A WORD FROM THE CHAIRMAN

Essilor is committed to cultivating an environment in which all our stakeholders feel valued and committed to supporting our ultimate goal: “BRINGING GOOD VISION TO ALL 7BN PEOPLE IN THE WORLD.”

Our goal at Essilor is ambitious: to correct and protect the vision of everyone, everywhere in the world and eradicate poor vision entirely. This mission of ‘improving lives by improving sight’ is at the heart of the Group’s strategy and drives everything we do.

We have made significant strides since the Group’s beginnings in 1849 thanks to a successful strategy based on continuous innovation and partnerships. This strategy has also made us financially strong and independent, positioning us to successfully fulfill our mission today and in the future.

Ensuring that we work in an ethical and responsible way is of the utmost importance to Essilor. Our culture is built on a set of strong values and principles that have been guiding our employees’ behaviour.

Our values are working together, innovation, respect and trust, entrepreneurial spirit and diversity.

These are complemented by a series of principles that guide our interactions with our partners across the globe: to set an example and make a commitment to society, shared trust, mutual respect and a spirit of partnership. Wherever we operate, these values and principles translate into compliance with legislation, the implementation of the highest standards, a focus on human relationships and the responsible use of available resources.

These principles and values are at the centre of this Code of Ethics, which clearly sets out what the Group expects from its employees. By promoting these behaviours, Essilor is committed to cultivating an environment in which all our stakeholders feel valued and committed to supporting our ultimate goal: bringing good vision to all 7bn people in the world.

If we all work together, following these guidelines, I know we can achieve this.

Hubert Sagnières
Chairman and Chief Executive Officer
Why do we need a Code of Ethics?
Who is the Code of Ethics for?
Organisation and implementation

Respect for Human Rights
Commitments to our stakeholders
Loyalty to Essilor Group
Honouring our commitment to society

Alert procedure
To find out more
APPLYING OUR PRINCIPLES & VALUES TO FULFIL OUR MISSION
Principles which guide our daily activities

Our principles should be respected in everything we do.

Some of them are defined by Essilor. Others are the result of legislation or regulations enacted by authorities in the countries in which we operate and some are voluntary initiatives in relation to our stakeholders.

These principles are as follows:

THE COMMITMENT TO CONTRIBUTE TO SOCIETY IN A SUSTAINABLE WAY

SETTING AN EXAMPLE

SHARED TRUST

MUTUAL RESPECT AND A SPIRIT OF PARTNERSHIP
Shared values

Our values shape our attitudes and our behaviour every day.

The high level of commitment to the company exhibited by Essilor’s directors, executives and all of its employees is the perfect example of how they view their responsibilities particularly towards contributing to our growth.

5 VALUES TO GUIDE OUR ATTITUDES AND DAILY BEHAVIOUR

RESPECT AND TRUST are at the heart of our human relationships and foster commitment.

WORKING TOGETHER increases the company’s performance and enables us to maintain a dynamic of permanent evolution.

INNOVATION concerns all aspects of the company: technology, manufacturing, sales and service. Innovation to promote access to visual health for a maximum number of people is what drives our development.

OUR DIVERSITY and the value we place on differences are strengths that enrich our human experience. They accompany our geographic expansion and our adaptation to local cultures.

OUR ENTREPRENEURIAL SPIRIT, which is reflected in the encouragement of initiative and empowerment, is one of Essilor’s founding characteristics.
Sight is one of the five senses. It is a crucial function and good eyesight is essential not only to health, but also to social and professional inclusion, child development, and everyday well-being.

This Mission of improving lives by improving sight encourages the Group to serve an increasing number of countries and people to ensure that everyone has equal access to eye care.

Our Mission reflects our ambition to contribute to the common good, to protect and correct the vision of everyone on the planet.

Essilor Group’s ethics are first and foremost guided by our commitment to fulfilling this Mission, which underpins our identity.

Our Principles and Values, along with the care we take to protect our reputation and credibility, underlie our behaviour, the way we work and the choices we make. These values include an entrepreneurial spirit and stringent ethics standards.

● The entrepreneurial spirit is the result of active employee involvement in the Group’s life and strategic orientations. This involvement is embodied by Valoptec Association, which brings together employee shareholders and retired staff, and is present in 40 countries. It is the Group’s cultural foundation.

● The high level of employee shareholding in the Group strengthens the entrepreneurial spirit and cooperation, thanks to the sharing of the value created and the resulting alignment between the common interests of shareholders and employees.

Valoptec strives to uphold the Essilor spirit: a company that is autonomous and that intends to control its own development and destiny, respect for its members and culture of commitment, ethical relations with its stakeholders, open-mindedness and incorporation of new entities joining it with a concern for reciprocal contributions and respect of the mutual culture, and vigilance towards changes in environmental requirements.” Juliette Favre, President, Valoptec Association
GOVERNANCE
AND RESPONSIBILITY
Why do we need a Code of Ethics?

The Code of Ethics reiterates the fact that our Principles and Values enable us to fulfil our Mission of improving lives by improving sight.

Essilor is a large global Group and complies with all laws and regulations in force in the countries in which it operates.

Any failure to comply with legal obligations can lead to serious financial and criminal consequences for the Group or its employees and can damage our reputation.

Although the care we take to comply with laws is a compliance concern, it is first and foremost driven by adherence to our Principles and Values. It is a question of ethics.

Therefore, the Code of Ethics sets out the way in which our Principles and Values guide us in our day-to-day business.

There are two pillars to the Group’s ethics:

**RESPECT + LOYALTY**

Ethical principles boost the Group’s credibility and the solid reputation it has with all our stakeholders.

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*Compliance is first and foremost a state of mind. The vigilance, the diligence and the reflexes of all ensure its effectiveness and contribute to the operational safety and reputation of Essilor.*  
*Serge Zins, Chief Compliance Officer*
Who is the Code of Ethics for?

The Code of Ethics applies to all employees in the Group, and particularly to managers.

All employees are Group ambassadors and must embody the Group’s image and reputation in everything they do.

The Group’s managers, in particular, must set an example in terms of ethics and legal compliance in all their interactions and in all the decisions they make.

They must promote and showcase ethical behaviour, but also detect any ethical failings and work to resolve them.

The Group also expects its business partners, particularly its suppliers, to adhere to its ethical standards in line with its Supplier Charter.
Organisation and implementation

Essilor has a dedicated organisation which enables it to implement its Code of Ethics.

It is the responsibility of the Compliance, Human Resources and the Sustainability departments to define and implement the Group's ethics and responsibility policy.

The Code of Ethics does not claim to outline the behaviours required in each situation. It gives guidance and acts as a reminder of the thinking that should govern us when we make decisions which bind the Group in the course of our work.

Essilor also has expert charters on specific topics, as well as prevention tools via an ethics alert line, training programmes and a sanctions policy for Group employees.

Taking ethics into account when you make decisions

For performance reasons, an element of secrecy is necessary in business: not everything can be made public, and secrecy and confidentiality must be protected. It is generally in these situations that ethics risks arise, and the limits are not always clearly delineated.

That is why we need guidelines, and why ethical practice begins with the utmost vigilance.

If you have even the slightest doubt, you must first refer to the Group’s Principles and Values, so as to balance the entrepreneurial spirit that drives us with exacting ethical standards.

Whenever necessary, everyone can refer to the operational documents published by the Group which set out the internal rules.

You should never hesitate to ask for help and advice from your line manager, or use the Group’s Ethics Line.

Everyone, no matter their role, will be complying with the Group’s ethics, and our Principles and Values if they are vigilant in the four following areas:

1. Respect for Human Rights
2. Loyalty to our stakeholders
3. Loyalty to the Essilor Group
4. Honouring our commitment to society
1. Respect for Human Rights

A human endeavour

Our long history has proven that, as well as being an industrial and commercial story, the Essilor Group’s growth is first and foremost a human endeavour.

The primary focus of our attention is to protect and correct the sight of everyone on the planet. Our Mission is to provide people with specific, accessible and innovative solutions to improve their lives by improving their sight.

Whatever their age, cultural background, living conditions and financial resources, and wherever they live in the world, we want to be able to provide the most suitable solution for their needs and expectations.

In order to achieve this, the Group has more than 65,000 talented employees worldwide.

We must respect them in all their diversity, their enthusiasm, skills, energy and dedication. These qualities are real assets for the Group and help us to fulfil our Mission.

“Working together” is one of our founding values.

Our decisions have direct and indirect consequences on a great many other people who are stakeholders in our business activities.

The Essilor Group takes special care to ensure that human rights are respected, and particularly that its business activities do not generate, directly or indirectly, any inappropriate working conditions.

- Strict respect of international labour laws
  In our businesses, but also across our supply chain, we have a duty of care to ensure that at the very least international employment laws are always adhered to, and that undeclared work, child labour, forced work, and any other inappropriate employment conditions are prevented.

- Health and safety at work
  The health, safety and working conditions of its employees and all people involved in its business activities are a top priority of the Group and take precedence over all other considerations.
  The Group pays special attention to the safety of employees engaged in business travel.

- Promotion of and respect for diversity
  We encourage initiatives to boost employee diversity by providing equal opportunities and dynamic career management for all employees, on the merit of skills, personal suitability and experience only.
  Special care is taken to prevent all forms of harassment and intimidation as well as any discriminatory practices, whether on the basis of gender, nationality or origin, political sympathies, religion, trade union involvement or sexual orientation.

Our diversity and the valuing of our differences are significant factors in the Group’s exceptional growth. When different points of view arise, the result is very rich and this in turn provides one of the levers of our product and service innovation. The promotion of diversity has also enabled us to develop internationally, thanks to better adaptation to local cultures. This is a key factor in successfully associating newly-acquired companies”

Frédéric Mathieu
Corporate Senior Vice President, Human Resources
Personal data protection
When we hold personal data in our databases, we are merely custodians of this data.

We do not own this information, irrespective of whether it concerns Group employees, our clients (eye care practitioners or wearers), our suppliers or our shareholders.

We respect privacy by applying strict conditions to the collection, storage, processing, transfer and destruction of data.

2. Commitments to our stakeholders

Entrepreneurial spirit
Among our values is entrepreneurial spirit, based on independence, initiative and innovative thinking. All employees, who are participants in our community of entrepreneurs, contribute to the Group’s Mission and embody its Principles and Values.

Individual initiative is always encouraged. It is the driving force of innovation throughout the company, and is reflected in the pursuit and implementation of products, services and organisations adapted to diversity and the evolution of markets.

Initiative goes hand in hand with the strong values that unite our community.

We take care to ensuring that third parties can count on our loyalty and transparency in their dealings with the Essilor Group.

Our shareholders, clients, suppliers, competitors and partners with which we have cooperation agreements, as well as public authorities, must all recognise that we are respectful, loyal, honest and worthy of trust.
KEY AREAS OF FOCUS

Confidentiality
Our relations with third parties are governed by contracts which are drawn up and applied in a commercially reasonable manner.
We must honour all our partners by closely complying with our confidentiality commitments.

Innovation
Innovation is one of Essilor Group’s fundamental Values. The Group files many patents and trademarks worldwide every year.
We strive to respect the talents, investments, perseverance and vision of all innovators and entrepreneurs, irrespective of their area of expertise, to help us improve lives by improving sight.

It took almost 10 years of relentless work with my small team to bring about the industrial design for the first progressive lens: the first generation of “Varilux” was born!”

Bernard Maitenaz
Former Chairman and CEO of Essilor
(the inventor of the Varilux progressive lens in 1959).
Audacity and pugnacity led to a revolution

Competition law
We must adhere to both the spirit and the letter of competition law in our dealings with both our clients and our competitors.
Loyalty means refusing to participate in any illegal horizontal or vertical agreement (for a definition, please refer to our Competition law compliance programme), and in any illegal practice which restricts competition or is discriminatory to other market operators.

Responsible purchasing
We select suppliers who share our ethical and legal compliance principles and who, like us, use their human, natural and financial resources with sustainable development in mind, i.e. intelligently and responsibly.
We forge relationships with them based on fairness and loyalty with a view to a mutually beneficial cooperation.

Over the last 170 years, Essilor was built around the values of respect, cooperation, trust, innovation and entrepreneurial spirit.
By end 2018, all our preferred suppliers will have signed our Suppliers Charter, thus all contributing to our way of doing business ethically and participating to the fulfilment of our Mission.”

Patrick Poncin
SVP Operations & Equipment Business

Fight against corruption
The Essilor Group condemns and renounces all acts of corruption. Although most objectionable situations are clearly identified in both legal and ethical terms, there is one common practice which is often less clear-cut and which requires extra vigilance: giving and receiving gifts.
Any employee confronted with an ambiguous request or proposal must read the applicable internal rules, notify their line manager and, if necessary, take advice from the Group’s Ethics Line.
3. Loyalty to the Essilor Group

Each employee is a guarantor of the Group’s Principles and Values in their dealings with internal and external stakeholders. Employee loyalty to the Group involves integrity, credibility, reputation and the ability to improve lives by improving sight over the long term.

**KEY AREAS OF FOCUS**

- **Fraud**
  All types of fraud, i.e. any action performed in bad faith and intended to deliberately mislead, are incompatible with the Group’s ethical principles.
  All documents, publications and information issued by the Group are drawn up in a true and sincere way.

- **Insider trading**
  Insider trading is a legal and ethical transgression. It is in breach of the Group’s Principles and Values. The Group requires that any person in possession of insider information refrains from any illegal acquisition, disposal, subscription or exchange of securities to which the insider information relates.

- **Conflicts of interest**
  Each Group employee must do their utmost to strictly separate their professional activities from their personal commitments, in order to avoid confusion and conflicts of interest.
  In the course of their work, they agree to only defend the exclusive interests of the task for which they are responsible. They must report any existing or potential conflict of interest situation.

- **Protection of material goods**
  The Group’s property is made available to its employees for the sole purpose of contributing to the Group’s business activities, objectives and interests.

- **Use of social media**
  Group employees must use social media carefully. In particular, they must refrain from posting any comments or personal opinions relating to their work, the Group, their colleagues or their working environment. They are prohibited from discussing information concerning the Group which is not already in the public domain.

- **External communication**
  The Group communicates in a clear and honest manner. Any employee asked to talk about the Group or on its behalf, particularly to the media, at conferences, in publications or on the internet, must adhere to this rule and refer the matter in advance to the relevant internal departments.

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1. Refer to the ethics note available on the employee shareholders’ intranet or contact the employee shareholders’ department.
4. Honouring our commitment to society

Innovative solutions for sustainable development

Our aim is to improve lives all over the world by improving sight using innovative, quality solutions. We believe that the best way to achieve this is by embedding our actions in an overall sustainable development approach, which is guided by our commitment to set an example.

As signatories to the United Nations Global Compact, we pay special attention to the social, societal and environmental impact that our business activities have on all stakeholders. This commitment to lead by example begins with respecting people and human rights, as well as local communities and cultures.

Our legal compliance policy is intended to be exemplary: it creates a compliance culture throughout the Group enabling us to systematically and actively comply with all applicable legislation and regulations.

We set an example by using our entrepreneurial spirit and our capacity for innovation to protect the environment, by inventing solutions to use our resources carefully.

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**KEY AREAS OF FOCUS**

- **Legal compliance**
  - We must act at all times in compliance with the laws and regulations applicable in the countries in which we operate.

  This is the aim of the Compliance policy, which entails proactive and preventive action by the entire Group (management teams and employees) to ensure that legislation is complied with.

  Although legal compliance is a legal obligation, it is for ethical as well as legal reasons that we comply with the law.

- **Environmental protection**
  - Our efforts to protect the environment include trying to reduce our water consumption, improving energy efficiency in our production and transport operations, reducing, recycling and recovering our waste, and reducing our carbon footprint.

- **Fight against money laundering**
  - There are attempts being made to invest a considerable amount of capital of dubious origin in the legal economy.

  These funds are the proceeds of corruption, criminal activity, extortion, trade in illegal or counterfeit goods, or possibly linked to terrorism.

  The Essilor Group takes all precautions regarding the origin, real owners and beneficiaries of the funds involved in its financial transactions.

- **Policy on international economic sanctions**
  - Certain countries, companies or individuals are subject to embargoes by states whose decisions are imposed on the Group, its subsidiaries and all of its partners.

  These sanctions involve restrictions on the movements of people, property, information and/or capital.

  We actively monitor these situations and adapt our operations to comply with applicable sanctions.
The Essilor Group has set up an “Ethics Line” (which may be operated under other names in some countries), which is a prevention resource that can be used by any employee to ask for help and advice if they encounter an ambiguous situation. Employees can also use the system to create an alert if they become aware of events obviously in breach of ethics rules or legislation. In addition to other internal channels, Ethics Line is another option employees can use to raise any concerns.

**Confidentiality of communications**

As a prevention tool, Ethics Line is first and foremost a source of advice accessible to all Group employees and of all its subsidiaries and joint ventures. Any information they share using this resource will be treated in full confidentiality.

**Response commitment**

All cases reported will be responded to and followed upon. Alerts trigger an investigation, which is entrusted to the relevant internal department. Investigations are processed within a reasonable time frame depending on the nature of the alert. The investigation may result in corrective measures and disciplinary action, in the event of proven transgression on the part of an employee.

Those who have submitted an alert are able to monitor the way in which it has been followed up. Essilor will never reveal reporters’ names without permission, unless the law requires it to do so.

If the alert has been submitted in good faith, even if it later proves to be unfounded, no sanctions may be applied to its reporter and the Group will not tolerate any form of reprisals. However, disciplinary sanctions will be applied in the event of alerts which are deliberately libellous or defamatory.
TO FIND OUT MORE
If you need further guidance, you may do so by discussing your issue with:

A member of the Group Compliance Department
Serge Zins – Group Chief Compliance Officer
Fadette Meghezi – Group Legal Compliance
Laurent Teyssandier – Group Data Protection Officer
Or by contacting compliance@essilor.com

Your Human Resources contact

You can use an alternative method to report potential non compliance, non respect of the Code of Ethics, and to seek advice via:

A secure website:
www.essilor.group.ethicspoint.com
Europe and Amera
Americas and Transitions

A toll-free hotline
(dial-in numbers available on the secure website)
Ethics is knowing the difference between what you have a right to do and what is right to do.”

Potter Stewart