:

- joint campaign with the United Nations Special Envoy for Road Safety to ensure good vision for all road users, in alignment with 2030 Sustainable Development Goals;
- launch of a breakthrough driver-dedicated lens, through its subsidiary, Shamir, for optimal vision under any driving conditions. These lenses can be used by professional Formula 1 drivers to everyday drivers, transforming the driving experience to one that is safer, more comfortable and visually clear.

For the first time on World Children's Day, commemorated on 20 November annually, EssilorLuxottica rolled out a global campaign to promote and celebrate children's rights and hosted a live stream panel discussion on ensuring vision care access for children worldwide via Leonardo, its online learning platform, to provide updates on vision care for children and address why good vision is so essential for learning. In Milan, the 'A look into the future' campaign was conducted with EssilorLuxottica brand, Salmoiraghi & Viganò, to engage young generations with art. The artwork, which originated from Italian artist Domenico 'Frode' Melillo and Milan's Istituto Comprensivo Gino Capponi school celebrates children's eyes and sight as a powerful means to a more inclusive and equal society for a responsible future.

2023 was a milestone year for the OneSight EssilorLuxottica Foundation. On the sidelines of the United Nations General Assembly (UNGA), the Foundation, together with influential representatives from the World Health Organization and other leading health organizations, raised awareness on the importance of vision care services as a universal health priority. They shared a positive message that the gap to ensuring everyone in the world can see clearly is closer than ever thanks to the progress of the Foundation and its partners, while also reinforcing how vision correction is a catalyst for social and economic development.

'Deserters' project at the GAMeC of Bergamo and the 'OPEN' project at the Teatro Grande Foundation of Brescia in Italy.

- Additionally, other groundbreaking projects include Arte Sella, the contemporary mountain in Trentino, an annual collaboration with the art digital platform CIRCA in London to broadcast international artists—from Sir Frank Bowling to Dick Jewell, Laurie Anderson, and Slawn—on EssilorLuxottica's digital screens.
- Pushing its commitment for accessibility further, EssilorLuxottica actively supports initiatives to make art accessible to people with visual impairments. In June 2023, and for a second year in a row, EssilorLuxottica supported the international 'Les Nuits de Fourvières' performing arts festival in Lyon, France, by exhibiting dedicated tactile representations of the ancient Roman theater, part of the UNESCO World Heritage. The OPEN project at the Teatro Grande Foundation of Brescia focused on making opera and ballet performances accessible to people with sensory disabilities, starting with Giacomo Puccini's opera *Madama Butterfly* in July 2023.

- Finally, the Company has committed to sharing its rich history and heritage with the public by partnering with museums. It thus loaned important pieces of its heritage collections. In 2023, EssilorLuxottica loaned the oldest piece from the historical collection of its Museum of Optics in Agordo to Palazzo Vecchio in Florence, Italy, for an exhibition dedicated to Flemish artist Giovanni Stradano. Lastly, the Group also granted the Hangar Y exhibition site in Meudon, France with the loan of Inuit snow goggles, on the occasion of its exhibition Prendre le soleil. This rare item, on permanent loan at the Musée de la Lunette in Morez France, comes from the former Pierre Marly collection.

The Company takes pride in combating social exclusion and helping families and individuals by guaranteeing their livelihoods. This has also increasingly strengthened its bond with the people and territories where it operates. In Italy, for example, a social inclusion project was launched in 2019 for meal delivery service. Over 168,000 meals have been delivered since the start of the project, with an average of over 182 meals per day. This ability to respond to the needs of local communities is a hallmark of EssilorLuxottica's culture of inclusion.

## 2.4 Eyes on Inclusion

EssilorLuxottica's success is deeply intertwined with over 190,000 employees worldwide who provide products of high technical and stylistic quality with unparalleled levels of service. This global community embodies a unique expertise and DNA, and contributes to the Company's Mission to help people 'see more and be more', providing employees with a unique sense of purpose. As fundamental pillars of EssilorLuxottica's culture and crucial elements in building a shared identity throughout its history, the Group has taken on a pioneering role on two major fronts. On the one hand, the Group has involved employees in its development by giving them the opportunity to become shareholders; on the other, it has promoted welfare initiatives that go beyond simple compensation. This commitment is embedded alongside a strong culture of health and safety in the workplace and extends to the communities where employees and their families live.

The Company seeks to develop an environment where everyone can thrive, feel valued and respected and constantly learn. A tangible advancement in this respect is 'weare:', a global project to identify and consolidate one company culture to enhance employee engagement and elevate the Company's Mission and business strategy. The Group has built this project

through a co-creative and participatory approach at both local and global levels, leveraging its heritage and strengths, identifying a framework of values that will define the Company's culture. The new company cultural framework will be unveiled and shared among all employees in 2024. One of the key initiatives to successfully launch the participatory approach toward building the 'weare:' company culture is the development of a network of 65 Ambassadors from each region selected through a voluntary and inclusive process to ensure diverse perspectives and representation.

The Group's commitment to inclusivity is further embodied by Leonardo, EssilorLuxottica's pioneering learning platform, introduced to the vision care industry in 2021. Since its launch in 2021, Leonardo has earned a strong reputation as the educational point of reference across the eyewear and eyecare industry by leading education on topics such as vision care, practice management, people development, compliance, and more, thereby fortifying the Group's culture of inclusive learning. The reason behind all these efforts – described in this Section – is the innate belief that plurality and diversity are sources of enrichment, and a heritage that makes the Company stronger and better able to face global challenges.

## The Company's Workforce

As of December 31, 2023, EssilorLuxottica Group had 191,706 employees worldwide. Women represented 60% of all Group employees, 39% of the members of the Management Bodies and 33% of Senior Executives.<sup>(1)</sup>

### Total Workforce

	2023	2022	2021
<b>TOTAL WORKFORCE</b>	<b>203,272</b>	<b>200,121</b>	<b>193,371</b>
Total number of employees	191,706	189,788	182,684
Total number of agency workers	11,566	10,333	10,687

Note: The figures for EssilorLuxottica workforce refers to December 31 of each year, and includes all newly integrated entities as of 2023. Overall, in 2023, the total workforce stayed at a similar level as in 2022 with an approximately 2% increase, mainly due to the increase in the activity of labs, plants and stores. Moreover, with reference to agency workers, the rise can be attributed to improved accessibility of data pertaining to recent acquisitions. Agency workers continue to represent approximately 6% of the total workforce. For more information on reporting methodology and scope, please refer to Section 5.

(1) The composition of the Management Bodies encompasses the key global positions within Group Functions and Senior Leadership Team of the Operations. The list evolves as a result of the ongoing integration effort and the harmonization of the HR systems, that allowed a higher uniformity and quality of data. This process also entailed an internal global alignment on the most selective definition of Management bodies within the Group, reflecting the continuous evolution of EssilorLuxottica and of the key global strategic positions needed to ensure its growth and success.

## Workforce Breakdown by Region

	2023	2022	2021
<b>TOTAL WORKFORCE</b>	<b>203,272</b>	<b>200,121</b>	<b>193,371</b>
EMEA	74,537 (37%)	75,499 (38%)	72,032 (37%)
Asia-Pacific	58,683 (29%)	55,262 (28%)	54,186 (28%)
North America	45,000 (22%)	44,854 (22%)	43,476 (23%)
Latin America	25,052 (12%)	24,506 (12%)	23,677 (12%)

Note: The geographical breakdown of the workforce is aligned with the geographical areas identified for revenue disclosure. The workforce distribution by region remains the same as 2022. For more information on the reporting methodology, please refer to Section 5.

The tables below detail the Company's employees according to gender, contract type, category and age.

## Employee Breakdown by Gender

	2023	2022	2021
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>191,706</b>	<b>189,788</b>	<b>182,684</b>
Total number of women	115,196 (60%)	115,314 (61%)	110,272 (60%)
Total number of men	74,808 (39%)	74,474 (39%)	72,412 (40%)
Total number of unknown	1,702 (1%)	-	-

Note: At December 31, 2023, women represented 60% of all Group employees, remaining at similar level as 2022. In 2023, another category of employees was introduced regarding gender, 'Unknown', to represent those who have chosen not to reveal their gender and those who identify as non-binary individuals. For more information on reporting methodology, please refer to Section 5.

## Employee Breakdown by Contract Type

	2023	2022	2021
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>191,706</b>	<b>189,788</b>	<b>182,684</b>
Permanent contract	151,292 (79%)	154,029 (81%)	150,316 (82%)
Fixed term contract	40,414 (21%)	35,759 (19%)	32,368 (18%)

Note: Approximately 79% of employees held permanent contracts within EssilorLuxottica, in line with previous years breakdown.

## Employee Breakdown by Category and by Gender

	2023	2022	2021(ex. GV)
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>191,706</b>	<b>189,788</b>	<b>143,750</b>
<b>Executives – Senior management</b>	<b>2,582 (1.3%)</b>	<b>2,468 (1.3%)</b>	<b>1,813 (1.3%)</b>
Women	863 (33%)	806 (33%)	512 (28%)
Men	1,719 (67%)	1,662 (67%)	1,301 (72%)
Unknown	0 (0%)	-	-
<b>Managers/Experts – Middle management</b>	<b>12,520 (6.5%)</b>	<b>12,547 (6.6%)</b>	<b>11,638 (8.1%)</b>
Women	5,362 (43%)	5,341 (43%)	4,813 (41%)
Men	7,139 (57%)	7,206 (57%)	6,825 (59%)
Unknown	19 (0%)	-	-
<b>Professional – White collars</b>	<b>38,920 (20.3%)</b>	<b>39,299 (20.7%)</b>	<b>44,776 (31.1%)</b>
Women	20,869 (54%)	21,241 (54%)	24,778 (55%)
Men	17,975 (46%)	18,058 (46%)	19,998 (45%)
Unknown	76 (0%)	-	-
<b>Production/Shop staff – Blue collars</b>	<b>137,684 (71.8%)</b>	<b>135,474 (71.4%)</b>	<b>85,523 (59.5%)</b>
Women	88,102 (64%)	87,926 (65%)	52,806 (62%)
Men	47,975 (35%)	47,548 (35%)	32,717 (38%)
Unknown	1,607 (1%)	-	-

Note: 2021 employee breakdown by category did not include GrandVision and Walman. In 2022 and 2023, full alignment of definitions and rules of reporting was applied to GrandVision for employee breakdown. Production/Shop staff (e.g. Blue Collar) is quite flat and represents 72% of the Group due to the retail and operations activities. Women represent approximately 43% of management roles (middle management) of the Group like in 2022. Also, the proportion of women covering executive roles remain stable at 33% vs 2022.

## Employee Breakdown by Age

	2023	2022	2021(ex. GV)
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>191,706</b>	<b>189,788</b>	<b>143,750</b>
Below 18	614 (0.3%)	676 (0.4%)	189 (0.1%)
18-34	85,551 (44.6%)	86,094 (45.4%)	66,201 (46.0%)
35-49	71,706 (37.4%)	70,305 (37.0%)	53,839 (37.5%)
Above 50	33,835 (17.6%)	32,713 (17.2%)	23,521 (16.4%)

Note: As of December 31<sup>st</sup>, 2023, approximately 45% of the Group employees were under 35, mainly working in facilities and stores. Overall, 82% of employees were under 50 years old. For more information on reporting methodology and scope, please refer to Section 5.



## Employee Turnover

	2023
<b>TOTAL TURNOVER</b>	<b>22.3%</b>
Asia-Pacific	13.0%
EMEA	15.6%
Latin America	34.7%
North America	30.7%
<b>OF WHICH VOLUNTARY TURNOVER</b>	<b>16.1%</b>
Asia-Pacific	10.7%
EMEA	10.9%
Latin America	20.4%
North America	23.8%

Note: Starting from 2023, EssilorLuxottica sustainability reporting includes the turnover rate. The Employee Turnover rate is the total number of permanent employees who left the Group over the reporting period on the average number of employees with permanent contract as of the last day of each month over. Voluntary Resignation refers to termination of contract initiated solely by an employee, for reasons including career development, personal, compensation, termination within probation period / no show / mutual agreement, etc. The turnover analysis does not include GrandVision and the new acquisitions. During 2023 EssilorLuxottica had a 22.3% turnover rate of which 16.1% voluntary.

## Equal Opportunities and People Development

At the very core of EssilorLuxottica are its people, who bring its assets to life and are the key drivers of its success. Based on the principle that everyone's talent makes a difference, EssilorLuxottica recruits and engages its employees with a

long-term perspective in which education, development and equal opportunities for everyone play a core role throughout the employee's career.

### Diversity, Equity and Inclusion

EssilorLuxottica is firmly committed to guaranteeing equal opportunities for every employee at all levels, and paying employees equally for the same work, regardless of race, gender, age, nationality, religion, sexual or political orientation, marital status, union affiliation, or disability. As stated in the Code of Ethics, the Group does not tolerate any form of discrimination, intimidation or harassment. The Company is firmly committed to building a work culture that is inclusive, and nurtures diversity to allow unique perspectives and novel ideas to flourish. Professional roles and promotions are evaluated and assigned based on fairness and meritocracy.

EssilorLuxottica strives to create a community that values all backgrounds, identities, and cultures. Operating across more than 150 different countries, its workforce is made up of many different nationalities and languages, with talented people of every race, religion, gender, age, and ability. The goal is to make every one of them feel included, appreciated, and inspired at work.

In October 2022, as a part of coming together as one organization, a Global DE&I function was created to establish the Group's strategy, commitments and goals for Diversity, Equity and Inclusion. The pillars of the Global DE&I strategy

are: to Drive Internal & External Awareness by fostering a culture of Inclusivity & belonging, Build & Evolve More Inclusive Processes and Policies, Develop Clear Goals by Leveraging Data & Metrics, Ensuring Diversity of Thought through Ambassadors and Regional Networks. DE&I initiatives are developed in partnership with Corporate Sustainability, Corporate Communications, Leonardo, and all EssilorLuxottica employees. In 2023, the DE&I function was consolidated, executing a robust program of global and local initiatives aimed at instilling awareness. In this respect, EssilorLuxottica believes in education and learning as key enablers of an inclusive workplace, which supports an open dialogue among employees and fosters an inclusive work environment. Following a company-specific Global Inclusion Calendar, International Women's Day, Pride Month, and International Day of Persons with Disabilities were celebrated with worldwide campaigns on Leonardo and at local level, involving the entire Company workforce and customers through virtual and physical events and workshops, in addition to the dissemination of awareness and educational materials on the topics. The awareness-building process engaged all employees, enhancing their understanding of unconscious biases, gender equality, and various dimensions of diversity within the workplace.



### THE ESSILORLUXOTTICA DIVERSITY, EQUITY AND INCLUSION WEEK 2023

In November 2023, the Group celebrated its first global DE&I Week, which was dedicated to diversity, equity, and inclusion in the workplace. To mark the occasion, a series of global and local events were organized to raise internal awareness on DE&I topics and promote a more inclusive work environment where all Group employees feel welcome, valued and can express their full potential. The event was well-received with thousands of employees taking part in workshops, talks and conferences organized across the regions.

On a global scale, EssilorLuxottica's employees had the opportunity to participate in a livestream event on the Leonardo learning platform, featuring an internationally renowned DE&I expert who shared valuable insights about the impact of unconscious biases on people's actions and decisions and provided practical advice for enhancing team collaboration and inclusivity.

Additionally, a series of local events and learning opportunities, including panel discussions, were held in the Group's offices around the world (e.g. France, Italy, North America, Greater China and others) reinforcing the importance of uncovering biases and raising internal awareness on gender equality, inclusive leadership, and inclusive communication.

The deployment of DE&I Week is one of many initiatives organized in different regions to promote an open dialogue among employees and provide an inclusive work environment, in full alignment with the global direction. For example:

- In North America, EssilorLuxottica continued many employee-led initiatives, including the DE&I Think Tank and six Business Resource Groups (BRGs) (Women's Network, Kaleidoscope, Pride, Abilities, Generation Next, and Mil-Vets). EssilorLuxottica North America led 25 virtual and in-person activations in 2023 with support and partnership from the BRGs and aligning with the regional Inclusion Calendar. Individual business units, including Sunglass Hut, Target Optical, FGX, Transitions, LensCrafters, and EyeMed, supported and co-sponsored many regional initiatives and continued with brand-level DE&I programs. The North American EssilorLuxottica Women's Network (ELWN) implemented a mentorship initiative with over 160 internal women leaders participating in the program, furthering the Company's commitment to gender balance and equity. In October 2023, the North American Inclusive Language Guide was published for all employees, championing the use of inclusive language with all stakeholders. EssilorLuxottica also continued its long-standing partnership with the Optical Women's Association and established new partnerships with multiple professional non-profit organizations, such as Black EyeCare Perspective, Out & Equal, and DisabilityIN.
- In France, a series of awareness initiatives were organized. During DE&I Week, over 600 employees attended a variety of events, including a virtual conference on the concept of inclusive leadership and interactive workshops on unconscious biases and professional equality as well as videos of employees sharing their testimonies on intergenerational and intercultural relations. They also shared their thoughts on parenting and work, including the importance of work-life balance. In addition, for more than 15 years disability-related events have been organized in connection with the European Week for the Employment of People with Disabilities. In 2023, focus was on Paralympic Games and the inclusion of people with disabilities at work, drawing parallels with the values of sport. Moreover, as part of the European Week for the Employment of People with Disabilities, in France the Company also participated in a DuoDay annual event promoting the work inclusion of people with disabilities.
- In 2023, Retail Italy developed specific activities and a dedicated training path to promote gender balance, DE&I, and foster an inclusive culture. An awareness-raising process on stereotypes and inclusive language was also launched. In addition, activities to raise internal awareness on violence against women in all its forms were organized, while providing the HR Department with specific training on the topic.
- In EMEA Wholesale, workshops on 'Inclusive Leadership' dedicated to regional management were conducted with the aim of increasing awareness on inclusion as managers and improve the capacity to manage and inspire diverse teams. Also, group discussion and workshops on unconscious bias were conducted by local HR teams in different countries.
- In EMEA Optical Retail, the inclusion approach is set around three pillars: people, customers and communities. The DE&I taskforce established in 2022 continued working on several DE&I projects as part of the DE&I blueprint. During DE&I week, panel discussions were held around Female leadership & empowerment, how inclusivity impacts the customer experience and how to create a more inclusive environment in the communities EssilorLuxottica operates in through the collaboration with the OneSight EssilorLuxottica Foundation.
- In Greater China, a development program was set to drive female leadership awareness and development through group coaching, live shows, and panel discussions. Moreover, during DE&I Week a series of events were organized, including a DE&I roadshow that attracted over 800 participants as well as coaching workshops and panel discussions featuring executives from the Greater China leadership team. They discussed topics related to gender equality, female leadership, changing generation, and inclusive communication.
- To promote dialogue and foster an inclusive culture in LATAM, awareness-raising campaigns were conducted and in Brazil, talking sessions around unconscious bias and diversity dimensions were held to encourage employees to reflect on their overall DE&I journey with the aim of further practicing respect and empathy within the work environment and beyond.

Also, some brands within the Group have historically been particularly active on diversity, equity and inclusion issues, advancing their significant initiatives and reinforcing EssilorLuxottica's overall path.

For example, in 2023, Vogue Eyewear continued 'a journey through diversity to reach an inclusive approach'. This commitment was reflected externally in the brand's campaigns, with increasingly diverse representation and a more inclusive tone of voice. On International Women's Day 2023, Vogue Eyewear partnered with the non-profit organization Equality Now and relaunched the official IWD campaign, amplifying the annual message 'Embrace Equity' by showcasing voices of influencers from the Vogue Eyewear Squad and employees involved in internal activations. During Pride Month 2023, the brand supported the non-profit organization 'The Trevor Project' through its campaign entitled 'Share with Pride'. The aim of the campaign was to share the brand's platforms to give visibility to illustrators of the LGBTQIA+ community, asking what self-expression means to them through their artwork.

Moreover, EssilorLuxottica's 'Eyes on Art' initiative makes art accessible to people in new and innovative ways by sharing it in all its forms, without limits or borders, using the Group's large urban digital screens and transposing artworks into tactile

means via a 3D-printing process. In partnership with several museums and cultural institutions in Milan, London, Paris and New York, 'Eyes on Art' makes art accessible to all, including people with visual disabilities, through special cultural-mediation tools, as part of skills-based patronage actions. In 2023, and for the second year in a row, EssilorLuxottica supported the 'Les Nuits de Fourvière' international music festival in Lyon, France, through a dedicated tactile representation of Lyon's ancient Roman theater, part of UNESCO's World Heritage list. Moreover, thanks to the OPEN project, which uses innovations such as Sennheiser's technology, viewers with visual and hearing disabilities can experience opera and ballet performances at the Teatro Grande Foundation of Brescia, Italy (Section 2.3).

Also in 2023, EssilorLuxottica earned a spot on the Financial Times 'Diversity Leaders list 2024', recognition for the various initiatives undertaken by the Company in the past few years regarding Diversity, Equity and Inclusion. Moreover, four women professionals at EssilorLuxottica, Tara Koch, Judy Lew, Rhonda Sizemore and Rose Harris were honored among Vision Monday's list of 'Most Influential Women in Optical' as they were recognized for their leadership and special contributions to the industry progression.

## **Socially Responsible, Fair and Competitive Compensation Policy**

The Group values and motivates its over 190,000 employees by guaranteeing competitive compensation based on guiding principles such as equal pay for equal work and rewards based on merit. This commitment to pay equity is accompanied by a proactive initiative to promote gender equality in terms of career development, jobs and compensation within the Group thereby ensure long-term retention and engagement.

To this end, all Group entities ensure that the compensation of every employee is in line with, or exceeds, market rates in their respective countries. In 2023, EssilorLuxottica developed a common methodology to identify and assess potential pay disparities in all countries in which the Group operates. This approach aims to calculate disparities at both national level and at consolidated Group level, to identify any potential shortcomings requiring a dedicated corrective action, and to track the evolution of the various measures over time. This proactive approach also makes it possible to anticipate regulatory developments, notably the EU Directive on pay transparency, demonstrating the Group's ongoing commitment to pay equity, transparency, and compliance with continuously evolving regulatory standards.

Beyond the principles of equality and competitiveness, EssilorLuxottica strives to ensure a decent standard of living for every employee and their family. This reflects the firm belief that a living wage is fundamental to meet basic needs such as housing, food, healthcare, education and transportation, while also providing a cushion to deal with unexpected events. This approach is integrated into the Group's Code of Ethics, highlighting its commitment to creating an ethical and fair work environment. In 2023, EssilorLuxottica set up a multidisciplinary team to formulate a living wage policy, which conducted a preliminary study starting from EMEA using the Fair Wage Network methodology. The Group plans to broaden the assessment of compensation levels in relation to local living wages by the end of 2024, thereby demonstrating its ongoing commitment to transparency and the continuous improvement of its compensation practices, with the goal of covering all the countries in which it operates.

## **Accessible Education through Leonardo, the Group's Learning Platform**

Leonardo, EssilorLuxottica's digital learning platform, features expert-curated content that can be tailored to learner needs. It has been designed to be accessible not just for a small few, but for every member of the eyewear and vision care community across the world. It addresses EssilorLuxottica employees and customers, as well as eyecare professionals at every level and every role, offering them the opportunity to continuously expand their skills, knowledge, and mindset. With this broad 'unlocking' of knowledge, EssilorLuxottica makes an investment that represents one of the levers used to help unlock the potential of the industry.

Since its launch in 2021, Leonardo has earned a strong reputation as the educational point of reference across the eyewear and eyecare industry by leading education on topics such as vision care, practice management, people development, compliance, and more. It has delivered over 5.5 million hours of education in up to 30 languages, becoming a key tool for attracting and retaining resources.

Among the great added values of Leonardo, there is also its educational offer for products, brands, and technologies. To keep improving and fulfilling learner needs, it has enhanced 'Latest collections', the interactive online catalog that provides a comprehensive overview of every style in EssilorLuxottica's eyewear collections, with access to storytelling, inspiration, support for advertising campaigns, and key technical details.

Leonardo uses a blended approach to education, combining on-demand content with live sessions, virtual classes, and digital services which are available to both EssilorLuxottica clients and employees, which also include 'New to your store', the customized service which provides learning bites on every model shipped to any door, and the virtual tour of the Tortona Experience Center (Italy).

In 2023, the adoption of Leonardo grew strongly: 2.7 million hours of education have been delivered, which represents a growth of +43% comparing with 2022. 21,158 live sessions have been organized with the participation of 1.1 million people, reaching a total number of 50,449 sessions since the launch and a total number of 2.3 million participants. Its community overall was also enriched, including nearly 13,000 new employees onboarded and approximately 30,000 new learners from our professional solutions network. A more innovative educational offer brought by the introduction of structured programs (e.g. Onboarding for retail stores progressively rolled out in all the banners, Ray-Ban Expert, Oakley Expert, Transitions Specialist, The World of Children Eyecare Program) boosted engagement and contributed to this positive trend.

Its continuous commitment to learners is solidified with additional valuable myopia management content, including an updated Myopia Certification, educational courses from the respected World Society of Pediatric Ophthalmology and Strabismus (WSPOS), and two dedicated myopia podcast series created by expert Dr. Kate Gifford, Director of Myopia Profile.

2023 also marked the signing of a prestigious partnership with Harvard Business Publishing that enhanced the platform's management and leadership-related content, with a selection of curated courses to enrich both personal and professional skills.

Based on the experience gained in retail, Leonardo has recently started launching Build Your Career, the ultimate section designed to help independent practitioners to upskill their staff and strengthen their knowledge in order to be recognized by patients as trusted optical practice members. This section offers structured programs that accompany the staff in their personal and professional development, whether they are new to the industry or experienced professionals. With a comprehensive array of learning opportunities, Build Your Career is made up of three key areas. The Role Specific Programs provide the necessary skills to excel in three different roles in the practice (Front Desk Professional, Eyecare Dispenser, Practice Manager), and each path offers three experience levels, Essentials, Advanced and Pro. The Specialty Programs offer a detailed

experience to provide staff with the advanced knowledge needed to become an expert on topics such as brands, vision care, sales and business, and people transformation. The Management Development Program is a 6-month blended program targeting Practice Managers looking to enhance their business and people skills to improve their practice.

To strengthen the connection with learners and foster a sense of community globally, Leonardo organized global live events open to all EssilorLuxottica employees and partners to celebrate industry or globally renowned international days throughout 2023, marking an exclusive and unique service available only on Leonardo.

As an example, to celebrate Earth Day, Leonardo hosted two events with the purpose of highlighting the Group's efforts in safeguarding the planet. These events showcased the progress of the Company's 'Eyes on the Planet' sustainability program, strengthening its commitments to sustainability, contemplating potential enhancements, and presenting tangible instances of how the Group's brands are introducing sustainable innovation and environmental consciousness into the market. On National Sunglasses Day on June 26, a 'Where fashion meets function' event took place with a deep dive into how EssilorLuxottica works to consistently provide solutions and use this knowledge to improve customer awareness. 2023 also marked the first 'EssilorLuxottica for World Children's Day' live event, in which a panel of experts discussed children's vision needs and highlighted EssilorLuxottica's commitment to delivering comprehensive eyecare solutions and ensuring global access to vision care services for children.

To continuously foster a sense of belonging allowing everyone to feel part of the Group, in early 2024 Leonardo hosted an event to launch the new EssilorLuxottica shared values, open to all employees worldwide.

The new values helped to define the new EssilorLuxottica Competency Model, which outlines the behaviors that bring these values to life: for each value, three leadership behaviors (organizational competencies) are identified and describe in detail the competencies behind each value. Together, both the Values and the Competency Model are the foundations of the EssilorLuxottica Global HR Talent Processes and represent the starting point for the creation of the Competency Hub on Leonardo, a space where all employees can explore and develop the new Competency Model with a customized experience, tailored to their needs. This space allows employees to find a wealth of curated learning resources structured into Educational Pathways that will gradually drive the Group's cultural change into a real Learning Organization.

Sustainability-related topics in general are part of the engaging portfolio offered by Leonardo from which employees can retrieve material to increase their awareness. Indeed, the hours of education on sustainability topics delivered to employees in 2023 represented around 10% of the total hours delivered on the platform, to both internal and external audience.

## Hours of Education and Number of Employees Educated

	2023	2022	2021
<b>TOTAL HOURS OF EDUCATION DELIVERED</b>	<b>3,684,658</b>	<b>3,207,158</b>	<b>2,165,534</b>
<b>Centrally managed hours of education</b>	<b>2,155,692</b>	<b>1,695,558</b>	<b>1,309,670</b>
<b>Locally managed hours of education</b>	<b>1,528,966</b>	<b>1,511,600</b>	<b>855,864</b>
Executives – Senior management	16,810	12,511	
Managers/Experts – Middle management	88,248	135,458	293,406
Professional – White collars	215,706	264,638	
Production/Shop staff – Blue collars	1,208,201	1,098,993	562,458
<b>NUMBER OF EMPLOYEES EDUCATED THROUGH CENTRALLY MANAGED PROGRAMS</b>	<b>132,587</b>	<b>109,306</b>	<b>81,244</b>
<b>NUMBER OF EMPLOYEES EDUCATED THROUGH LOCALLY MANAGED PROGRAMS</b>	<b>84,662</b>	<b>97,113</b>	<b>60,851</b>
Executives – Senior management	1,131	1,257	
Managers/Experts – Middle management	7,760	9,178	22,924
Professional – White collars	15,758	19,968	
Production/Shop staff – Blue collars	60,013	66,710	37,927

Note: In 2023 hours managed digitally through Leonardo grew by 27% primarily due to increased platform adoption across all GrandVision entities, and a 26% increase in virtual classes delivered to all EssilorLuxottica employees.

Additionally, a more innovative educational offer brought by the introduction of structured programs boosted engagement and contributed to the positive trend. In 2023, over 132,000 employees were educated through Leonardo, registering a 21% increase compared to 2022.

Latest Collections section data are excluded from the perimeter for Centrally Managed Hours of Education and Number of employees educated through centrally managed programs.

As for locally managed education, the detailed breakdown by job category was applied in 2023 as well, in line with 2022 reporting. This breakdown is not available for 2021, for which the sum of the three categories is reported and corresponds to the 'Other categories' item in the Chapter 5 of the 2021 URD. The integration of GrandVision has been further consolidated and locally held sessions have been performed to answer specific local needs and requirements. In total, over 1.5 million hours of education were delivered to more than 84,500 employees including GrandVision ones, when compared to 2022 hours remain stable and employees educated decrease by 13% transitioning to centrally managed educational courses. Locally managed data covers 89% of the Company's headcount. For more information on reporting methodology and scope, please refer to Section 5.

## Talent Management & Development

For EssilorLuxottica, talent development is a top priority. In 2023, the Company introduced new global development initiatives as well as expanded participation across all existing programs, each aimed to support growth and career development. Development initiatives for high-potential talent include global and regional mentorship, comprehensive leadership development programs, international job rotations, individual leadership coaching, leadership capability assessment tools and opportunities to learn from the Group most senior leaders.

- Performance reviews: Over the course of 2023, the Group started integrating systems from the legacy companies to launch, an integrated performance evaluation process for EssilorLuxottica, called OnePerformance. Started in 2023, EssilorLuxottica's revamped performance management process represents a significant milestone in the Company's commitment to nurturing employee development and fostering a culture of continuous feedback. Building on the strengths of Essilor and Luxottica, a unified and consistent approach to performance management has been rolled out across the organization, reaching over 48,000 employees worldwide in 2023, while continuing to work on its expansion in other entities and countries.
- Talent reviews: Performance assessments are conducted in an integrated way as part of a unified process, OnePerformance. The streamlined approach to evaluation offers an improved user experience to managers and allows more time to focus on the next steps, such as development and career planning.
- Internal mobility: Facilitation and promotion of internal mobility opportunities through global and regional talent programs enables the Company's top talent to unleash their full potential by increasing self-awareness, working on strategic projects within multicultural teams, gaining exposure to senior leaders, and being supported by internal mentors and coaches with targeted and personalized development plans. For instance, FinHance is a global development program aimed at promoting international career opportunities addressed to the most talented people within the Company's global finance community. This three-year program provides an opportunity to rotate across three different functions and be supported by a local buddy, a senior mentor, a community of practice and a dedicated training plan.
- Global development catalog: This includes initiatives such as mentoring, virtual coffee chats with EssilorLuxottica business and operations leaders, and Group-coaching programs to help leaders harness their communication and influencing skills and leadership impact as well as individual six-month coaching journey for selected executives, functional leaders and managers to unlock their potential and further boost their performance and growth. The Global People Development initiatives, which engaged over 1,100 employees in 2023, lead the employee development programs carried out by Regional Talent Partners at local level, enhancing the influence of development initiatives throughout the organization.

### Talent Attraction

EssilorLuxottica is committed to offering an engaging and motivating workplace where everyone can unleash their full potential and express their unique individuality. The Company achieves this by providing an environment based on trust and respect, and a cooperative leadership style deeply anchored in its Mission. With operations across more than 150 different countries and the ongoing transformation of the Company around the world, attracting diverse talent is strategic and taps into EssilorLuxottica's employer value proposition.

Several initiatives have been developed to attract, retain and engage talents. While the career page on the EssilorLuxottica website offers an overview of the main opportunities for each function, the EssilorLuxottica LinkedIn page is aimed at communicating the latest news and career opportunities as one Company.

The Company is present at international campuses of top-ranking universities and management schools (e.g. MIT, Harvard, NYU, Columbia University, HEC, ESSEC, ESADE, Bocconi University, Politecnico di Milano, Fudan, PolyU Hong Kong, etc.), participating in career events, hosting information sessions and launching real case studies with students. The Company also contributes to emerging talent education by leveraging partnerships, such as CEMS, an alliance of more than 30 business schools worldwide, and student associations, such as AEBG (Alliance of European Business Game) and BEST

(Board of European Students of Technology). Finally, 2023 saw the second round of graduates from the 'Global Circular Economy Committee' that EssilorLuxottica launched in partnership with ESSEC Business School, L'Oréal and Bouygues to train 120 future circular economy experts by 2025.

Being at the forefront of vision care innovation requires the acquisition of new strategic skills through dedicated talent acquisition programs such as:

- The Operations Talent Program, a two-year path started at two different locations, Agordo in Italy and Creteil in France. A new class of international trainees from STEM fields was launched in 2023, where more than 20% of new participants were women.
- Aimed at designing the smart glasses of the future, the EssilorLuxottica Smart Eyewear Lab located in Milan is a joint research platform between EssilorLuxottica and Politecnico di Milano, one of the top 20 technological universities worldwide. The Smart Eyewear Lab will initially last five years and employ over 100 researchers and scientists working closely together in a dedicated space. In its first two years the lab is provisionally located within the Leonardo Campus, the historical one, and starting from 2025, the lab will move to the Innovation District, which Politecnico di Milano is currently developing in Parco dei Gasometri, located in the Bovisa area in Milan, a renewal project signed by Renzo Piano.

## Employee Engagement and Culture

### Social Dialogue and Industrial Relations

Respecting local regulations, EssilorLuxottica acknowledges the value of engaging with Factory Committees and Trade Unions as an added dimension for sustainable business growth through participative means. The Group's corporate governance, where the President of the Employee Shareholders' Association (Valoptec Association) holds a permanent seat on the Board of Directors, alongside the Company's commitment to globally promote widespread ownership plans (Boost), further reinforces EssilorLuxottica's belief in a work structure that finds growth in social dialogue and engagement with employees and their representatives.

EssilorLuxottica, as emphasized in its Code of Ethics, fully respects the principles of collective bargaining and the freedom of association of its workforce, in line with applicable national laws and practices. The Group vehemently opposes any form of discrimination resulting from membership in a workers' association or trade union.

In early December 2023, in Italy, EssilorLuxottica signed an additional contract with national sectoral organizations enabling better work-life balance for factory workers. This extension will expand the possibility of flexible work arrangements, already available globally for office-based employees, to allow remote work for 50% of the time. Thanks to this agreement, starting in 2024, a four-day workweek trial period will be launched in factories, operating from Monday to Thursday for 20 weeks a year. The goal is to fully implement the new hourly model within the next two years.

To ensure practical alignment with actual employee needs, social dialogue is managed locally by HR representatives. Meanwhile, at regional and global levels, best practices are consolidated and disseminated among countries, adhering to the Group's shared guidelines and respecting local specificities.

Strengthening the employee engagement in Europe, a new level of consultation and information will soon emerge through the establishment of the European Works Council (EWC). Throughout 2023, the Group's Management and a specific Special Negotiation Delegation (SNB) - including at least one representative from each EU country - engaged in extensive discussions. These discussions will materialize in the first quarter of 2024 with the establishment of the EssilorLuxottica European Works Council, replacing the former French Cedie established within the former Essilor perimeter in 2000. The new body, comprising 26 members, will represent over 53,000 employees across 25 EU states, along with a representative from Great Britain.

### Employee Well-being and Active Involvement

Employee well-being is a key value for EssilorLuxottica. As recalled above, the Company continued to introduce new ways of working. As part of this effort, a dedicated learning path provided managers with the tools and support they need to lead their teams effectively into the future, set goals driven by results, simplify their day-to-day work organization, and enhance their work-life balance.



## Eyes on the Planet, EssilorLuxottica's Sustainability Program

### Eyes on Inclusion

In this realm, the relationship with union structures is closely knit, mirroring the Group's governance approach to establish global guidelines with local logic that respects prevailing laws and practices.

The Group firmly believes in the pivotal role that the welfare system can play as a unifying factor in ongoing integration processes. For this reason, EssilorLuxottica has pursued its

efforts to harmonize its well-being initiatives under the OneWelfare program, which is designed to provide ongoing support for the work-life balance of its employees.

More specifically, the global guidelines revolve around four main strands, stemming from the integration of diverse corporate cultures within the Group.

These guidelines then find their specific and incremental implementation across various organizational contexts:

Action areas	Main initiatives in progress for all countries
<b>Support and Safeguards</b>	Income support in the form of goods and services such as employee dining facilities, corporate shopping carts. Supplementary pension contributions with incremental company contributions to bolster the employee's future income.
<b>Health and Safety</b>	Health insurance coverage, free check-ups for employees, psychological support services, and counseling. Periodical free eye and vision checks for all employees. Safety-related activities concerning factory life and production operations (see next section on Health & Safety).
<b>Individual, Familial, and Youth Support Services</b>	Parental support initiatives and protection of vulnerable groups through work leaves. Reimbursement for textbooks and university fees. Summer camp for employees' children aged 9 to 17 focused on sports and promoting values of diversity and inclusion (2,200 kids from 14 countries participated in 2023 edition).
<b>Work-life Balance and Wellness</b>	Workplace flexibility through smart working and shorter workweeks for certain employees' segments, leisure-related initiatives. Free and confidential listening and counseling services for psychological support. Platform to promote on-demand and/or live physical workouts and encourage better nutrition and improved sleep management.

As explained in Section 2.3, the Company encourages employees to get involved with the OneSight EssilorLuxottica Foundation's activities around the globe. From taking part in a vision clinic to participating in activities that support the advancement of eye health in honor of World Sight Day, employees can actively contribute to the Company's ambition to help eliminate uncorrected poor vision in a generation.

Throughout 2023, over 3,800 EssilorLuxottica volunteers have backed the OneSight EssilorLuxottica Foundation through traditional volunteering initiatives, offering patient care in their respective regions. Additionally, since 2023, they have been involved in new skills-based projects. These projects enable employees to extend their support to the Foundation beyond clinics, utilizing their distinctive skills and expertise to enhance the Foundation's initiatives.

### Employee Shareholding

A pillar of EssilorLuxottica's culture and a key milestone in building a common identity as a truly united Group, employee shareholding reinforces employee sense of commitment and

engagement with the Company's Mission and strategy, fostering responsible and ethical business behaviors. It also aligns their long-term interests with those of the Group and other shareholders and provides them with an opportunity to participate in the creation of value and success of the Company.

Thanks once again to the international share purchase plan Boost, which achieved a record subscription rate of 67% in 2023, the total number of active employee shareholders in the Group has reached new heights with a total of 77,500 people in 86 countries now holding a financial stake in EssilorLuxottica. This figure has steadily increased from approximately 72,000 in 2022 and 67,000 in 2021. In addition, around 14,600 former employees & retirees are also shareholders, showing their engagement and confidence in the Company. Also on the rise, approximately 33,300 employees, former employees and retirees are members of Valoptec, the independent employee shareholder association that supports EssilorLuxottica's values as well as contributes to its governance.

## Health and Safety

For EssilorLuxottica, guaranteeing and protecting employee health and safety is a top priority, and a common principle that will continue guiding daily operations. EssilorLuxottica has adopted all necessary measures, consistent with international standards and the target for reducing work-related accidents to a minimum.

As such, throughout the past few years, several production and logistics sites and prescription labs have obtained the ISO 45001:2018 Occupational Health and Safety Management certification, which provides a framework to identify and improve employee safety while preventing workplace risks. In 2023, 29 mass production plants, 16 lens laboratories, two logistic centers, and one corporate office were certified ISO 45001:2018, covering approximately 27% of the Group total headcount. Going forward, the Company signed a Group contract with DNV as ISO Certification Body for ISO-45001 to move from the current site-by-site ISO 45001 certification approach to a Company ISO 45001 certification scheme. The transfer of ISO 45001:2018 certificates from current certification

bodies to DNV has started in 2023 and will continue in 2024. An intermediate step will be to expand the cluster approach currently ongoing in Italy and France (several manufacturing sites in one country covered by one ISO 45001 certificate) to more countries or regions in next years.

The EHS policies of the Company are also shared and implemented to minimize health and safety risks for employees, customers and local communities. To this regard, as part of the Group commitment to conducting business in a responsible and safe manner, the EssilorLuxottica Environment Health and Safety Policy will be released in 2024.

From 2022, Benchmark ESG™ | Gensuite® software became the main database for the collection and management of key EHS data and KPIs related to safety and sustainability, enabling the Group to achieve greater data consistency and improve information integration. The Group has been working to expand tool's capabilities and strengthen it as the mandatory platform for all operations sites to report and follow up on injuries, near misses, and unsafe acts or conditions.

## The Company's Journey Toward Zero Work-Related Accidents

EssilorLuxottica is committed to achieving zero work-related accidents through the implementation of strong health and safety programs that focus on identifying and preventing employee risks in the workplace. To achieve this, the Group has policies, action plans, procedures and on-site audits aimed at reducing the frequency and severity of accidents.

Meanwhile, the Group continues to expand and deploy safety guidelines and programs, such as road safety, automation at the workplace, and Behavior Based Safety (BBS) across the Group. In addition, health and safety requirements, such as safe machines and processes, ergonomic workstations and chemicals management, are part of the innovation process to prevent accident risks at an early stage. To further fortify this path, the EHS Excellence team has been reinforced both at central and regional levels to provide the support and expertise required for the rapid growth of the Group. In particular, the Group incorporated a dedicated role focusing on training and communication within the EHS function. This role aims to enhance awareness within the Company regarding safety issues and will be responsible for shaping the long-term strategy concerning BBS and Ergonomics for upcoming years.

In this context, dedicated training programs have been essential in achieving the zero-work related accidents target to develop a culture of accident prevention at its production and logistics sites. This includes Safety Corners, which are designated locations for posting information on health and safety matters and reporting unsafe or risky situations for

workers. The Group's commitment also includes home-work commutes. This is why 'On The Road' was chosen as the theme for 2023 edition of EssilorLuxottica Safety Days. The annual campaign involved training sessions in the Group's Italian offices and a dedicated course on Leonardo to engage the global employee community in this initiative. The goal was to raise awareness of issues surrounding road mobility and urban micro-mobility, with special focus on driving safety and the goal of reducing accidents while commuting.

EssilorLuxottica's commitment to promoting safety extends to various regions, employing dedicated initiatives supported by local EHS teams. For instance, in 2023, the 'Safety & Health Cup' Knowledge Competition was organized by the Tristar Trade Union and the EHS function in China. This initiative gave employees a more comprehensive and systematic understanding of safety knowledge. Also, local EHS teams in North America actively promoted regular safety awareness campaigns, designed to engage employees in safe work practices and procedures using gamification strategies, with a particular emphasis on ensuring safety protocols within the Operations sector. North America also focused on the enhancement of the BBS Observer and the reinforcement of leader-to-leader mentoring, along with continuous improvement training in observer hazard recognition with the goal to minimize the number of recordable injuries and illnesses.



The Company takes all work-related injuries seriously. Information on work-related injuries are shown in the table below:

	2023	2022	2021
<b>TOTAL NUMBER OF WORK-RELATED INJURIES</b>	<b>602</b>	<b>527</b>	<b>557</b>
<b>Total number of work-related injuries with absence</b>	<b>326</b>	<b>320</b>	<b>322</b>
Employees	295	284	298
Agency workers	31	36	24
<b>Total number of work-related injuries without absence</b>	<b>276</b>	<b>207</b>	<b>235</b>
Employees	276	202	231
Agency workers	0	5	4
<b>NUMBER OF LOST DAYS DUE TO WORK-RELATED INJURIES WITH ABSENCE</b>	<b>7,990</b>	<b>8,403</b>	<b>10,560</b>
Employees	7,514	7,778	10,171
Agency workers	476	625	389
<b>TOTAL NUMBER OF CASES OF OCCUPATIONAL ILLNESSES WITH ABSENCE</b>	<b>8</b>	<b>20</b>	<b>33</b>
Employees	8	19	33
Agency workers	0	1	0
<b>NUMBER OF LOST DAYS DUE TO OCCUPATIONAL ILLNESS</b>	<b>323</b>	<b>1,308</b>	<b>979</b>
Employees	323	1,307	979
Agency workers	0	1	0
<b>FREQUENCY RATE FOR WORK-RELATED INJURIES WITH ABSENCE</b>	<b>1.3</b>	<b>1.6</b>	<b>1.7</b>
Employees	1.3	1.5	1.7
Agency workers	1.7	2.1	1.6
<b>SEVERITY RATE FOR WORK-RELATED INJURIES WITH ABSENCE</b>	<b>0.03</b>	<b>0.04</b>	<b>0.06</b>
Employees	0.03	0.04	0.06
Agency workers	0.03	0.04	0.03
<b>TOTAL RECORDABLE INCIDENT RATE</b>	<b>2.5</b>	<b>2.6</b>	<b>2.9</b>
Employees	2.6	2.7	3.0
Agency workers	1.7	2.4	1.8

Note: To better illustrate the Company's performance of work-related injuries for its workforce, all work-related injury information is disclosed for employees and agency workers separately. Work-related injuries information covers 66% of the Company's total headcount, including also for the first year the Health&Safety information about Retail stores in the United States, Brazil and Italy. The enlarged scope represents an important step to harmonize the health & safety management systems beyond the Operations. As shown in the Vigilance Plan (Section 2.5), at the end of 2023 one of the Group's employees in Latin America tragically lost his life in a road accident on a work-related journey. Following the extended perimeter of reporting, 602 work-related injuries were reported in 2023. Nevertheless, the total recordable incident rate continued to decrease and the same positive trend was registered for the frequency rate and severity rate for work-related injuries with absence. The number of lost days due to occupational illness has significantly decreased compared to last years. For more information on the calculation method of frequency rate, severity rate and recordable incident rate of work-related injuries and occupational illnesses, as well as the reporting scope, please refer to Section 5.

## 2.5 Eyes on Ethics

EssilorLuxottica conducts business based on solid ethical foundations, aiming to establish a relationship of trust with its employees, customers, consumers, suppliers, licensors, investors and franchisees. The principles and 'golden rules' applicable to its employees are enshrined in its internal policies and its Code of Ethics.

Having a direct relationship with customers and consumers around the world, EssilorLuxottica has a responsibility to lead by example. The Group bases its success on the proper consideration of local impacts, dialogue with stakeholders and the creation of shared value with partners, suppliers, governments and local communities. The establishment of EssilorLuxottica sites provides access to meaningful jobs in a buoyant sector and generates significant direct and indirect income. The new Business Partners' Code of Conduct serves as a guideline for all business relationships, and it applies to all its stakeholders everywhere and in every circumstance, making it a

solid base for fair and honest collaboration. More specifically, EssilorLuxottica maintains a very high level of vigilance and proactivity, with action plans in three main areas described below: responsible sourcing, human rights and business ethics, including programs on anti-bribery and corruption, privacy compliance and trade compliance. This vigilance is reinforced by the promotion of a new internal reporting tool, SpeakUp, which is open and accessible to employees and other stakeholders. The Group's ethical commitment is in line with the provisions of International Labor Organization (ILO) Conventions and the principles of United Nations Global Compact on Human Rights.

The Code of Ethics and Business Partners' Code of Conduct are published on the Group's website and are accessible to all employees, along with the Group's policies, on the One EssilorLuxottica Group intranet site.

### Responsible Sourcing

For EssilorLuxottica, supply chain efficiency is fundamental to guaranteeing the high quality of its products and services and contributes to maintaining and enhancing the Company's reputation. EssilorLuxottica's responsible sourcing approach is rooted in the principles stated in its Code of Ethics and in its new Business Partners' Code of Conduct, as well as the respect of international regulations and local laws, including the ILO Conventions, United Nations Global Compact Principles and specific selected criteria, such as SA8000 certification.

In 2023, different already existing Group initiatives were unified into one single EssilorLuxottica Responsible Sourcing program, based on the following pillars:

- Labor & Human Rights;
- Health & Safety;
- Environment;
- Governance & Ethics.

In 2023, responsible sourcing initiatives focused on:

- evaluating supplier environmental and social performance;
- engaging suppliers in initiatives that will have a positive impact on people and the environment;
- training buyers and suppliers on sustainability principles and practices;
- mapping Group risk-critical suppliers (based on spending, impact on brand image and single sourcing);
- roll out the EssilorLuxottica Business Partners Code of Conduct, which was released at the end of 2023.

Implementation of various parts of the responsible sourcing initiatives is guaranteed by a dedicated team within the Company's Sourcing function, although given its inter-departmental nature, the program brings together representatives from Sourcing, Internal Audit, Manufacturing, Quality, Corporate Sustainability, Risk Management, Asset Protection and Compliance functions, which jointly review the status of the program and discuss further steps to take.

### Performance Assessment

Supplier risk assessment and on-site audits are at the core of EssilorLuxottica's responsible sourcing program. To ensure this, qualified third parties (e.g. Intertek, BSI, Ecovadis) support supplier compliance with the Company's ethical working principles as well as environmental and social responsibilities. This approach aims to prevent the risk of serious cases of non-compliance with sensitive topics, including child labor and use of forced labor and corruption, when selecting and monitoring suppliers.

For supplier risk assessment, EssilorLuxottica is partnering with well-recognized sustainability ratings provider Ecovadis which assesses the social responsibilities of suppliers based on four

axes: Environmental, Ethics, Labor & Human Rights, and Sustainable Procurement. For suppliers with low and unsatisfactory performance ratings, a third-party on-site audit can be conducted, followed by a possible request to implement a corrective action plan.

For social and environmental supplier onsite audits, EssilorLuxottica is supported by third-party auditors (e.g. Intertek, BSI) in charge of assessing supplier compliance in line with the Company's standards and principles as well as local laws and regulations, and also to define corrective actions in the event of non-compliance.

The Company requests suppliers to close all issues raised during the audit by an agreed deadline after the audit to make sure necessary remediations are put in place, giving priority to zero tolerance and non-compliances with local laws, international frameworks (e.g. ILO Conventions), and minimum recognized management practices (e.g. ISO standards). Suppliers who do not meet the Company's requirements after a social and environmental audit, and refuse to implement the necessary corrective actions, or show no improvement and repeated issues across multiple audits could be evaluated for business interruption or reduction. This mechanism is in place to guarantee appropriate monitoring of high-risk suppliers, ending with the definition of rules for re-auditing or re-qualification, as well as follow-up over the short term in case of audit failure and a two to three-year time frame in case of audit pass.

## Engagement and Training

To support and strengthen its responsible sourcing program and ensure alignment with Company standards, EssilorLuxottica has in place training and awareness initiatives targeting suppliers and the procurement community.

As detailed below, 55 current and potential suppliers were subject to audits in 2023, and major instances of non-compliance related to critical non-conformities were identified for four suppliers. The split of audits was the following:

- 19 follow-up audits due to unsatisfactory results of an audit from the previous year; and
- 36 maintenance audits, to continue to be qualified as Company suppliers.

The audit process with a dedicated focus on AFA suppliers continued in 2023, with 47 audits on production plants of suppliers located in Asia-Pacific and Americas. Four instances of non-compliance of critical non-conformities were identified.

In 2023, a new training initiative was launched focused on AFA vendors in Brazil.

Moving forward, EssilorLuxottica will continue building its global program to further align and strengthen the organization and management of responsible sourcing.

## EssilorLuxottica Human Rights Vigilance Plan

This section aims to present EssilorLuxottica's approach to meeting requirements for French Law no. 2017-399 on the duty of care for parent companies and subcontracting companies. This Vigilance Plan covers the scope of EssilorLuxottica represented by its subsidiaries, within the scope of financial consolidation.

EssilorLuxottica attaches particular importance to identifying risks and preventing serious breaches of human rights and fundamental freedoms, health and safety at work (referred to below as 'human rights'), as well as the environment. These risks can arise as a result of its activities, those of its subsidiaries or those of its suppliers and subcontractors, regardless of their position in the value chain. Identifying those risks entails a commitment to make every reasonable effort and undertake the necessary measures to guarantee compliance. Actual or potential violations to the duty of vigilance can be reported through the Group alert system.

As EssilorLuxottica has a long history of responsibility toward its stakeholders, the requirements for the duty of care legislation have been undertaken to progressively clarify and strengthen existing frameworks and will also be used to mainstream human rights into the Company's corporate policies, procedures and training modules as they are issued. The Group also harmonizes and updates its policies when necessary to consider new regulations.

EssilorLuxottica hereby reports on the progress of operational implementation of its commitment and vigilance approach for each of the corresponding key themes, and according to any changes in its activities and structure. For the sole purposes of clarity and readability of this Vigilance Plan, if necessary, readers will be referred to sections of this non-financial performance disclosure document for further details.

## Company Commitment to Promote Human Rights and Protect the Environment Across the Whole Value Chain

EssilorLuxottica is built on two centuries of innovation and human endeavor. The Company places particular importance on respect for human rights and the environment, along with applicable laws and regulations (e.g. the United Kingdom 'Modern Slavery Act' and the French 'Duty of Care' law) and international standards, such as the United Nations Guiding Principles for Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. EssilorLuxottica is committed to respecting and promoting human rights across its entire value chain. The Company abides by the ILO Conventions and the ten principles of the United Nations Global Compact relating to human rights, labor law, the environment and the fight against corruption. This commitment is deeply intertwined with the Company's Mission and was strengthened in recent years in the context of growth and expansion in new countries.

Generally speaking, EssilorLuxottica aims to ensure that its activities comply with the International Bill of Human Rights and

the principles of fundamental rights set out in the Declaration on Fundamental Principles and Rights at Work of the ILO. In all its businesses and across its supply chain, the Company has a duty to ensure that international standards and local employment laws are always adhered to, and that undeclared work, child labor, forced work and any other inappropriate employment conditions are prevented.

In addition, EssilorLuxottica is committed to ensuring healthy and safe working conditions, protecting both its people and the environment in all its locations. The Company is committed to complying with all applicable legislation and regulations and aims to continuously improve health and safety policies and procedures across countries through information and training and by fostering responsible behaviors of all workers through the application of company-wide safety procedures and vigilant preventive actions.

Furthermore, to reduce its environmental risks and impacts and to have a process framework that guarantees regulatory compliance and meet stakeholder expectations, EssilorLuxottica applies environmental best practices that conform to ISO 14001 certification and facilitates management of related impacts.

However, the Company operates in regions where the application of legislation in relation to human rights and the environment may be limited or fall below international standards. In such situations, EssilorLuxottica strives to perform its activities in accordance with international standards for the protection of human rights and the environment, and implement actions designed to prevent negative consequences in these areas, and remedy them should they occur.

Consequently, suppliers support the Company's commitment to ensure respect for human rights. EssilorLuxottica seeks to work with suppliers whose operational practices comply with applicable laws and regulations and, more generally, that protect the dignity of human beings, the health and safety of workers, and the environment at large.

This approach led to the update and publication of the EssilorLuxottica Code of Ethics and of the Business Partners'

## Organization and Steering

EssilorLuxottica's commitment to human rights and fundamental freedoms, health, safety and the environment is supported at the highest levels of the Company by its Board of Directors.

In particular, the CSR Committee is regularly updated on specific topics including the ESG risk assessment and management of sustainability issues. The CSR Committee also coordinates with the Audit and Risk Committee for all matters related to the CSR Committee's areas of intervention. For more details on EssilorLuxottica's CSR Committee, see Section 1.3 and Chapter 3 of this Universal Registration Document.

Operationally, the Corporate Sustainability function at EssilorLuxottica coordinates the deployment of the Eyes on the Planet program and oversees cross-functional issues including human rights. This is intended to support the creation, update and deployment of the Company's policies at a regional or local level as well as the implementation of reasonable vigilance measures.

## Risk Mapping

EssilorLuxottica carries out its activities in more than 150 countries in varied economic and sociocultural contexts, which may present risks relating to human rights and the environment. Identifying, assessing and managing these risks is an integral part of EssilorLuxottica's corporate culture and is strengthened over time.

Code of Conduct. In addition, EssilorLuxottica has implemented an Anti-Bribery & Corruption compliance program that provides more detail regarding ethical business conduct and compliance. The new Code of Conduct clearly states, for example, the principle of banning forced and child labor as well as the Group's expectations in terms of respect for people, the environment and ethical business conduct. The Code of Conduct also covers, among other things, the zero-tolerance policy for any form of corruption, as well as expectations in terms of compliance with competition law, personal data protection and IT security. Employees of business partners can report ethical breaches using the SpeakUp reporting tool.

EssilorLuxottica is committed to making continuous progress, and is aware that its human rights and environmental approach requires monitoring, review and regular improvement to ensure continued identification of associated risks, update of policies and internal procedures, making of commitments and implementations of actions 'on the ground' to mitigate risks along its value chain as described in the Responsible Sourcing Section. This allows the Company to further prevent serious breaches and take corrective actions where applicable, then remain vigilant about the consequences of its activities.

In addition, the Environment, Health and Safety function at EssilorLuxottica is responsible for the deployment of environmental management systems aimed at reducing environmental impact and ensuring the health and safety of all employees worldwide.

For EssilorLuxottica, supply chain efficiency is key to guarantee the highest quality of its products and services, which contribute to maintaining and enhancing its reputation. The Company has defined standards for ethics, labor, health, safety and the environment, and requests all its suppliers to adhere to these (see 'Responsible Sourcing' Section).

Lastly, EssilorLuxottica aims to further involve its stakeholders and go beyond the actions already undertaken. This is evident from its regular discussions with representatives from civil society, its support to NGOs and its participation in roundtable discussions. For example, the Company is a member of the French association *Entreprises pour les Droits de l'Homme – EDH* (Companies for Human Rights), which aims to help international companies promote and improve the integration of human rights into business practices.

EssilorLuxottica assesses its risk exposure through the Group risk assessment process (see Section 1.6 of this Universal Registration Document), which incorporates the identification and evaluation of ESG risks such as health and safety (see Section 1.4), and through specific programs that apply to both manufacturing sites and suppliers globally (see above under 'Responsible Sourcing').

## Risk Prevention and Mitigation Measures

Risk mapping has helped to raise awareness and prioritize action plans at both corporate and regional levels. For each main risk family, the functions involved coordinate the most appropriate approach in a continuous improvement process. Regarding

Tier 1 suppliers and subcontractors, EssilorLuxottica relies on the standards and programs described in the 'Responsible Sourcing' section.

For more details on measures for prevention, mitigation and/or remediation implemented, as well as on progress made in 2023, please refer, for clarity and readability purposes only, to the following sections:

<b>Risk Family</b>	<b>Sections</b>
<b>Challenges Relating to Human Rights and Fundamental Freedoms</b>	Equal Opportunities and People Development Responsible Sourcing
<b>Challenges Relating to the Health and Safety of Individuals</b>	Health and Safety Responsible Sourcing
<b>Environmental Challenges</b>	Advancing Wastewater Management Reduction of Water Use Improving Process Efficiencies to Reduce Waste Generation Responsible Sourcing

Furthermore, regular awareness-raising and training initiatives delivered to employees on human rights and compliance-related topics (Code of Ethics, GDPR, health and safety policies etc.) are organized via dedicated e-learning modules and face-to-face training. Many training courses have also been delivered on key aspects of environmental management.

In 2023, 20 audits were performed either by an external specialized company or by the Internal Audit function covering around 36% of EssilorLuxottica's global headcount. Topics

include Environment, Occupational Health & Safety, Labour and Human rights, and Governance and Ethics. Results and key findings of these audits are shared with function leaders and contribute to adapting Group and local roadmaps. Any non-conformities are promptly addressed and follow-up audits are carried out to verify their resolution. In 2024, EssilorLuxottica will continue to carry out audits on human rights topics (including health, safety and working conditions) across its entities identified as most at risk and to include the largest number of Company employees.

## Regular Assessment of Subsidiaries, Suppliers and Subcontractors

Risk assessments as presented above are regularly updated following monitoring work carried out by third-party organizations specialized in human rights, internal audit reports, and/or audits conducted with Tier 1 suppliers and subcontractors. The development of new activities, the establishment of plants in new countries, or the referencing of suppliers and

subcontractors are also factors that contribute to the update of the risk mapping. Furthermore, all subsidiaries directly or indirectly controlled by the Company are required to report annually on key indicators related to human rights and the environment, and associated risks are monitored (see Section 1.5).

## Alert System and Reporting: SpeakUp

EssilorLuxottica encourages a culture of dialogue and communication, and attaches particular importance to ensuring that all employees have the means to report ethical breaches, preferably to their line manager. When this does not seem possible, employees can use the Group's new SpeakUp reporting tool. Launched worldwide in 2023 and promoted by the top leadership, this tool consolidates various pre-existing systems. It is being gradually being rolled out across Group entities, thanks to both global (global communication on the Group intranet and specific actions with key managers,

distribution of FAQ's) and local (specific deployment with subsidiaries, dedicated posters, digital animations, etc.) communication initiatives. Training programs for employees and investigators (employees from selected functions with specific skills, trained to analyze, conduct interviews, evaluate documents and prepare reports) have also been set up. The reporting system is set out in the Code of Ethics and the Business Partners' Code of Conduct, and is public and easily accessible from the Group's website.

EssilorLuxottica has broadly defined suspected violations that can be reported, which include violation of anti-bribery and corruption, human rights, labor laws (including discrimination and harassment), health and safety, and fraud violation of the duty of vigilance as well as several other matters as required by applicable laws. The SpeakUp internet platform is secure, accessible 24 hours a day, and is available in 19 languages. It is complemented by telephone hotlines in 11 countries. The Group's whistleblowing policy, published in several languages on the SpeakUp platform, provides employees with transparent information on the whistleblowing procedure, ensuring confidentiality of reports, allowing anonymous reporting (where permitted by applicable legislation) and reiterating the principle of prohibiting retaliation, facilitating the reporting of

ethical misbehaviors. Reports can also be made in person to authorized recipients, to the Human Resources function or to the Compliance function via e-mail. The Group investigates and takes reports received very seriously. For instance, in North America, where reporting tools have been in place and mature for many years, teams ('Employee Relations', 'Asset Protection') are dedicated to investigating and resolving labor relations difficulties and fraud that may arise in stores or operations. If the internal investigation confirms the existence of misconduct, remedial and disciplinary actions may be taken.

This new SpeakUp tool will facilitate global data collection, enabling Group compliance programs to be adapted to the reports received. An anonymous annual report is submitted to the Group's governance bodies.

## Monitoring System

In addition to the assessment and monitoring mechanisms (audits, reports, participation in regional and local committees, etc.) outlined above, EssilorLuxottica has an initial set of performance indicators related to human rights and the environment that are inspired by those in the Global Reporting Initiative (GRI), published each year in the Universal Registration Document.

By monitoring these indicators, EssilorLuxottica evaluates the effectiveness of the initiatives implemented to prevent related risks. Below is a summary of key indicators:

Theme	KPI	2023	2022	2021
<b>Challenges Relating to Human Rights and Fundamental Freedoms</b>	Number of employees and agency workers below age 16	24 <sup>(a)</sup>	34 <sup>(a)</sup>	-
	Number of active employees having completed 'Code of Ethics' trainings at EssilorLuxottica	21,554	17,554	8,879 <sup>(b)</sup>
	Percentage of AFA spending covered by on-site audits	64%	66%	-
	Percentage of important suppliers covered by a CSR assessment and/or an onsite audit during the year	72%	-	-
<b>Environmental Challenges</b>	Number of chemical spills	0	0	2
<b>Challenges Relating to the Health and Safety of Individuals</b>	Number of work-related fatalities - employees and agency workers	1 <sup>(c)</sup>	0	0
	Frequency rate of work-related injuries with absence - employees and agency workers	1.3	1.6	1.7
	Severity rate of work-related injuries with absence - employees and agency workers	0.03	0.04	0.06
	Total recordable incident rate - employees and agency workers	2.5	2.6	2.9

(a) The disclosed information consists mainly of apprentices and on-call workers from the Direct to Consumer network. The 2022 data has been restated following improved data accessibility resulting from the Group integration progress.

(b) The 2021 data has been restated to reflect only active employees as of December 31<sup>st</sup> of the reporting year who were trained on the 'Code of Ethics'.

(c) At the end of 2023 one of the Group's employees in Latin America tragically lost his life in a road accident on a work-related journey.

## Business ethics

EssilorLuxottica's commitment to acting in a responsible and ethical manner goes together with a strong duty to combat all forms of corruption and fraud in all countries where the Company operates. Employees are called upon to act with integrity and professionalism inside and outside of work, following not only the laws and regulations of the regions where they operate, but also the strict standards of conduct that the Group has developed over the years and have been used to draft its internal policies and the EssilorLuxottica Code of Ethics.

This section and its paragraphs provide an overview of the topics included in the ethical approach to business pursued by EssilorLuxottica, namely 'Prevention of Corruption', 'Data Protection', 'Competition Law', 'Proscribing Tax Evasion' and 'Trade Compliance'.



Prevention of conflict of interest as well as the fight against corruption, influence peddling (zero-tolerance principle), money laundering, financing of terrorism, and fraud, along with compliance with international sanctions and export and customs regulations are also of particular attention for the Group (see Chapter 1 of this Universal Registration Document). As an industry leader, EssilorLuxottica is highly vigilant about its compliance with competition rules; it pays close attention to the prevention of conflicts of interest. EssilorLuxottica strongly condemns the practices mentioned above and has consequently put in place procedures to prevent the risk of occurrence.

As part of this approach, the EssilorLuxottica Code of Ethics and the Business Partners' Code of Conduct define the principles that apply to all EssilorLuxottica employees, contractors, vendors and suppliers, and represent a minimum

## Prevention of Corruption

In the fight against corruption, the Group applies a zero-tolerance policy and communicates this widely through its Group anti-corruption policy, based on its cartography of corruption risks, and its new Code of Ethics. A new anti-corruption training module is available in 11 languages on the in-house Leonardo learning platform and will be deployed in 2024 on a mandatory basis in countries or entities identified as at risk, and particularly among exposed functions.

EssilorLuxottica's Compliance function oversees the definition of guidelines for the prevention, identification and management of corruption-related risks through its Sapin II

## Data Protection

To develop quality vision care products and services in an era of innovation that is more and more digitized, EssilorLuxottica is required to collect and process personal data in connection with its business activities. It means that EssilorLuxottica must have access to high-quality consumer data collected from clients, websites or in stores to comply with its obligations. The Group is committed to ensuring that all personal data – and employee data – entrusted to EssilorLuxottica and its affiliated companies is kept secure.

EssilorLuxottica takes steps to comply with regulations applicable in countries where it operates to help ensure the protection of data, including the General Data Protection Regulation (GDPR) in Europe; the California Consumer Privacy Act (CCPA) in the United States and its updates; the *Lei Geral de Proteção de Dados Pessoais* (General Data Privacy Law - LGPD) in Brazil; and the Personal Information Protection Law (PIPL) in China as well as specific regulations such as the Health Insurance Portability and Accountability Act (HIPAA – privacy aspects) in the United States.

EssilorLuxottica is also taking steps to understand the impact of new regulations, such as in Europe the Digital Service Act, the Digital Marketing Act or the new European IA Act on its current privacy procedures and process.

set of standards that cannot be compromised and in accordance with international frameworks, such as the United Nations Global Compact. In line with this approach, EssilorLuxottica's Code of Ethics defines the principles and 'golden rules' that apply to all employees. These principles are also expressed in the Business Partners' Code of Conduct.

At operational level, EssilorLuxottica's Compliance function is responsible for preventing, identifying and managing risks related to business ethics in compliance with the law, and applicable local and international regulations (see Chapter 1 of this Universal Registration Document). As explained under the paragraph 'Alert System and Reporting', the internal SpeakUp whistleblowing system, open to employees and other stakeholders, helps to ensure compliance with ethical standards throughout the Group value chain.

risk mapping. This mapping will be updated in 2024-2025, to take into account the organizational changes within the Group and to involve GrandVision entities more closely. The Compliance function will adapt its internal prevention procedures accordingly.

In parallel, integrity due diligence actions are regularly carried out by the Compliance function. The SpeakUp internal whistleblowing system complements the Group's corruption prevention system. The Group also implements control systems (notably via the Finance and Internal Control functions) and audit systems (notably via the Internal Audit function).

EssilorLuxottica's Compliance function has created a Privacy Office and appointed Data Protection Officers who inter alia support the business in implementing data protection where relevant, in line with laws and procedures. It has developed a privacy compliance program aimed at protecting personal data processed by different entities of the Group or their suppliers and subcontractors according to applicable regulations. This includes the definition and regular review of applicable privacy documentation (e.g. privacy statements, privacy notices, Group data protection policy, Group data breach policy, cookies, banners, data protection impact assessments, etc.) to increase stakeholders understanding of their duties and provide clearer information on data subjects (privacy statement, privacy notices).

Also, training and awareness programs have been developed to enhance the Group's privacy culture and support teams across the world to ensure they include privacy by design and default when implementing new projects. Finally, with the support of the Internal Audit function, the Compliance function regularly ensures that data protection is properly considered and addressed and participates in the development of remediation action plans based on data protection laws and policies.



## Competition Law

As a major player in its market, EssilorLuxottica is committed to complying with the rules of competition law within its business practices. The Company has a formal Competition Law Compliance Program and has implemented a Competition

program that defines principles of conduct in the management of business practices and includes specific training activities (see Chapter 1 of this Universal Registration Document).

## Proscribing Tax Evasion

Under the responsibility of EssilorLuxottica's Chief Financial Officer, the Group's Tax department has implemented the EssilorLuxottica Tax Strategy and it is in charge of monitoring and ensuring compliance with applicable tax laws and

regulations, consistent with the values of honesty and fairness in EssilorLuxottica's Code of Ethics and with the Company's Tax Strategy.

### THE KEY PILLARS OF ESSILORLUXOTTICA'S TAX STRATEGY

- EssilorLuxottica endeavors to comply with all applicable Laws and Regulations, in accordance with its Code of Ethics.
- EssilorLuxottica is committed to keep a cooperative and transparent relationship with the Tax Authorities in the countries where it operates, and utilizes, where available, tax dispute prevention instruments (such as Rulings, Advance Pricing Agreements) to ensure tax certainty.
- EssilorLuxottica does not engage in 'aggressive tax planning transactions', namely transactions lacking economic substance aimed at obtaining undue tax advantages, which are in violation of the anti-abuse Laws.

The Group's Tax department commits local subsidiaries to endorse a transparent, accurate and proactive policy of direct and constant interaction with tax authorities of the countries in which it operates. It also guides subsidiaries on tax matters,

provides guidance on the correct transfer pricing approach, defines Group tax policies and suggests adequate tax solutions for the Group's business requirements (see Chapter 1 of this Universal Registration Document).

### 3 EU Taxonomy Disclosure

#### Context of EU Taxonomy

The EU Taxonomy Regulation is part of the European Commission's overall efforts to reach the European Green Deal objectives and make Europe climate-neutral by 2050.

Published on June 22, 2020 in the Official Journal of the European Union and entered into force on July 12, 2020, Regulation (EU) no. 2020/852 – EU Taxonomy Regulation (hereinafter also referred to as the 'Taxonomy' or 'Regulation') provides a classification system for defining economic activities that can be considered environmentally sustainable, to support investment flows in a more sustainable economy.

According to the Regulation, to be eligible or qualify as a potentially-sustainable activity, an economic activity needs to be listed in the Delegated Act of the Regulation, contributing to at least one of the below six environmental objectives defined by Art. 9 of the Regulation itself:

- climate change mitigation;
- climate change adaptation;
- use and protection of water and marine resources;
- transition to a circular economy;
- prevention and reduction of pollution; and
- protection and restoration of biodiversity and ecosystems.

To ascertain if an eligible activity is Taxonomy-aligned, the following Technical Screening Criteria must be met:

- compliance with the substantial contribution criteria to one environmental objective with reference to each economic activity identified;
- Do No Significant Harm (DNSH), *i.e.* avoiding negative effects on the other environmental objectives;

- Respect Minimum Safeguards (MS), recognizing the importance to comply with international principles and practices covering human rights, corruption, taxation and fair competition.

The Regulation defines turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with the Taxonomy-eligible and aligned activities as the Taxonomy KPIs that must be reported on.

Following the official adoption of Article 3 of the Regulation (Criteria for sustainable economic activities), EssilorLuxottica has assessed the eligibility and alignment of its activities with the first two environmental objectives that have been officially adopted to date (ref. Climate Delegated Act – Annex I and Annex II): climate change mitigation and climate change adaptation. For the four other objectives, namely the use and protection of water and marine resources, transition to a circular economy, prevention and reduction of pollution, and protection and restoration of biodiversity and ecosystems, only eligibility must be assessed.

It is worth remembering that for these different objectives, the European Commission has prioritized the establishment of technical screening criteria for economic activities that potentially contribute most to environmental objectives.

Finally, it should be noted that the Taxonomy is being updated given the absence of certain key sectors for mitigation and adaptation goals. It is reasonable to expect that in the future, when the Delegated Acts on sustainable activities for the other environmental objectives are also available, EssilorLuxottica's turnover may be eligible for EU Taxonomy.

#### EssilorLuxottica's Analysis

With its vertically integrated business model covering the design, manufacture and distribution of ophtalmic lenses, frames and sunglasses (see Section 1), EssilorLuxottica's core economic activities are not described in the current version of the regulation and are therefore not considered as 'eligible' nor aligned. Consequently, for 2023 as for 2022, the Group did not generate any eligible or aligned turnover with the EU Taxonomy Regulation.

Nevertheless, as an industry leader committed to sustainability, in 2021 EssilorLuxottica launched an integrated and far-sighted sustainability program called 'Eyes on the Planet' that includes the Company's commitments on climate change

(see Section 2.1) and circular economy (see Section 2.2). To deploy and achieve its sustainability commitments, the Company has launched several initiatives and projects that can be considered individually as Taxonomy-eligible investments (CapEx) following a detailed analysis of the activities and related technical screening criteria listed in the Climate Delegated Act – Annex I of the Regulation.

However, it must be noted that the Group launched other energy saving initiatives that are not considered eligible, as these actions are not described in the current version of the regulation.

#### Disclosure of Taxonomy KPIs

##### Turnover KPI

As for 2022, EssilorLuxottica did not generate any turnover in 2023 that could be considered as Taxonomy-eligible or Taxonomy-aligned. The Group turnover equals in total to €25,395 million, as presented in the line-item *Revenue* of the consolidated statement of profit or loss (section 4.1.1 of this Universal Registration Document).

## OPEX KPI

With regards to the OpEx KPI, the Group calculated a value for the denominator equal to €607 million following the methodology described in the "Methodology for EU Taxonomy KPIs" in Section 5. From the evaluation of the denominator, results showed that the business model of the Group did not generate significant OpEx for the categories mentioned by

## CAPEX KPI

Since the list of eligible economic activities provided by the Regulation does not cover the Group's core business, its CapEx cannot be associated with eligible economic activities generating turnover. However, based on the Delegated Act – Annex I Art. 8, § 1.1.2.2, point c, related to the purchase of output from Taxonomy-aligned economic activities with the aim to reduce greenhouse emissions, the Group identified the following eligible activities that can be considered individually as Taxonomy-eligible investments:

- transport by motorbikes, passenger cars and light commercial vehicles (Activity 6.5);
- installation, maintenance and repair of energy efficiency equipment (Activity 7.3);
- installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (Activity 7.4);
- installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings (Activity 7.5);
- installation, maintenance and repair of renewable energy technologies (Activity 7.6);
- acquisition and ownership of buildings (Activity 7.7).

CapEx related to the above activities are reported under the lines *Additions* and *Business Combinations* of the items

the Regulation. Operating expenses under EU Taxonomy definition (denominator) represent less than 10% of total Group consolidated operating expenses, which include *Cost of Sales* and *Total Operating Expenses* as presented in the 2023 consolidated financial statements. For this reason, and as for 2022, the Group considered the indicator as not material.

Properties, Plant & Equipment (activity 7.3, 7.4, 7.5, 7.6 and owned buildings of 7.7) and Right-of-Use Assets (activity 6.5 and rented buildings of 7.7).

These activities represent part of the sustainable initiatives related to production sites, laboratories and stores. Analysis of costs associated with Group properties is based on accounting records used for the preparation of EssilorLuxottica consolidated financial statements/information. Data for directly managed stores was considered on a full scope (due to limited availability of centralized and detailed information for APAC and LATAM regions and some GrandVision stores, the associated eligible CAPEX were estimated). For production sites and laboratories, analysis was performed in 2023 on the full scope for frames sites and all lenses facilities.

The analysis of the CapEx KPI resulted to 53.02% of eligibility and 0.67% of alignment, a value reflecting the nature of the EssilorLuxottica Group, i.e. a company operating in a sector with economic activities not covered by the Regulation. Most of the eligible CapEx derives from the inclusion of costs related to the Right of Use of stores and other buildings. Evolution compared to last year is mainly due to more renewable energy projects implemented in Group in 2023.

Below are the steps carried out to assess alignment with EU Taxonomy, starting from compliance with Minimum Safeguards.

## Compliance with the Minimum Safeguards

Compliance with minimum safeguards of the EU Taxonomy is based on Article 18 of the Regulation, as well as recommendations set out in the Final Report on Minimum Safeguards published by the EU Platform on Sustainable Finance (October 2022). The report identifies four core topics for which compliance with minimum safeguards should be assessed: human rights, corruption, taxation and fair competition.

To assess the alignment of its eligible CapEx, the Group must evaluate if minimum safeguards are respected for the CapEx-related activity, and therefore that the supplier engaged by the Group complies with minimum safeguards described in Article 18 of the Regulation. For consistency, EssilorLuxottica is also required to comply with minimum safeguards for its own operations.

In fact, ethical behavior is one of the main pillars that guide the way EssilorLuxottica conducts business. The Code of Ethics and the Business Partners' Code of Conduct define the principles that apply to all EssilorLuxottica employees, contractors, vendors and suppliers, and represent a minimum set of standards that cannot be compromised, including the respect of Human Rights, labor conditions and fair competition. EssilorLuxottica's suppliers are required to comply with these documents. The Group maintains a very high level of vigilance

regarding the respect of Human Rights among its suppliers. In fact, EssilorLuxottica has a proactive approach in compliance with French Law no. 2017-399 (devoir de Vigilance) that requires due diligence on the supply chain to identify risks related to human rights (Section 2.5).

In line with its Code of Ethics and the Business Partners' Code of Conduct and in accordance with international and local regulations, such as the *Duty of Care* and *Sapin II* laws in France, the Group has established a global Anti-Bribery and Corruption program (see Section 2.5).

Tax function is in charge of monitoring and ensuring that the Group meets all minimum requirements related to tax laws and regulations, in consistency with the values of honesty and fairness in EssilorLuxottica's Code of Ethics.

EssilorLuxottica is committed to complying with the rules of competition law within its business practices. The Company has a formal Competition Law Compliance Program and has implemented a Competition program that defines principles of conduct in the management of business practices and includes specific training activities.

For this reason, EssilorLuxottica considers that it ensures compliance with minimum safeguards for the activities covered by CapEx point (c).

## Alignment assessment

Below is a summary of the alignment assessment for each activity identified as eligible.

Activity	Substantial Contribution	DNSH
Transport by motorbikes, passenger cars and light commercial vehicles (6.5)	Part of the EssilorLuxottica's new company vehicles meet the substantial contribution criteria (CO <sub>2</sub> e emission rate lower than 50gCO <sub>2</sub> e/km)	DNSH criterion on performing a dedicated climate risk assessment was not fulfilled for all the sites having cars with CO <sub>2</sub> e emission rate lower than 50gCO <sub>2</sub> e/km
Installation, maintenance and repair of energy efficiency equipment (7.3)	The activities mainly included installation and replacement of energy efficient light sources, and the installation and maintenance of heating, ventilation and air-conditioning (HVAC). However, due to a lack of clarity of the regulation regarding the highest energy classes to consider and how to deal with countries outside EU and in a conservative approach, the vast majority of the associated CapEx have not been considered as aligned.	One of the DNSH criteria for this activity requires a Climate Risk Assessment related to the asset in which the activity was performed. This activity has been done for most industrial sites but one of them was not covered and consequently, was excluded from the alignment.
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4)	Not applicable for this activity	All of the projects were implemented on sites that were subject to a physical climate-risk assessment.
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5)	All the eligible projects met the substantial contribution criterion	All of the projects were implemented on sites that were subject to a physical climate-risk assessment.
Installation, maintenance and repair of renewable energy technologies (7.6)	All the eligible projects met the substantial contribution criterion	The DNSH criteria for this activity required a Climate Risk Assessment related to the asset in which the activity was performed. This activity has been done for most industrial sites but one of them was not covered and consequently, was excluded from the alignment.
Acquisition and ownership of buildings (7.7) <sup>(a)</sup>	<p>The construction of new buildings in production sites located in relevant regions have been considered as an eligible activity. The construction of buildings by EssilorLuxottica Group always follows the highest standards of sustainability with the aim of reducing the Group's emission profile (the four main new or currently under construction buildings will be LEED Gold Certified). However, due to limited documentation to perfectly match the certification criteria with taxonomy's, the activity was considered as not aligned following a conservative approach for three of them.</p> <p>Regarding the acquisition and leasing of new stores and due to limited documentation a conservative approach led to considering the activity as not aligned.</p>	For the new building meeting the Substantial contribution criteria, EssilorLuxottica could not assess some of the elements required to justify compliance with all the DNSH criteria

(a) New building construction activities have been classified in this activity. The associate technical criteria of these projects have been analyzed as per the 7.1 activity.

Based on above assessment, below is the disclosure table for CapEx KPIs, with a proportion of CapEx from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the Taxonomy Regulation - disclosure covering FY 2023.

Financial year N	2023			Substantial Contribution Criteria						DNSH criteria (“Does Not Significantly Harm”) (h)									
Economic Activities (1)	Code (a) (2)	CapEx (3) (€ millions)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transport by motorbikes, passenger cars and commercial vehicles	CCM 6.5	0.00	0.00%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.06%		T
Transport by motorbikes, passenger cars and commercial vehicles	CCM 6.5 and CCA 6.5	1.60	0.06%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		T
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.14	0.01%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		E
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 and CCA 7.3	1.81	0.07%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		E
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 and CCA 7.4	0.24	0.01%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		E
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.09	0.00%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		E
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5 and CCA 7.5	0.12	0.00%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		E
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.20	0.01%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.14%		E
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 and CCA 7.6	13.44	0.51%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		E
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		17.64	0.67%	0.67%	0.00%	0.00%	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.19%		
Of which Enabling		16.04	0.61%	0.61%	0.00%	0.00%	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.14%	E	
Of which Transitional		1.60	0.06%	0.06%						Y	Y	Y	Y	Y	Y	Y	0.06%		T

## EU Taxonomy Disclosure

Financial year N	2023	Substantial Contribution Criteria								DNSH criteria (“Does Not Significantly Harm”) (h)									
Economic Activities (1)	Code (a) (2)	CapEx (3) (€ millions)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N: 1 (18)	Category enabling activity (19)	Category transitional activity (20)
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Transport by motorbikes, passenger cars and commercial vehicles	CCM 6.5	14.33	0.54%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Renovation of existing buildings	CCM 7.2	0.00	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.43%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	38.24	1.45%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.99%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.03	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Acquisition and ownership of buildings	CCM 7.7	1,331.88	50.37%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								41.05%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,384.48	52.36%	52.36%	0.00%	0.00%	0.00%	0.00%	0.00%								42.47%		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		1,402.12	53.02%	53.02%	0.00%	0.00%	0.00%	0.00%	0.00%								42.66%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		1,242.28	46.98%																
TOTAL		2,644.40	100%																

Template: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities per environmental objective – Disclosure covering year 2023

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.67%	53.02%
CCA	0.65%	0.67%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%



## 4 Next Steps for EssilorLuxottica's Sustainability Program

As presented in this non-financial statement, through its Eyes on the Planet program, EssilorLuxottica has embraced sustainability across its entire ecosystem, including employees, suppliers, partners, and customers, with concrete actions that support five strategic pillars — Carbon, Circularity, World Sight, Inclusion, and Ethics.

Major activities have been further improved in 2023, including:

- enhancement of sustainability reporting and disclosure such as the introduction of a double-materiality approach in the Group's risk assessment process and of a Finance-Sustainability taskforce on the EU Taxonomy KPIs;
- advancement in key operational activity streams, such as the update of the Group-wide carbon footprint assessment and the tailored deployment of the Eyes on the Planet program within the Group, including the introduction of circular services in the retail network and the progress towards in-store sustainability;
- acceleration in the OneSight EssilorLuxottica Foundation's global actions to bring vision care to everyone around the world, including the establishment of the Foundation in Latin America, uniting the Group's long-standing philanthropy and advocacy initiatives in the region;
- continuous engagement of employees, business partners, and customers around the Eyes on The Planet program by leveraging the Leonardo platform and all Group internal and external communication channels.

In addition, the commitment to set new targets in accordance with the Science-Based Targets initiative (SBTi) has marked a new stage in the EssilorLuxottica's approach to environmental and social sustainability, with a focus not only on its direct impact but also on its indirect impact. As an industry leader, it is

part of EssilorLuxottica's responsibility to also involve suppliers, business partners, customers, and consumers in its sustainability ambitions.

In 2024 EssilorLuxottica will build on these accomplishments and will continue to focus on awareness, execution, and evolution of its sustainability program worldwide. Priorities include:

- continuous deployment of global and local initiatives that support the Group's efforts on carbon, circularity, ethics, inclusion, and world sight under the Eyes on the Planet framework;
- coordination of a cross-functional sustainability reporting and compliance taskforce to ensure the organization meets the new sustainability reporting requirements (e.g. Corporate Sustainability Reporting Directive-CSRD, Corporate Sustainability Due Diligence Directive);
- formalization of the missing policies and objectives for the different pillars of the Eyes on the Planet program;
- development of the Eyes on the Planet learning path for all employees and customers on the Leonardo platform;
- engagement of the Company's partners and suppliers in its climate journey.

These and more initiatives will help reduce the Group's environmental impact, promote employee well-being, and contribute to socio-economic development in the territories where it operates.

EssilorLuxottica will continue to report progress and achievements related to the Eyes on the Planet program regularly through its website, corporate communication channels, and annual Universal Registration Document.

## 5 Methodology Note and Correspondence Tables

### Main Principles for Sustainability Data Reporting

EssilorLuxottica's Sustainability Reporting Protocol defines the reporting principles below:

#### Reporting Scope

All entities within the Company's financial consolidation scope are required to report on sustainability data. The list of entities requested for sustainability reporting is updated annually according to the finance consolidation scope. For entities with more than one site, all sites are included in the reporting.

The exceptions are specified below:

- New entities acquired less than one year are granted one year to be integrated into the Group reporting scope unless stated otherwise.

- Given the specificity of the Group's retail network, franchise operations are not covered. Data is therefore not reported for around 4,200 franchise locations (equal to approximately 24% of EssilorLuxottica's retail network) due to limited operational control and access to information.

#### Reporting Period

The reporting period is from January 1, 2023 to December 31, 2023.

#### Workforce-Related Indicators

The workforce reported corresponds to the total number of Company employees and agency workers at the end of the reporting period. Workforce-related indicators cover 100% of the total Group workforce.

As defined in the EssilorLuxottica Reporting Protocol, 'employee' refers to a person having an employment contract directly with any entity of EssilorLuxottica; and 'agency worker' refers to a person having a contract with an outside company to work for EssilorLuxottica in one of its locations or elsewhere for a temporary period. Contractors and interns are excluded from the workforce indicators.

The breakdowns (by gender, category, contract type and age) are presented only for employees, whereas the breakdown by geography is presented for the workforce. Geographical areas designated for presenting the workforce by region are aligned with the areas identified for 2023 revenue disclosure.

Regarding 2022 and 2021, information was not available for approximately 0.7% and 0.6% respectively of EssilorLuxottica employees. For them, the Company estimated the gender split to be in line with the rest of the organization and with previous years (60% women – 40% men). Meanwhile, for 2022 and 2021, for a few small sized entities not fully integrated in the Group HRIS system (accounting for around 0.4% of Group total employees), their workforce-related breakdowns were estimated based on previous year data and the regional average split.

Regarding turnover rate, it represents the total number of permanent employees who left the Group over the reporting period (GrandVision excluded).

#### Health and Safety Indicators

Health and safety indicators relate to the Company's main manufacturing plants, lens laboratories and distribution centers, excluding entities acquired by EssilorLuxottica during 2023, and for which investments are needed to integrate health and safety reporting systems. For retail activities, information Italy, the United States and Brazil (36% of the retail population) has been included, while other countries are excluded. The mentioned countries represent the first step to fully integrating the retail population in the Health and Safety reporting. Health and safety indicators cover both employees and agency workers.

The indicators applied reflect results of the Company's Environment, Health and Safety (EHS) policies.

As defined in the Company's Reporting Protocol:

- the frequency rate is calculated as the number of work-related injuries with lost days x 1,000,000 / total number of hours worked during the reporting period;
- the severity rate is calculated as the total number of lost days (calendar days) x 1,000 / total number of hours worked during the reporting period;
- the total recordable incident rate is calculated as the total number of recordable work-related injuries x 1,000,000 / total number of hours worked during the reporting period;
- the total number of hours worked is calculated as the actual hours worked from the clock-in system where applicable and theoretical hours worked based on calculation of scheduled working days and average number of hours worked per day.

## Environmental Indicators

Environmental indicators are collected to measure and monitor the environmental performance of the Company.

Water withdrawal refers to all water drawn into the boundaries of the Company from all sources, for any use, over the course of the reporting year. The related breakdowns are reported in m<sup>3</sup>. Retail activity water consumptions is estimated based on benchmarking analysis and comparison with factors found in literature.

Energy consumption refers to all primary energy consumed during the reporting period. Related breakdowns are reported in kWh and disclosed in GWh. All directly managed retail stores (more than 13,000 stores) are covered in the energy reporting. When energy consumption data was not available for the full reporting period, data was extrapolated and estimated based on: i) energy consumption during corresponding months of the previous year (for manufacturing plants, lens laboratories,

distribution centers); or ii) average energy consumption of other months, or iii) average energy consumption of other sites (for Retail).

Waste generation refers to the total weight of waste evacuated or shipped out of the Company. Associated breakdowns are reported in metric tons. Retail activities are excluded.

For water withdrawal, energy consumption, refrigerants leakages and waste generated, the Company collected all the available actual data during the reporting period and extrapolated the data for the residual entities not yet providing data. This approach enabled the representation of the GHG emissions for the entire Group. The extrapolations have been performed based on the actual data collected, calculating the average consumption per HC (and m<sup>2</sup> for Retail) per country or geographic area.

## Methodology for Calculating Greenhouse Gases (GHG) Emissions

In accordance with GHG Protocol, accounting and reporting standards for greenhouse gas emissions (<http://www.ghgprotocol.org> GHG emissions) are calculated and reported according to three scopes: Scope 1, 2 and 3.

GHG emissions reported are measured in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). Regarding conversion factors, the Company used the ADEME (*Agence française de l'Environnement et de la Maîtrise de l'Énergie*, [www.ademe.fr/](http://www.ademe.fr/)) database, which was updated in December 2022 (v. 22.0) for

Scope 1 emissions calculation, the International Energy Agency (IEA) which was updated in September 2022 for Scope 2 emissions calculation and the GLEC framework database for Scope 3 emissions associated with transportation.

The GHG emissions are calculated considering the actual data collected during the reporting period and the extrapolated one for the entities that did not report data, as explained in the methodology of environmental indicators.

### Scope 1

This involves three direct emission categories:

1. Emissions from direct on-site stationary combustion of fossil fuels, such as gas or liquid fuel: Associated upstream emissions are considered scope 3 emissions and thus excluded from Scope 1 emissions.

GHG emission factors were applied in accordance with the ADEME database (v. 22.0):

- Gas: 205 gCO<sub>2</sub>e/kWh LCV;
- Liquid fuel: 272 gCO<sub>2</sub>e/kWh LCV.

2. Emissions from mobile combustion related to company cars consuming fossil fuels: Emissions are calculated on contractual data provided by fleet management suppliers.

Since 2023 the Group refers to the fuel consumed to calculate the emissions from mobile combustion related to company cars, not considering the average CO<sub>2</sub>e emissions per km declared by the manufacturer.

3. Fugitive emissions from refrigerants leakages that may occur during the charging, recharging or disposal of refrigerant or air conditioning equipment on-site: Emissions are calculated considering the GWP of each F-gas from the IPCC Sixth Assessment Report (AR6). In the case of GWP not available in the IPCC report, the information provided directly from the F-gas supplier was considered.

### Scope 2

This relates to indirect emissions associated with the electricity consumption of the Company's activities, including electric vehicles owned or controlled by the Company. Scope 2 emissions were calculated according to both the location-based method and the market-based method of the GHG Protocol. A location-based method reflects average emissions intensity of grids for which energy consumption occurs (using mostly grid-average emission factor data). The emission factors

for electricity were updated in 2023 based on figures provided by the IEA database (v. 2022). A market-based method reflects emissions from electricity that the Company has purposefully chosen.

The emission factors considered are annually updated referring to residual mix from different database such as IEA, AIB, Ecoinvent, IGES, eGrid and others.

### Scope 3

#### Emissions Associated with Upstream Transportation Managed by EssilorLuxottica

These emissions correspond to indirect emissions related to the transportation of products and represent the main contributor for the Company to the 3.4 GHG Protocol's category "Upstream transportation and distribution". The emissions associated with upstream transportation managed by EssilorLuxottica are calculated on a Well-to-Wheel basis (WTW), to analyze the impact of using different energy vectors. The term Well-to-Wheel includes the underlying Tank-to-Wheel and Well-to-Tank analysis, defined as follows: i) Tank-to-Wheel (TTW) describes the use of fuel in the vehicle and emissions during driving; and ii) Well-to-Tank (WTT) describes the sub-range of fuel supply, from production of the energy source (petrol, diesel, electricity, natural gas) to fuel supply (transport to the charging point or fuel pump).

The Company follows the GLEC Framework and is compliant with EN16258.

Reporting of EssilorLuxottica transportation and freight is categorized by product type:

- Eyewear: finished frames, including both international and local flows;
- Lenses: finished and semi-finished lenses, including both international and local flows; and
- Other products/materials: including international and local flows for AFA (Apparel, Footwear and Accessories), POP (Point of Purchase), Spare Parts, Production Components, Goggles, Contact Lenses, Sun & Readers, Equipment, Instruments, Cases and Accessories.

Emissions related to the transportation and freight of each product types are also split per shipping mode:

- air shipping mode; and
- other shipping modes, including ocean, road and rail.

For certain entities that did not report physical transportation data for the last quarter of the year (October, November and December), GHG emissions were estimated based on sales performance projections. Emissions based on estimations accounted for around 3% of the total reported emissions associated with transportation.

GHG emissions related to Sustainable Aviation Fuel (SAF) are deducted from emissions of air shipping for related products.

#### Emissions Associated with Fuel-and Energy-Related Activities

These emissions correspond to indirect emissions related to the consumption of fuel and energy in the Company's activities, representing the 3.3 GHG Protocol's category "Fuel-and-energy related activities". This category's emissions are computed on an average data method, referring to the data collected and extrapolated for the Scope 1 and Scope 2 calculation. The emission factors considered are annually updated referring to residual mix from different database such as IEA, AIB, Ecoinvent, IGES, eGrid and others.

#### Emissions Associated with Waste Generated in Operations

These emissions correspond to indirect emissions related to the generation of waste in the Company's activities, representing the 3.5 GHG Protocol's category "Waste generated in operations". This category's emissions are computed on a waste-type-specific method, referring to the data collected for the Waste generation table reported in the 5.2.2 paragraph Eyes on Circularity. To ensure the coverage of all Company's operations activities, the waste generated by entities not included in the reporting campaign was estimated based on the actual data available by country and region. The emissions factors considered derive from ADEME (2021v), BEIS (2021) and Ecoinvent (v3.8).

#### Other Scope 3 Emission Categories Included in the Group Carbon Footprint Assessment

Below are all other Scope 3 emission categories identified as relevant to Group activities and included in the Group complete carbon footprint assessment. The remaining categories listed in the GHG protocol (upstream leased assets, downstream leased assets and downstream transportation and distribution) are considered not relevant or not significant to the Group business. The relevant categories and related calculation methods are here listed:

- purchased goods and services: average data method;
- capital goods: spend-based method;
- upstream transportation and distribution (managed by suppliers): distance-based method;
- business travel: spend-based method, distance-based method;
- employee commuting/teleworking: average data method;
- processing of sold products: average data method;
- use of sold products: calculation method for direct use-phase emissions from products that directly consume energy;
- end-of-life treatment of sold products: waste-type-specific method;
- franchises; spend-based method;
- investments: spend-based method.

Calculation of other Scope 3 emissions followed the guidelines of the GHG Protocol and used emission factors provided by different databases depending on the Scope 3 category, such as ADEME v22.0, Ecoinvent v3.8, BEIS 2021 (UK Department for Business, Energy and Industrial Strategy) and others.

## Methodology for EU Taxonomy Denominators

Annexes of the Delegated Act require calculating the proportion of Turnover, CapEx and OpEx associated with eligible and aligned activities. To accomplish this task, as stated in Section 3, the Group identified its eligible activities and, once assessed which were in line with alignment criteria, calculated the three KPIs.

### Turnover

Turnover KPI as described by the regulation is to be calculated as the part of net turnover derived from products or services associated with eligible and/or aligned Taxonomy activities, including intangibles (numerator) divided by the net turnover (denominator).

**Numerator:** As mentioned in Section 3, EssilorLuxottica's core economic activities are not described in the current version of the Taxonomy regulation and are not included in the Climate Delegated Act. Therefore, they are not considered as 'eligible' or 'aligned'. Consequently, for 2023 as for 2022, the Group did

The next paragraphs present in detail what has been foreseen by provision of Annexes to the Commission Delegated Regulation (EU) 2017/2018 in terms of accounting items related to the KPIs that must be reported by non-financial undertakings in the sustainability report – as the approach retained by EssilorLuxottica.

not generate any turnover eligible or aligned with the EU Taxonomy Regulation.

**Denominator:** Net turnover is defined as the amounts derived from the sale of products and provision of services after deducting sales rebates and value added taxes directly linked to the turnover. Following the description, KPI denominator corresponds to the line-item *Revenue* presented in the consolidated statement of profit or loss (see section 4.1.1 of the 2023 Universal Registration Document).

### Operating Expenses: OPEX

**Denominator:** For the calculation of the OpEx KPI denominator<sup>(1)</sup> the Group considered the share of costs falling into the categories mentioned by the Regulation: non-capitalized R&D, day to day servicing of assets, building renovation measures, short term lease, maintenance and repairs. For the calculation of the denominator, the following categories have been excluded<sup>(2)</sup>: i) overheads, ii) raw materials, iii) cost employee operating the machine, iv) cost of managing R&D projects and v) electricity, fluids or reagents needed to operate property plant and equipment.

For all categories of the OpEx KPI, both external (outsourced activities) and internal costs (labor, materials and tools costs) were considered. Costs related to G&A (*General & Administrative*) have been excluded, including only expenses directly attributable to a specific asset.

Based on the analysis of data extracted from management and accounting tools, Group controllers were able to isolate the share of costs falling into the categories mentioned by the Regulation.

Compared to fiscal year 2022, the higher level of information available allowed controllers to include additional entities and cost types in the analysis. In addition, a more in-depth analysis was performed which led to the inclusion/exclusion of some costs previously considered as not eligible/eligible. This ultimately led to a decrease in the amount reported in 2023 compared to 2022.

After analysis, OPEX represents less than 10% of the total Group consolidated operating expenses, and for this reason, and as for 2022, the Group considered the indicator as not material. Therefore, the numerator was not calculated.

### Capital Expenditure: CAPEX

**Numerator:** For each activity and each project identified as eligible, technical criteria were reviewed internally to ensure the alignment (see table in chapter 3).

**Denominator:** For the calculation of the CapEx KPI denominator<sup>(3)</sup>, the Group considered the increases of the period related to Property Plant and Equipment (PP&E), Intangible Assets (excluding goodwill) and Right of Use Assets (RoU), as presented in notes 10, 11 and 12 of the 2023 Group

consolidated financial statements (see section 4.1.6 of the 2023 Universal Registration Document). As required by the Regulation, the values considered correspond to the line items *Additions* and *Business combinations* of the tables disclosed in notes 10, 11 and 12, thus excluding the effects resulting from amortization, depreciation, impairment losses, divestment, assets classified as held for sale, translation differences and other.

(1) The proportion of OpEx shall be calculated as the numerator divided by the denominator associated with assets/ processes associated with taxonomy aligned activities. The denominator shall cover direct non-capitalized costs that relate to: Research and development, building renovation measures, short-term lease, maintenance and repair, the day-to-day servicing of assets.

(2) FAQ Published by the EU Commission on EU Taxonomy on February 2, 2022

(3) The proportion of CapEx shall cover: the additions to tangible and intangible assets during the financial year and the additions to tangible and intangible assets resulting from business combinations.

## Correspondence Table for Priority ESG Risks

CSR Topics	Group Risk Factors with CSR Dimension	Reference
Climate change	Climate Transition	2.1
	Business Interruption	
Responsible business practices	Supply Chain	2.5
	Data Privacy	
	Ethical Behavior	
Non-Financial communication	Reporting and communication	1.5
	Brand Integrity & Perception	2.2
Sustainable offering and production	Product Innovation and Circularity	2.2
Talent management and well-being	Health and Safety	2.4
	People Management	

## Correspondence Table with Task Force on Climate-Related Financial Disclosures (TCFD)

Governance	Reference
a. Oversight by the Board of Directors of climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Report on Corporate governance (Chapter 3)</li> <li>Eyes on Carbon (Section 2.1)</li> </ul>
b. Management's role in assessing and managing climate-related risks and opportunities	
<b>Strategy</b>	
a. Climate-related risks and opportunities identified over the short, medium and long term	<ul style="list-style-type: none"> <li>Business model, environmental and social challenges (Section 1.1)</li> <li>Eyes on Carbon (Section 2.1)</li> </ul>
b. Impact of climate-related risks and opportunities on the Company's businesses, strategy and financial planning	
c. Resilience of the Company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	
<b>Risk Management</b>	
a. Processes for identifying and assessing climate-related risks	<ul style="list-style-type: none"> <li>Risk factors (Section 1.6 of the 2023 Universal Registration Document)</li> <li>ESG risk management (Section 1.4)</li> <li>Eyes on Carbon (Section 2.1)</li> </ul>
b. Processes for managing climate-related risks	
c. Integration of processes for identifying, assessing and managing climate-related risks in the Company's overall risk management	
<b>Metrics and Targets</b>	
a. Metrics used to assess climate-related risks and opportunities, in line with the Company's risk management strategy and process	<ul style="list-style-type: none"> <li>Protocol and organization of non-financial reporting (Section 1.5)</li> <li>Eyes on Carbon (Section 2.1)</li> </ul>
b. Greenhouse gas emissions for Scope 1, Scope 2 and Scope 3 and the related risks	
c. Targets used to manage climate-related risks and opportunities and Company's performance against these targets	



## Disclosure Tables for EU Taxonomy

### Revenues Table

The table below shows the proportion of turnover from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the Taxonomy Regulation.

EssilorLuxottica did not generate turnover for 2023 that could be considered as Taxonomy-eligible nor Taxonomy-aligned.

Financial year N	2023		Substantial Contribution Criteria							DNSH criteria ("Does Not Significantly Harm") (h)									
Economic Activities (1)	Code (a) (2)	Turnover (3) (€ millions)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which Transitional		0	0%	0%						N	N	N	N	N	N	N	0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		25,395	100%																
<b>TOTAL</b>		<b>25,395</b>	<b>100%</b>																

Template: proportion of turnover from products or services associated with Taxonomy-aligned economic activities per environmental objective – Disclosure covering fiscal year 2023

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

## Opex Table

The table below shows the proportion of OpEx from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the Taxonomy Regulation.

Operating expenses under EU Taxonomy definition (denominator) represent less than 10% of Group total consolidated operating expenses, which include Cost of Sales and Total Operating Expenses as presented on the consolidated statement of profit or loss (see Chapter 4 of the 2023 Universal Registration Document), and due to that, the Group considered the indicator as not material.

Financial year N	2023	Substantial Contribution Criteria								DNSH criteria ("Does Not Significantly Harm") (h)									
Economic Activities (1)	Code (a) (2)	OpEx (3) (€ millions)	Proportion of OpEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which Transitional		0	0%	0%						N	N	N	N	N	N	N	0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		607	100%																
<b>TOTAL</b>		<b>607</b>	<b>100%</b>																

Template: proportion of OpEx from products or services associated with Taxonomy-aligned economic activities per environmental objective – Disclosure covering fiscal year 2023

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

- (a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.: - Climate Change Mitigation: CCM - Climate Change Adaptation: CCA - Water and Marine Resources: WTR - Circular Economy: CE - Pollution Prevention and Control: PPC - Biodiversity and ecosystems: BIO For example, the Activity 'Afforestation' would have the Code: CCM 1.1.
- (b) Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL - not eligible, Taxonomy non-eligible activity for the relevant environmental objective.
- (c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using templates in sheets Turnover (2), CapEx (2), and OpEx (2).
- (d) The same activity may align with only one or more environmental objectives for which it is eligible.
- (e) The same activity may be eligible and not aligned with the relevant environmental objectives.
- (f) EL - Taxonomy eligible activity for the relevant objective; N/EL - Taxonomy non-eligible activity for the relevant objective.
- (g) Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.
- (h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution - Y/N and N/EL codes instead of EL and N/EL and, (b) for DNSH - Y/N codes.

## Correspondence Table with GRI Standards

(Version 2016 and 2021 for GRI Universal Standards 2 and 3)

GRI Standard	Disclosure Title	Reference
GRI 2 - General disclosures (2021)	2-1 Organizational details	1.1 of the 2023 URD
	2-2 Entities included in the organization's sustainability reporting	5
	2-3 Reporting period, frequency and contact point	1.5, 5
	2-4 Restatements of information	2.1
	2-5 External assurance	6
	2-6 Activities, value chain and other business relationships	1.1 and 1.4 of the 2023 URD; 1.1
	2-7 Employees	2.4
	2-9 Governance structure and composition	3.1 of the 2023 URD
	2-10 Nomination and selection of the highest governance body	3.1 of the 2023 URD
	2-11 Chair of the highest governance body	3.1 of the 2023 URD
	2-12 Role of the highest governance body in overseeing the management of impacts	3.1 of the 2023 URD; 1.3
	2-13 Delegation of responsibility for managing impacts	1.3
	2-14 Role of the highest governance body in sustainability reporting	1.3
	2-19 Remuneration policies	3.3 of the 2023 URD
	2-20 Process to determine remuneration	3.3 of the 2023 URD
	2-21 Annual total compensation ratio	3.3 of the 2023 URD
	2-22 Statement on sustainable development strategy	1.1.2 of the 2023 URD; 2
	2-25 Processes to remediate negative impacts	2.5
	2-26 Mechanisms for seeking advice and raising concerns	2.5
	2-27 Compliance with laws and regulations	2.5
	2-29 Approach to stakeholder engagement	6
GRI 3 - Material topics (2021)	3-1 Process to determine material topics	1.4
	3-2 List of material topics	1.4
	3-3 Management of material topics	1.4
GRI 205 – Anti-corruption (2016)	205-2 Communication and training about anti-corruption policies and procedures	2.5
GRI 302 – Energy (2016)	302-1 Energy consumption within the organization	2.1
GRI 303 - Water and effluents (2018)	303-3 Water withdrawal	2.1
GRI 305 - Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	2.1
	305-2 Energy indirect (Scope 2) GHG emissions	2.1
	305-3 Other indirect (Scope 3) GHG emissions	2.1
GRI 306 - Waste (2020)	306-3 Waste generated	2.2
	306-4 Waste diverted from disposal	2.2
	306-5 Waste directed to disposal	2.2
GRI 403 - Occupational Health and Safety (2018)	403-9 Work-related injuries	2.4
GRI 404 - Training and Education (2016)	404-1 Average hours of training per year per employee	2.4
	402-2 Programs for upgrading employee skills and transition assistance programs	2.4
GRI 405 - Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees	2.4

## 6 Report by one of the Statutory Auditors, appointed as an independent third party, on the consolidated non-financial information statement

*This is a free translation into English of the Statutory Auditor's 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 year ended December 31, 2023

To the Shareholders,

In our capacity as Statutory Auditor of EssilorLuxottica SA (hereinafter the "entity"), appointed as an independent third party and certified by COFRAC under number 3-1862 (whose scope is available at [www.cofrac.fr](http://www.cofrac.fr)), we conducted our work in order to provide a report expressing a limited assurance conclusion on the historical information (observed and extrapolated) in the consolidated non-financial

statement for the year ended December 31, 2023 (hereinafter respectively the "Information" and the "Statement"), prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), included in the Group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

### Conclusion

Based on the procedures performed, as described in the "Nature and scope of our work" section, and the elements that we have collected, nothing has come to our attention that causes us to believe that the consolidated non-financial

information statement is not in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly and in accordance with the Guidelines.

### Comments

Without qualifying our conclusion and in accordance with Article A. 225-3 of the French Commercial Code, we have the following comments:

- the results presented relating to ethical behavior, data privacy, business interruption, supply chain, people management, reporting and communication and brand integrity and perception do not identify any key performance indicators for the related policies;

- as disclosed in Chapter 5.5 "Methodology notes" sections "H&S indicators" and "environmental indicators", the perimeter of H&S and waste indicators are excluding some group entities.

### Preparation of the non-financial information statement

The absence of a generally accepted and commonly used framework or established practices on which to evaluate and measure the Information permits the use of different, but acceptable, measurement techniques that may affect comparability between entities and through time.

Consequently, the Information needs to be read and understood with reference to the Guidelines, significant elements of which are available upon request from the entity's headquarters.

### Inherent limitations in preparing the Information

The Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and due to the quality of the external data used. Certain Information is sensitive to the methodological choices, assumptions and/or estimates used to prepare the Information presented in the Statement.

## The entity's responsibility

Management is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing the Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of those policies, including key performance indicators and, if applicable, the information required by Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);

- preparing the Statement in accordance with the entity's Guidelines as mentioned above;
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

## Responsibility of the Statutory Auditor, appointed as an independent third party

On the basis of our work, our responsibility is to provide a reasoned opinion expressing a limited assurance conclusion on:

- the consistency of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with Article R. 225-105 I, 3 and II of the French Commercial Code, i.e., the outcome of the policies, including key performance indicators, and the measures implemented in light of the principal risks (hereinafter "the Information").

As we have been engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular the information required by Article 8 of Regulation (EU) 2020/852 (Green Taxonomy), the French duty of care law and anti-corruption and tax evasion legislation);
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- the consistency of products and services with the applicable regulations.

## Applicable regulatory provisions and professional standards

The work described below was performed in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code and with the professional guidance of the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*, "CNCC") applicable to such

engagements, with the CNCC's technical opinion determining the conditions in which the independent third party performs its engagement – *Non financial information statement*, as well as with ISAE 3000 (Revised) – *Assurance engagements other than audits or reviews of historical Financial Information*.

## Independence and quality control

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including

documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

## Means and resources

Our work was carried out by a team of 9 persons between September 2023 and February 2024 and took a total of 22 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 40 interviews with people responsible for preparing the Statement, representing among others the CSR, Human Resources, Procurement, Logistics, Communication and Investor Relations departments.

## Nature and scope of our work

We planned and performed our work considering the risk of material misstatement of the Information.

We consider that the procedures we performed based on our professional judgment allowed us to express a limited assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities, and the description of the principal risks;
- we assessed the appropriateness of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of labor and environmental information set out in Article L. 225-102-1 III, as well as information regarding compliance with human rights and anti-corruption and tax evasion legislation and includes, when needed, an explanation for the absence of the information required under Article L. 225-102-1 III, 2;
- we verified that the Statement presents the information set out in Article R. 225-105 II where relevant to the principal risks;
- we verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships and products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators related to the principal risks;
- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks and the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the appendix. For the Ethical Behaviour, Data Privacy, Business Interruption, Supply Chain, Reporting & Communication and Brand Integrity & Perception risks, our work was performed at the consolidation Entity level; for the other risks, Climate Change, Product Innovation and Circularity, People Management and Health & Safety our work was performed at the consolidation Entity level and on a selection of entities: OPSM Group Pty Limited, Shanghai Essilor Optical Company Limited CHLOE Project, Seocl, ELab-Danyang, Luxottica Tristar Optical Company

Limited, EIPL Delhi, Essilor Manufacturing (Thailand) Company Limited, Essilor Optical Laboratory (Thailand) Co.,Ltd, Grand Vision France, Apollo Optik Holding GmbH, GVTech Centre Deutschland, Agordo, Sedico Frames 1 & 2, Luxottica Group S.p.A, Essilor Tijuana Optica S. De RL De CV (ETO), Luxottica Retail North American Optical, Essilor of America Omega Lab, Columbus Rx, Footahill Ranch;

- we verified that the Statement covers the scope of consolidation, i.e., all the companies included in the scope of consolidation in accordance with Article L. 233-16 within the limitations set out in the Statement;
- we gained an understanding of the internal control and risk management procedures the entity has put in place and assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative results that we considered to be the most important presented in the appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of detail, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities: OPSM Group Pty Limited, Shanghai Essilor Optical Company Limited CHLOE Project, Seocl, ELab-Danyang, Luxottica Tristar Optical Company Limited, EIPL Delhi, Essilor Manufacturing (Thailand) Company Limited, Essilor Optical Laboratory (Thailand) Co.,Ltd, Grand Vision France, Apollo Optik Holding GmbH, GVTech Centre Deutschland, Agordo, Sedico Frames 1 & 2, Luxottica Group S.p.A, Essilor Tijuana Optica S. De RL De CV (ETO), Luxottica Retail North American Optical, Essilor of America Omega Lab, Columbus Rx, Footahill Ranch and covers between 20,46% and 38% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed in a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional guidance of the CNCC; a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, February 23, 2024

One of the Statutory Auditors  
PricewaterhouseCoopers Audit

Stéphane BASSET  
Partner

Aurélië CASTELLINO  
Partner, Sustainable Development



## Appendix: List of the information we considered most important

### Key performance indicators and other quantitative results:

#### Eyes on Carbon:

- Number of sites certified ISO 50001 and percentage of the total headcount covered by this certification;
- Identification and breakdown of the Group's GHG emissions (scope 1, 2, 3);
- Waste generation (Non-hazardous and Hazardous);
- Volume of Water Withdrawals (Fresh surface water, Groundwater and Third-party water);
- Energy consumption;
- Kg of leakage for refrigerant type;
- Number of reportable chemical spills;
- Amount of environmental monetary fines.

#### Eyes on Inclusion:

- Percentage of women trainees in the launch of the Operations Talent Program started in Creteil and Agordo;
- Number of new employees onboarded, live sessions organized and number of people that participated on Leonardo;
- Number of employees engaged in The Global People Development initiatives;
- Number of volunteers of EssilorLuxottica that backed the OneSight EssilorLuxottica Foundation through traditional volunteering initiatives;
- Number of active employee shareholders and subscription rate to the international share purchase plan Boost 2023;
- Number & breakdown of employees by gender, age, category;
- Number of employees by contract type;
- Number of departures ;
- Number of local training hours (excluding Leonardo) by category;
- Total number of local employees trained (excluding Leonardo) by category;
- Number of work-related fatalities (employees/temporary/agency workers);
- Number of work-related injuries (with/without absence + employees/temporary/agency workers);
- Number of cases of occupational illnesses (with/without absence + employees/temporary/agency workers);
- Number of lost days (employees/temporary/agency workers);
- Number of worked hours by category (employees/agency workers).

#### Eyes on Wold Sight:

- Number of people impacted by the Foundation since 2013 and number of rural optical points and vision centers established;
- Number of Eyes Mitras, HWCs and wearers through the pilot in partnership with the government of India and JHPIEGO;
- Number of people in Africa that had access to vision care thanks to the launch of different access solutions;
- Number of school-going children impacted by the "Vision for all" partnership in Karnataka and Goa in India;
- Number of people in rural regions in Bangladesh, India and Indonesia reached through a campaign around common symptoms of refractive errors and the importance of vision care;
- Number of retail and online consumers that supported the Customer Giving initiatives globally.

#### Eyes on Circularity:

- Percentage of biobased nylon sourced
- Quantity of precious glass containing rare-earth elements recycled in Barberini glass production plant in 2023;
- Quantity of waste avoided thanks to the Slim Fit project in 2023;
- Percentage of assets exposed to very high or extreme water scarcity risks and percentage of total water use it represents;
- Savings of water realized in the last site European Rx labs where the project for cascading water in the hard-coat process was developed;
- Percentage of researchers trained, and percentage of research and development programs assessed within SAM scope;
- Number of frames/sunglasses collected by Salmoiraghi & Viganò since its launch in 2023.

#### Eyes on Ethics :

- Number of current and potential suppliers subjected to audits and number of major instances of non-compliance related to critical non-conformities;
- Number of audits performed either by an external specialized company or the Internal Audit Department and headcount coverage percentage of those audits.

**Qualitative information (actions and outcomes):**

Eyes on Carbon:

- Carbon neutrality for Scope 1 and 2 emissions in Europe via two offsetting projects, in China and India, respectively on afforestation and solar panel installation;
- Organization of the second edition of the "Sustainability Week" on Earth Day;
- Existence of comprehensive online learning path on Leonardo for education and awareness on sustainability;
- Investment in machines and technologies to eliminate plastic tape and void fill and switch to paper solutions;
- Weekly monitoring of air transport performance measurements;
- Signature of a twelve-year Power Purchase Agreement (PPA) of approximately 900 GWh of green energy between 2023 and 2034 for Italian sites;
- Existence of a variable remuneration for eligible employees based on climate efforts made by the Group to reduce its GHG emissions;
- Identification of assets located in protected, conserved and key biodiversity areas through the WWF Biodiversity Risk Filter.

Eyes on inclusion:

- Development of specific activities and a dedicated training path to promote gender balance, DE&I and foster an inclusive culture;
- Creation of Vogue Eyewear campaigns with a diverse representation and a more inclusive tone of voice;
- Campaigns conducted in LATAM to promote dialogue and foster an inclusive culture, with talking circles around unconscious bias and diversity dimensions;
- Signing of a partnership with Harvard Business Publishing for Leonardo courses;
- First "EssilorLuxottica for World Children's Day" live event;
- Launch of an integrated performance evaluation process called OnePerformance;
- Group coaching programs for leaders & individual 6-month coaching journey for selected Executives, Functional Leaders and Managers;
- Launch of a second graduated class from the 'Global Circular Economy Chair' in partnership with ESSEC Business School, L'Oréal and Bouygues;
- Signature of an additional contract with national sectoral organizations regarding work-life balance for factory workers;
- Discussions between the Group's Management and a specific Special Negotiation Delegation (SNB), including at least one representative from each EU country;
- Organization of training sessions in the Group's Italian offices and a dedicated course on Leonardo to engage global employee in the EssilorLuxottica Safety Days;
- "Safety & Health Cup" Knowledge Competition organized by the Tristar Trade Union and the EHS department in China.

Eyes on World Sight:

- Establishment of the OneSight EssilorLuxottica Foundation office in Latin America;
- Prototyping of ClickCheck™ 2.0;
- Set up of a vision clinic for Ukrainian refugees in the Republic of Moldova, through a partnership of the foundation with UNHCR, UNHCR Italy, the Ministry of Health in Moldova, Ungheni City Hall, and the Low Vision NGO;
- Support of two special projects, part of the 'Bergamo Brescia Italian Capital of Culture 2023' program, the 'Deserters' project at the GAMeC of Bergamo and the 'OPEN' project at the Teatro Grande Foundation of Brescia in Italy;
- Partnership between the Foundation and the Group's licensed brand, Kodak Lens.

Eyes on Circularity:

- Launch of "Global Circular Economy Chair" within ESSEC Business School along with other multinationals;
- Introduction of the bio-circular polycarbonate for plano lenses;
- Expansion to Tristar plant in China of an in-house process to recycle and compound nylon plastic scraps derived from the injection manufacturing of frames into black raw nylon;
- Signature of a partnership agreement with Mazzucchelli to increase processes efficiency and limit environmental footprint, by limiting plastic;
- Deployment of a 2-day waste training in North America;
- Installation of "smart" meters to accurately measure water use with different levels of granularity;
- Development of an eco-design framework focusing on both social and environmental sustainability and extended its perimeter to eyewear R&D activities;
- Investment in equipment that measures trekking shoes, zipper, bike clothing and snow jacket performances in the Oakley AFA division;
- Certification ISO/IEC 17025 of the central laboratory of Dallas;
- Development of GLOW (Guaranteed Luxottica Origin Worldwide), a traceability system based on RFID technology;
- Development & launch of an innovative RX process for lens blocking, eliminating the use of alloy in the lens manufacturing and replacing it with a UV curable adhesive, an alternative to traditional alloy blocking;
- Extension of Ray-Ban's offering with bio-acetate for frames and bio-nylon for lenses;
- First introduction of recycled acetate in Versace's and Prada 2023 collections while Chanel continued to extend its product offering with the bio and recycled acetate;
- Utilisation of bio-nylon in combination with bio-based rubber for Emporio Armani's kids collections;

- Reinforcement of the Group's marketing claim process through a reviewed process and dedicated trainings;
- Availability of care tips guidelines on Salmoiraghi&Viganò and Ray-Ban banners, and some of Grandvision brands' websites;
- Expansion of the repair service in different retail banners including Sunglass Hut and LensCrafters in the US and Ray-Ban Stores in Europe;
- Launch of the Renewal Station, an itinerant repair corner that visited four Italian cities (Florence, Bologna, Milan, Turin) between June and October 2023;
- Launch of a roadmap around energy and circularity with the goal of obtaining the WELL certification for 400 stores in Europe and the US starting from 2024.

Eyes on Ethics:

- Launch of a new training initiative with the focus on AFA vendors located in Brazil;
- Availability of the new anticorruption training module in eleven languages on Leonardo training platform;
- Implementation of an Anti-Bribery & Corruption compliance program;
- Membership of the French association Entreprises pour les Droits de l'Homme – EDH (Companies for Human Rights);
- Launch of SpeakUp reporting tool worldwide;
- Submission of an anonymous ethics annual report to the Group's various governance bodies;
- Development of a set of performance indicators related to human rights and the environment, inspired by those of the Global Reporting Initiative (GRI).



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