

# **EssilorLuxottica Critical Incident Response & Safety Guidelines**

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## ***I. Civil Unrest***

### Overview

With the evolution of social media and mass communication, protests and demonstrations may develop in or around retail locations in an unprecedented speed and capacity. This type of activity is often peaceful, causing limited to no disruption in daily business operations. However, certain conditions may trigger rapid escalation to violence, vandalism, and looting. Such escalations are referred to as *Civil Unrest*.

*Civil Unrest* is defined as a gathering of three or more people, typically in reaction to an event, with the intention of causing public disturbance. It is often accompanied by damage to property or injury to others.

### Precautions

The safety of our associates and customers is our top priority. As such, although each event may have unique circumstances, safety must remain the primary objective behind subsequent actions. Should immediate safety concerns be present, proceed by following Run, Hide, Fight protocols as outlined below:

- RUN - If there is an accessible escape path, attempt to evacuate the premises.
- HIDE - If running is not possible, find a place to hide where the active shooter has less access.
- FIGHT - As a last resort, and only when your life is in imminent injury or death, attempt to disrupt and/or incapacitate the active shooter

### Preparation Best Practices

As a general guide to support mitigation actions for upcoming *Civil Unrest*, the following risk categories and corresponding recommendations have been established (to be modified and adjusted as needed):

- **Low** – Possible traffic disruption in immediate vicinity
  - Validate that CCTV and external locks are functional.
  - Update alarm contact list and ensure proper operation.
  - Reduce business hours to preemptively allow for safe departures.
- **Medium** – Potential property damage and significant disruption in immediate vicinity
  - Remove publicly visible product along with shipment boxes and secure out of sight at closing.
  - Where possible, secure funds in a safe and ensure register tills remain open overnight.

- Ensure sales floor lighting remains on overnight.
- Overnight guard deployment.
- **High** – Anticipated violence or significant property damage in immediate vicinity.
  - Board pending brand approval.
  - If boarded and safe to do so, field leaders to report store status daily until re-opened.
  - Asset Protection Command Center to actively monitor remote CCTV locations for signs of distress and contact law enforcement when needed.
  - Temporary closure until deemed safe to re-open.

To assign the appropriate risk category, the Regional Manager of Asset (RMAP) will partner with the corresponding Regional Manager (RM) for a localized evaluation based on criteria such as:

- Geography (ie accessibility or proximity to government buildings)
- Existing security measures such as shutters
- Store design
- Street access
- Known police presence
- Prior unrest
- Driver for the unrest (ie has it been triggered by violence?)
- Direct employee feedback

### Communication

In the event associates or field leadership identify a potential *Civil Unrest* event that may transpire within 48 hours the following contacts must be made:

- 911 (if violence or threat of harm is observed)
- Regional Manager of Asset Protection
  - Contact Asset Protection Command Center 1-866-LUX-HELP Option 6
    - Describe the incident, categorize the applicable Risk (low, medium, high) and corresponding mitigation actions. Alert will then be generated to applicable Brand leadership, Asset Protection and Risk Management.

For **immediate needs**, the store and field leadership team are empowered to evaluate and act in the interest of associate and customer safety.

For **planned events** that are anticipated beyond 48 hours, the Regional Manager of Asset Protection will partner with a Regional Manager of Investigations (RMI) to evaluate. If determined to pose Medium or High risk, the RMI will provide detailed synopsis of the event, suspected risk, and desired mitigation to the following:

- Sr. Director of Asset Protection (by Brand)

- Director of Investigations
- Physical Security Manager
- Zone Vice President
- Regional Manager
- Vice President of Asset Protection

If the recommendations include a need for additional resources such as fortification or security guards, the respective Sr. Director of Asset Protection will seek necessary approvals from the applicable brand operations unit and coordinate accordingly.

### Media Presence

Please note that some events may solicit media attention. EssilorLuxottica policy does not permit associates to conduct media interview nor photograph/film inside our stores without prior coordination with the Public Relation department. If you are approached by a member of the media, please follow these steps:

- Thank them for their interest and ask for their information (name, media affiliation, phone number and email address).
- Explain it is company policy to obtain advanced approvals before conducting interviews or allowing photography/filming.
- Excuse yourself to call the appropriate public relations contact as listed in the EssilorLuxottica Media Policy.

There is no such thing as “off the record”. Do not engage in casual conversation with a reporter under any circumstances. A seemingly off-handed or personal comment may be used as a quote in the reporter’s story. Please confirm that cameras are off until you receive necessary approvals.

## **II. Critical Incidents**

### Overview

EssilorLuxottica Retail locations are impacted by approximately fifty thousand external incidents on an annual basis. Some of these can be deemed as *critical* due to their financial magnitude, risk for media exposure and most importantly an immediate physical risk to our employees and customers. The most common critical incidents can be defined as follows:

- Robbery – Occurs when there is physical harm or threat to cause harm during an act of theft.
- Burglary – Theft outside business hours through forced entry into the store.
- Violent Crime – Physical harm or threat to cause harm without an element of theft.
- Significant Theft – A shoplifting incident amount to a \$10,000 loss or above.

- Active Shooter – An individual actively engaged in killing or attempting to kill people in a confined and populated area.
- Significant Store Issues (SSI) – Incidents outside the standard scope with unique characteristics that could potentially entail reputational harm to EssilorLuxottica or physical danger to its employees.

### Incident Reporting

An incident report must be filled out via the Asset Protection page found in the Ciao Toolkit for every theft. Incidents pertaining to violence, robberies and burglaries must be reported by contacting the Asset Protection Command Center directly at 866-LUX-HELP (option 6).

Whenever police respond to our stores, associates must obtain the officer's name, report number (if available) and contact information. All of which should be input into the incident report. Where applicable, stores must retain video evidence of *any* incident involving police contact.

While writing a narrative of the incident, it is imperative to refrain from documenting *assumptions*. For example, if items went missing but no one witnessed the theft then the narrative cannot explicitly state that a specific customer was responsible just because they were nearby.

All product thefts should be adjusted out of inventory as via a Theft Automated Inventory Adjustment (AIA). If the product is later recovered, it should be *added* back into inventory in a reversed manner.

To determine missing UPCs, on hand inventory can be reconciled against the Stock Summary report.

**Note:** All product not yet confirmed as received is included in the Stock Summary's "*Total Quantity*". When trying to identify a product's physical on-hand you will need to subtract the "*Unconfirmed QTY*" from the "*Total Quantity*". Failure to do this will result in inaccurate depiction of losses.

### Incident Management

Upon receipt of an incident report matching the above criteria, the following actions must be taken in a timely manner to ensure the safety of our employees along with maximized resolution via evidence retention

Incident Type	Owner	Timeline	Minimum Actions
Robbery Violent Crime Significant Store Issues Active Shooter	RMI	Immediate	Contact reporting store to check on wellbeing of the associate(s).
			Gather relevant information/evidence potentially missing from report and validate accuracy of initial report.
			Identify as a primary contact for Police.
			Notify RMAP of the potential guard need.
			Respond to the incident report outlining what steps have been taken.
	RMAP / APS	Immediate	Secure guard services where applicable.
			Contact neighboring stores in the center when suspecting wider impact zone (ie Active Shooter) to check on wellbeing.
		< 24 Hours	Conduct 2 <sup>nd</sup> follow-up, <i>in person if within 50 miles</i> , to ensure wellbeing and discuss store concerns for further mitigation. Coach on reporting as needed.
			If traveling to store, secure Legacy footage and upload to LPMS.
Burglary	RMI	<i>As soon as practicable (within 24 hours)</i>	Contact store to gather and update relevant information/evidence potentially missing from report.
			Identify as a primary contact for Police.
			If lacking in narrative, identify & share physical vulnerability with Sr. AP Director for applicable brand for resolution.
	RMAP / APS	< 24 Hours	Ensure new shipments are turned off.
			Ensure SmartShopper orders are redirected.
			Partner with product assortment and Inventory Services teams.
			Support with product/equipment relocation.
			Ensure items in need of repair have been remedied.
Significant Theft	RMI	< 24 Hours	Gather relevant information/evidence potentially missing from report and validate accuracy of initial report.
			Identify as a primary contact for Police.
			If lacking in narrative, identify unique vulnerability and capture <i>all</i> developments and applicable information within the LPMS entry.

Incident accuracy is a critical component to a prompt resolution along with historical analytics when assessing future mitigation strategies. As such, the Regional Manager of Asset Protection

will train stores on the principles of accurate report writing. This shall include police information (when called) along with the following elements:

- Who – Description of involved parties
- What – Units taken and associated amount
- When – Date and time
- How – Method of crime

To further ensure accuracy, the Regional Manager of Investigations will be responsible to solicit missing information pertaining to their assigned investigations such as quantities, damage to store, injuries, value, etc. and update the incident accordingly. Missing information for thefts under \$10,000 will be solicited and updated by the Regional Manager of Asset Protection, or when applicable, by the Asset Protection Supervisor.

### Case & Crisis Meetings

A monthly meeting is to be facilitated between each Regional Manager of Investigations and their applicable Regional Manager of Asset Protection. It is encouraged to further invite Asset Protection Supervisors and Regional Managers for certain key markets of substantial focus and concern. The meetings are to be formalized and summarized via the *Case & Crisis Monthly Form*. Topics of discussions will be broken down as follows:

- Regional Manager of Investigations:
  - Significant external case updates
  - Emerging external trends
  - Chronically problematic locations
- Regional Manager of Asset Protection:
  - Internal case updates
  - Focus store and shrink progression
  - Potential localized drivers for emerging trends

The group will conclude by aligning recommendations for remedial measures to the concerns and the Regional Manager of Investigations will subsequently share the *Case & Crisis Monthly Form* with Asset Protection Leadership. The Senior Director of Asset Protection shall be responsible for reviewing, manage and ultimately deliver the recommendations to their respective brand(s). Updates on the above implementation shall be provided to the Asset Protection leadership team during a reoccurring *Strategy Review*.

### Reporting

At the conclusion of a quarter, each Regional Manager of Investigations will compile a *Quarterly Intelligence Report* for their respective territory to include the following elements:

- Emerging trends or problematic areas

- Notable cases
- Observed opportunities and vulnerabilities
- Mitigation recommendations

In support of the above report the Asset Protection Analytics team will provide each Regional Manager of Investigations with cohesive analytics pertaining to topics such as:

- Anomalous theft trends, highlighting regions/stores experiencing unusually high number of thefts or specific incident types.
- Breakdown of eyewear brands being impacted by Retail banner, incident type and geographic area.
- Analytics pertaining to property type incident frequency.
- Emerging trends relating to violence both in and in and within immediate proximity to the stores.

In accommodation of growing needs for brand-specific analytics, the applicable brand liaison will coordinate resolve of those needs with their respective Field Director of Asset Protection in collaboration with the Asset Protection Analytics team.

#### Incident Mitigation

A significant portion of incidents occurring throughout EssilorLuxottica retail locations often share similar characteristics in which physical security, product assortment, payroll and other in-store variables generate the increased risk of recurrence. These are typically highlighted in a store narrative through witness observation and/or description of the incident. To streamline mitigation support and human resources allocation, the below matrix provides the category and recommendations. In addition, as general best practices, it is recommended to follow fundamental impressions of control such as:

- Double coverage
- Store cleanliness
- Prompt response
- High customer engagement

Senior leadership is encouraged to leverage the below in formulating their finalized strategies.



Incident Driver	Recommendation
Burglary via broken glass	Fortify glass immediately through film application such as riot glass and plan for long-term enhancements via shutters.
Cash drawer compromised or money stolen from drawer during external incident	GPS units to be placed into cash drawer
No video available or quality issues with provided video	Proceed with Fusion request and replace/reposition cameras as needed
Excessive shoplifting activity/shoplifting with aggression	Remerchandise displays, decrease product quantity available to public, lockable fixtures/understock locks, magnetic locks for front doors, security tags, review associate engagement and adjust accordingly.
Burglary via vehicle through the store front	Bollards or other barricades in front of the store
Targeted POS fraud such as gift card scams, bad checks, keyed credit cards, etc	Regional training by RMAP on policies and procedures, brand wide communication with refresh. Associate accountability where applicable.
Associates were assaulted or explicitly threatened with physical harm	Secure immediate guard services per brand protocols. Armed guards can be used if deemed necessary. Ensure HR is made aware in the event staffing accommodation is necessary.