EssilorLuxottica

Capital Market Day

14.09.2022

Francesco Milleri

Chairman and Chief Executive Officer

Growing with the market, not in the market

The biggest in the industry

Unique market structure, scale disparity has increased further

The only full range player

Present in all products, trade channels, price segments

The only global player

Directly present in more than 150 countries

Partnering with all

We are supplier and customer to almost all players within an interconnected market

Open model for a network company

Paul du Saillant

Deputy Chief Executive Officer

A new integrated end-to-end omnichannel company

Unique asset portfolio

Innovation

Industry Pioneer, Top Spender in R&D

> 11,000
Patents

> 3,500
New Eyewear Models / Year

Brand Portfolio

All product and price ranges

> 150 Brands

- Frames
- Lenses
- Instruments
- Equipment
- Contact Lenses

> 6,000 years heritage

- Smart Glasses
- Readers & others
- AFA
- DTC banners

Go-to-Market

Multi/Omni-Channel

Professional Solutions

Wholesale
>150
Countries

Direct to Consumer

B&M **17,921** Stores
E-com **75** Banners
MVC **> 65M** Lives

Global Footprint

Balanced exposure*

46%
North America

37%
EMEA

5%
Latin America

12%
Asia-Pacific

*proforma revenue FY21

People

> 180,000 Employees in over **150** countries

60%
Women

46%
< 35 years

67k
Employee Shareholders

High Profile Board
(**14** Directors)

Supply Chain

Scale & Proximity

53
Mass Production Facilities

564
Prescription Labs
& Edging-Mounting Facilities

57
Distribution Centers

EssilorLuxottica, the integration

Complementarity of products,
services, segments and geographies

Top customer engagement

New categories / New geographies

Common culture

Unified organization

Eyes on the Planet

Leonardo

Full business digitalization

Store integration and remodeling

Unified lab network

Integrated IT platform

Diversification of supply chain

M&A as an integral part of the growth strategy

Main acquisitions

GrandVision
Barberini
Fedon
Shamir
Walman

Main partnerships

Nikon
Bolon and Molsion
SightGlass Vision

Main minority investments

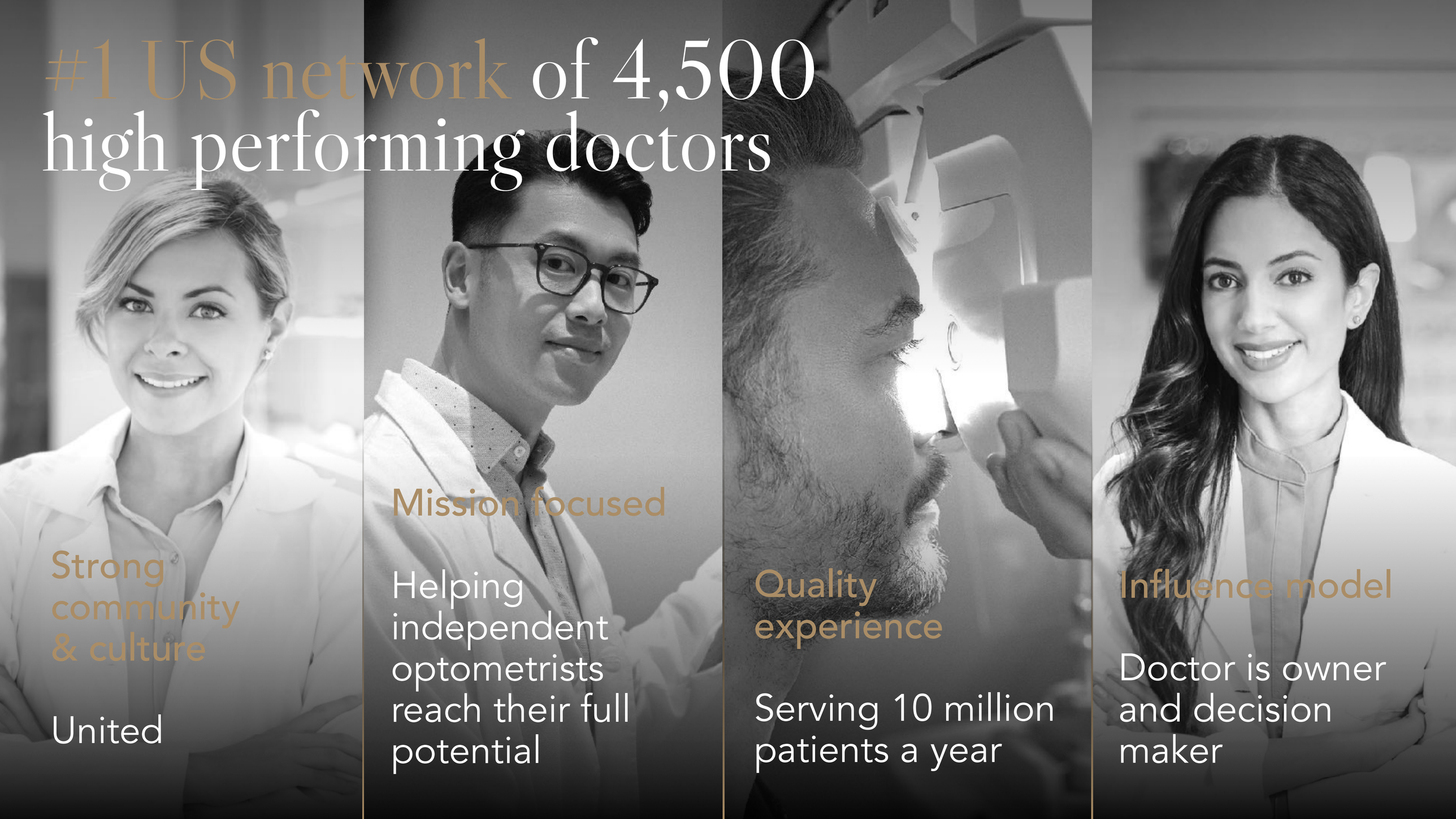
Mazzucchelli
Mister Spex
Paris Miki
Synsam

Dr. Amir Khoshnevis

Vision Source Chief Medical Officer

Vision Source, unique open platform for eyecare, leveraging the partnership with EssilorLuxottica

#1 US network of 4,500 high performing doctors



Strong community & culture

United

Mission focused

Helping independent optometrists reach their full potential

Quality experience

Serving 10 million patients a year

Influence model

Doctor is owner and decision maker

How EssilorLuxottica supports Vision Source

- FRAME BRANDS
- LENS BRANDS
- PRACTICE MANAGMENT
- PARTNERSHIP PROGRAMS
- INSTRUMENTS
- LAB SERVICES
- MYOPIA
- MANAGED VISION CARE
- CULTURE CHANGE
- SMART EYEWEAR
- PRACTICE DESIGN
- SUCCESSION
- DIGITAL TOOLS
- TELE OPTOMETRY

Giorgio Striano

Chief Operating Officer

Supply chain & Carbon roadmap

2018-2022
Integrated & Resilient supply chain

2018-2022

Integrated

One supply chain through simplification and standardization

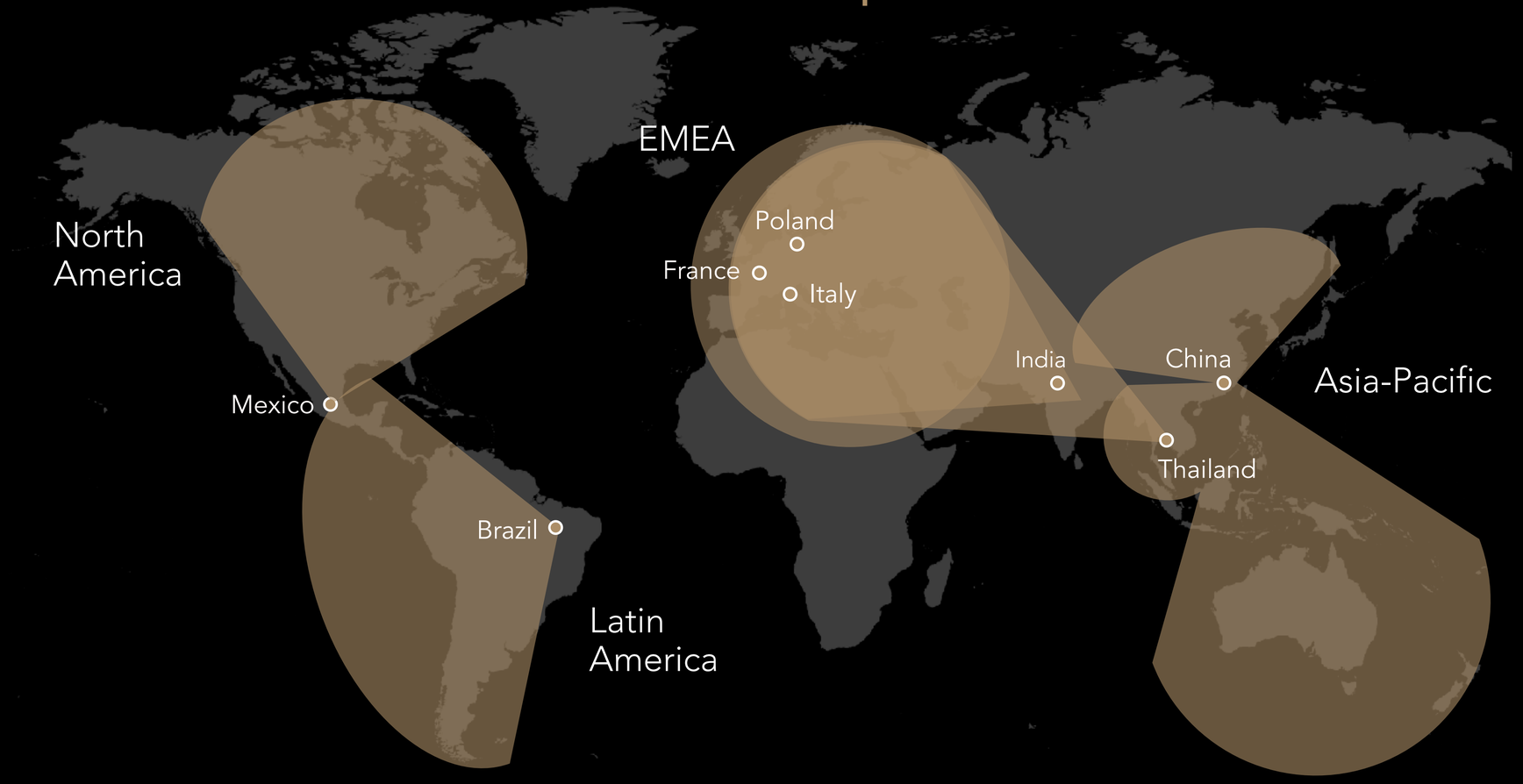
&

Resilient supply chain

Navigating through the global challenges to elevate the customer journey

Building the foundation for years to come

Key investments for a flexible and resilient network, for the benefit of the entire industry and all players: Mexico, Brazil, Thailand and Europe



53 Production plants

564 Labs

Innovation is embedded in our DNA

Automation is not enough

Vertical integration

Ultimate eyecare experience

Eyes on Carbon

- Process optimization
- Energy attribute certifications
- Green logistics
- Renewable energy production on site
- New buildings designed to be green
- Reforestation projects

Federico Buffa

Head of Eyewear R&D, Product Style and Licensing

Smart Glasses & Circularity

Smart Glasses partners in building the metaverse

And we bring physical and digital worlds together

How to enable this journey

Human Interfaces R-EVOLUTION

Eye tracking

Super audio

Lens display/
Lamination

Eyes on Circularity

Eco-Design

Injected frames and lenses made with bio-nylon
Castor Oil

Bio-acetate frames
Cotton or wood pulp
Renewable source used for cellulose acetate
Grains, beet or sugar cane
Renewable sources used for bio-based plasticizer

Semi finish lenses designed saving 50% of raw material

Sustainable certifications

Nylon recycling area developed in Italy with 100+ kg recycling/day

(ISCC+Certified)

Partnership

Acetate recycling CRT with Mazzucchelli

Fossil carbon substituted by recycled plastics

Nylon recycling from fishing nets with Bureo on Costa del Mar

Vertical integration

Focus on packaging and POP

Avoid single use **plastic**

Reduce materials and components

Use **recycled & recyclable materials** (fibers, paper…)

Q&A

15 minutes

Norbert Gorny

Chief Operating Officer

Lens innovation as a differentiating factor

Innovation to outperform wearer needs and to facilitate creation of new categories

Expand progressive lens category to meet all needs and reach higher penetration

Design superiority

Advanced personalization

Smart dispensing solutions

Many unmet consumer needs can be satisfied by managing light

Visual function of the eye

Vision protection

Non-visual function of the eye

Innovative medical lens offer in our myopia control solution portfolio

Highly Aspherical Lenslet Target Technology

H.A.L.T.

Stellest™

Diffusion Optics Technology

D.O.T.

SIGHTGLASS VISION

Light therapy

Patient journey

Arnaud Ribadeau Dumas

Head of Group Myopia

Myopia management: shaping the next category

A wide portfolio of solutions

H.A.L.T/D.O.T.

Ortho-K
CRT

Soft contact lenses
MiSight

Anti-fatigue
Essijunior

Kids Frame/
Complete pair

Dedicated
instruments

A strong medical base

White paper/
Expert consensus

Symposium/
Congresses

Research
institutes

Clinical trials/
Post market study

Advisory boards

Raising public health attention and consumer awareness

Advocacy

Standard setting

School screening programs

Reimbursements

Media

Myopic children
Today > **350 mn**

Myopic children
2050 > **500 mn**

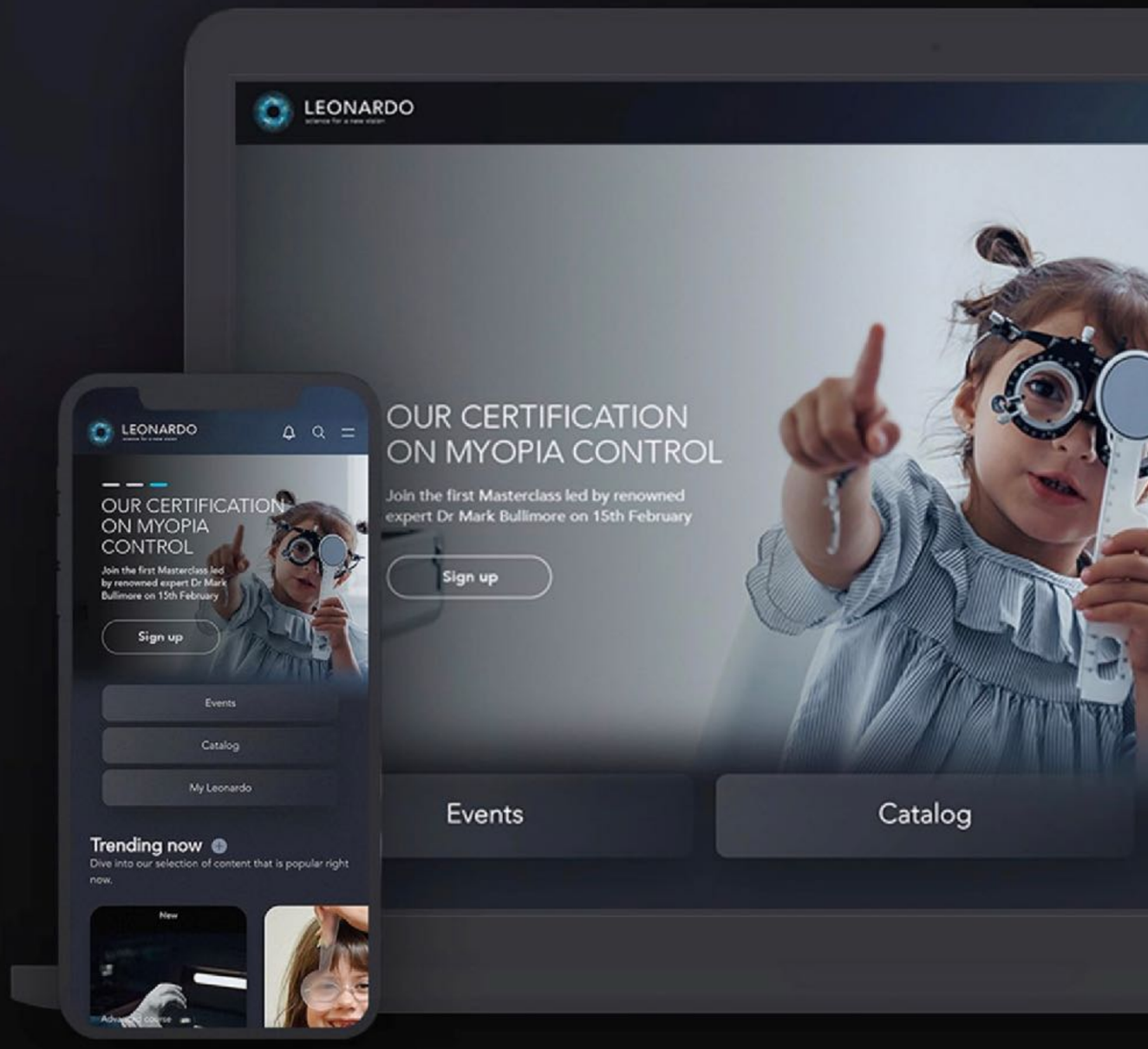
Myopia dispensing: transforming ECP practices and engaging with hospitals and clinics

Leonardo

Myopia experts certification

LensCrafters
Essilor
VisionCenter

Telemedicine
Tencent
WeDoc



Q&A

15 minutes

Break

15 minutes

Chrystel Barranger

President Wholesale EMEA

Fabrizio Uguzzoni

President Wholesale North America

Independent, but not alone

Professional Solutions snapshot

The market

- **~80%** of the market represented by **prescription**
- **>50%** of the market served through **independent ECPs**

EssilorLuxottica

- **Full range solutions**
  across all products, all markets, all price segments
- **Diversified customer base** with independent ECPs as the back-bone

INDUSTRY TRENDS

Consolidation

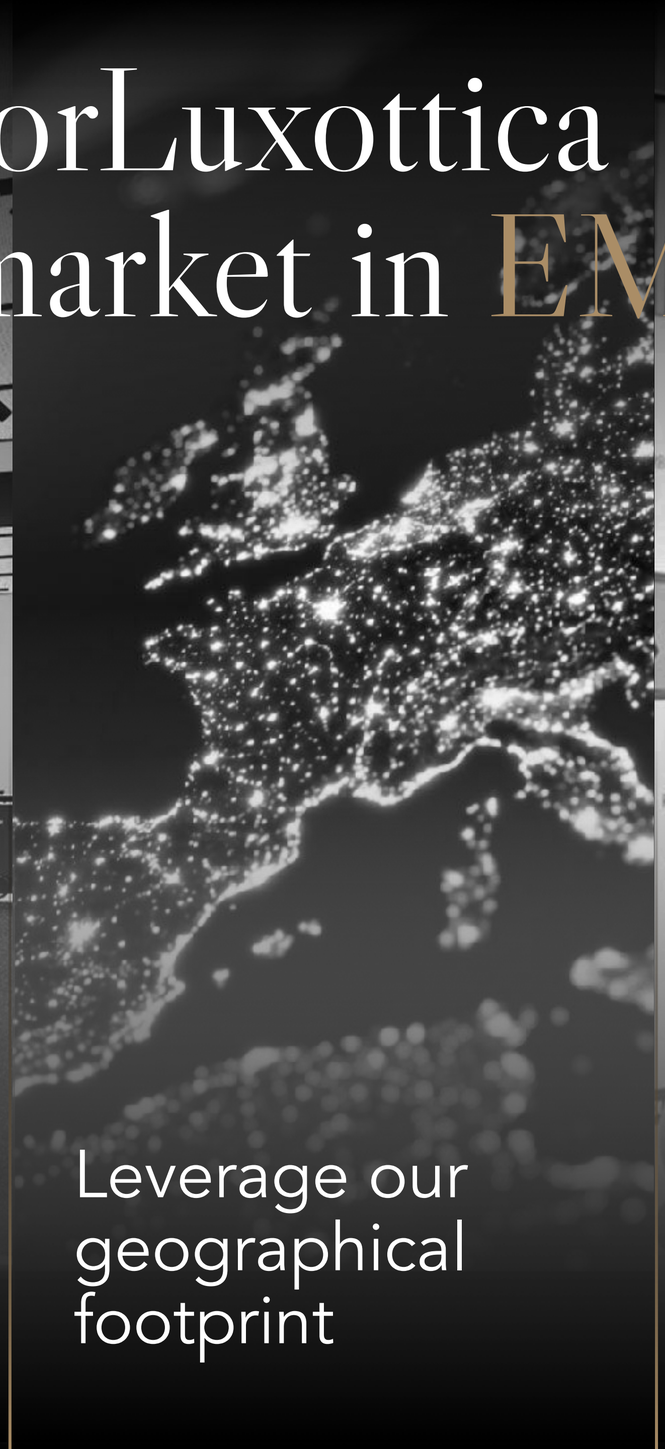
Digitalization/ Tele-optometry

Need for better vision

Patient journey

How EssilorLuxottica leads the market in EMEA

Act as one company



Leverage our geographical footprint

Accelerate category growth & innovation deployment

Level up our customer partnerships & services

Vision care champion

How EssilorLuxottica leads the market in North America

Partner programs

Products & Brand

Customer centric organization

Education & Awareness

A partner for life

Q&A

15 minutes

Massimiliano Mutinelli

President of Retail Optical EMEA

GrandVision integration

Elevating the optical market in Europe

EMEA

GV OPTICAL STORES

5,791

Growth opportunities

Organic Growth

ENABLERS

- DIGITALIZATION
- BRAND ELEVATION

TEAM

STORES

PRODUCT ASSORTMENT

CUSTOMER JOURNEY

External Growth

Integration synergies

STRONG LOCAL BANNERS

▼

ONE INTEGRATED PLATFORM

Alessandro Cobelli

Head of Global E-commerce

E-commerce, one global team

Our e-commerce ID card

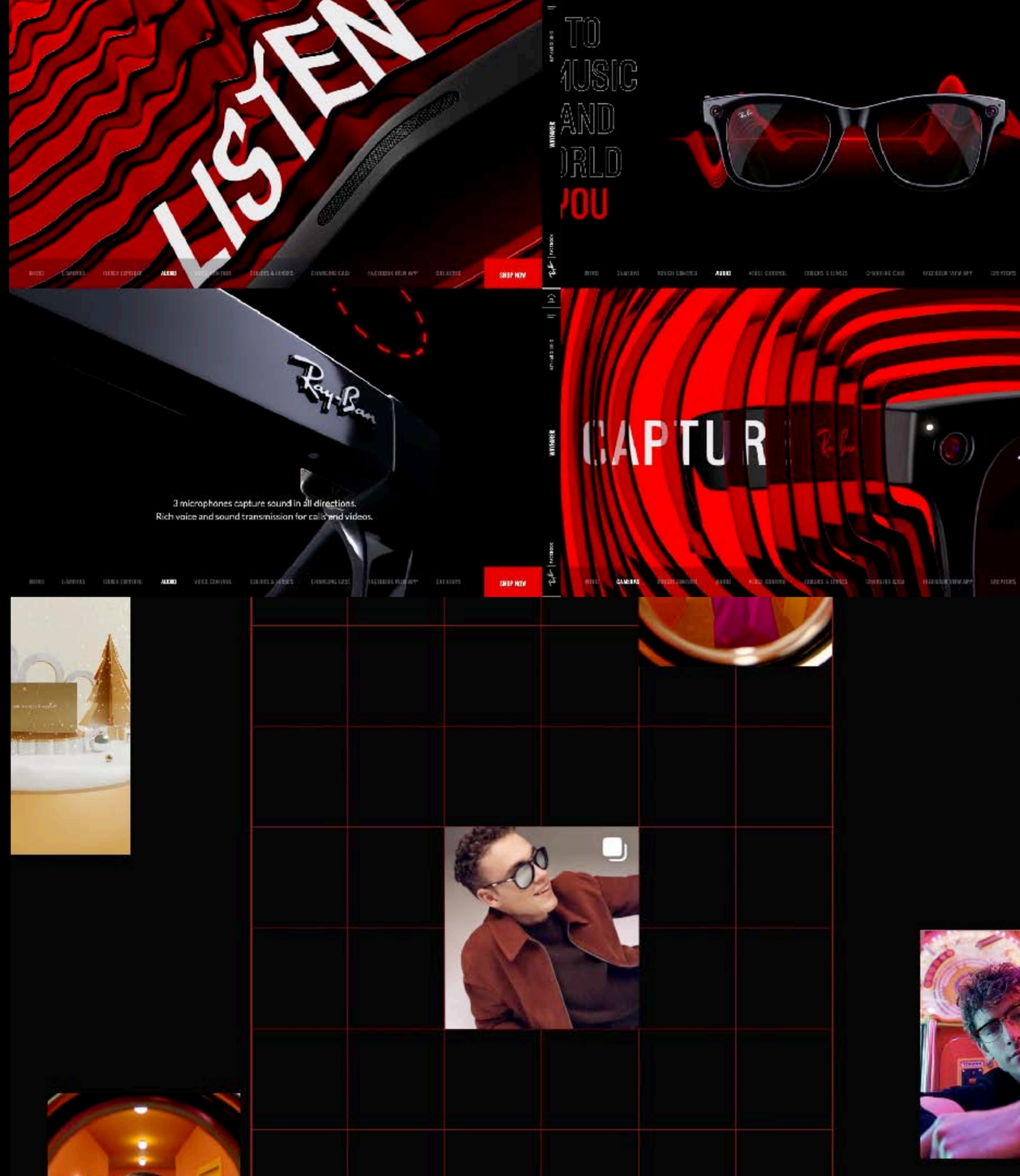
AUDIENCE
>500 m
UNIQUE VISITORS

TEAM
800
PEOPLE

€1.5Bn
TURNOVER

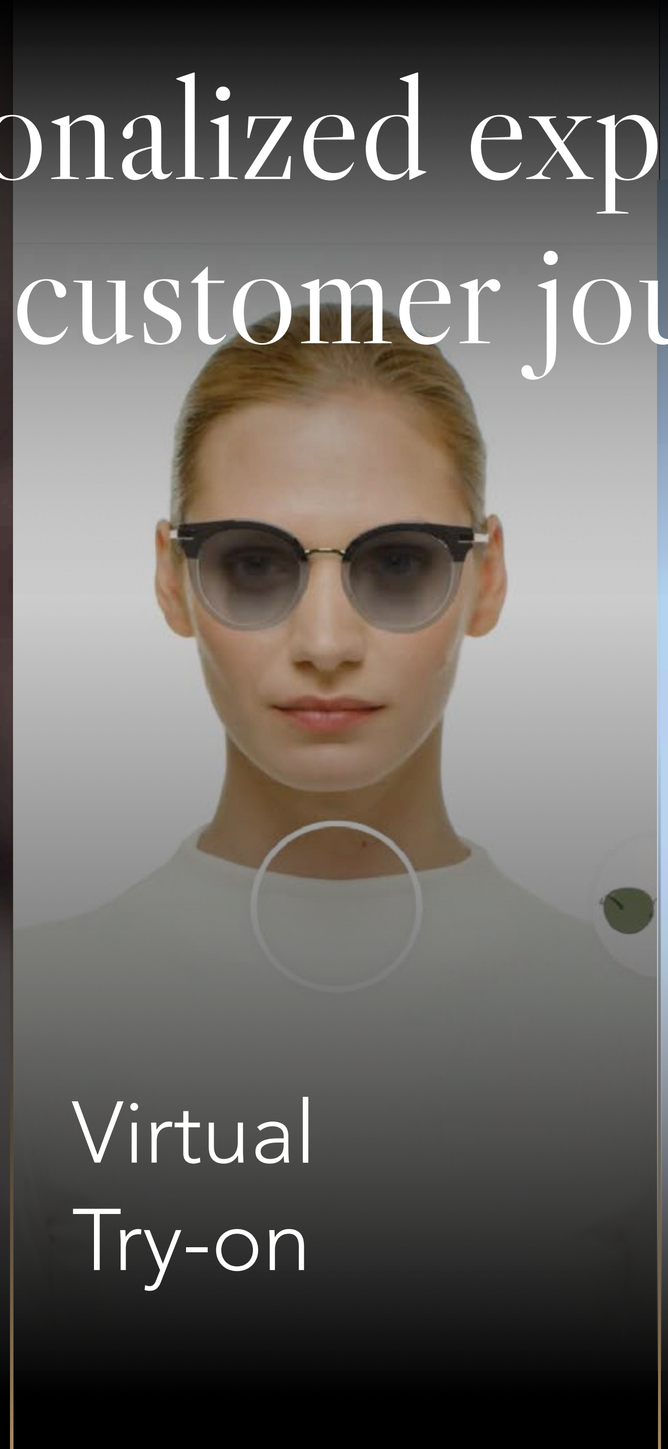
75
BANNERS

44
COUNTRIES



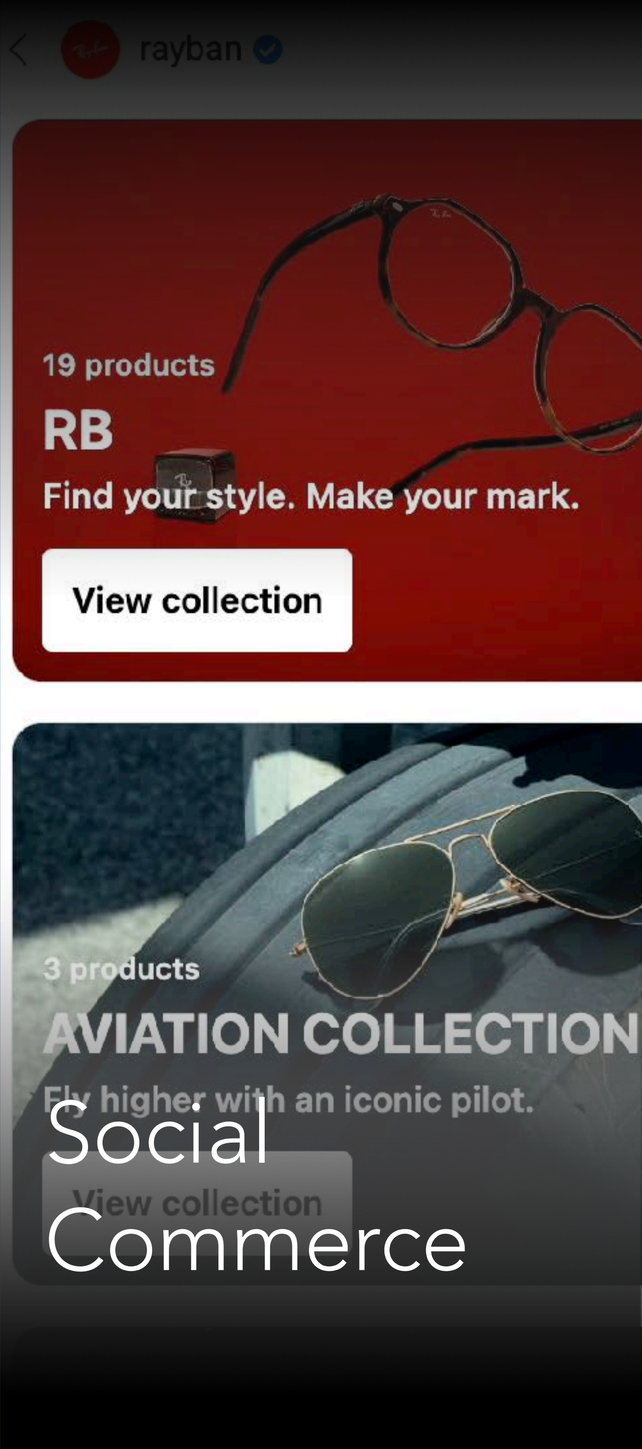
Fully personalized experience, integrated customer journey

Frame Advisor Artificial Intelligence



Virtual Try-on

Lens Configurator



Social Commerce

Q&A

15 minutes

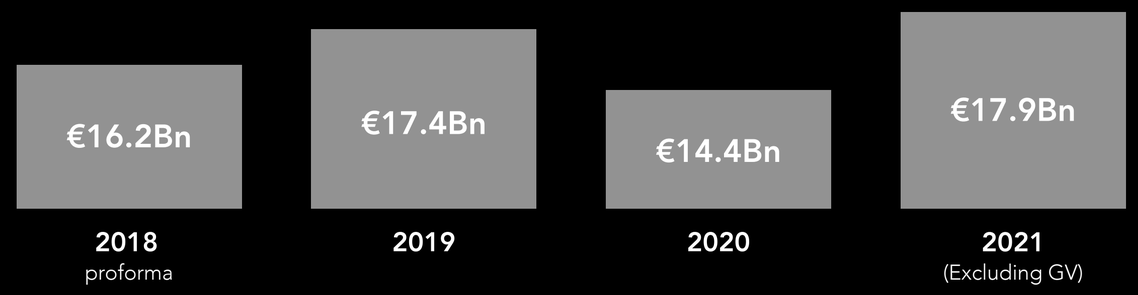
Stefano Grassi

Chief Financial Officer

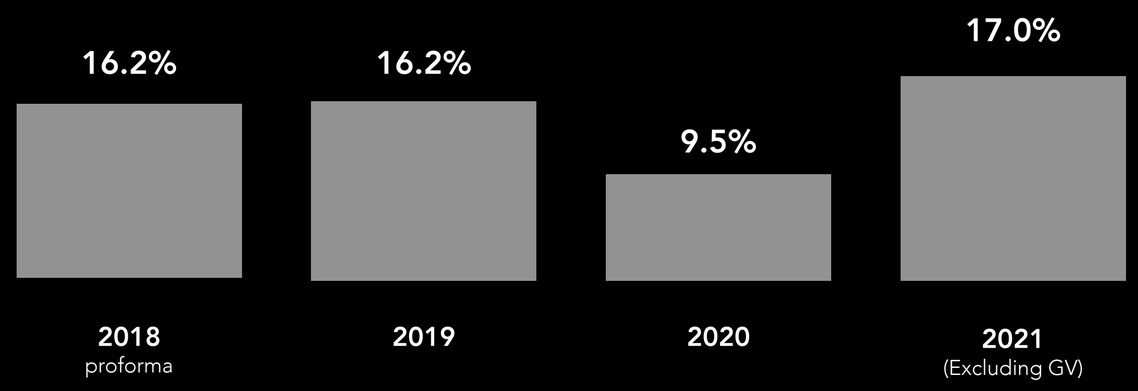
Financial roadmap

Long term outlook

Revenue

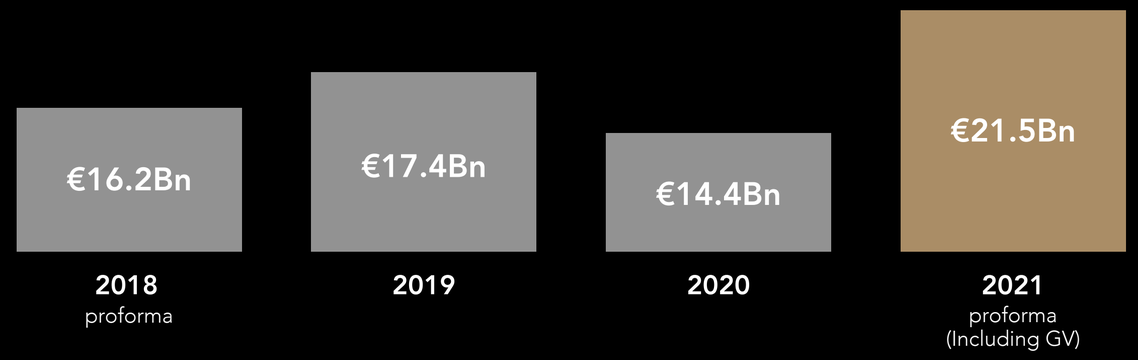


Adj Operating Profit as a % of revenues



Long term outlook

Revenue



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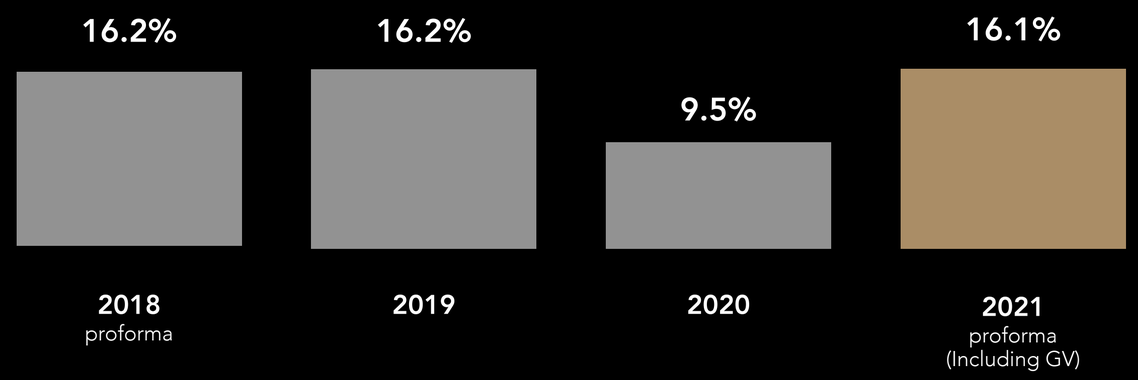


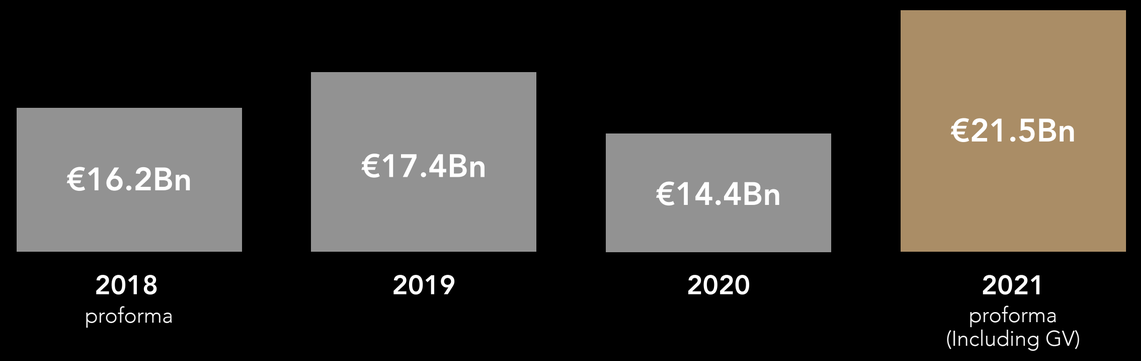
Long term outlook

5 years outlook
at constant currency

Revenue annual growth 2022-26

mid-single digit

Revenue



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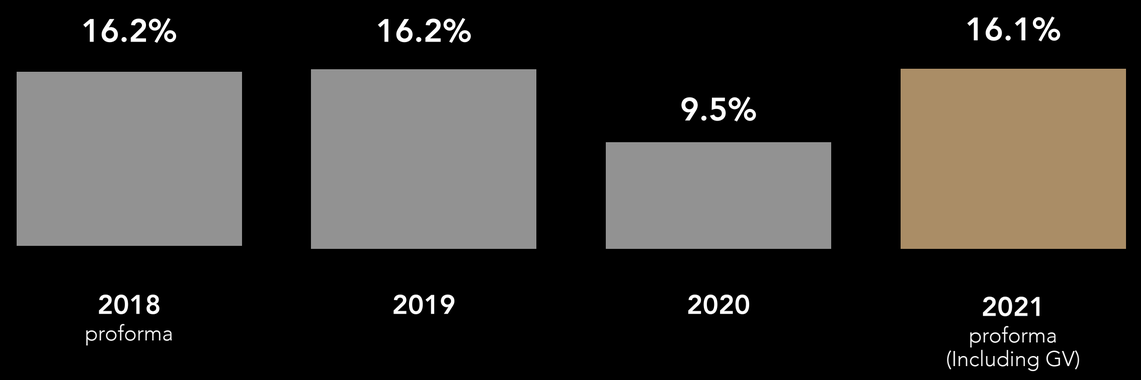
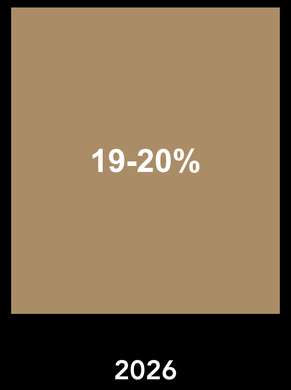




Sales key drivers

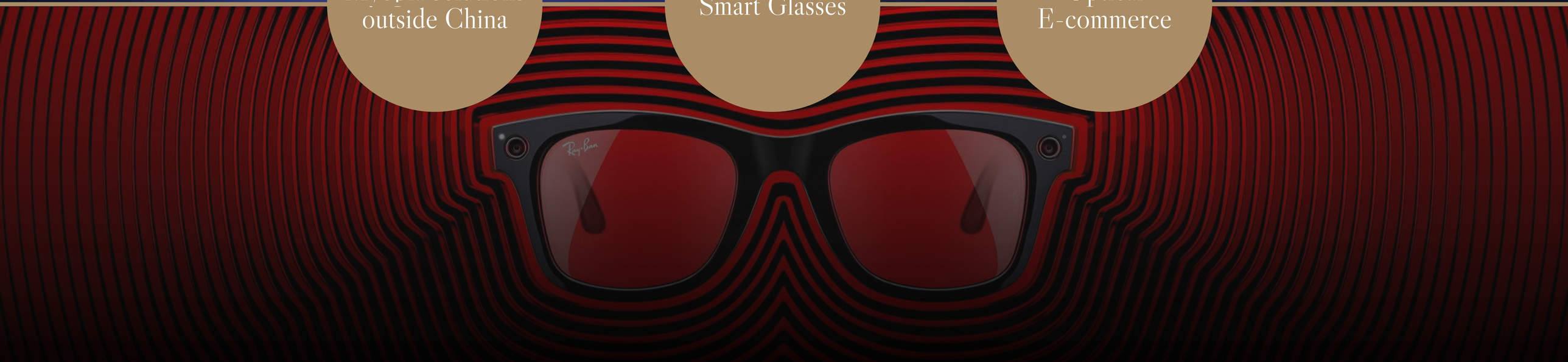
NA & Europe	APAC & LATAM	Bolt-on acquisitions	E-commerce	Volume
Low to mid single digit	Mid to high single digit	Up to 1 p.p. of growth	Double digit (~10% of total revenues by 2026)	Volume primary driver, price/mix add-on

Opportunities for additional growth

Myopia solutions outside China

Smart Glasses

Optical E-commerce



Profitability building blocks

19-20% Adj. Operating Profit by 2026

Revenue

INITIATIVES

- Fast growing markets penetration (Brazil, India and China)
- Lens & Frames mix improvement
- EssilorLuxottica programs: EL360, Stars, Essilor Experts, Vision Source etc
- Insurance expansion outside US

STEADY STATE Operating leverage at 3% growth

Cost

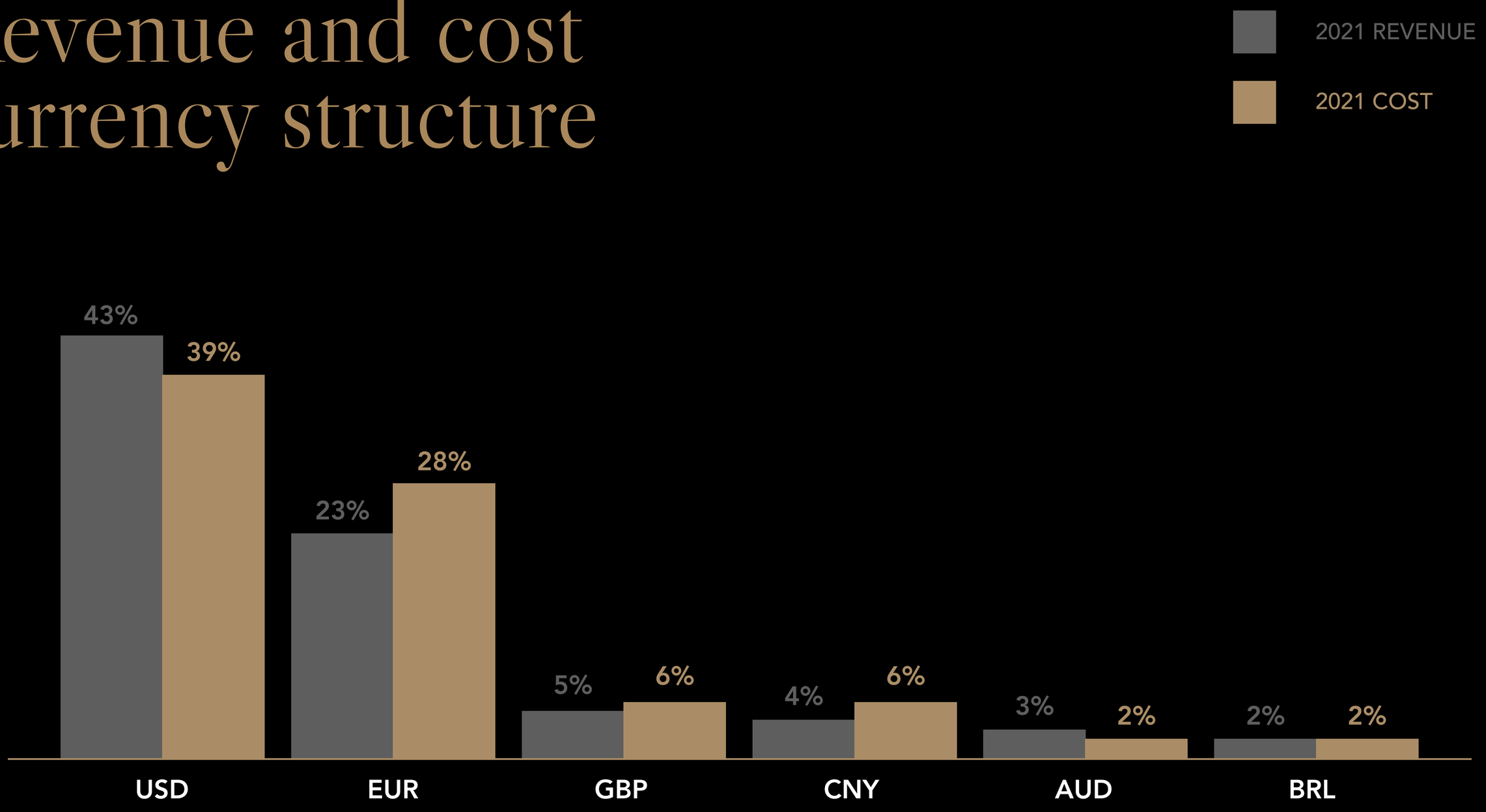
INVESTMENTS

- Retail store network
- Develop under-penetrated markets
- Marketing supporting brands growth
- R&D and product innovation
- Operations and supply chain
- IT Infrastructure & digitalization

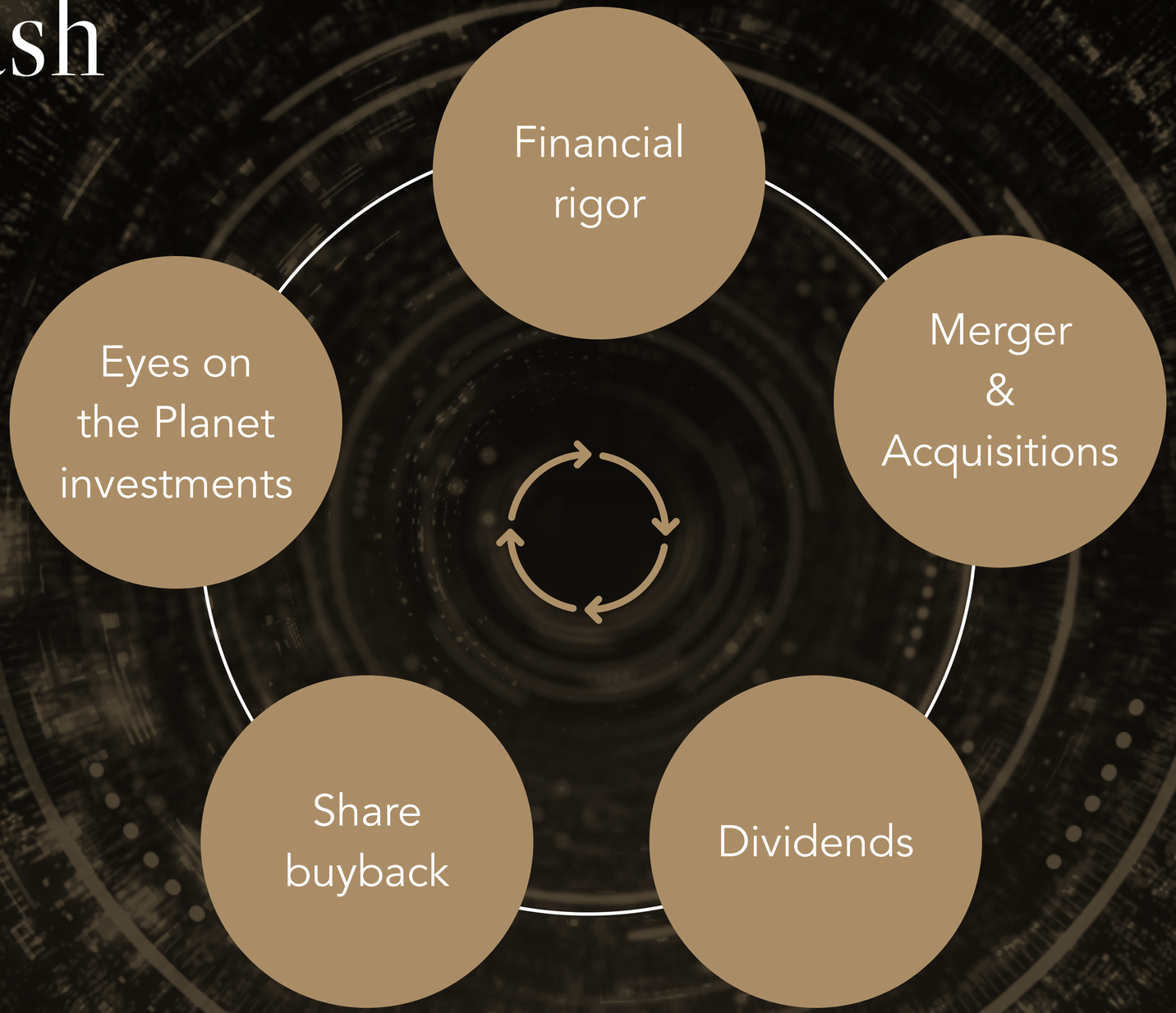
EFFICIENCIES

- Back office
- Automation
- Operations and supply chain
- Legal entities simplification

Revenue and cost currency structure

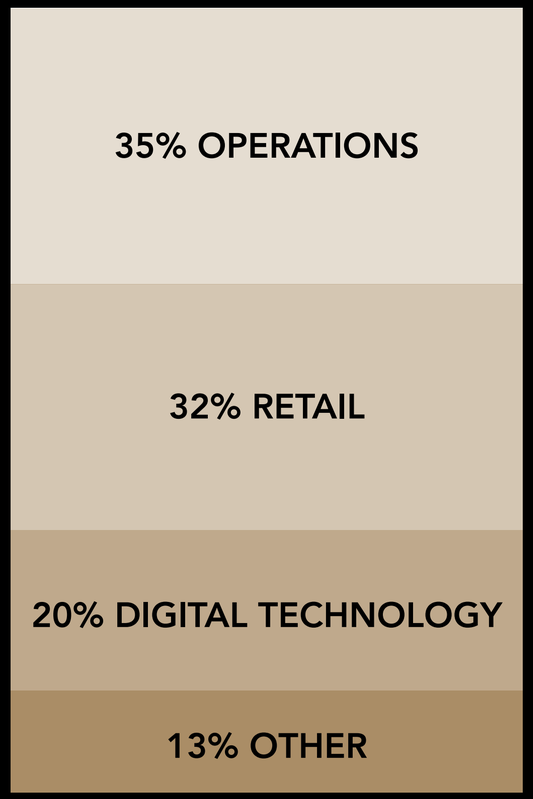


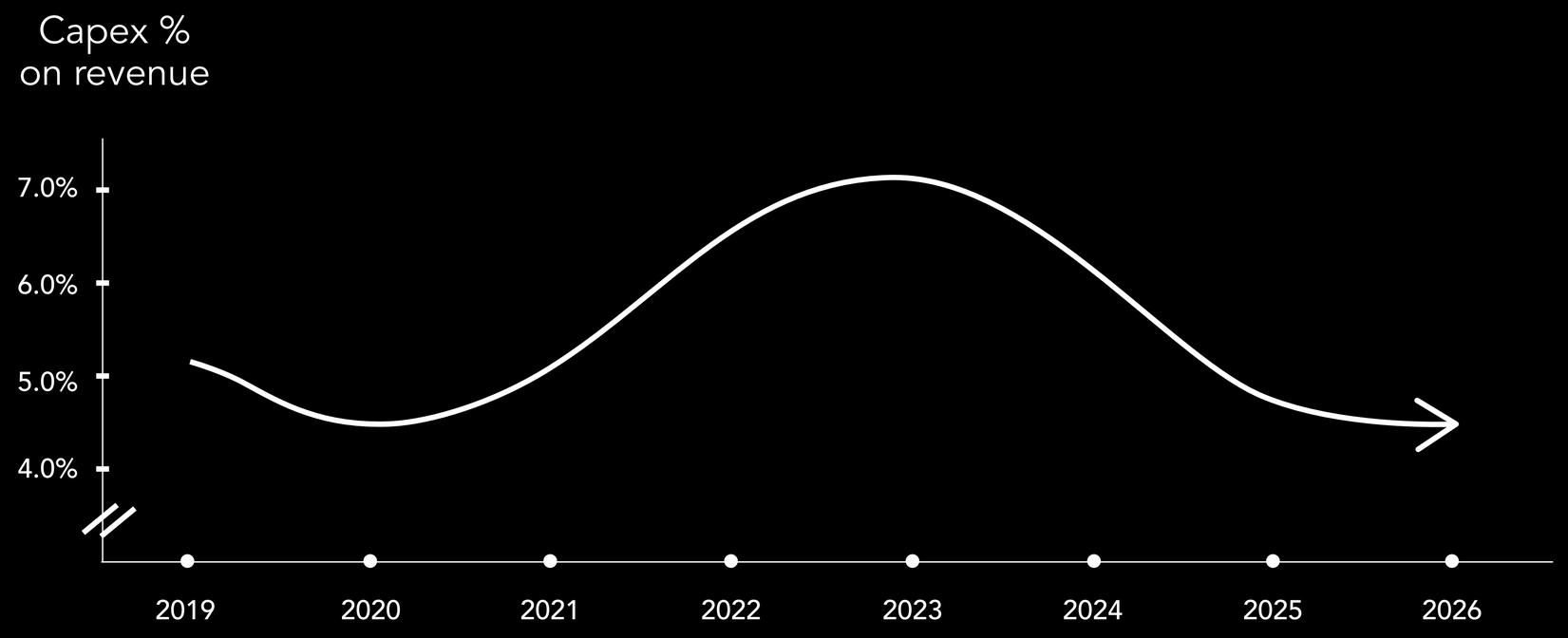
Use of cash


Financial rigor
Merger & Acquisitions
Dividends
Share buyback
Eyes on the Planet investments

Investments

Capex mix
2021 proforma





Q&A

30 minutes

F. Milleri | P. du Saillant | S. Grassi

EssilorLuxottica

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