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CORPORATE GOVERNANCE
THE HISTORY AND EXPERIENCE AT ESSILOR INTERNATIONAL
Carol XUEREF

INTRODUCTION

Essilor International S.A. is the world leader in ophthalmic optics and is a former workers' cooperative ...

Ethical behaviour and listening to stakeholders - the task of implementing good corporate governance is widely facilitated since there is a strong predisposition for it in this company.

Nonetheless, despite these foundations, the Legal Director has a predominant role in ensuring the long-term establishment, extension and continuance not only of governance, but also of awareness-raising of all the stakeholders, as well as the permanent implementation of various internal controls.

What are society's expectations ? What are the concerns of the stakeholders ? What methods should be used, what remedies can be applied, what are best practices ?

As Nietzsche said, "Methods are the true riches".

1. KEY WORDS, GUIDELINES AND METHODS

Training, traceability, visibility, transparency and financial security.

Strong conditioning of the stakeholders at all levels of the company (directors, senior executives, operational staff, internal audit, other workers).

Interaction of the various players and involvement of all those with something at stake.

Organisation of the powers of the Board of Directors, of the specialised committees and of the

senior management – everyone must understand that they have rights and duties, that they are seeking the same objectives, and that conflicts should be avoided.

We are seeking compliance with the law and the creation of an ethical environment, whilst remembering that the aim of the company is to be competitive, to earn money, to expand, and to protect its assets and information from its competitors.

II. THE ROLE OF THE LEGAL DIRECTOR

The Legal Director is a pivotal player in the company ; he or she is a fundamental and steadfast presence in this debate. Could we call him or her the "conscience" of the company ?

The Legal Director's independence and integrity :

Avoid suspicion and dissatisfaction; avoid regulatory fatigue by the stakeholders; encourage progress; raise the awareness of the non-legal staff to the law; encourage gradual maturation; practice preventive medicine rather than cosmetic surgery !

Corporate governance is achieved by everyone applying it, and for all the company's operations.

Integrity of information and practices to be provided to the Board, to shareholders, and to employees.

Prepare proper familiarity with the difficulties of sound governance – who owes information to whom? How can this information be formulated appropriately for the different audiences? Access by whom to what ?

Promote shareholder responsibility.

New risks and responsibilities, training.

Reporting of practices – the audit committee, relationship with the auditors.

Agreements requiring special approval (related parties), delegations of powers – memoranda, databases, reliability of the information systems to back up the relevance of internal controls, control of the contractual flows and protection of the company's assets.

Analysis and presentation of the overall attractiveness of a transaction (e.g., free shares, warrants, executives' compensation; use or not of pyramid structures, holding companies or horizontal structure; mergers and acquisitions operations (be well aware what you are buying prior to deciding and know how to integrate and train the new teams in our methods).

Financial communication and governance.