

# 2022 Sustainability Report

Extract from the 2022  
Universal Registration Document

**EssilorLuxottica**

# Social, environmental and societal information

(2022 non-financial statement of EssilorLuxottica)

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# Message from the Chairman and CEO and Deputy CEO



**Francesco Milleri** Chairman and CEO



**Paul du Saillant** Deputy CEO

## Dear Shareholders,

Highlighting our ongoing progress and achievements, we are pleased to share the 2022 EssilorLuxottica Sustainability Report.

The release of this report – following Earth Month – marks an ideal time to reflect on what we have accomplished so far and how we can continue to work together with our employees, customers, consumers and communities to look after our planet.

Corporate social responsibility (CSR) is at the core of our identity and makes up our Group DNA at EssilorLuxottica. Our integrated approach to sustainable development extends to every aspect of our business, and is strongly intertwined with our Mission to help people ‘see more and be more’ and our goal to help eliminate uncorrected poor vision in the world by 2050.

Reflecting continuous dedication from our teams, our Company-wide ‘Eyes on the Planet’ sustainability program delivers on our CSR commitments, and prioritizes our social and environmental objectives. The success of this program involves a collaborative effort across our Group, at global and local levels, where everyone can help further reduce our carbon footprint, promote employee well-being and contribute to the socio-economic development of the regions where we operate.

We are currently focused on executing, evolving and increasing awareness of our ‘Eyes on the Plant’ program to actively engage all our stakeholders so that, together, we can drive positive impact. This past year, we laid the groundwork to ensure sustainability is fully embraced across our value chain, and we introduced initiatives for our five strategic pillars, which include carbon, circularity, world sight, inclusion and ethics. From reaching carbon neutrality in our direct operations in France and Italy to further investing in innovative materials and launching the largest foundation in the world driving inclusive vision care access, as well as the ongoing deployment of our inclusive learning culture through Leonardo – these are a few of the milestones that you will find outlined in this report.

Encouraged by our progress and confident in our ability to further adapt to the future, we know this is just the beginning and we look forward to sharing many more milestones with you.

Thank you for joining us on this exciting journey.

Sincerely,

**Francesco Milleri**  
Chairman & CEO

**Paul du Saillant**  
Deputy CEO

# 1 EssilorLuxottica’s approach to Sustainable Development

## Introduction

To help everyone everywhere "see more and be more", EssilorLuxottica's Mission drives its strategy and everything it does. 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, the Eyes on the Planet program consistently supports the Group Mission (See Section 2.3).

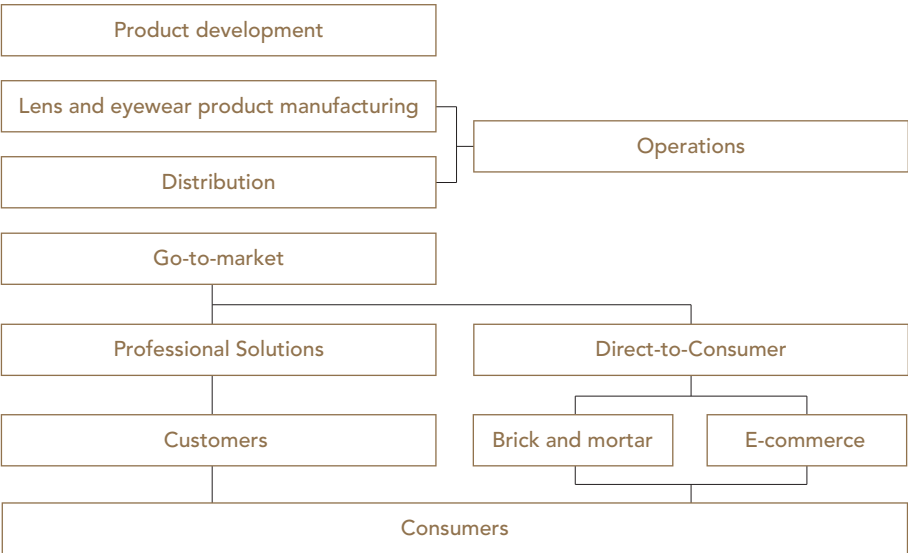
In executing its sustainability strategy, the Company contributes to the achievement of 13<sup>(1)</sup> of the 17 UN Sustainable Development Goals (SDGs) that form the 2030 Agenda. In addition, the UN General Assembly resolution<sup>(2)</sup> on vision, adopted last year, further supports EssilorLuxottica’s own ambition to eliminate uncorrected poor vision in a generation.

This Report represents the Group's non-financial statement pursuant to article L.225-102-1 II of the French Commercial Code. Furthermore, the 2022 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 the Duty of Care (see Section 2.5) and the EU Taxonomy for sustainable activities (see Section 3). A methodology note including cross-reference tables with the GRI Standards, the TCFD guidelines and the EU Taxonomy is available at the end of this Report (see Section 5).

## 1.1 Business model and environmental and social considerations

At EssilorLuxottica, value creation and sustainable growth go hand-in-hand with employee well-being, environmental sustainability and social impact across regions and businesses. As described in Chapter 1 of 2022 Universal Registration Document, the Company’s vertically integrated business model

covers the industry’s entire value chain. 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.



(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://www.un.org/en/development/desa/dest/2030/vision)

With its offering, scale and global reach, EssilorLuxottica balances both social and environmental challenges and opportunities. Sustainability, as embodied in the Eyes on the Planet program, is at the core of its strategy and addresses the main environmental and social issues across the Company's value chain: its lens and eyewear manufacturing capabilities, distribution centers, supply chain, and the end use of its products by consumers.

- *Product development.* EssilorLuxottica has built a powerful global R&D network supported by leading scientific, industrial and academic communities, and centered on six areas: vision care, eyewear design and technological innovation, smart eyewear, sun lenses, digital transformation and sustainability. Sustainability and innovation go together, with the product naturally at the center of its circular economy approach so to minimize the impact on the environment while enhancing product excellence and quality (Section 2.2). In this context, the Group places the emphasis on talent management and business partner relationships. Its approach to innovation is supported and strengthened by proactive intellectual property management. At the end of 2022, the Company owned more than 12,000 patents and created over 3,500 new eyewear models. See Section 1.4.2 of 2022 Universal Registration Document.
- *Lens and eyewear product manufacturing.* The Company's manufacturing capabilities, including 36 corrective and plano lens mass production facilities and 14 eyewear mass production plants, account for the majority of direct environmental impacts. This is due to products and raw materials used in production, energy and water consumption, waste production and resulting greenhouse gas emissions. Given the concentration of environmental impacts, EssilorLuxottica places emphasis on water, energy and waste, as well as on occupational health and safety measures. In addition, 614 prescription laboratories and edging-mounting facilities around the world, of which 538 proximity laboratories and 76 industrial laboratories including 14 integrated lens and frame laboratories that produce complete-pair offerings, make up the final link in the value chain. The lens laboratories environmental footprint is fragmented and limited, and it is derived primarily from the use of chemical products and the consumption of energy and water. See Section 1.4.3 of 2022 Universal Registration Document.
- *Distribution.* EssilorLuxottica has a global network of 57 distribution centers for lenses, eyewear and contact lenses. Situated close to manufacturing sites, they 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.). Given the high number of employees and the nature of their activities, the Company's greatest focus here is on workplace health and safety. EssilorLuxottica's efficient distribution network makes it possible to maintain close contact with customers while maximizing the visibility of its brand portfolio.

- *Professional solutions network.* The Company serves third-party eye care 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, and 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 eye care professionals are key for the success of long-lasting, trust-based relationships.
- *Direct-to-Consumer network:* The Group's expertise in the Direct-to-Consumer business has given it a unique understanding of consumer needs and tastes 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 monitoring of energy consumption in directly operated stores completes the overview of EssilorLuxottica's environmental impact, and encourages the implementation of dedicated energy efficiency projects (e.g. lighting) and in-store waste management behaviors.

Its vertically integrated business model enables EssilorLuxottica to oversee the entire value chain. 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, the Company is committed to constantly limiting and reducing its impact on the climate (see Section 2.1).

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 Corporate Social Responsibility (CSR) 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 the various stakeholders along the 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.

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

- 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 patients' 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 the Leonardo learning platform.

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

Main Stakeholders	Main Issues
<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>Recruitment/Attracting and retaining talents</li> <li>Skills development and training initiatives</li> <li>Equal opportunities, diversity and inclusion</li> </ul>
<b>Business partners, including licensors</b>	<ul style="list-style-type: none"> <li>Shared commitment to social and environmental concerns</li> <li>Collaboration on innovation and development</li> <li>Integrity in business relations</li> </ul>
<b>Clients and prescribers (e.g. eye care professional or ECPs)</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>Data protection</li> <li>Sustainable procurement</li> </ul>
<b>Consumers</b>	<ul style="list-style-type: none"> <li>Product and service quality and efficiency</li> <li>Responsible marketing</li> <li>Products meeting new visual health needs related to societal trends (digitalization, urbanization, etc.)</li> <li>Data protection</li> <li>Sustainable products and services</li> </ul>
<b>Shareholders, investors and rating agencies</b>	<ul style="list-style-type: none"> <li>Management of sustainable development</li> <li>Transparency and evaluation of non-financial activity</li> <li>Environmental aspects (e.g. energy, water, waste and climate change)</li> <li>Social aspects (e.g. talent acquisition, diversity, human rights)</li> <li>Economic aspects (e.g. corporate conduct, risk management, governance)</li> <li>Management of CSR risks</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Integrity in business and compliance with regulations and laws</li> <li>Constructive collaboration/co-innovation</li> <li>Sustainable procurement and supplier CSR audit/responsible sourcing</li> <li>Respect for Human Rights</li> </ul>
<b>NGOs and consumer associations</b>	<ul style="list-style-type: none"> <li>Dialogue and partnership</li> <li>Transparency (on social initiatives, environmental footprint, product performance, etc.)</li> <li>Sponsorships and philanthropy</li> </ul>
<b>Educational institutions</b>	<ul style="list-style-type: none"> <li>Cooperation for R&amp;D and innovation (e.g. scholarships)</li> <li>Attracting and developing talent</li> </ul>
<b>Public authorities and governments</b>	<ul style="list-style-type: none"> <li>Social and economic impact</li> <li>Contribution to visual health and inclusive economy</li> <li>Fair business practices, including responsible marketing</li> <li>Dialogue and education</li> </ul>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>Quality of life: provide quality vision for all</li> <li>Social and economic impact (e.g. jobs, support for the local economy and inclusive business)</li> <li>Raising awareness and access to vision correction and protection</li> <li>Sponsorships and philanthropy</li> </ul>

### 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 Company effectively addresses the deployment of the Company's Mission, which is fully integrated in the strategy.

As detailed in Section 3.1.2.6 of 2022 Universal Registration Document, the CSR Committee's duties go beyond philanthropy, inclusive business and compliance to address how the Company manages its economic, social and environmental impacts as well as its relationships with stakeholders.

In 2021, the EssilorLuxottica CSR department was created, fully integrating the CSR functions of Essilor and Luxottica and directly reporting to the Chief Executive Officer, to lead efforts on environmental and social challenges and enhance the development of its Company-wide sustainability strategy and roadmap.

The role of the CSR department 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, also sharing best practices and promoting cross-functional collaborations and taskforces;
- guaranteeing compliance to non-financial disclosure and other major sustainability related regulations;
- identifying and managing CSR risks in coordination with the Group Risk Management department;
- 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 CSR 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 2022 Universal Registration Document, a CSR criterion is included in the Executive Corporate Officers' annual variable compensation package and is linked to the efforts pursued through the "Eyes on the Planet" sustainability program. To reflect the importance of CSR in the Group's strategy, the weight in the annual variable compensation has been doubled in 2023. In addition, since 2022, a CSR criterion has been also included in the annual variable compensation of more than 15,000 employees.

### 1.4 CSR risk management

Risk is an integral part of doing business, and can be defined as any uncertain event that could threaten 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 achievement and uphold 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.

2022 Sustainability Report focuses on topics highlighted as most important during the annual CSR risk assessment, which was fully part of the EssilorLuxottica Group-wide risk assessment process.

### Methodology of EssilorLuxottica CSR risk assessment

As part of its commitment to mitigate environmental and social risks, the assessment of CSR risks and opportunities is an integral part of the Group-wide risk assessment process that is conducted every year by the Risk Management and the CSR function of the Group and covers all the Company's regions, legal entities, and activities. The 2022 risk assessment process further improved the integration of CSR dimensions into the Group risk taxonomy (see Chapter 1 of 2022 Universal

Registration Document). The Group's sustainability priorities have been identified by an internal survey, interviews, workshops and expert reviews. Eight CSR risk factors were identified as most relevant for the EssilorLuxottica business and were regrouped into five priority topics: climate change, talent management and well-being, sustainable offering and production, responsible business practices and non-financial communication.

## CSR risk description and mitigation measures

The tables below describes the eight risk factors and related mitigation measures regrouped into the five priority topics.

### 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), the emergence of new stringent climate regulation (e.g. carbon tax), the 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>The 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 of different internal functions (Procurement, R&amp;D, EHS, CSR, etc.) and whose progress is reviewed by the co-Chief Operating Officers of the Group on a regular basis. 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 regular update of 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 CO2 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>As a first step, the Group is committed to achieving carbon neutrality for its direct operations by 2025. Various indicators have been defined to closely assess the progress of the different programs (e.g. energy consumption and associated scopes 1 and 2 emissions, GHG reduction of green logistics initiatives).</p> <p>For further details, see Section 2.1.</p>
<b>Business Interruption</b>	<p>The Group can encounter risks arising from possible interruptions of critical operations as a consequence of both internal and external events.</p> <p>As climate change is increasingly becoming a global emergency, the Group can be exposed to either natural disruptive events (e.g. hurricane, floods) or long-term shift in climate patterns (e.g. raising temperatures).</p> <p>Such risks may be more probable in countries defined as 'at risk' due to geographical position and strategic relevance for the Group's production.</p> <p>The challenges in preparing for such events or systematic changes may prevent the company from carrying out its operational activities; the difficulties in adapting to related consequences may lead to business disruptions or higher operational costs.</p>	<p>EssilorLuxottica pays high vigilance to climate events and prepares comprehensive adaptation measures to ensure business continuity.</p> <p>The Group monitors risk exposure level per climate risk and per site to ensure risk resilience measures are in place and ensure business continuity. In 2022, the Group updated its physical climate risk model to continue assess the risk exposure of global assets.</p> <p>To mitigate risks, the Group continuously monitors and updates its Business Continuity Plans and Disaster Recovery Plans, scheduling climate risk investigations before building facilities and providing alternative scenarios in case the Group's main facilities are forced to close for several months. This approach enables it to mitigate the risk of business interruption due to a shortage of key natural resources, loss of license to operate linked to environmental issues or regulatory changes, or climate change events.</p> <p>A dedicated framework of climate resilience review was developed to monitor the preparedness and effectiveness of climate resilience of key manufacturing sites. And the Group closely follows indicators such as number of sites exposed to water risks and power shortage.</p> <p>For further details, see Section 2.1.</p>

## Talent management and well-being

Risk Factor	Risk Description	Mitigation Measures
<b>People Management</b>	<p>The Group ability to attract and retain talent can be put at risk because of: (i) effectiveness in creating one EssilorLuxottica organization by integrating the three different organizational cultures; (ii) change in people's attitude toward work-life balance; (iii) effectiveness in creating employer branding activities as one Company; (iv) difficulty in finding the right people with adequate level of engagement.</p> <p>People seek an environment that allows them to resize work-life balance. Work-from-home practices are more common throughout all regions and need to be carefully managed. As a result, fewer in-person interactions may hinder the development of a strong sense of belonging especially for individuals who have recently joined EssilorLuxottica.</p> <p>Given the importance of CSR/sustainability topics, notably for younger generations (e.g. equal opportunities, environmental attention), any perceived gap between the Group's communicated CSR commitments and their actual implementation could have consequences for talent attractiveness, the efficiency of recruitment and retention capabilities.</p>	<p>EssilorLuxottica considers its employees as one of the key drivers for business success. The Group is truly engaged in ensuring a safe, welcoming and positive working environment for its employees, by continuously planning and developing initiatives to make them feel part of a global community. Over the past years, the Group has continued to deploy its talent development initiatives and retention measures:</p> <ul style="list-style-type: none"> <li>• extension of its global digital educational platform (Leonardo);</li> <li>• performance reviews;</li> <li>• competitive pay and bonuses;</li> <li>• expansion of the international Employee Shareholding Plan "Boost";</li> <li>• development of well-being initiatives to improve work-life balance.</li> </ul> <p>In 2022, the Global DE&amp;I function was created to establish the Company's strategy, commitments, and goals on Diversity, Equity and Inclusion. Besides, at local level, to cultivate a culture of diversity and inclusion, many initiatives exist in different regions to promote open dialogue.</p> <p>In addition, a new employee engagement program has also been launched to help define the Group's shared values and identity in a co-creation process that leverages respective heritage and strengths while engaging all employees worldwide.</p> <p>The Group uses various indicators to closely assess the impact of different programs (e.g. breakdown of employees by gender, age, contract type and category, education hours delivered, and number of women in managerial positions globally).</p> <p>For further details, see Section 2.4.</p>
<b>Health and Safety and working conditions</b>	<p>Health and safety and working conditions are receiving more and more attention and are subject to stricter laws. Infringing on the changing guidelines could result in media exposure with potential negative consequences on the Group's reputation and brand. The Group could be negatively impacted if employees were to perceive their working conditions as not completely safe and/or its welfare policies as inadequate and/or unsatisfactory. Such circumstances may lead to a tightening of the social dialogue and even to social conflict (e.g. strikes), thus exposing the Group to possible business interruption, reputational damage and legal proceedings. The risk could be exacerbated if employees have the perception that their complaints are not fully considered.</p>	<p>The health and safety of its employees as well as the security of its workplace is a top priority for EssilorLuxottica. The Group has implemented different internal policies and procedures to mitigate such risk, introducing measures to make the workplace safer and healthier. The Group is continuously working to be compliant with laws and regulations existing in countries where it operates. Different internal and external audits are performed every year on this topic, and several production facilities, 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 addition, EssilorLuxottica supports its employees with a comprehensive welfare package.</p> <p>The Group has also defined various indicators to monitor the effectiveness of its H&amp;S programs (e.g. frequency and severity rates).</p> <p>For further details, see Section 2.4.</p>

## Sustainable offering and production

Risk Factor	Risk Description	Mitigation Measures
<b>Product Innovation and Circularity</b>	<p>EssilorLuxottica has a wide and unique range of products that requires adapted production resources and specific raw materials. In these regards, the Company may not yet fully integrate sustainability criteria (such as recycled materials) into each stage of the development and production process. As consumer expectations for sustainable products 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 young generations.</p>	<p>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. The Company also aims to create circular products from the very start of the innovation process using eco-design principles. To do so, it nurtures key fundamental work streams such as:</p> <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) used in Prescription lenses;</li> <li>• improving process efficiencies to reduce waste generation and increasing recycling opportunities.</li> </ul> <p>The commitment of the Group has also led to launch specific sustainable eyewear collections, including:</p> <ul style="list-style-type: none"> <li>• Arnette's pinnacle collections, which are made using eco-friendly bio-acetate;</li> <li>• Costa del Mar's Untangled collection, which is made using recycled fishing nets.</li> </ul> <p>Furthermore, EssilorLuxottica believes collaboration with its stakeholders is key to redesigning its products and processes, and developing new business models. Different projects have been launched with suppliers such as Bureo to develop new sustainable frames collections and academic institutions such as ESSEC to launch the 'Global Circular Economy Chair.' EssilorLuxottica monitors specific indicators to follow the deployment of such programs (e.g. waste generation, deployment of SAM training program).</p> <p>For further details, see Section 2.2.</p>

## Responsible business practices

Risk Factor	Risk Description	Mitigation Measures
<b>Supply Chain</b>	<p>With the Group's global and extended operational footprint, its third parties are located in many regions, with different, complex and multifaceted patterns in terms of CSR and ethics. The Company can build business relationships with suppliers based in regions where the application of human rights and environmental legislation may be limited or fall below the Group's or international standards. Reputational, legal and compliance risks may negatively impact the Group due to non-responsible behavior throughout the supply chain.</p>	<p>The Group has developed responsible sourcing standards and initiatives for the EssilorLuxottica responsible sourcing program that brings together representatives of different internal functions (Procurement, Risk Management, Manufacturing, CSR, etc.). The Group requests suppliers to respect and adhere to the Company's commitments in the areas of ethics, human rights and labor standards, environment, health and safety.</p> <p>To ensure this, qualified third-parties assess suppliers' environmental and social performance through either a self-assessment platform or on-site audits. Suppliers who do not meet the Company's requirements after a social and environmental audit, who 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. Besides, the Group has in place training and awareness initiatives targeting suppliers and the procurement community.</p> <p>EssilorLuxottica tracks some specific indicators (e.g. number of audits, number of critical non-conformities) to identify risks, put in place mitigation measures and ensure the overall effectiveness of the program.</p> <p>For further details, see Section 2.5.</p>
<b>Ethics</b>	<p>EssilorLuxottica, due to its international footprint, is exposed to different local and international laws on business ethics (e.g. anti-corruption, international economic sanctions, Data Privacy). 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 Group has established different programs internally (e.g. Code of Ethics, Anti-bribery &amp; corruption principles and guidelines, Competition Law Compliance program, privacy compliance program) that define and support the Group's expectations and principles and apply to all the employees, subsidiaries and, in some cases, business partners.</p> <p>Since the launch of Leonardo, EssilorLuxottica has used this educational platform to encourage dedicated educational activities on these topics. Furthermore, it has launched mandatory education on corruption and bribery, safety policies and cyber security. In addition, the Group is raising awareness for privacy data through conferences and seminars (e.g. during the Company's Data Privacy Week). The Group conducts rigorous reputational and compliance checks on all partner organizations prior to entering a collaboration. In 2022, EssilorLuxottica conducted an update on its global corruption risk assessment and issued an integrated corruption risk cartography. The Group is currently working on updating its Code of Ethics, and is deploying a new and integrated internal alert system within the whole organization that will replace the different currently existing alert systems in place.</p> <p>At Group level, different indicators are monitored such as the number of employees having completed "Code of Ethics" education and the "Business and Human Rights" education.</p> <p>For further details, see Section 2.5.</p>

## Non-Financial communication

Risk Factor	Risk Description	Mitigation Measures
<b>Reporting and communication</b>	<p>EssilorLuxottica operates internationally and has the liability to fulfill different already existing and upcoming country laws and regulations, such as France's Duty of Care, the UK Modern Slavery Act and the recent Corporate Sustainability Reporting Directive.</p> <p>The increasing interest for CSR/sustainability topics leads to higher stakeholder expectations on transparency, data accuracy, consistency of information etc... Company's credibility and reputation may be hindered by insufficient communication on the achievements and milestones reached or by non-accurate, not reliable or not clear disclosure of CSR-related information. Similarly, heightened investor appetite for CSR strategies and performances requires constant improvements in Company's non-financial reporting capabilities and disclosure, which are ultimately used by ESG rating providers to assess companies' ESG performances and issue public scores. Poor data and disclosures may result in low ESG scores and wrong perception of the Company's sustainability efforts.</p>	<p>2022 marked the first anniversary of EssilorLuxottica's sustainability program "Eyes on the Planet". 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: World Sight, Inclusion, Ethics, Carbon, and Circularity, aiming to further embed sustainability into the business model.</p> <p>As the Group advances on its sustainability journey, a policy on sustainability communication is being developed to ensure that approach and efforts are presented in an accurate and consistent way to all audiences and stakeholders, and across all regions. The policy contains guiding principles for governing and coordinating the Company's external and internal communication flows regarding sustainability. In addition, the EssilorLuxottica Sustainability Reporting Protocol contains detailed guidelines and a glossary to ensure alignment on indicator definitions, rules of reporting and data consistency. The document is reviewed and updated every year to ensure alignment with the most updated reporting standards.</p> <p>The CSR department maintains a constant regulatory watch to guarantee compliance with non-financial disclosure and other major sustainability-related regulations. Besides, regular calls/meetings are also organized with different stakeholders such as investors and business partners (e.g. licensees) to present the Group's CSR-related topics performance.</p> <p>Regarding the reporting of non-financial information, the majority of those disclosed in the present URD are monitored on a monthly basis by the different data owners (e.g. HR, EHS).</p> <p>In addition, ever since the creation of EssilorLuxottica, both external and internal audits have been performed on non-financial reporting processes and organization and data accuracy to ensure reliability and transparency.</p> <p>The most relevant KPIs that support the Group's CSR strategy are presented in this Report. These are also used to complete ESG rating questionnaires or to review ESG reports with the Investor Relations department.</p> <p>For further details, see this Report and Section 1.5.</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', '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 CSR risks for EssilorLuxottica. For more details about the Company-wide risk assessment, see Section 1.6 of 2022 Universal Registration Document.

### 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 its 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 is taking 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 on its non-financial statement.

#### EssilorLuxottica Sustainability Reporting Protocol

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 the guidelines of 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 framework such as the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). For indicators on greenhouse gas (GHG) emissions, the Company follows the GHG Protocol and the framework of the Global Logistics Emissions Council (GLEC).

For certain specific CSR 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 updated 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 within the Company's financial consolidation scope. 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 the entities reporting information and on the Company's total headcount.

#### (ii) Key indicators

The selection of EssilorLuxottica indicators covers key sustainability topics that were identified following the Group CSR risk assessment, major topics related to the "Eyes on the Planet" program 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 Report.

#### Reporting organization

In 2022, the reporting campaign was organized through a collaborative and integrated process that was centrally managed by the Corporate CSR function and followed the guidelines defined inside the 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; education information is centrally collected via the Leonardo platform and Sustainability Portal; environment, health and safety indicators of manufacturing sites and prescription laboratories are collected by the Benchmark ESG™|Gensuite® software and environmental information of retail activities is collected through Oracle Cloud EPM Planning.

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

All the information presented in this Report 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 founded 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 the 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. See Section 2.1.
- **Eyes on Circularity:** EssilorLuxottica is committed to optimizing the use of resources to lower its product environmental footprint across the value chain, 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 towards vision and society also includes other corporate citizenship initiatives, such as advocacy for good vision on the road and cultural heritage preservation. 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. Drawing on the ILO Conventions and the United Nations Global Compact Principles on Human Rights, the Company is committed to respecting and promoting human rights across its entire business and value chain. 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 2022 sustainability highlights are reported throughout this Report according to the corresponding pillar.

### 2.1 Eyes on Carbon

Adapting to climate change and moving toward a low-carbon economy are among the topics at the top of the global agenda today. EssilorLuxottica, as an industry leader, acts to address these global challenges. On the one hand, climate-related actions are drivers of operational efficiency, innovation and competitiveness; on the other hand, the Company needs to be resilient to climate-related risks, which may expose it to business interruptions or higher operational costs due to physical climate hazards or radical systematic changes in regulation or society.

#### 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 2022 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, R&D and CSR departments was formalized to ease collaborative projects, support key decision-making,

The Company supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to ensure comprehensive and transparent disclosure on climate-related risks and opportunities as it builds and executes its climate change roadmap. 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.

deploy carbon reduction actions and ensure the achievement of associated targets. The work of the task force is reviewed by the co-Chief Operating Officers of the Group on a regular basis.

- A task force on climate resilience, including the Internal Audit, Risk Management, EHS and CSR 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 tackle 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, with a

milestone set for Europe by 2023. To further advance climate actions and ambitions, the complete carbon footprint assessment for EssilorLuxottica was accomplished in 2022 to prepare for a more comprehensive carbon reduction roadmap and contribute to the global net zero agenda.

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.

#### 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 related operational, financial and reputational impacts, and build the climate resilience of its activities.

## Identification and management of physical climate risks

Specific climate risk assessment has been performed to better understand climate-related risks. Following the first climate risk model conducted on limited scope, in the last part of 2022, EssilorLuxottica further expanded and updated its physical climate risk assessment to cover the Group full activities, including manufacturing and logistics facilities, offices and directly managed stores. The new climate risk model was built based on four chronic climate hazards (heat stress, sea level rise, precipitation and drought) and four acute climate hazards (tropical windstorm as hurricanes & typhoons, extratropical windstorm such as autumn and winter storms, extreme flooding and fire weather) in 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), RCP 4.5 (+2-3 °C by 2100) and RCP 8.5 (>+4°C by 2100).

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. Finally, the model can support management decisions when evaluating a new building project.

In addition, water risks are periodically assessed in key areas where EssilorLuxottica sites are located combining results from the WWF Water Risk Filter with both basin risk assessment and site-specific information. By doing so, the Company is able to

The table below shows the Company's water footprint in 2022, and the evolution compared with 2021 and 2020:

	2022	2021	2020
<b>TOTAL WATER USE (m<sup>3</sup>)</b>	<b>8,344,903</b>	<b>8,220,930</b>	<b>7,358,458</b>
<b>Third-party water</b>	<b>7,192,018</b>	<b>7,022,151</b>	<b>6,021,045</b>
<b>Natural water</b>	<b>1,152,885</b>	<b>1,198,779</b>	<b>1,337,413</b>
Surface water	13,644	64,808	N/A
Ground water	1,139,241	1,133,971	N/A

Note: 2022 water use remained stable compared to 2021. To continuously improve water reporting, the Company start to disclose surface water and ground water separately under "natural water". Surface water decreased significantly due to the closing of a site during 2022, who used largely surface water.

Water data covers 87% of the headcount excluding the retail network. Retail stores were exempt from water reporting due to their limited water consumption. For more information on the Company's reporting rules, please refer to Section 5.

## 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.

To manage related risks, EssilorLuxottica closely monitors regulatory, technological and market changes, anticipates possible challenges in the future, and has implemented actions to reduce carbon footprint across the value chain, continuously studying standards and benchmarks to improve the Group climate change roadmap.

EssilorLuxottica has also implemented environmental management systems that conform to the ISO 14001 standard. As a result, 33 of its manufacturing facilities, 17 lens laboratories, two distribution centers and one corporate office are ISO 14001 certified.

identify water risks, seize their potential impact and monitor the implementation of water stewardship projects. In 2021, based on a renewed assessment for an expanded scope of sites<sup>(1)</sup>, manufacturing sites in five locations (Delhi and Bangalore in India; Chihuahua and Tihua in Mexico; and Madrid in Spain), accounting for approximately 3.5% of the Company's total water use, were exposed to water risks with potential restrictions on water withdrawals imposed by local authorities, increases in the cost of water and potential questions from local stakeholders who are also dependent on these water resources.

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.

In 2021, a climate resilience review framework was developed with the cooperation of the CSR and Internal Audit teams to understand the vulnerability of EssilorLuxottica sites to climate-related risks and assess their maturity level on climate risk management. This climate resilience review framework follows TCFD recommendations. Up to now, climate resilience reviews were performed at seven strategic manufacturing sites in Italy, the US, Mexico, Thailand and India, where potential climate risk exposures have been identified. These first reviews helped the Group further improve climate risk management at both corporate and local levels.

(1) EssilorLuxottica water risk assessments were conducted for 38 manufacturing facilities, 57 lens prescription laboratories and 4 primary distribution service centers.

### 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 the value chain.

### Carbon neutrality for direct operations

In 2021, EssilorLuxottica published its first climate commitment to achieve carbon neutrality for its direct operations (scope 1 and scope 2) by 2025, with a milestone set for Europe by 2023. The Company is focused on three key action areas to ensure the achievement of this commitment.

#### 1. Improving energy efficiency

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

- a complete review of the energy efficiency of manufacturing processes and peripheral units;
- improvement of the 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 has been done in 2022, both for processes and utilities, in the main mass production plants and most significant prescription labs; the mapping gave the Company a priority list of 800 electrical motors to be replaced within the next three years. The first phase has been approved, with a significant investment planned;
- 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 of 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, three lens laboratories, two distribution centers and one corporate office have obtained ISO 50001 certification over the years.

Following the obtainment of the 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," including 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 buildings currently under construction in France, Thailand and Mexico.

Following the practice of LEED certification for manufacturing and distribution buildings, the Company also had its first retail store certified in 2022. 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.

The table below shows the Company's energy consumption in 2022, and the evolution compared with 2021 and 2020:

	2022	2021	2020
<b>TOTAL ENERGY CONSUMPTION (GWh)</b>	<b>1,930.6</b>	<b>1,888.8</b>	<b>1,502.9</b>
Renewable energy produced on site	8.6	6.5	5.6
Electricity purchased from renewable sources	543.3	282.8	N/A
Electricity purchased from non-renewable sources	1,122.2	1,343.2	1,306.1
Steam	2.4	2.6	2.3
Gas	244.8	240.7	179.0
Liquid Fuel	9.3	13.0	9.9

Note: 2022 energy data remained at a similar level as 2021. The slight increase of around 2% was aligned with the trend of increased production volume after 2 years impacted by Covid-19. Meanwhile, in line with EssilorLuxottica climate roadmap, the Group has continuously extended the use of renewable energy. Specifically, six new entities started to produce renewable energy on site thanks to the constant investments and gradual roll-out of photovoltaic panels, resulting in a total increase of 33% for the consumption of renewable energy produced on site. Meanwhile, the amount of purchased renewable energy with Energy Attribute Certificates (EACs) has almost doubled compared to previous year.

2022 energy consumption data covers around 92% of the Company's headcount including the retail network. The reporting and consolidation methodology for the retail network has been updated in 2022 to align at full Group level. For more information on the reporting rules for energy, please refer to Section 5.

In 2022, the distribution of energy consumption per geographical area was as follows: Asia-Pacific (40%), EMEA (28%), North America (24%), and Latin America (8%).

## 2. Increasing the use of renewable energy

To ensure achievement of the 2025 carbon neutral target for its direct operations, actions on renewable energy have been largely accelerated with more investment in self-produced renewable energy and a formalized renewable energy purchasing roadmap.

On self-produced renewable energy, since 2013 manufacturing and distribution sites in Italy have started to reduce GHG emissions thanks to the installment of photovoltaic panels systems and biomass heating systems. Their gradual rollout has enabled the company to increase the amount of self-generated clean energy in Italy between 2015 and 2022 by 5.4 GWh (30 times the 2015 amount and an increase of 36% compared with 2021). Following the two big photovoltaic systems entered into service at the Agordo and Sedico sites during 2021, two other big photovoltaic systems entered into service in 2022 at the Barberini and another Sedico site. Starting from 2023, all the photovoltaic systems in Italy are estimated to produce 8,700Wh of electricity from renewable sources and avoid 4,000 tCO<sub>2</sub>e per year. In addition, new installations and projects are ongoing.

In addition, in 2022, the first photovoltaic system was installed in one of the most significant distribution centers in China; the system estimates to produce 1,180 MWh of electricity from

renewable sources per year and avoid 1,000 tCO<sub>2</sub>e per year. Some other facilities in Tunisia, Germany and Honduras have also invested in onsite photovoltaic systems since 2021.

Moving forward, new installations and projects are ongoing across different regions worldwide. According to the Company's "New Building Guidelines," the new manufacturing sites under construction shall be equipped with photovoltaic systems.

For renewable energy sourcing, EssilorLuxottica strives to make additional positive environmental impacts whenever possible in the countries where it has manufacturing facilities. For instance, since 2018, one of its export laboratories in India has received 70% of its energy from a neighboring solar farm.

Meanwhile, the Group has continued to switch to renewable energy sources worldwide in 2022. Specifically, the supply of renewable energy covers a significant percentage of the electricity consumption of EssilorLuxottica sites, offices and stores in Europe. Also the Group has started to purchase renewable energies in its major operation sites in Asia-Pacific, such as China, Thailand and Philippines. Thanks to the renewable energy supply program, the Group avoided more than 304,000 tons of GHG emissions in these countries, which is also reflected in the market-based scope 2 emissions disclosed in the below table.

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

	2022	2021	2020
<b>TOTAL SCOPE 1+2 EMISSIONS _ LOCATION-BASED (tCO<sub>2</sub>e)</b>	<b>813,257</b>	<b>772,593</b>	<b>742,854</b>
<b>TOTAL SCOPE 1+2 EMISSIONS _ MARKET-BASED (tCO<sub>2</sub>e)</b>	<b>745,308</b>	<b>N/A</b>	<b>N/A</b>
<b>Scope 1 emissions</b>	<b>108,453</b>	<b>52,807</b>	<b>46,011</b>
Gas	50,082	49,335	42,785
Liquid fuel	2,500	3,472	3,226
Refrigerants	45,213	N/A	N/A
Company Cars	10,658	N/A	N/A
<b>Scope 2 emissions _ location-based</b>	<b>704,804</b>	<b>719,786</b>	<b>696,843</b>
Electricity	704,373	719,483	696,580
Steam	431	303	263
<b>Scope 2 emissions _ market-based</b>	<b>636,855</b>	<b>N/A</b>	<b>N/A</b>
Electricity	636,311	N/A	N/A
Steam	544	N/A	N/A

Note: To continuously increase the scope of GHG reporting and to enhance GHG disclosure, the Group implemented following improvements in 2022:

1) The inclusion of the GHG emissions related to refrigerant leakages occurred during the reporting period and to the company cars. Scope 1 emissions have thereby more than doubled compared to last year. Excluding the impact of new emission categories, emissions linked to gas and liquid fuel remained at similar level.

2) The Company started to disclose market-based scope 2 emissions, taking into account renewable energy purchased and the emission factors of residual mix based on different database such as AIB, Ecoinvent, IGES, eGrid, etc. Meanwhile, Scope 2 location-based emissions are calculated using the IEA database and decreased by 2% in 2022 compared with 2021.

In 2022, the distribution of scope 1 emissions per geographical area was as follows: Asia-Pacific (40%), EMEA (34%), North America (23%) and Latin America (3%). The distribution of scope 2 location-based emissions per geographical area was as

follows: Asia-Pacific (62%), North America (18%), EMEA (14%) and Latin America (6%); as for scope 2 market-based emissions, the geographical distribution was as follows: Asia-Pacific (56%), North America (24%), Latin America (12%) and EMEA (8%).

### 3. Supporting carbon reduction projects beyond the value chain

To contribute to the global transition towards a low-carbon economy, EssilorLuxottica also supports carbon reduction or removal projects beyond its value chain.

Following the forestry projects of 2021 that continue to contribute to biodiversity and foster local socio-economic development, in 2022, the Company further supported two certified projects in China and Indonesia, both of which not only contribute to carbon reduction, but also bring positive social impact such as creating local job opportunities.

Thanks to these two projects, EssilorLuxottica further advanced its climate commitment by compensating the equivalent amount of its residual scope 1 and scope 2 emissions in Italy and France, where the Company has the most significant manufacturing footprint in Europe.

## Decarbonizing the value chain

### 1. Assessing EssilorLuxottica's complete carbon footprint

In the first half of 2022, EssilorLuxottica completed its first GHG footprint assessment globally, with the involvement of different functions across the Company such as Procurement, Logistics, EHS, R&D, Engineering, HR and Finance. The analysis, following the guidelines of the GHG Protocol, provided a complete understanding of the Company's direct and indirect CO<sub>2</sub> 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 the emission categories included in the complete GHG footprint assessment.

Based on this assessment, EssilorLuxottica complete GHG emissions arrive at around 3.4 million tons CO<sub>2</sub>e per year, based on 2021 data (excluding GrandVision). Scope 1 and scope 2 emissions represent 25% of the total and scope 3 emissions account for the remaining 75%, reflecting EssilorLuxottica's vertically integrated business model. Out of the 10 relevant scope 3 emission categories, the top five emission categories are: 1) purchased goods and services (40%), 2) upstream transportation and distribution which include transportation both managed by suppliers and by the Company (20%), 3) capital goods (12%), 4) fuel- and energy-related activities (10%) and 5) business travel (5%); the rest less contributing emission categories account for a total of 13% of the scope 3 emissions. In 2022, to continuously strengthen the Group GHG accounting, GrandVision has been included in all the scope 1 and scope 2 reporting, as well as in the transportation flows managed by the Company. The Group will continue to include GrandVision in the GHG footprint reporting, especially for scope 3 emissions as the integration goes on.

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.

### 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 one of the most important indirect carbon emissions sources. The Company has a team dedicated to low-carbon supply chain initiatives with carbon reporting guidelines, engagement with suppliers and action plans to reduce GHG emissions.

The Company committed to continuously monitoring the transportation market to find new and alternative solutions to reduce carbon emissions working closely with its logistics partners. In an effort to add sustainable development to the selection criteria for carriers, a specific chapter was integrated into requests for quotations (RFQ) and contracts from EssilorLuxottica global forwarders and local 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. The main actions to consider are part of the criteria for the final supplier selection process, and include initiatives such as increasing carbon-free solutions for last-mile and inner-city transportation and introducing carbon neutral services.

EssilorLuxottica's low-carbon logistics projects include different 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. For example, the ratio of air freight for lens transportation within Asia has decreased by switching from air to ground (e.g., from manufacturing sites in China to sites in Vietnam and Thailand) or from air to ocean (e.g., from manufacturing sites in the Philippines and Thailand to other Asian entities). The switch from air to ocean shipments also increased from Asia to the US in 2022, especially from the two main Asian lens manufacturing plants in Thailand and the Philippines to the key distribution centers in Dallas (TX) and Columbus (OH). Meanwhile, the Company continued to perform tests on sea service solution for international flows of finished frames; partnerships with local providers to use alternative fuel solutions and green vehicles where available, including using LNG (Liquefied Natural Gas) trucks for the middle mile (from distribution center to carrier warehouse or to airport) and electric vehicles for the last mile in city centers.

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- **Nearshoring/Reshoring.** The redesign of the Group supply chain and of certain transportation flows not only reduces transportation distance, but also allows switching from air to ground transportation when possible. For example, serving 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; concerning the European and Asian markets, a part of lens production between manufacturing sites in Thailand, the Philippines, France and Ireland have been relocated to reduce the logistics climate impact.
- **Carbon Neutral Shipment.** Since 2021, EssilorLuxottica has joined the carbon neutral shipment programs of its top logistic providers in North America and Europe for certain activities, such as 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. In 2022, approximately 1,500 tCO<sub>2</sub>eq were compensated.

- **Sustainable Aviation Fuel (SAF).** In 2022, EssilorLuxottica started a pilot project with SAF for air transportation with a first investment through one of its main Global Forwarding providers. SAF is considered one of the main solutions to reduce carbon emissions in the air transportation industry.

Meanwhile, the Group implemented an internal tool for active monitoring and follow-up of the main projects to reduce carbon emissions. In 2022, the supply chain team continued to improve the mapping of all logistics flows, and further aligned its GHG reporting methodology for transportation, especially to include GrandVision.

The table below shows EssilorLuxottica's scope 3 GHG emissions associated with the transportation of products and materials managed by the Company. 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 the Company's effort on reducing the GHG emission associated with transportation, the breakdown between air shipping and other shipping modals (road, ocean and rail) is reported below.

	2022	2021 (restated)	2021 (disclosed)
<b>SCOPE 3 EMISSIONS ASSOCIATED WITH TRANSPORTATION</b> (tCO <sub>2</sub> eq)	<b>299,478</b>	<b>303,122</b>	<b>293,958</b>
<b>Eyewear</b>	<b>135,995</b>	<b>134,057</b>	<b>131,582</b>
Air shipping	131,196	129,419	127,042
Other shipping modes (ocean, road, rail)	4,799	4,638	4,450
<b>Lenses</b>	<b>105,962</b>	<b>124,543</b>	<b>124,543</b>
Air shipping	97,828	113,519	113,519
Other shipping modes (ocean, road, rail)	8,134	11,024	11,024
<b>Other products</b>	<b>57,521</b>	<b>44,522</b>	<b>37,833</b>
Air shipping	45,488	33,156	27,525
Other shipping modes (ocean, road, rail)	12,033	11,366	10,308

Note: To provide a better comparison base for 2022 emissions, 2021 data were restated to include GrandVision (under "Eyewear" and "Other products/materials") and the Instrument business unit (under "Other products/materials"). 2022 emissions related to Group's logistics activities decreased slightly by 1.2% thanks to its continued efforts towards lower carbon emission solutions, especially for the transportation of lenses, whose emissions decreased by 15% thanks to initiatives such as modal shift and reshoring. Emissions from eyewear and other products/materials have increased mainly due to the change of origin/destination mix and the perimeter extension. 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 all the actions to reduce logistics emissions, the Group is continuously conducting 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 will allow to eliminate plastic tape and void fill, and switch to paper solutions. The Company also works on eliminating plastic from other packaging parts, for example, in February 2022 the Group started shipping GrandVision cases with wadded paper instead of plastic bags, counting for around 10 tons of plastic reduction per year.

### 3. Engaging all stakeholders on the climate journey

EssilorLuxottica's employees are the ultimate contributors to all climate actions. Initiatives aiming to raise awareness and share practices on climate change and environmental sustainability were continued, expanded or initiated in 2022 to embark employees on the climate journey.

Specifically, the Eyes on Carbon training path on Leonardo is under development, with the first content being delivered in the first half of 2023. A quarterly Sustainability Newsletter with dedicated articles regarding climate actions and key projects within the Group has also been developed. A specific dashboard with key environmental performance of the Group's main Operation sites was also created and presented within 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, expanded deployment during the year and reached more than 2,800 employees across 47 countries for a total of 680 workshops delivered since their initiation in 2020.

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EssilorLuxottica also works to engage customers and consumers on its climate and sustainability journey. In 2022, a "Sustainability Week" was organized on the occasion of Earth Day to explain how eyecare professionals and Direct-to-Consumer channels and platforms can improve their engagement on sustainability, with specific focus on three topics: Sustainable purchasing behaviors, Characteristics of sustainable eyewear and How to go green in store.

Operationally, carbon neutral shipment programs are in place for major e-commerce entities, encouraging consumers to opt

for lower carbon shipping options. In addition to opt-in green shipping options, certain websites further engage customers by providing the possibility to contribute to carbon reduction or removal projects. In 2022, more than 1 million orders were fulfilled with either green shipping programs or carbon contribution projects from different websites or brands.

In addition, the Company continues to promote engagement on climate change across all its corporate media channels throughout the year, and in particular on Earth Day.

## 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 and products and services go hand-in-hand, right from the development phase.

EssilorLuxottica has expanded its culture of global innovation through gradual integration of sustainable development criteria to answer related consumer and customer expectations and needs as well as address social and environmental challenges. The Company aims to develop products with an ever-decreasing impact on the environment without compromising excellence and quality, and always guaranteeing the best vision experience. These principles inspire the Group's circular design and development approach, taking into consideration product life cycles, favoring eco-friendly designs that could reduce downstream impact on the environment, working with suppliers (to purchase raw materials with less environmental

impact, etc.), optimizing shipping flows and production processes, and enhancing end-of-life management. Specifically, EssilorLuxottica approaches circularity from product design to research of new innovative materials, developing internal recycling processes and upcycling products to give them a second life.

To satisfy customer preferences and demand for more sustainable products, as well as its packaging, EssilorLuxottica is embarking 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.

Operationally, a cross-functional task force including its R&D, Procurement, Risks, EHS, Logistics and CSR departments was formalized to coordinate the deployment of fundamental workstreams outlined below, ease collaborative projects, support key decision-making, ensure program progress and facilitate alignment between functions. The work of the task force is reviewed by the co-Chief Operating Officers on a regular basis.

### Designing circular products and increasing sustainable material use

EssilorLuxottica defines its innovation priorities by listening to customers and consumers, and anticipating their needs and lifestyle choices. 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 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, to 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 along their life cycle. The Company's sustainability commitments to environmental and social dimensions have been inspiring strong innovation, as shown by the fundamental workstreams 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 on how to integrate sustainability into business and operational practices. Starting with the Group's proprietary Sustainability Assessment Methodology (SAM), EssilorLuxottica is developing a comprehensive eco-social design framework and tool to assess the sustainability level of different types of products. While the eco-design framework is under development, the Group leverages its Sustainability Assessment Methodology to support R&D teams

to integrate sustainable criteria into each stage of the development process for prescription lens technologies and products. Circularity capability, resources and process efficiency along with low-impact raw materials and societal benefits form the main pillars of the program. In 2022, 100% of researchers were trained, and 60% of research and development programs were assessed<sup>(1)</sup>.

The next steps are to define the relevant criteria for smart eyewear technologies and products to include them in the comprehensive eco-design approach.

(1) Prescription Lenses R&D activities scope.

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.

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

### 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. In this perspective, the development of new products continues to address the needs of all population segments and major vision issues, such as the growing global myopia pandemic. The Company launched its innovative myopia control spectacle lenses, Essilor Stellest™, that continued to show strong efficiency in slowing myopia

progression and axial elongation in children (see Chapter 1 of 2022 Universal Registration Document). For the 2.7 billion people without visual correction, living mainly in emerging countries with limited visual health structures and complex logistics chains, the Company has developed an improved version of its Ready-to-Clip™ pair of glasses, enabling low-income consumers to buy an affordable product locally and immediately after their eye test, helping conveniently avoid issues with logistics and order tracking.

EssilorLuxottica is also researching and investing in breakthrough technologies at each step of its industrial processes. For example, the Company has 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.

### Increasing renewable content

Innovative bio-based materials have been introduced into EssilorLuxottica's portfolio of raw materials for all types of products, enabling the launch of specific collections. Thanks to the Company's investments in its supply chain, collaboration among eyewear players has increased to meet common goals on sustainability and improve visibility on environmental impact.

EssilorLuxottica expanded use of bio-based acetate frames for the 2022 collections of various brands, including Ray-Ban and Costa del Mar for the first time, Emporio Armani, Giorgio Armani, Arnette, DbyD, Burberry and Chanel. 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, the M49 produced by Mazzucchelli, has a bio-content of around 67%, calculated using the ASTM D6866 international standard, and it has been positively tested for biodegradability, according to UNI-EN-ISO 14855-2: 2018 standard.

Moreover, the bio-based sources can be combined with recycled sources derived from chemical recycling of plastic waste to obtain a combined bio and recycled acetate that the Group introduced in 2022 for the first time.

The Company also expanded use of bio-based nylon 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 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.

EssilorLuxottica started in 2020 to introduce bio-based nylon for frames and sun-lenses applications, and in 2022 enlarged the sourced quantity of bio-based nylon up to around 16% of sourced nylon (for frames and Plano lenses), with an increased growth of more than 60% compared to the previous year.

In 2022, Arnette, Burberry, Starck and Armani Exchange launched specific collections made with bio-nylon; the Emporio Armani 2022 Kids collection used bio-nylon in combination with bio-based rubber; and finally, Costa del Mar continues to increase bio-based material use as part of its Kick Plastic Initiative.

### Rethinking Packaging

The recent acquisition of Fedon, a leading company in the production and distribution of eyeglass cases and accessories for eyewear, represents 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 hand-in-hand. Priority collaborative workstreams include design innovations aimed at eliminating unnecessary layers and creating new concepts (such as "easy to disassemble" and "foldable design" to optimize the space needed for shipments) for packaging solutions to allow less impactful production and distribution, and end of life

management of packaging components. The Company removed or reduced some packaging components; for example: replacing the case with a pouch and the marketing leaflet with a QR code, and reducing the types of labels on boxes. Secondly, huge focus is placed on alternative recycled and bio-based materials to substitute traditional ones, identifying opportunities to avoid or substitute single-use plastics. As an example, the plastic sleeve that protects temples and cloth is gradually being replaced by a paper solution. The acquisition also led to the creation of a task force on sustainability certifications to strengthen transparency on sustainable materials adoption.

### Managing waste and developing recycling

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 process; discarded consumables; and wasted chemicals throughout production processes and packaging. In 2022, EssilorLuxottica launched the first waste expertise training session, for employees who contribute to reducing the Group's waste footprint. This pilot was successful, and will be deployed further.

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 potential for material recycling and energy recovery.

The table below shows the Company's waste generation in 2022, and the evolution compared with 2021 and 2020:

	2022	2021	2020
<b>TOTAL WASTE GENERATION (tons)</b>	<b>116,071</b>	<b>108,966</b>	<b>99,751</b>
<b>Total non-hazardous waste</b>	<b>73,459</b>	<b>69,073</b>	<b>62,941</b>
Sent to material recycling	34,844	22,916	19,819
Sent to incineration with energy recovery	18,501	11,897	10,051
Sent to incineration without energy recovery	3,641	3,176	2,935
Sent to landfill	16,473	31,084	30,136
<b>Total hazardous waste</b>	<b>42,612</b>	<b>39,893</b>	<b>36,810</b>
Sent to material recycling	8,893	3,599	3,433
Sent to incineration with energy recovery	4,007	3,836	2,630
Sent to incineration without energy recovery	2,277	1,611	1,880
Sent to landfill	27,435	30,847	28,867
<b>WASTE RECOVERY/RECYCLE RATE</b>	<b>57%</b>	<b>39%</b>	<b>36%</b>

Note: 2022 reported waste generation increased by 6.5%, mainly due to the higher production volumes compared to 2021. In 2022, 57% of the Company's total waste has been recycled or recovered, in line with initiatives to continuously increase waste valorization. 2022 waste generation data did not include retail stores and small laboratories due to unavailability of quantitative information. Waste data covers 85% of the Company's headcount excluding Retail network. For more information on the Company's reporting rules, please refer to Section 5.

### Improving process efficiencies to reduce waste generation

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 a strategy combining improvement of manufacturing yields (quality management, continuous improvement, eco-design, production processes optimization and reusing opportunities) with the promotion of the "4Rs". The 4Rs include researching, reducing the volume of materials used in the various processes (manufacturing, distribution), reusing and recycling raw materials and packaging. To quote a few examples by way of illustration:

- The Slim Fit project for glass sun lenses production aims to decrease input material which, consequently, reduces the waste generation during lenses production process. To achieve this goal, the design for the standard raw blank lenses has been optimized obtaining the same final high-quality crystal lens. This new process avoided more than 2.5 tons of waste in 2022. The roll out of the Slim Fit project in the Group's biggest Rx labs around the world has accelerated in 2022: 356 tons of plastic waste has been avoided by lenses with thinner semi-finished. This is an increase of almost 50% compared to 2021.
- Continuous process optimization has led the Company to scale the compacting of surfacing residues of all substrates. This reduces the weight and volume of waste (less picking rotation, with an impact on CO<sub>2</sub>), and recycles water. Water is then filtered and reinjected into the prescription laboratory's in-house system, following a circular approach. This technology has been rolled out in five new locations in 2022, making it possible to avoid 600 tons of waste generation.

### 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, the Company has launched an in-house process in Italy to recycle and compound nylon plastic scraps derived from the injection manufacturing of frames into black raw nylon. Recycled nylon was introduced in 2020 for the Emporio Armani collection "R-EA (Recycled Emporio Armani)", which continued in 2022. The Agordo plant where the internal recycling process takes place received its International Sustainability & Carbon Certification (ISCC) for the Circular Economy covering 2021-2022. The third-party certification ensures, through the mass balance approach, the traceability of the material through all the production phases: from waste collection to the injection molding process. The recycled granule maintains the high standards of quality and performance of the original. Now, Agordo plant is increasing its recycling capacity to scale up volumes. The plant has recycled more than 35 tons of nylon this year. In 2022, the Company worked to extend the ISCC certification scheme to other regions; the Campinas production plant, in Brazil, has obtained the certification in November 2022 and will be able to recycle nylon under the ISCC Plus scheme. Similarly, the next step is to internalize nylon recycling process in Tristar plant in China by 2023.

The Company is also investing in new R&D activities to identify additional recycling opportunities and initiatives to lower input

- For logistic packaging, pilots were implemented in EMEA Retail supply chains for example replacing plastic packaging for cases with paper. In Germany (Apollo), traditional cardboard boxes used in transporting products from logistic centers to stores have been replaced by innovative reusable shipping containers for daily dispatching to over 900 locations. Since the project launch, more than 400 tons of cardboard waste and over 365 tons of CO<sub>2</sub>-eq have already been saved. This practice has earned the "Blue Angel" award - presented by the German Federal Ministry for the Environment. In 2022, the Company has also started piloting reusing cardboard boxes for customers.

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

materials. In 2022, EssilorLuxottica was able to reduce waste generated in its Barberini glass production plant, enabling it to recycle over 11 tons of precious glass containing rare-earth elements, thanks to a dedicated line to collect and sort specific waste containing those elements.

EssilorLuxottica's circular economy journey is shared with ecosystem actors to join forces with the goal of limiting plastic waste. EssilorLuxottica signed a partnership agreement with Mazzucchelli to increase processes efficiency and limit environmental footprint. The partnership focuses on opportunities to limit plastic waste, and Mazzucchelli started providing EssilorLuxottica with a low-impact recycled acetate resulting from a recycling technology known as Carbon Renewal Technology (CRT). The high-quality recycled acetate has been used in Chanel, Burberry and Polo Ralph 2022 collections. 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 the bio and recycled acetate. EssilorLuxottica and Mazzucchelli have confirmed the ISCC<sup>(1)</sup> Plus certification for the sustainable acetate. The certification has been recognized thanks to the development of specific internal processes to track recycled materials with end-to-end production processes. The Company is working to extend the certification in 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.

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

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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.

### Advancing wastewater control

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

On frames production in Italy, many initiatives have been implemented over the last two years such as a waste water treatment system in Rovereto plant which has been able to reduce the liquid waste generated by barreling and galvanic processes of estimated 2,700 m<sup>3</sup> of waste per year; other important initiatives have been implemented in Agordo plant such as: 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 waste water treatment system adding an intermediate tank to improve the saturation of the treatment and consequently decreased the final waste produced.

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

To reduce water use and recover the wastewater, onsite closed-circuit water recycling systems are installed for lens generation prescription processes for seven lines in the Company's main lens prescription plant in Italy, reprocessing industrial effluents and extracting high quality water.

### Ensuring high product standards

#### 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 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.

To guarantee its customers, patients and consumers with maximum product safety and efficiency, EssilorLuxottica performs, with ever increasing effort, all the tests required to ensure compliance with the international regulations concerning chemical substances, medical and consumer products, using both in-house laboratories and third-party certified facilities. Considering the general growing sensibility around animal welfare practices, expressed also in the relative 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, that involves the complete elimination of testing on animals for these purposes. In 2022, the Company's central laboratories confirmed their accreditation according to the ISO/IEC 17025 standard for the competence of testing laboratories. During the year, EssilorLuxottica developed and reinforced its internal competence regarding wearable devices regulatory frameworks and compliance aspects, applying shared and common guidelines for the qualification of new products in every region and productive site. 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. As part of the ever-increasing importance of environmental responsibility and sustainability of waste recycling issues, the new European and international guidelines for marking and identifying materials used for packaging are continuously monitored and implemented to indicate to the consumer how to correctly dispose of the packaging waste. Quality systems are in place to meet regulations across the

product life cycle. In the medical environment for prescription lenses, the Company is moving toward an adapted quality system. In 2022, EssilorLuxottica extended ISO 13485 certifications for its key lens factories and certified Luxottica group as a legal manufacturer of prescription lenses. It is also developing programs to receive structured feedback from customers and end-consumers to continuously improve their satisfaction.

With 20,930 trademarks, over 12,000 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 of 2022 Universal Registration Document, 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 the 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 that 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 for health. It also does not record personal data, and only delivers information on the products.

### 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 Company's major intangible assets today.

EssilorLuxottica ensures, from manufacturing to marketing, that its product communication is accurate and complies with applicable regulations in effect, specifically with regards to advertising. This may involve a link with local authorities and/or consumer associations who inquire about specific features and characteristics of the Company's products to confirm that 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 focuses 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 its 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 for each of them, appropriate proof exists 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. A specific online training for "Responsible Communication" has been offered to the Company's Central Marketing Teams, in order to raise awareness on the communication challenges related to sustainability, diversity and inclusion, and provide tools to empower the marketing community in developing and implementing more responsible communication campaigns.

### Working collectively toward a circular economy

With increasing pressure on raw materials, tightening of industry regulations and changing consumer behaviors, EssilorLuxottica is looking to adapt its business models in a radical way. To make the circular economy a priority in its value chains 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 redesign its products and processes, and develop new business models for more bio-based and recycled content, making it easier to disassemble and reuse materials.

### Enabling customers and consumers to extend products life cycle

EssilorLuxottica aims to work on circular services in partnership with its consumers through different phases: firstly, offering a qualitative product, then ensuring proper maintenance, enlarging its life, considering every possible use case and just as final option and managing its end of life.

Regarding proper maintenance, customers can find tips in order to take care of and properly clean eyewear on GrandVision website.

Repair in order to enlarge product life is one of the key focuses for the Company: wholesale and retail and final consumers can order original spare parts to replace damaged ones, and toolkits have been distributed and training sessions have been performed through the Leonardo platform. In 2022, the repair service has been widely activated in different retail banners including Sunglass Hut and LensCrafters in the US and Ray-Ban Stores in Europe.

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

Another example is Synoptik retail banner, which has 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 a broader set of reliable information to EssilorLuxottica consumers. The first step was done with the Arnette collection, providing a QR Code on the eyewear packaging that gives direct access to an official brand website page.

### Partnering with suppliers to find new materials and solutions

R&D and Engineering teams are always looking to extend their supply sources of secondary or innovative raw materials working with multiple industries, thus reducing the use of virgin or fossil-based materials. Multiple projects are currently developed with suppliers. For example, EssilorLuxottica in partnership with Bureo developed 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 is responsible for the recycling of the nets down into a 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 any new plastic materials and providing superior lens clarity and durability.

### Joining forces with peers to build circular schemes

EssilorLuxottica internal experts are also engaging 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 ESSEC Business School, L'Oréal and Bouygues, EssilorLuxottica jointly launched the first international research committee devoted to the circular economy, called the "Global Circular Economy Chair". The aim of the committee is to train future Chief Circular Economy

Officers, create global strategies for circular transformation of businesses, and contribute to the emergence of an open and international ecosystem of companies, start-ups, think tanks, academic institutions and government bodies. It also contributes to public debate for the introduction of future regulations in Europe and worldwide as well as focuses on raising awareness on the circular economy and creating concrete case studies while developing fundamental research.

## 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.

The Group outlined a detailed roadmap to achieving this ambition in its 2019 report 'Eliminating Poor Vision in a Generation: What will it take to eliminate uncorrected refractive errors by 2050,' launched alongside the United Nations General Assembly. Despite the ongoing challenges faced by the world due to the Covid-19 pandemic, EssilorLuxottica remains resolute in its commitment to this ambition and the billions of people set to benefit from it.

To help further that commitment, in May 2022 EssilorLuxottica created the OneSight EssilorLuxottica Foundation. This involved consolidating charitable and advocacy organizations supported by EssilorLuxottica, including Essilor Vision Foundation, Vision for Life, the Vision Impact Institute and longstanding partner, OneSight (for which EssilorLuxottica was a founding partner). Headquartered in France with a network of seven regional affiliates, the Foundation aims to eliminate uncorrected poor vision in a generation by creating sustainable access with an innovative approach to impact philanthropy, partnerships and raising awareness.

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, 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.

The organizations that make up the new OneSight EssilorLuxottica Foundation have created sustainable access<sup>(3)</sup> to vision care for 585 million people in developing communities at the base of the pyramid by establishing more than 22,800 inclusive businesses or primary vision care entrepreneurs and 222 Sustainable Vision Centers, so far. Training and empowering people to become entrepreneurial primary vision care providers in rural communities creates sustainable access to vision care, and also improves livelihoods and promotes skills development. Through these efforts, more than 58 million people at the base of the pyramid have had their vision corrected and/or protected.

EssilorLuxottica has made good progress in pursuing priorities outlined in its 'Eliminating Poor Vision in a Generation' report, including:

- creating sustainable access points,
- innovating for affordable solutions,
- funding subsidized and free services, and
- raising awareness.

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

These efforts were celebrated around the world with global recognition from Fortune who ranked EssilorLuxottica 6th on the Change the World List, the highest ever ranking received by the Group. Other prestigious awards received by the Group in 2022 include:

- Southeast Asia

Awarded the 'Champion of Good Award' for the third year running, for extraordinary contributions in community impact.

- Africa

Awarded the 'Brandon Hall Group Gold Award' for excellence in social impact innovation for the Eye Rafiki training program.

- China

Awarded '2021 Responsible Brand', by China's Public Welfare Festival, the '2021 Excellent CSR Project' by Century Business Herald, and the '2022 Chief Responsibility Officer' by the Global Responsibility Summit.

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

(3) Sustainable access is defined as permanent access created for population living within one days travel of a visioncare access point.

### Creating sustainable access points

EssilorLuxottica's work to establish sustainable vision care continues to progress, despite Covid-19 presenting ongoing challenges for hosting large-scale interventions in some regions. To date, the Group has created over 22,800 sustainable access points throughout Asia, Africa and Latin America.

The Group continued to expand its network of primary vision care providers across the world to provide vision care where it did not previously exist – training under-and-unemployed youths to become vision care entrepreneurs in India (Eye Mitra Opticians), Bangladesh (Eye Mitra Opticians), Indonesia (Mitro Mata Opticians) and Kenya (Eye Rafiki Opticians); training 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; organizing and upskilling informal optical shops in China to offer enhanced screening services and products.

In Bangladesh, the OneSight EssilorLuxottica Foundation, in partnership with the Metlife Foundation, has taken the lead in demonstrating an innovative philanthropic model where two foundations with different development agendas (vision care and financial health) come together to scale and accelerate impact during times of need. The \$1 million collaboration adopted a pooled fund approach to fuel the expansion of the Eye Mitra program, which is simultaneously creating sustainable livelihoods and vision care access for rural communities.

The Group also embarked on partnerships in India and Kenya to deploy primary vision care providers in public and private health facilities, enabling these facilities to add vision care to their suite of health services. In India, this program is conducted in collaboration with the government of Odisha and made possible with support from USAID.

### 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.

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. In September 2022, a peer-reviewed independent clinical study confirmed that EssilorLuxottica's ClickCheck™ enhances the efficiency of primary vision screening services, especially in low and middle income countries where populations do not have easy access to traditional eyecare professionals. Studying 1,100 patients over the course of six months in 2020, the study found that the vision screening tool designed for use in base-of-pyramid (BoP) communities demonstrated high reliability and accuracy in detecting spherical power. This results in the ability to deliver accurate prescriptions on the spot, providing an excellent starting point for subjective refraction.<sup>(1)</sup>

After creating access for 100% of the populations in Rwanda, Gambia and nearly all of Zambia, through its network of vision centers in Zambia, the OneSight EssilorLuxottica Foundation opened two permanent vision centers in Malawi, embarking on a similar project to ensure a complete range of vision care services for the full population. Additionally, one new vision center was opened in South Africa at the Dr. Harry Surtie Hospital, providing ongoing access to vision care for over 236,000 people – this is the fourth vision center opened in South Africa to date.

Thanks to a partnership with COFAS Hospitals, a non-profit community hospital network delivering health care in rural and marginalized areas of Mexico, the Group opened its very first vision center in the country this year. Situated in the Alfredo Harp Calderoni Un Kilo de Ayuda Hospital in Temascalcingo, the vision center is equipped with vision screening instruments from EssilorLuxottica and the Group's affordable quality glasses designed especially for underserved communities. It is set to provide access to affordable vision care for 10,000 people living in Temascalcingo and other municipalities nearby per year. The center will focus on nurturing a culture of vision care among the communities it serves through educational campaigns in collaboration with government authorities and other non-profits. It will also collaborate with academic institutions to strengthen the training of optometrists and conduct applied research in the vision space.

After being closed for around three years due to the pandemic, local schools in Himachal Pradesh (India) are being reopened. The OneSight EssilorLuxottica Foundation is partnering with the India Vision Institute to provide eye health services to school children in need. Around 10,000 children studying in government schools will benefit from these vision care services. As myopia is a rising concern, program leaders will also focus on raising awareness and providing solutions for myopia specifically.

Work is underway to create a new generation of the ClickCheck™ tool that improves its capabilities by providing a self-contained power source when needed, allowing it to digitize patient results and transmit the data to a companion mobile application.

The Group's Ready2Clip™ range of glasses developed specifically for consumers at the base of the pyramid 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 of not returning to collect their glasses after being screened. With the Ready2Clip™ range which can be customized, prepared, and collected on the spot, the truckers were able to get their glasses on the same day as being screened, saving them a return trip. 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.

(1) Sanil Joseph, Balagiri Sundar, Vinitha L. Rashme, Soundarya Venkatachalam, Joshua R. (2022), Accuracy of a low-cost, portable, refractive error estimation device: Results of a diagnostic accuracy trial, PLoS Medicine, 03 Aug 2022.

### Funding subsidized and free services

EssilorLuxottica and its employees' commitment to providing free and subsidized vision care services to vulnerable populations is stronger than ever. Highlights include:

- In the US, EssilorLuxottica retail brands such as Oakley, LensCrafters, Sunglass Hut, and EyeMed partnered with the OneSight EssilorLuxottica Foundation to support free vision clinics across the country in California, Florida, Georgia, New York and Missouri.
- The Foundation continued its work with the John Fawcett Foundation (JFF) to increase access to eye screenings among underserved populations in villages in Indonesia to correct refractive errors and bring heightened awareness on the importance of vision care in these rural areas.
- In Europe, clinics were held in the UK and France. The UK clinic served asylum seekers in Liverpool and Manchester. In France, a mobile clinic served those in need throughout areas in the vicinity of Paris in partnership with Emmaüs France, Samusocial de Paris and Les Restos du Coeur.

- In partnership with the United Nations Road Safety Fund (UNRSF) in India, the OneSight EssilorLuxottica Foundation is providing free vision screenings and prescription glasses to India's public transit drivers. This program was established in March 2022 and has screened over 50,000 drivers this year since its launch.
- In partnership with The Special Olympics Lions Clubs International Opening Eyes Program, a Foundation affiliate in China supported a vision clinic in Chengdu, providing free eye assessments, prescription eyewear, sunglasses and sports goggles to Special Olympics athletes.

All of these efforts were fueled by the work of thousands of EssilorLuxottica employees volunteering their time and talent.

### Raising awareness

EssilorLuxottica continued to support the global day for eye health awareness – World Sight Day. The International Agency for the Prevention of Blindness (IAPB) issues a call to its partners and supporters to help raise awareness for the importance of eye health through vision screenings. Together with its partners and the help of over 900 EssilorLuxottica employee volunteers, the OneSight EssilorLuxottica Foundation touched nearly 400,000 children and adults with vision care services in North America, Europe, Africa, India, Greater China, Southeast Asia and Australia, contributing to IAPB's goal of reaching 5 million people with vision care services around the world. EssilorLuxottica also created an awareness campaign of its own called 'The Right to

See' featuring the work of renowned photographer Steve McCurry. 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 missing out on crucial learning as they develop. The campaign was supported across EssilorLuxottica's portfolio of brands, business units and global employee network.

The OneSight EssilorLuxottica Foundation is working to forge impactful cross-sector partnerships that enable a more comprehensive approach to making lasting social impact.

### Social and economic development

As a global leader, EssilorLuxottica contributes to the social and economic development of the 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 during the global pandemic, makes art accessible for people in new and innovative ways by sharing it in all its forms through large urban digital screens in Milan, London and New York. It has key partnerships to showcase innovative digital art projects with the Meet Digital Cultural Center in Milan and the Museum of Contemporary Digital Art (MOCDA) for NFT in London as

well as annual partnerships with the art platform CIRCA (London) and Times Square Arts (New York) for the Midnight Moment program.

- Through the Alain Mikli brand, initiatives have been developed to make art accessible to people with visual impairments since 2003 in Paris. In June 2022, Alain Mikli 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 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 105,000 meals have been delivered since the start of the project, with an average of over 140 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 approximately 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. This, along with its widespread active employee shareholding and well-being initiatives, are a source of strong employee engagement and sense of belonging.

The Company seeks to develop an environment where everyone can thrive, feel valued and respected and constantly learn. 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, eye-care professionals, customers and suppliers. A tangible advancement in this respect is Leonardo, innovative e-learning platform open to the vision care industry that EssilorLuxottica launched in 2021, with the goal of contributing to the growth of the industry through education. As such, the search for excellence in recruitment and the development and well-being of its employees across the world are of strategic importance.

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, 2022, EssilorLuxottica Group had 189,788 employees worldwide. Women represented 61% of all Group employees, 41% of the members of the Management Bodies and 33% of Senior Executives.

#### Total workforce

	2022	2021	2020
<b>TOTAL WORKFORCE</b>	<b>200,121</b>	<b>193,371</b>	<b>151,017</b>
Total number of employees	189,788	182,684	140,429
Total number of agency workers	10,333	10,687	10,588

Note: The figure for EssilorLuxottica workforce refers to December 31, 2022, and includes all newly integrated entities - GrandVision, Walman and Fedon. Overall, in 2022, the total workforce showed a 3.5% increase that reflects the acquisitions of Walman and Fedon, and an increase in manufacturing and retail activities. The total number of temporary/agency workers decreased slightly compared to 2021. For more information on reporting methodology and scope, please refer to Section 5.

#### Workforce breakdown by region

	2022	2021	2020
<b>TOTAL WORKFORCE</b>	<b>200,121</b>	<b>193,371</b>	<b>151,017</b>
EMEA	75,499 (38%)	72,032 (37%)	37,541 (25%)
Asia-Pacific	55,262 (28%)	54,186 (28%)	52,118 (35%)
North America	44,854 (22%)	43,476 (23%)	43,388 (29%)
Latin America	24,506 (12%)	23,677 (12%)	17,970 (12%)

Note: The geographical breakdown of the workforce remained the same as 2021. For more information on 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

	2022	2021	2020
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>189,788</b>	<b>182,684</b>	<b>140,429</b>
Total number of women	115,314 (61%)	110,272 (60%)	80,575 (57%)
Total number of men	74,474 (39%)	72,412 (40%)	59,854 (43%)

Note: At December 31, 2022, women represented 61% of all Group employees, remaining at similar level as 2021. For more information on reporting methodology, please refer to Section 5.

## Eyes on the Planet, EssilorLuxottica's sustainability program

### Employee breakdown by contract type

	2022	2021	2020
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>189,788</b>	<b>182,684</b>	<b>140,429</b>
Permanent contract	154,029 (81%)	150,316 (82%)	109,910 (78%)
Fixed term contract	35,759 (19%)	32,368 (18%)	30,519 (22%)

Note: More than 80% of employees held permanent contracts within EssilorLuxottica, remaining at a similar level as 2021.

### Employee breakdown by category and by gender

	2022	2021(ex. GV)	2020
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>189,788</b>	<b>143,750</b>	<b>140,429</b>
<b>Executives – Senior management</b>	<b>2,468 (1.3%)</b>	<b>1,813 (1.3%)</b>	<b>2,204 (1.6%)</b>
Women	806 (33%)	512 (28%)	590 (27%)
Men	1,662 (67%)	1,301 (72%)	1,614 (73%)
<b>Managers/Experts – Middle management</b>	<b>12,547 (6.6%)</b>	<b>11,638 (8.1%)</b>	<b>10,888 (7.7%)</b>
Women	5,341 (43%)	4,813 (41%)	4,501 (41%)
Men	7,206 (57%)	6,825 (59%)	6,387 (59%)
<b>Professional – White collars</b>	<b>39,299 (20.7%)</b>	<b>44,776 (31.1%)</b>	<b>42,140 (30.0%)</b>
Women	21,241 (54%)	24,778 (55%)	22,607 (54%)
Men	18,058 (46%)	19,998 (45%)	19,533 (46%)
<b>Production/Shop staff – Blue collars</b>	<b>135,474 (71.4%)</b>	<b>85,523 (59.5%)</b>	<b>85,197 (60.7%)</b>
Women	87,926 (65%)	52,806 (62%)	52,877 (62%)
Men	47,548 (35%)	32,717 (38%)	32,320 (38%)

Note: 2021 employee breakdown by category did not include GrandVision, Walman and Fedon. In 2022, full alignment of definitions and rules of reporting was applied to the whole Group for employee breakdown.

### Employee breakdown by age

	2022	2021(ex. GV)	2020
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>189,788</b>	<b>143,750</b>	<b>140,429</b>
Below 18	676 (0.4%)	189 (0.1%)	130 (0.1%)
18-34	86,094 (45.4%)	66,201 (46.0%)	66,212 (47.1%)
35-49	70,305 (37.0%)	53,839 (37.5%)	51,521 (36.7%)
Above 50	32,713 (17.2%)	23,521 (16.4%)	22,566 (16.1%)

Note: As of December 31st, 2022, approximately 45% of the Group employees were below 35, mainly working in the Company's facilities and stores. Overall, 83% of employees were under 50 years old. For more information on reporting methodology and scope, please refer to Section 5.

### Equal opportunities and people development

At the very core of EssilorLuxottica are its people, who bring the Company's 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 long-term perspective in which training, development and equal opportunities for everyone play a core role throughout the employee's career.

### Diversity 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. 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, the Company's 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, the Global DE&I function was created to establish the Company's strategy, commitments and goals for Diversity, Equity and Inclusion. The four pillars of the 2023 Global DE&I strategy will be to Drive Internal & External Awareness by fostering a culture of Inclusivity & belonging, Build & Evolve More Inclusive Processes, Develop Clear Goals by Leveraging Data & Metrics, and Ensuring Diversity of Thought through Ambassadors and Regional Networks. The initiatives will be in partnership with Corporate Social Responsibility, Corporate Communications, Leonardo and all EssilorLuxottica employees. The first initiative from the Global function started in December 2022, with a global Inclusion calendar to activate programming to build awareness and educate employees on the different dimensions of diversity. The first event took place in December for the International Day for Persons with Disabilities. This global event included a conversation with para-athletes Martha Chavez (North America) and Daniele Cassioli (Italy) as they discussed the barriers those with disabilities face, and how they have broken the stigma and created an inclusive community around them. The Company has worked to create an inclusive environment for people with disabilities for a long time in collaboration with local organizations. In France, thanks to the deployment of the Disability policy & program led by 22 'handicap' correspondents, employees with disabilities represent approximately 5% of the employee population.

To cultivate a culture of diversity and inclusion, many initiatives exist in different regions to promote open dialogue among employees and provide an inclusive work environment. For example:

- In North America, EssilorLuxottica continued its journey of building a more diverse and inclusive culture for all employees with the internal Executive DE&I (Diversity, Equity and Inclusion) Council employee-led Think Tank to help drive DE&I strategy and initiatives forward. In 2022, EssilorLuxottica also created six Business Resource Groups (BRGs): EssilorLuxottica Women's Network, Kaleidoscope, Abilities, PRIDE, Generation NEXT, and MIL VETS are available for employees to join and get involved. The BRGs were created to foster allyship and intersectionality. As a part of the North American Inclusion Calendar celebration and commemoration months, EssilorLuxottica led five virtual and in-person events and employee spotlights across 2022 with the partnership and support of the BRGs. In September 2022, a Courageous Conversation event led by EssilorLuxottica BRGs and the DE&I Think Tank, and attended by nearly 400 employees, allowed employees to engage in honest conversations within a safe space. Individual business units also activated initiatives to build upon regional strategy. Sunglass Hut, Oakley, EyeMed, LensCrafters, FGX and Target Optical have created their own D&I councils to further build a more inclusive culture in their brands. EyeMed has created its own employee resource groups to the broader North American BRGs.
- In Europe, a DE&I taskforce was created at GrandVision to promote a more diverse and inclusive culture within the organization, launching several important initiatives like the D&I blueprint, policy and toolkit, Unconscious bias & inclusive leadership training for GVMT and all Managing Directors in Operations, a GrandVision for All Summit, the launch of D&I dedicated intranet page, and inclusivity training for all recruitment community. Additionally, advancements on inclusive customer experience included sensory-friendly shopping hours, pronoun badge, diverse visuals and inclusive store layout. Vision Express in the UK & Ireland established two employee resource groups to support LGBTQIA+ and Women in Leadership, including the option to add pronouns to email signatures and name badges. Pearle participated in the Medical Care Scheme for Asylum Seekers (In Dutch: Regeling Medische zorg asielzoekers - RMA), where asylum seekers and refugees from Ukraine could choose a pair of glasses at Pearle without additional payment. In Germany, Apollo deployed diversity training for recruiters, and certification and collaboration with 'Beyond Gender Agenda', including a rainbow flag in all stores, and signing the Charta der Vielfalt (Chart of Diversity).
- In Greater China, the 'Women Talk' program engaged women professionals from Essilor and Luxottica in various interactive activities to boost cultural blending and enhance mutual understanding of EssilorLuxottica as one Company.

## Eyes on the Planet, EssilorLuxottica's sustainability program

Also in 2022, EssilorLuxottica earned a spot on the Financial Times 'Diversity Leaders list 2023', a nod to the Company's various efforts around diversity and inclusion in recent years. During the year, several employees were recognized for their leadership and contributions. In North America, three female leaders – Sherianne James, Sydney Stinson, and Dr. Millicent Knight – were recognized by Savoy Magazine for being the Most Influential Black Executives. Several women professionals at EssilorLuxottica were also honored among Vision Monday's list of the 'Most Influential Women in Optical.'

### Accessible education through Leonardo, the Group's learning platform

Launched in May 2021, Leonardo is EssilorLuxottica's e-learning platform with a community of experts and learners that meet in a digital school environment. It offers easy access to over 7,000 hours of quality education on eyewear collections, lens design and technologies, vision care, practice and people management and sales excellence as well as clinical and scientific evidence-based knowledge.

Leonardo uses a blended approach to education, combining on-demand content with live sessions, to optimize the level of interactivity between learners and experts and help maximize effectiveness and time adapting to everyone's needs.

The platform is designed to support EssilorLuxottica employees and partners, as well as eyecare professionals at every level and every role. Having skilled professionals with always-on access to continuing education and professional development, curated by subject matter experts, aims to help personal development and advance the industry, providing the best in eyecare and eyewear. With a rapidly changing environment and growing macro challenges, a platform where stakeholders can learn how to better respond to those challenges and be ready to seize opportunities is critical for future growth.

Thanks to Leonardo's launch most educational activities have been digitalized, enabling people to learn through their preferred format: interactive lessons, videos, podcasts, readings, and virtual classes. In 2022 Leonardo delivered 2,080,391 hours of education, including 18,019 live sessions with 697,724 participants.

By creating a global and omni-comprehensive community environment, Leonardo wants to boost a sense of belonging setting a foundation for the Group's learning culture where EssilorLuxottica employees and customers can continuously expand their skills, knowledge and mindset.

During 2022 the Leonardo community was enriched to include nearly 43,000 GrandVision employees and 34,000 Essilor only wholesale clients, reaching over 188,000 EssilorLuxottica employees and nearly 302,000 opticians and sales associates from EssilorLuxottica's professional solutions clients worldwide. The process of conveying local learning platforms into Leonardo will be completed by beginning of 2023.

Beyond gender equality, EssilorLuxottica's inclusion efforts include equal opportunities for all employees regardless of gender, age, religion, marital status, disability and sexual or political orientation. The Company has a firm commitment to compensating employees equally for the same work, as professional roles and promotions are evaluated and assigned to guarantee a workplace based on fairness and meritocracy. These efforts are complemented by strong support for employee well-being.

This past year Leonardo had a key role in the deployment of the 'New Ways of Working' project, a cycle of live learning and empowerment sessions, aimed at supporting over 11,000 EssilorLuxottica managers in 65 countries by sharing the most effective approaches to manage their teams in a hybrid work model within an integrated Company. Over 254 hours of learning were delivered on Leonardo through workshops, virtual classes and educational videos. The project will continue in 2023, when Leonardo will also support the Group for its 'weare' initiative deployment, which aims to foster a sense of belonging and allow everyone to feel part of the Group. Leonardo will host the Culture Summit event, followed by a series of courses, open to all EssilorLuxottica employees world-wide.

An additional move made to set the basis of the Group's learning culture and guarantee a common onboarding experience for each EssilorLuxottica employee was to develop tailored onboarding programs that combine global framework with local needs so that new employees are trained on content right for their roles, locations and retail banners. Since its launch in June, 5,865 people were onboarded.

Based on EssilorLuxottica retail expertise, Leonardo also launched 'The New Hire Programs' in North America and the UK. These specific educational programs support three different staff roles in practices: front desk professionals, eyecare dispensers and practice managers, available both for EssilorLuxottica and wholesale clients store employees. Through these programs Leonardo aims to facilitate new hire onboarding by ensuring they gain basic skills and knowledge to carry out responsibilities that come with the role. In the great resignation era, Leonardo has been valued as a key tool to attract and retain resources. Starting the optician journey with an investment in their education creates immediate engagement and value for the practice and its new hires and helps give the practice a competitive edge.

One of the great added values of Leonardo is its educational offer for products and brands. To keep improving and fulfil learner needs, it introduced 'Latest collections', an interactive online catalogue that provides a comprehensive overview of each single style of EssilorLuxottica eyewear collection, with access to storytelling and inspiration and support for advertising campaigns while learning about the technical details. The 'Latest collections' initiative has been added to the Leonardo digital services offer for both wholesale clients and EssilorLuxottica employees. It also includes 'New to your store', a customized service that provides learning bites on every model shipped to any door, redefining how people learn about single styles and making education more accessible and intuitive.

To strengthen 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 renowned international days throughout 2022, marking an exclusive and differentiating service available only on Leonardo. As an example, on the occasion of National Sunglasses Day held June 27, a 'Where fashion meets function' two-day event took place with a deep dive on how EssilorLuxottica works to consistently provide solutions and use this knowledge to improve customer awareness. A second two-day event was organized for World Sight Day on October 13, focusing attention on the global issue of eye health. All Leonardo events are recorded and available on the platform for anyone who missed the live sessions.

### Hours of education and number of employees educated

	2022	2021	2020
<b>TOTAL HOURS OF EDUCATION DELIVERED</b>	<b>3,207,158</b>	<b>2,165,534</b>	<b>1,444,546</b>
<b>Centrally managed hours of education</b>	<b>1,695,558</b>	<b>1,309,670</b>	<b>655,437</b>
<b>Locally managed hours of education</b>	<b>1,511,600</b>	<b>855,864</b>	<b>789,109</b>
Executives – Senior management	12,511		
Managers/Experts – Middle management	135,458	293,406	309,435
Professional – White collars	264,638		
Production/Shop staff – Blue Collars	1,098,993	562,458	479,674
<b>NUMBER OF EMPLOYEES EDUCATED THROUGH CENTRALLY MANAGED PROGRAMS</b>	<b>109,306</b>	<b>81,244</b>	<b>81,688</b>
<b>NUMBER OF EMPLOYEES EDUCATED THROUGH LOCALLY MANAGED PROGRAMS</b>	<b>97,113</b>	<b>60,851</b>	<b>56,381</b>
Executives – Senior management	1,257		
Managers/Experts – Middle management	9,178	22,924	22,858
Professional – White collars	19,968		
Production/Shop staff – Blue Collars	66,710	37,927	33,523

Note: In 2022, approximately 3.2 million hours of education were provided to Group's employees, representing an increase of almost 50% compared to 2021, mainly due to the inclusion of GrandVision employees.

Specifically, centrally managed hours of education increased by 29%, primarily due to the progressive integration of GrandVision entities into Leonardo's scope. Excluding GrandVision's impact, centrally managed hours of education increased by 18% thanks to the continuous leverage of Leonardo as the Group's learning platform. In 2022, over 109,000 employees were educated through Leonardo, registering an increase of 35% compared to 2021.

As for locally managed education, a detailed breakdown by job category has been applied in 2022, aligning with employee roles. This breakdown is not available for 2021 and 2020, 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. Even though Covid-19 still affected some markets such as Greater China, 1.5 million hours of education were delivered to more than 97,000 employees including GrandVision ones. The y-o-y 76% increases of locally managed hours of education and 60% increase on employees educated, have been largely affected by the integration of GrandVision entities and by the hours of education dedicated to shop staff members.

For more information on reporting methodology and scope, please refer to Section 5.

### Talent management

#### Talent development

For EssilorLuxottica, talent development is a top priority. In 2022, the Company introduced different activities that support growth and career development, such as global and regional mentorship, international job rotation programs, leadership coaching and development, leadership capability assessment tools, and leadership visibility opportunities for high-potential talent.

- Performance reviews: The annual talent process is aimed at supporting employees in seeing the connection between their individual contributions and Company business objectives. By fostering a culture of continuous feedback and effectively mapping organizational strengths and gaps, EssilorLuxottica can synergize talent strategy with business strategy. In 2022, the Company assessed performance for over 65,000 employees worldwide, while working across countries to design an integrated process to assess talent in a consistent way throughout the world.
- Talent reviews: Assessing potential is a key component in viewing talent comprehensively. In 2022, over 15,000 employees were included in the talent review process, an increase of more than 60% from 2021.
- 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 the 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.
- A 'development toolkit' is in place to support the growth of the Company's talent. It includes initiatives such as mentoring, virtual coffee chats with EssilorLuxottica business and operations leaders, peer coaching, and job shadowing. In addition, several regions deployed development activities that target specific market and talent needs. Initiatives such as leadership capability assessments, development programs with top universities, and individual and small group coaching engaged over 5,500 employees in 2022.
- To support team members through the integration in a post-pandemic world, the People Development team, in partnership with Leonardo and multiple prestigious external partners, deployed a dedicated learning path to support the Company's 'New Ways of Working.' This multi-phase rollout included customized paths for various levels of leaders, with over 11,000 employees in-scope worldwide.

#### 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 for the Company and taps into EssilorLuxottica's employer value proposition.

For this reason, the Company accelerated integration of its talent attraction strategy aimed at communicating the benefit of the combination and creating a cohesive identity for the Group. Several initiatives have been developed at EssilorLuxottica to attract, retain and engage talent.

- While the new 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.) by 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, 2022 saw the first graduated class from the 'Global Circular Economy Chair' that EssilorLuxottica launched in partnership with ESSEC Business School, L'Oréal and Bouygues to train 120 future circular economy experts by 2025.
- Innovative talent acquisition programs include the Operations Talent Program, which saw the launch of another class of international trainees from STEM fields. This two-year path started from two different locations, Agordo in Italy and Creteil in France.

### Employee engagement and culture

#### 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.

In addition, the Company further advanced the unification and harmonization of its already existing welfare initiatives into the OneWelfare program to continuously support employee work-life balance. From mapping all welfare initiatives deployed in 61 countries to the definition of a common standard, in line with the Company's culture of well-being, an example was the launch of the first EssilorLuxottica Summer Camp in Bibione (Venice), a dedicated international summer program for children of the Group's employees aged 9 to 17, who enjoyed a week of outdoor activities together.

Also, the global 'Heroes Together' community was extended to Italian employees to join a new international challenge aimed at supporting OneSight EssilorLuxottica Foundation clinics, backing colleagues who took part in EssilorLuxottica volunteer programs. Designed for all fitness levels, Heroes Together is a digital sports and wellness app that helps employees stay in shape and build team spirit by connecting colleagues across the world in a fun and motivational way.

Overall, in 2022 more than 5,000 employees registered for physical activities, personal well-being tips, team building initiatives and challenges through the program.

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 to 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.

### 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, over the course of 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

Throughout 2022, more than 1,400 employees volunteered at OneSight EssilorLuxottica Foundation free clinics; in 12 countries eligible due to Covid, hundreds of people benefited from this employee engagement. An additional 900 employee volunteers supported Foundation activities for World Sight Day, providing nearly 400,000 children and adults with vision care services in North America, Europe, Africa, India, Greater China, Southeast Asia and Australia.

Finally, in the last part of the year, EssilorLuxottica launched the 'weare:' project to identify and consolidate one company culture to enhance people engagement and elevate the Company's mission and business strategy. The Group is doing this through a co-creation and bottom-up based approach at both local and global levels, leveraging its heritage and strengths, identifying a framework of values that will define the Company's culture.

#### 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 to 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 of other shareholders and provides them with an opportunity to participate in the value creation and success of the Company.

Following another successful Boost 2022 international shareholding campaign, the total number of active employee shareholders in the Group has reached new heights with a total of 72,000 people in 85 countries now holding a financial stake in EssilorLuxottica. This figure has steadily increased from approximately 67,000 in 2021 and 63,000 in 2020. In addition, around 14,000 employee retirees are also shareholders, showing their engagement and confidence in the Company. Also on the rise, approximately 30,000 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.

workplace risks. For 2022, 28 mass production plants, 12 lens laboratories, two logistic centers and one corporate office were certified ISO 45001:2018.

The EHS policies of the Company are also shared and implemented to minimize health and safety risks for employees, customers and local communities.

During 2022, Benchmark ESG™ | Gensuite® software, already in use in Essilor offices, was extended to Luxottica sites. This allows the Group to have a single database for the collection and management of key EHS data and KPIs related to safety and sustainability.

### 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 designed 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.

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

	2022	2021	2020
<b>TOTAL NUMBER OF WORK-RELATED INJURIES</b>	<b>527</b>	<b>557</b>	<b>603</b>
<b>Total number of work-related injuries with absence</b>	<b>320</b>	<b>322</b>	<b>300</b>
Employees	284	298	282
Agency workers	36	24	18
<b>Total number of work-related injuries without absence</b>	<b>207</b>	<b>235</b>	<b>303</b>
Employees	202	231	279
Agency workers	5	4	24
<b>NUMBER OF LOST DAYS DUE TO WORK-RELATED INJURIES WITH ABSENCE</b>	<b>8,403</b>	<b>10,560</b>	<b>9,689</b>
Employees	7,778	10,171	9,241
Agency workers	625	389	448
<b>TOTAL NUMBER OF CASES OF OCCUPATIONAL ILLNESSES WITH ABSENCE</b>	<b>20</b>	<b>33</b>	<b>-</b>
Employees	19	33	-
Agency workers	1	0	-
<b>NUMBER OF LOST DAYS DUE TO OCCUPATIONAL ILLNESS</b>	<b>1,308</b>	<b>979</b>	<b>-</b>
Employees	1,307	979	-
Agency workers	1	0	-
<b>FREQUENCY RATE FOR WORK-RELATED INJURIES WITH ABSENCE</b>	<b>1.6</b>	<b>1.7</b>	<b>1.5</b>
Employees	1.5	1.7	1.5
Agency workers	2.1	1.6	1.3
<b>SEVERITY RATE FOR WORK-RELATED INJURIES WITH ABSENCE</b>	<b>0.04</b>	<b>0.06</b>	<b>0.05</b>
Employees	0.04	0.06	0.05
Agency workers	0.04	0.03	0.03
<b>TOTAL RECORDABLE INCIDENT RATE</b>	<b>2.6</b>	<b>2.9</b>	<b>3.1</b>
Employees	2.7	3.0	3.1
Agency workers	2.4	1.8	3.1

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 53% of the Company's total headcount and focuses on the manufacturing, lens laboratories and distribution sites, as a result of the health & safety policy and management systems that have been implemented over the years across the Operations. Starting from 2022, GrandVision is included in the health & safety reporting.

527 work-related injuries were reported in 2022, with a slight decrease of 5% compared to 2021. As a consequence, the total recordable incident rate continues to decrease for the third year in a row. And both the frequency rate and severity rate for work-related injuries with absence have decreased compared to 2021. The number of lost days due to occupational illness has increased compared to 2021, mainly related to certain cases with relative high number of lost days (above 90 days).

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

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 Company's Code of Ethics is the foundation of all

business relations and 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.

### Responsible Sourcing

For EssilorLuxottica, supply chain efficiency is fundamental to guarantee 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 the Company's Code of Ethics and respect of international regulations and local laws, including the International Labor Organization (ILO) Conventions, United Nations Global Compact Principles and specific selected criteria, such as SA8000 certification.

In 2022 the Group continued to extend leverage for responsible sourcing standards and initiatives, and has unified into one unique EssilorLuxottica responsible sourcing program, including the following key dimensions:

- ensuring suppliers acknowledge and respect the Code of Ethics, specific supplier charter and legal compliance on topics such as human rights and labor standards, environment, health and safety;

- evaluating supplier's environmental and social performance;
- engaging suppliers on initiatives that will have a positive impact on people and the environment;
- training buyers and suppliers on sustainability principles and practices.

The implementation of various parts of the responsible sourcing initiatives is guaranteed by a dedicated team within the Company's procurement department.

Given its inter-departmental nature, the program brings together representatives of the Procurement, Internal Audit, Manufacturing, Quality, CSR, Risk Management, Asset Protection and Compliance departments, which jointly review the status of the program and discusses 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 that assesses the social responsibilities of suppliers in 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 the top 500 suppliers covering over 70% of total spend, 105 assessments have been carried out since 2019.

For supplier onsite audits, EssilorLuxottica is supported by third-party auditors (e.g. Intertek, BSI) in charge of monitoring supplier compliance with the Company's standards and principles as well as to implement corrective actions in the event of non-compliance with the company's Code of Ethics and/or local regulations, specifically targeting suppliers of Apparel Footwear and Accessories (AFA), direct materials, and third party finished products.

The Company requests suppliers to close all issues raised during the audit by an agreed deadline after the audit to make sure that 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, who 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 in short terms in case of audit failure and a two to three-year time frame in case of audit pass.

As detailed below, 70 current and potential suppliers were subject to audits in 2022, and major instances of non-compliance related to critical non-conformities were identified for nine suppliers. The split of audits was the following:

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

The audit process with a dedicated focus on AFA suppliers continued in 2022, with 50 audits on production plants of suppliers located in Asia-Pacific, Latin America and Europe. Eight instances of non-compliance of critical non-conformities were identified.

## Eyes on the Planet, EssilorLuxottica's sustainability program

### Engagement and training

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

In 2022, a new training initiative was launched with the focus on AFA vendors located in Bangladesh.

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 the requirements of 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 (these are 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 of 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 it is necessary to take into account new regulations.

EssilorLuxottica hereby reports on the progress of the 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 back to Sections of this Non-Financial Performance Disclosure for further details.

### Company commitment to promote human rights and protect the environment across the whole value chain

EssilorLuxottica is built upon two centuries of innovation and human endeavor. The Company places particular importance on respect for human rights and the environment, along with the 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 International Labor Organization (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 of 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 to meet stakeholder expectations, EssilorLuxottica applies environmental best practices that conform to ISO 14001 certification and facilitates management of the related impacts.

However, the Company operates in geographic 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 to implement actions designed to prevent any 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 publication of the first EssilorLuxottica Code of Ethics. In addition, EssilorLuxottica has implemented an Anti-Bribery & Corruption compliance program that provides more details regarding ethical business conduct and compliance.

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 all along its value chain as described in the Responsible Sourcing Section. This allows the Company to further prevent serious breaches and take corrective action where applicable, then remain vigilant about the consequences of its activities.

## 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 the Board of Directors.

In particular, the CSR Committee has been updated on specific topics including the CSR risk assessment and the management of sustainability issues. The CSR Committee also coordinates its works 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 2022 Universal Registration Document.

Operationally, the CSR department of EssilorLuxottica coordinates the deployment of the Eyes on The Planet program and oversees cross-functional issues including human rights. This is intended to support operational functions (mainly HR, EHS, Risk Management, Compliance and Procurement) at a regional or local level in applying the Company's policies and implementing reasonable vigilance measures.

In addition, the global Environment, Health and Safety department of EssilorLuxottica is responsible for the deployment of the environmental management systems aimed at reducing each

company's environmental impact and ensuring the health and safety of all employees. This department relies on a network of correspondents present locally on production and distribution sites to oversee the operation of environment, health and safety management.

For EssilorLuxottica, supply chain efficiency is key to be able to guarantee the highest quality of its products and services, which contribute to maintaining and enhancing its reputation. The Company has defined standards of ethics, labor, health, safety and the environment and requests all of 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 of 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.

## 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.

EssilorLuxottica assesses its risk exposure through the Group risk assessment process (see Section 1.6 of 2022 Universal Registration Document), which incorporates the identification and evaluation of CSR risks such as health, safety and working conditions (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 among operational teams and prioritize action plans at both the 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 the measures of prevention, mitigation and/or remediation implemented, as well as on progress made in 2022, please refer, for clarity and readability purposes only, to the following sections:

Risk family	Sections
Challenges relating to human rights and fundamental freedoms	Equal opportunities and people development Employee shareholding Responsible Sourcing
Challenges relating to the health and safety of individuals	Health and safety Responsible Sourcing
Environmental challenges	Water management Waste management Responsible Sourcing

Furthermore, regular awareness-raising and training initiatives delivered to employees on human rights and compliance-related topics ("Business and Human Rights", Code of Ethics, GDPR, health and safety policies etc.) are organized via dedicated e-learning modules and face-to-face training. For example, more than 2,400 employees at EssilorLuxottica have followed e-learning modules on "Business and Human Rights". Many training courses were also delivered on key aspects of environmental management.

In 2022, 17 audits were performed either by an external specialized company or by the Internal Audit Department covering around 11% of EssilorLuxottica's global headcount. Results and key findings of these audits are shared with function leaders and contribute to adapting Group and local roadmaps. In 2023, EssilorLuxottica will continue to carry out audits on human rights topics (including health, safety and working conditions) across its entities having been identified as most at risk and so as to include the largest number of Company employees.

### Regular assessment of subsidiaries, suppliers and subcontractors

The 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 & reporting

EssilorLuxottica encourages employees and other stakeholders to internally report suspected wrongdoings as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that confidentiality will be respected.

EssilorLuxottica has broadly defined the 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, fraud violation of the duty of vigilance as well as several other matters as required by applicable laws.

Various channels are made available to employees and other stakeholders so they can report breaches or attempts to conceal breaches relating to these matters, whether they occurred or alleged.

EssilorLuxottica strives to create a safe environment for employees and other stakeholders who should be able to raise genuine concerns in good faith without fear of reprisals, even if they turn out to be mistaken.

EssilorLuxottica protects the confidentiality of the reporters and applies a strict non-retaliation policy. In 2023, EssilorLuxottica will deploy a new and integrated internal alert system within the whole Group. Employees and other stakeholders will be able to use various report channels; the main channel being the online alert system and associated phone lines in jurisdictions where they are made available. A new reporting policy is also being implemented throughout the Group. Related communication campaigns and training actions will take place in 2023 to accompany the rollout.

### Monitoring system

In addition to the assessment and monitoring mechanisms (audits, reports, participation in regional and local committees, etc.) outlined above, EssilorLuxottica has developed an initial set of performance indicators related to human rights and the environment, inspired by those of the Global Reporting Initiative (GRI), which are 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	2022	2021	2020
<b>Challenges relating to human rights and fundamental freedoms</b>	Number of employees and agency workers below age 16	0	0	5
	Number of active employees having completed "Code of Ethics" trainings at EssilorLuxottica	17,554	8,879 <sup>(1)</sup>	-
	Number of active EssilorLuxottica employees having completed "Business and Human Rights" training	2,480	895 <sup>(1)</sup>	-
	Percentage of AFA spending covered by on-site audits	66%	-	-
	Number of Top 500 Suppliers covered by a CSR assessment since 2019 and/or an onsite audit in 2022	143	-	-
<b>Environmental challenges</b>	Number of chemical spills	0	2	1
<b>Challenges relating to the health and safety of individuals</b>	Number of work-related fatalities - employees and agency workers	0	0	0
	Frequency rate of work-related injuries with absence - employees and agency workers	1.6	1.7	1.5
	Severity rate of work-related injuries with absence - employees and agency workers	0.04	0.06	0.05
	Total recordable incident rate - employees and agency workers	2.6	2.9	3.1

(1) The 2021 data has been restated to reflect only active employees as of December 31st of the reporting year who were trained on the "Code of Ethics" / "Business and Human Rights".

### Business ethics

EssilorLuxottica's commitment to acting in a responsible and ethical manner goes hand-in-hand with a strong duty to combat all forms of corruption and fraud in all the 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 high standards of conduct that the Company has developed over the years and that comprise the EssilorLuxottica Code of Ethics.

Risks, such as tax evasion and money laundering, as well as associated fraudulent activities, are the subject of special attention for the Company (see Chapter 1 of 2022 Universal Registration Document). As an industry leader, EssilorLuxottica is highly vigilant about its compliance with competition rules; it pays particular 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.

### Prevention of corruption

The Group has established a global anti-bribery and corruption program, which applies globally and provides specific rules for preventing, detecting and managing corruption risks related directly or indirectly to the Group.

The Compliance department of EssilorLuxottica is responsible for overseeing the definition of guidelines and rules of conduct to prevent, identify and manage risks connected with bribery and corruption in the Company's businesses, in accordance with the law as well as applicable local and international regulations. These include the United Nations Convention against corruption (UNAC) of 2005, the US Foreign Corrupt Practices Act of 1977, the Italian legislative decree 231 of 2001 on corporate criminal liability and the French "Sapin 2" law of 2016.

### Data protection

With the impact of digital technology on EssilorLuxottica's business (e.g. connected objects, machine learning, artificial intelligence), as well as intragroup flows of personal data, a growing presence in e-commerce and in more than 13,300 corporate stores around the world, data protection remains a key topic for the Company.

For the personal data of its employees or its customers, EssilorLuxottica is committed to complying with the increasing number of applicable regulations across the world, including the General Data Protection Regulation (GDPR and other local legislations) in Europe, the California Consumer Privacy Act (CCPA) in the United States and its updates, and the *Lei Geral de Proteção de Dados Pessoais* (General Data Privacy Law - LGPD) in Brazil, as well as specific regulations such as The Health Insurance Portability and Accountability Act (HIPAA – privacy aspects) in the United States.

As part of this approach, the EssilorLuxottica Code of Ethics defines the principles that apply to all EssilorLuxottica employees, contractors, vendors and suppliers, and represents a minimum set of standards that cannot be compromised. Consequently, the Company's business practices are based on transparency, integrity and respect of the standards defined within the Code of Ethics, and in accordance with international frameworks, such as the United Nations Global Compact. In line with its Code of Ethics, EssilorLuxottica promotes its Anti-Bribery & Corruption Program, and supports all actions aimed at reinforcing standards and principles that guide the behavior of all its employees and third-parties.

EssilorLuxottica's global dimension requires the constant alignment of the Company's processes, procedures, conduct and activities with regulatory frameworks and the Code of Ethics. Operationally, the Compliance department of EssilorLuxottica has the responsibility to prevent, identify and manage risks connected with business ethics, in accordance with the law as well as applicable local and international regulations (see Chapter 1 of 2022 Universal Registration Document).

This commitment is outlined in both the Code of Ethics and the Group's internal Anti-Bribery & Corruption Principles and Guidelines Policy (internal code of conduct), and is further strengthened by the adoption of policies and procedures at local level that regulate the areas that could possibly be exposed to corruption crimes.

In 2022, EssilorLuxottica conducted an update of its global corruption risk assessment and issued an integrated corruption risk cartography, in accordance with the French law on transparency, fight against corruption and modernization of the economy (Sapin II). This risk map assesses and rates inherent and net corruption risks, based on relevant risk scenarios for the integrated Group.

For EssilorLuxottica, risk assessment is an essential tool that helps determine priority actions in this area. This risk assessment has permitted to harmonize EssilorLuxottica's internal prevention procedures and was used as a basis to draft a new anti-bribery and corruption policy and implement related trainings.

EssilorLuxottica is taking appropriate steps to comply with new regulations coming up in 2023, notably in the United States and Canada.

This helps ensure that stakeholder data that EssilorLuxottica is entrusted with will be securely processed at every stage of their relationship with the Company.

EssilorLuxottica monitors the development and continuous evolution of privacy regulations all over the world to comply with existing and upcoming regulations (i.e. United States new state regulations, People's Republic of China, Australia, Singapore, South Africa, Malaysia, Canada, etc.).

## Eyes on the Planet, EssilorLuxottica's sustainability program

EssilorLuxottica's Compliance department has created a Privacy Office and appointed Data Protection Officers who inter alia oversee the relationship with data protection authorities. It has developed a privacy compliance program aimed at the protection of personal data processed by the Group or its suppliers and subcontractors in accordance with applicable regulations. This includes the definition of privacy policies and procedures (e.g. privacy statement, privacy notices, data protection policy data breach policy, cookies banners, data protection impact assessments, etc.), deployment of training and awareness programs to enhance the privacy culture of

Group employees and support to business teams across the world to ensure they include privacy by design and default when implementing new projects. The Compliance department also supports business to establish response systems to information requests from data subjects, and in preventing and reacting to possible data breaches. Finally, with the support of the Internal Audit department, the Compliance department also regularly controls that data protection is accordingly considered and properly addressed and participates in the development of the remediation actions 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 2022 Universal Registration Document).

### Proscribing tax evasion

Under the responsibility of EssilorLuxottica's Chief Financial Officer, the Group's tax department 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. It 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 2022 Universal Registration Document).

### Trade compliance

The information related to trade compliance is mentioned in of 2022 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 objectives for the European Green Deal 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, with the objective of supporting investment flows into a more sustainable economy.

According to the Regulation, to be eligible or qualify as a 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 the 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;
- protection and restoration of biodiversity and ecosystems.

To ascertain if an eligible activity is Taxonomy-aligned, the following Technical Screening Criteria have to 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 of human rights and labor standards.

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

Following the formal adoption of the Article 3 of the Regulation for the 2022 reporting year shall be considered Taxonomy eligibility and in alignment with reference to the first two environmental objectives that have been formally adopted so far (ref. Climate Delegated Act - Annex I and Annex II): climate change mitigation and climate change adaptation.

It is worth remembering that for the first two objectives (climate change mitigation and adaptation), the European Commission has prioritized sectors that make a major contribution to greenhouse gas emissions across the European Union.

#### EssilorLuxottica's analysis

With its vertically integrated business model covering the design, manufacture and distribution of ophthalmic lenses, frames and sunglasses (see Section 1), EssilorLuxottica, considers its core economic activities as not 'eligible' and consequently as not 'aligned', as they are not included in the Climate Delegated Act. Consequently, for 2022, the Group did not generate any turnover aligned 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). Thus, 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 listed in the Climate Delegated Act – Annex I of the Regulation.

#### Disclosure of Taxonomy KPIs

##### TURNOVER KPI

EssilorLuxottica did not generate turnover for 2022 that could be considered as Taxonomy-eligible nor Taxonomy aligned. The Group turnover equals in total to €24,494 million, as presented in the consolidated financial statements (Chapter 4 of 2022 Universal Registration Document).

##### OPEX KPI

With regards to the OpEx KPI the Group calculated a value for the denominator equal to €673 million following the methodology described in the 'Methodology for EU Taxonomy KPIs' in Section 5. From the evaluation of the numerator, results showed that the business model of the Group did not generate significant OpEx for the categories mentioned by

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

### CAPEX KPI

Since the list of eligible economic activities provided by the Regulation does not cover the core business of the Group, the Group's 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);
- construction of new buildings (Activity 7.1);
- renovation of existing buildings (Activity 7.2);
- installation, maintenance and repair of energy efficiency equipment (Activity 7.3);
- installation, maintenance and repair of renewable energy technologies (Activity 7.6);
- acquisition and ownership of buildings (Activity 7.7).

The CapEx related to the above activities are reported under the lines *Additions* and *Business combinations* of the items Properties, plant & equipment (activity 7.1, 7.2, 7.3, 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 was based on the accounting records used for the preparation of EssilorLuxottica consolidated financial statements/information. Data of directly managed stores have been considered as full scope, while for production sites and laboratories the analysis was performed on significant construction projects in 2022.

The CapEx KPI resulted from analysis equal to 42.66%, a value reflecting the nature of the EssilorLuxottica Group, i.e. a company operating in a sector whose economic activities are not covered by the Regulation; and most of the eligible CapEx derives from the inclusion of costs related to the Right of Use of stores and others building.

Here below are described the steps that were carried out to assess the alignment to the EU Taxonomy, starting from compliance with Minimum Safeguards.

### Compliance with the Minimum Safeguards

Compliance with the Minimum Safeguards of the EU Taxonomy is based on Article 18 of the Regulation, as well as the recommendations set out in the Final Report on Minimum Safeguards published by the EU Platform on Sustainable Finance (October 2022), which 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 the minimum safeguards are respected for the CapEx-related activity, and therefore that the supplier engaged by the Group complies with the minimum safeguards described in Article 18 of the Regulation. For consistency, EssilorLuxottica is also required to comply with minimum safeguards within its operations.

In fact, ethical behaviour is one of the main pillars that guide EssilorLuxottica in the way it conducts business. The Code of Ethics defines the principles that apply to all EssilorLuxottica employees, contractors, vendors and suppliers, and represents a minimum set of standards that cannot be compromised, including the respect of Human Rights, labor conditions and fair competition.

In line with its Code of Ethics 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) and processes to ensure the respect of Human Rights.

Moreover, the tax department is in charge of monitoring and ensuring that the Group meets all minimum requirements related to the 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. However, as described in Sections 1.6 and 2.1 of this Universal Registration Document, due to its relevant size, the Group may be exposed to increased antitrust concerns, such as the investigation closed in 2022 by the French Competition Authority (FCA) for which EssilorLuxottica has decided to appeal and remains confident that it will successfully demonstrate that the decision is ungrounded.

EssilorLuxottica Group's suppliers are asked to comply with the Group's Code of Ethics. The Group maintains a very high level of vigilance on its suppliers with reference to the respect of Human Rights. In fact, EssilorLuxottica has a proactive approach in compliance to the French Law no. 2017-399 (*devoir de Vigilance*) that requires due diligence on the supply chain with the goal to identify risks related to human rights.

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

## Alignment assessment

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

Activity	Alignment analysis
Transport by motorbikes, passenger cars and light commercial vehicles (6.5)	EssilorLuxottica's company fleet considered as Taxonomy-eligible meets the substantial contribution criteria considering that each vehicle included has a CO <sub>2</sub> emission rate lower than 50gCO <sub>2</sub> /km and is compliant with requirements related to air pollution meeting the Do Not Significant Harm (DNSH) criteria.
Construction of new buildings (7.1)	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. However, due to limited documentation, the activity was considered as non-aligned following a conservative approach.
Renovation of existing buildings (7.2)	The renovation of buildings in Italy has been considered among the eligible activities. However, due to limited documentation, the activity was considered as non-aligned following a conservative approach.
Installation, maintenance and repair of energy efficiency equipment (7.3)	In 2022, EssilorLuxottica carried out energy efficiency initiatives in 886 directly managed stores located all around the world, using the latest technologies available on the market. The activities included the replacement of existing windows with new energy efficient windows as well as existing external doors with new energy efficient doors plus the installation and replacement of energy efficient light sources, and the installation and maintenance of heating, ventilation and air-conditioning (HVAC). The DNSH criteria for this activity required a Climate Risk Assessment related to the asset in which the activity was performed. As the Climate Risk Assessment tool used by the Company covers only a selection of representative stores within the Group, a conservative approach led to considering the activity as not aligned.
Installation, maintenance and repair of renewable energy technologies (7.6)	The activity is related to the installation of solar photovoltaic panels in production plants located in Italy. The DNSH criteria for this activity required a Climate Risk Assessment related to the asset in which the activity was performed. As the Climate Risk Assessment tool used by the Company covers all the production sites, the activity has been considered as aligned.
Acquisition and ownership of buildings (7.7)	The activity refers to the acquisition and leasing of new stores. However, as per activity 7.3, the Do Not Significant Harm (DNSH) criteria required a Climate Risk Assessment related to the asset in which the activity was performed. As the Climate Risk Assessment tool used by EssilorLuxottica covers only a selection of representative stores within the Group, a conservative approach led to considering the activity as not aligned.

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 2022.

## EU Taxonomy Disclosure

ECONOMIC ACTIVITIES	Codes	Absolute CapEx (€millions)	Proportion of CapEx	Substantial Contribution							DNSH criteria							Minimum Safeguards	Taxonomy-aligned proportion of CapEx, FY22	Taxonomy-aligned proportion of CapEx, FY21	Category (enabling activity or)	Category (transitional activity)
				Climate Change Mitigation	Climate Change Adaptation	Water and Marine resources	Circular Economy	Pollution	Biodiversity and Ecosystem	Climate Change Mitigation	Climate Change Adaptation	Water and Marine resources	Circular Economy	Pollution	Biodiversity and Ecosystem							
A. TAXONOMY ELIGIBLE ACTIVITIES																						
A.1 Environmentally Sustainable activities (Taxonomy Aligned)	N/A	0	0%																0%			
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	1.61	0.06%	100%	0%	0%	0%	0%	0%	N/A	Y	N/A	Y	N/A	Y	Y	0.06%					
Installation, maintenance and repair of renewable energy technologies	7.6	3.77	0.14%	100%	0%	0%	0%	0%	0%	N/A	Y	N/A	N/A	N/A	N/A	Y	0.14%		E			
CapEx of environmentally Sustainable activities (A.1)		5.38	0.19%																0.19%			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
Construction of new buildings	7.1	132.04	4.74%																			
Renovation of existing buildings	7.2	11.93	0.43%																			
Installation, maintenance and repair of energy efficiency equipment	7.3	27.45	0.99%																			
Acquisition and Ownership of buildings	7.7	1,011.01	36.31 %																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,182.43	42.46%																			
Total (A.1 + A.2)		1,187.81	42.66%																			
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																						
CapEx of Taxonomy non-eligible activities (B)		1,596.73	57.34%																			
Total (A + B)		2,784.53	100%																			

## Conclusions

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 will also be available, EssilorLuxottica's turnover may be eligible for EU Taxonomy.

## 4 Next steps for EssilorLuxottica's sustainability program

As presented in this non-financial statement, in 2022 the Company laid groundwork to ensure sustainability is fully embraced by its value chain. By doing so, the Eyes on the Planet program has become part of the Company's culture, making it a year of significant progress in the five key areas of carbon, circularity, world sight, inclusion and ethics.

Major activities have been further improved, including:

- enhancement of non-financial reporting and disclosure (e.g. full integration of GrandVision into the reporting scope, full incorporation of CSR risks into the Group enterprise risk management, extension of EU Green Taxonomy KPIs);
- advancement in key operational activity streams (e.g. the completion of the first Group-wide carbon footprint assessment, development of a comprehensive eco-design approach, launch of the EssilorLuxottica responsible sourcing program);
- engagement of all employees around the 'Eyes on The Planet' program (e.g. leveraging the Leonardo platform and all Group internal and external communication channels, the inclusion of a CSR criterion linked to the progress of the Eyes on the Planet program into the annual variable compensation).

At this stage in the Company's sustainability journey, further engagement of employees, clients, customers, suppliers, partners and other stakeholders is key to ensure that everyone everywhere understands what sustainability stands for at EssilorLuxottica and how they can contribute to achieving the Company's sustainability ambitions. Clear priorities have been

defined for 2023 that can be summarized by execution, awareness and evolution, including the:

- continuous deployment of global and local initiatives on each pillar of the program;
- launch of specific taskforces to prepare the organization for incoming sustainability related regulations, including the update or completion of specific policies and guidelines (e.g. Corporate Sustainability Reporting Directive-CSRD, Corporate Sustainability Due Diligence Directive);
- preparation of a more comprehensive and long-term carbon reduction roadmap;
- deployment of the Eyes on Inclusion sustainability pillar following the establishment of the Global DE&I function;
- formalization of policies 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 sustainability journey.

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

EssilorLuxottica will report progress and achievements related to the 'Eyes on the Planet' program on a regular basis 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 for less than one year are granted one year to be integrated into the Group reporting scope unless stated otherwise. In this regard, Fedon and Walman were included in the Group's workforce disclosure for the year 2022 as an effort to present a more complete picture.

- Given the specificity of the Group retail network, franchise operations are not covered. Data is therefore not reported for around 4,000 franchise locations (equal to approximately 24% of EssilorLuxottica's retail network) due to the limited operational control and access to information.
- Due to geo-political reasons, stores in Ukraine (representing 0.1% of Group headcount) were excluded from the reporting and extrapolation of education and energy consumption.

#### Reporting period

The reporting period is from January 1, 2022 to December 31, 2022.

### 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 2022 revenue disclosure.

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

### 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 2022, and for which investments are needed to integrate health and safety reporting systems. Retail activities are excluded. 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 worked hours during the reporting period;

- the severity rate is calculated as the total number of lost days (calendar days) x 1,000 / total number of worked hours 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 worked hours during the reporting period;
- the total number of worked hours is calculated as the actual worked hours from the clock-in system where applicable and theoretical worked hours 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 activities are excluded from water withdrawals reporting due to its limited impact.

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, the data was extrapolated and estimated based on: i) the energy consumption during the corresponding months of the previous year (for manufacturing plants, lens laboratories, distribution centers); or ii) the average energy consumption of other months, or iii) the average energy consumption of other sites (for Retail).

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

## Methodology for calculating greenhouse gases (GHG) emissions

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

Regarding conversion factors, the Company used the database of the ADEME (*Agence française de l'Environnement et de la*

*Maîtrise de l'Énergie*, [www.ademe.fr/](http://www.ademe.fr/)), 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 database of the GLEC framework for scope 3 emissions associated with transportation.

### 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: 269 gCO<sub>2</sub>e/kWh LCV.

### 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

2. Emissions related to company cars consuming fossil fuels: Emissions are calculated based on contractual data provided by the fleet management suppliers.
3. Fugitive emissions from refrigerants leakages that may occur during the charging, recharging or disposal of refrigerant or air conditioning equipment on-site: The emissions are calculated considering the GWP of each F-gas from the IPCC Sixth Assessment Report (AR6).

intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that the Company has purposefully chosen.

Location-based emission factors for electricity were updated in 2022 based on figures provided by the IEA database (v. 2022).

### Scope 3

#### Emissions associated with upstream transportation managed by EssilorLuxottica

Scope 3 emissions associated with transportation managed by the Company correspond to indirect emissions related to the transportation of products. These emissions 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
- 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 projection. Emissions based on estimation 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.

## Methodology note and correspondence tables

### 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. Related calculation methods are also listed. The remaining categories listed in the GHG protocol (upstream and downstream leased assets, downstream transportation and distribution, franchises and investments) are considered not relevant or not significant to the Group business:

- Purchased goods and services: average data method
- Capital goods: spend-based method
- Fuel- and energy-related activities: average data method
- Upstream transportation and distribution (managed by suppliers): distance-based method

- Waste generated in operations: waste-type-specific 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

Calculation of other Scope 3 emissions followed the guidelines of the GHG Protocol and used the 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).

## 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 was calculated as the part of the net turnover derived from products or services, including intangibles (numerator) divided by the net turnover (denominator). Net turnover is defined as the amounts derived from the sale of products and the provision of services after

The next paragraphs present in detail what has been foreseen by provision of Annexes to the Commission Delegated Regulation (EU) 2178/2021 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.

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.

### CAPEX

For the calculation of the CapEx KPI denominator<sup>(1)</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 and 11 of the 2022 Group consolidated financial statements. As required by the Regulation, the values considered correspond

to the line items *Additions* and *Business combinations* of the tables disclosed in notes 10 and 11, thus excluding the effects resulting from amortization, depreciation, impairment losses, divestment, assets classified as held for sale, translation differences and other.

### OPEX

For the calculation of the OpEx KPI denominator<sup>(2)</sup> the Group relied on accounting records used for the preparation of EssilorLuxottica consolidated financial statements/information, considering 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>(3)</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, the working group considered both external (outsourced activities) and internal costs (labor, materials and tools costs). Costs related to G&A (*General & Administrative*) have been excluded<sup>(3)</sup>, including only expenses directly attributable to a specific asset. Allocation drivers were used to include/exclude specific categories of costs.

(1) 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.

(2) 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.

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

## Correspondence table for priority CSR risks

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

## 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	• Report on Corporate governance (Chapter 3 of 2022 Universal Registration Document)
b. Management's role in assessing and managing climate-related risks and opportunities	• Eyes on Carbon (Section 2.1)
Strategy	
a. Climate-related risks and opportunities identified over the short, medium and long term	
b. Impact of climate-related risks and opportunities on the Company's businesses, strategy and financial planning	• Business model, environmental and social challenges (Section 1.1)
c. Resilience of the Company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	• Eyes on Carbon (Section 2.1)
Risk management	
a. Processes for identifying and assessing climate-related risks	• Risk factors (Section 1.6 of 2022 Universal Registration Document)
b. Processes for managing climate-related risks	• CSR risk management (Section 1.4)
c. Integration of processes for identifying, assessing and managing climate-related risks in the Company's overall risk management	• Eyes on Carbon (Section 2.1)
Metrics and targets	
a. Metrics used to assess climate-related risks and opportunities, in line with the Company's risk management strategy and process	• Protocol and organization of non-financial reporting (Section 1.5)
b. Greenhouse gas emissions for scope 1, scope 2 and scope 3 and the related risks	• Eyes on Carbon (Section 2.1)
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 2022 that could be considered as Taxonomy-eligible nor Taxonomy-aligned.

ECONOMIC ACTIVITIES	Codes	Absolute TurnOver (€ millions)	Proportion of Turnover	Substantial Contribution					DNSH criteria					Minimum Safeguards	Taxonomy-aligned proportion of Turnover, FY22	Taxonomy-aligned proportion of Turnover, FY21	Category (enabling activity or)	Category (transitional activity)
				Climate Change Mitigation	Climate Change Adaptation	Water and Marine resources	Circular Economy	Pollution	Biodiversity and Ecosystem	Climate Change Mitigation	Climate Change Adaptation	Water and Marine resources	Circular Economy					
A. ELIGIBLE ACTIVITIES																		
A.1 Taxonomy eligible activities	N/A	0	0%															
Turnover of eligible Taxonomy-aligned activities (A.1)																		
A.2 Eligible not Taxonomy-aligned activities		0	0%															
Turnover of eligible not Taxonomy-aligned activities (A.2)																		
Total (A.1 + A.2)		0	0%															
B. NON ELIGIBLE ACTIVITIES																		
Turnover of non-eligible activities (B)		24,494	100%															
Total (A + B)		24,494	100%															

## 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 2022 Universal Registration Document), and due to that, the Group considered the indicator as not material.

ECONOMIC ACTIVITIES	Codes  Absolute OpEx (€ millions)  Proportion of OpEx			Substantial Contribution						DNSH criteria						Minimum Safeguards	Taxonomy-aligned proportion of OpEx, FY22	Taxonomy-aligned proportion of OpEx, FY21	Category (enabling activity or)	Category (transitional activity)
				Climate Change Mitigation	Climate Change Adaptation	Water and Marine resources	Circular Economy	Pollution	Biodiversity and Ecosystem	Climate Change Mitigation	Climate Change Adaptation	Water and Marine resources	Circular Economy	Pollution	Biodiversity and Ecosystem					
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1 Environmentally Sustainable activities (Taxonomy Aligned)	N/A	0	0%																	
OpEx of environmentally Sustainable activities (A.1)																				
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		0	0%																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																				
Total (A.1 + A.2)		0	0%																	
B. NON ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy non-eligible activities (B)		673	100%																	
Total (A + B)		673	100%																	

## 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	Section 1.1 of 2022 Universal Registration Document
	2-2 Entities included in the organization's sustainability reporting	Section 5
	2-3 Reporting period, frequency and contact point	Sections 1.5, 5
	2-4 Restatements of information	Section 2.1
	2-5 External assurance	Section 6
	2-6 Activities, value chain and other business relationships	Sections 1.1, 1.4 of 2022 Universal Registration Document Section 1.1
	2-7 Employees	Section 2.4
	2-9 Governance structure and composition	Section 3.1 of 2022 Universal Registration Document
	2-10 Nomination and selection of the highest governance body	Section 3.1 of 2022 Universal Registration Document
	2-11 Chair of the highest governance body	Section 3.1 of 2022 Universal Registration Document
	2-12 Role of the highest governance body in overseeing the management of impacts	Section 3.1 of 2022 Universal Registration Document Section 1.3
	2-13 Delegation of responsibility for managing impacts	Section 1.3
	2-14 Role of the highest governance body in sustainability reporting	Section 1.3
	2-19 Remuneration policies	Section 3.3 of 2022 Universal Registration Document
	2-20 Process to determine remuneration	Section 3.3 of 2022 Universal Registration Document
	2-21 Annual total compensation ratio	Section 3.3 of 2022 Universal Registration Document
	2-22 Statement on sustainable development strategy	Section 1.1.2 of 2022 Universal Registration Document
	2-25 Processes to remediate negative impacts	Section 2.5
	2-26 Mechanisms for seeking advice and raising concerns	Section 2.5
	2-27 Compliance with laws and regulations	Section 2.5
	2-29 Approach to stakeholder engagement	Section 6

GRI Standard	Disclosure Title		Reference
GRI 3 - Material topics (2021)	3-1	Process to determine material topics	Section 1.4
	3-2	List of material topics	Section 1.4
	3-3	Management of material topics	Section 1.4
GRI 205 – Anti-corruption (2016)	205-2	Communication and training about anti-corruption policies and procedures	Section 2.5
GRI 302 – Energy (2016)	302-1	Energy consumption within the organization	Section 2.1
GRI 303 - Water and effluents (2018)	303-3	Water withdrawal	Section 2.1
GRI 305 - Emissions (2016)	305-1	Direct (Scope 1) GHG emissions	Section 2.1
	305-2	Energy indirect (Scope 2) GHG emissions	Section 2.1
	305-3	Other indirect (Scope 3) GHG emissions	Section 2.1
GRI 306 - Waste (2020)	306-3	Waste generated	Section 2.2
	306-4	Waste diverted from disposal	Section 2.2
	306-5	Waste directed to disposal	Section 2.2
GRI 403 - Occupational Health and Safety (2018)	403-9	Work-related injuries	Section 2.4
GRI 404 - Training and Education (2016)	404-1	Average hours of training per year per employee	Section 2.4
	402-2	Programs for upgrading employee skills and transition assistance programs	Section 2.4
GRI 405 - Diversity and Equal Opportunity (2016)	405-1	Diversity of governance bodies and employees	Section 2.2

## **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, 2022**

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 information statement for the year ended December 31, 2022 (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 policies on climate change, sustainable offering, talent management and reporting and communication are being formalised at the EssilorLuxottica level;
- the results presented relating to business ethics, sustainable offering, supplier sustainability, talent management and reporting & communication do not relate to identified key performance indicators for the relevant applicable policies.

## **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. 822-11-3 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 14 persons between October 2022 and February 2023 and took a total of 20 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;
- we verified that the Statement presents the information set out in Article R. 225-105 II where relevant to the principal risks and includes an explanation for the absence of the information required under Article L. 225-102-1 III, 2;
- 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 Business Interruption, Product Innovation and Circularity, Supply Chain, Ethics, and Reporting and Communication risks, our work was performed at the consolidation Entity level; for the other risks, our work was performed at the consolidation Entity level and on a selection of entities: Tristar (China), TOPI - Transitions Optical Philippines (Philippines), Polycore

Malaysia (Malaysia), Luxottica Retail North America Sun and EOA Operations - Gentex (USA), ELOA ECO I and ELOA ECO II (Mexico), Luxottica Oakley Do Brasil/ Campinas and Essilor Da Amazônia Indústria E Comércio Ltda (Brazil), Luxottica S.R.L. - Pederobba - Rovereto - Barberini (Italy), EOLP (Poland), Essilor Ltd (UK);

- 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: Tristar (China), TOPI - Transitions Optical Philippines (Philippines), Polycore Malaysia (Malaysia), Luxottica Retail North America Sun and EOA Operations - Gentex (United States), ELOA ECO I and ELOA ECO II (Mexico), Luxottica Oakley Do Brasil/ Campinas and Essilor Da Amazônia Indústria E Comércio Ltda (Brazil), Luxottica S.R.L. - Pederobba - Rovereto - Barberini (Italy), EOLP (Poland), Essilor Ltd (UK), and covers between 20% and 31% 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, March 1, 2023

One of the Statutory Auditors

PricewaterhouseCoopers Audit

Stéphane Basset  
Partner

Sylvain Lambert  
Partner, Sustainable Development Department

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

### Key performance indicators and other quantitative results:

#### HR

- Total headcount and breakdowns (*per age, work category, contract and gender*) for employees and temporary/ agency workers;
- Number of training hours (*per work category*); Live training sessions; participants;
- Number of onboarding programs delivered during the year;
- Number of employees included in the talent review process;
- Engagement rate over initiatives such as leadership capability assessments, development programs with top Universities, individual and small group coaching;
- Number of participants to EL “New Ways of Working”;
- Number of employees that registered to get physical activity, personal well-being tips, team building and challenges through the program “Heroes Together”;
- Number of employees who participated in the OneSight EssilorLuxottica Foundation’s clinics;
- Number of employees who volunteered to support the OneSight EssilorLuxottica Foundation activities for World Sight Day;
- Number and geographical repartition of the employees that hold a financial stake of EssilorLuxottica & number of shareholders;
- Number of independent employees shareholders within the association (Valoptec) that supports EssilorLuxottica’s values as well as contributes to its governance;
- Number of mass production plants, lens laboratories, logistic centers and corporate office certified ISO 45001:2018;
- Work-related injury (including occupational illness) frequency rate and severity rate, number of injuries, number of lost days for employees and temporary/agency workers;
- Number of HR related audits performed either by an external specialized company or by the Internal Audit Department;
- Number of employees that have followed e-learning modules on “Business and Human Rights”;
- Number and percentage of employees that have completed “Code of Ethics trainings”;
- Number of children studying in government schools that have access to vision care services.

#### Environment

- Reduction of energy intensity and linked consumptions;
- Energy for Retail (Electricity & Gas);
- Waste volume;
- Water (intensity, Fresh surface water, Groundwater, Third party water);
- Refrigerant leakage;
- Reportable chemical spills;
- Environmental monetary fines;
- Number of manufacturing facilities, distribution centers and corporate offices that are ISO 14001 certified;
- Amount of self-generated clean energy in Italy;
- Production of electricity from renewable sources (photovoltaic system) in Italy, Tunisia, China, Germany and Honduras;
- Identification and repartition of the Group GHG emissions (scope 1, 2, 3);
- Residual emissions and their compensation;
- Weight of plastic reduction during shipping (GrandVision);
- Number of shipments involved in green shipping programs;
- Quantitative repartition of scope 3 emissions;
- Percentages of bio-content used for frames;
- Percentage of reduction of wastes due to the non-collection of custom-made spectacles.

#### Suppliers

- Percentage of strategic suppliers subject to external CSR audits;
- Percentage of preferred suppliers who have signed the EL Responsible Sourcing & Manufacturing Charter;
- Number of suppliers covered by the Best-in-Class Sustainable Procurement Program;
- Number of suppliers audited on CSR matters (Breakdown of supplier categories within the Critical Supplier base - Top 500 spend suppliers and other business critical suppliers categories and non-substitutable suppliers);
- Number of maintenance audits on suppliers;
- Percentage of AFA spending covered by on-site audits.

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

### Qualitative information (actions and outcomes):

Identification of main CSR risks: Climate Change, Talent Management and well-being, Sustainable Offering and production, Non-Financial communication, Responsible business practices.

#### Main World Sight initiatives

- OneSight EssilorLuxottica Foundation, ranking on Change the World List (6th);
- Eye Rafiki program in Kenya;
- Independent clinical study on EssilorLuxottica's ClickCheck™;
- Creation of access for 100% of the populations of Rwanda, The Gambia and nearly all of Zambia & opening of two permanent vision centers in Malawi;
- Establishment of a mobile clinic in France, partnering with local NGOs;
- Creation of a partnership with United Nations Road Safety Fund (UNRSF);
- Impact of OneSight EssilorLuxottica Foundation and its contribution to IAPB's goal;
- Support of the international 'Les Nuits de Fourvières' performing arts festival.

#### Sustainable Offering initiatives

- Installation of evaporator system;
- "Blue Angel Award";
- Programs to receive structured feedback from customers and end consumers.

#### Main HR initiatives

- Virtual events and digital conferences;
- Unconscious Bias training;
- "New to your store" training;
- Talent reviews;
- FinHance Program;
- Mentoring Program;
- Development of EL Value Proposition;
- Training on "Responsible Communication" has been offered to Central Marketing Teams;
- Creation of Global DE&I function;
- D&I blueprint, policy and toolkit;
- Financial Times "Diversity Leaders list 2023";
- Operations Talent Program.

#### Main H&S initiatives

- Behavior Based Safety Program.

#### Main environmental initiatives

- Roadmap;
- Carbon footprint assessment;
- Update of the climate risk model;
- Mapping of critical motors to change;
- First LEED certification of a retail store;
- Release of "New Building Guidelines";
- Newsletter containing climate actions and key projects within the Group;
- Dashboard with key environmental performance of the main Operation sites;
- Organization of a Sustainability Week.

#### Circularity initiatives

- Eco-social design framework (Sustainability Assessment Methodology) and tool;
- Development of waste expertise training;
- Alternative recycled and bio-based materials used;
- Introduction of combined bio and recycled acetate as well as bio-based nylon for Plano lenses;
- Waste expertise training;
- Activation of repair service in different retail banners.

#### Business Ethics related initiatives

- Updated of the global corruption risk assessment and production of an integrated corruption risk cartography;
- Development of training and awareness programs to enhance the privacy culture of the Group.

#### Supplier sustainability

- One unique EssilorLuxottica responsible sourcing program;
- Training initiative with the focus on AFA vendor located in Bangladesh;
- Group's commitment and vigilant approach of human rights marked by the deployment and integration of the new internal alert system.

Design:  
EssilorLuxottica Creative Hub

Production:  
**côté corp.**

