November 28, 2018

In order to answer the written questions which have been sent by two shareholders of EssilorLuxottica (Phitrust and Comgest) to the Board of Directors of EssilorLuxottica (as reproduced in Annex 1), and of which some share the same object, they have been grouped into five themes allowing to answer them:

1. Governance of EssilorLuxottica

One of the core principles of the combination between Essilor and Luxottica Group S.p.A. ("**Luxottica**") is the equality of powers between the Executive Chairman of EssilorLuxottica (Mr. Leonardo Del Vecchio) and the Executive Vice-Chairman of EssilorLuxottica (Mr. Hubert Sagnières) for an initial period running until the annual shareholders' meeting called to approve the 2020 annual accounts of EssilorLuxottica. Such equality of powers agreed to between Essilor International (Compagnie Générale d'Optique) (former legal name of EssilorLuxottica prior to the completion of the combination) and Delfin S.à r.l. reflects a desire to implement a balanced combination between Essilor International and Luxottica, subsidiaries of EssilorLuxottica. This is part of the key principles of such combination.

The governance agreed to and implemented by Essilor International (Compagnie Générale d'Optique) and Delfin S.à r.l. provides in particular for some operational autonomy for each of Essilor International and Luxottica, in order to allow each of these companies to be managed separately in their ordinary course of business by Mr. Laurent Vacherot, as CEO of Essilor International and Mr. Francesco Milleri as CEO of Luxottica. This operational structure is similar to the one that was existing within each of the companies prior the combination, with the exception that some specific decisions contemplated by the management of Essilor International or Luxottica which are considered to be significant for the whole combined group, or for which coherence must be ensured at the group level, are now subject to prior approval at the level of EssilorLuxottica.

In addition, we remind that the agreements entered into between EssilorLuxottica and Delfin S.à r.l. provide that the Nomination and Compensation Committee will be mandated by the Board of Directors of EssilorLuxottica, on or prior to the end of January 2019, to retain, after consultation with the Executive Chairman of EssilorLuxottica (Mr. Leonardo Del Vecchio) and the Executive Vice-Chairman of EssilorLuxottica (Mr. Hubert Sagnières), one or several recruitment agency(ies) to assist it in the process for identifying, according to the "best fit for the job" principle, a chief executive officer of the combined group (the "**Chief Executive Officer**"), who will initially be *Directeur Général Délégué* of EssilorLuxottica. The Chief Executive Officer will be appointed by the Board of Directors of EssilorLuxottica based on the recommendation of the Nomination and Compensation Committee and the joint recommendation of the Executive Chairman of EssilorLuxottica and the Executive Vice-Chairman of EssilorLuxottica, by the end of 2020. The powers of the Chief Executive Officer will be defined by the Board based on the joint recommendation of the Executive Chairman of EssilorLuxottica and the Executive Vice-Chairman of EssilorLuxottica.

It is important to clarify that Mr. Leonardo Del Vecchio statement reported in the Italian press in early November 2018 on the potential appointment of Mr. Francesco Milleri as Chief Executive Officer of EssilorLuxottica must be interpreted as Mr. Leonardo Del Vecchio's desire to split his responsibility as Chairman and CEO and to focus on the strategic aspects of the integration while assigning to Mr. Francesco Milleri the responsibilities of the operating activities of a Chief Executive Officer, as it is currently the case in Luxottica. It is the intent of Mr. Leonardo Del Vecchio to remain fully compliant with the balanced governance framework of EssilorLuxottica and not to alter in any way this principle of equal powers. This is unrelated to the announced search of a new CEO of EssilorLuxottica.

2. Compensation of the Executive Chairman and the Executive Vice-Chairman of EssilorLuxottica

The compensation of the Executive Chairman and the Executive Vice-Chairman is the same as they have equal powers consistently with the governance principles of the combination between Essilor and Luxottica.

The compensation of the Executive Chairman and the Executive Vice-Chairman of EssilorLuxottica is tied to effective achievement of results of the combined company. The long-term component of remuneration represents a significant portion in the total compensation package and it will be earned only if the creation of value for shareholders is effective, measured by the share price increase over time. The goals of the annual variable components are tied to the combined ability of EssilorLuxottica to generate synergies having positive effect on increased growth and operating profit.

As reported in section 1.7.2.4 of the 2017 Essilor Registration Document, the management of both companies shall invest considerable time and resources to the integration activities. It thus believes that linking variable remuneration to the integration between the two companies will encourage management to focus more on creating long-term value for the benefit of all stakeholders.

The compensation package for both the Executive Chairman and the Executive Vice Chairman was built based on international market practices for global corporations of comparable size and performance profile across a variety of sectors including retail, consumer goods, luxury goods and pharma, and targeting the lower end of the market range (around first quartile) in order to take into consideration the fact that two executive officers are sharing management.

3. Board fee of the Board of Directors of EssilorLuxottica

The proposed Board fee structure was developed on the basis of benchmarking with other European corporations, including but not limited to, French headquartered corporations. The panel includes 20 European corporations, most of which being French and Italian. The Board fee structure is largely made up by a variable portion, in line with recommendations of the French corporate governance code (*Code AFEP-MEDEF*). The proposed Board fee structure also reflects the need to recognize increased responsibility of the members of the Board of Directors in the governance of a much larger and more complex global corporation, such as EssilorLuxottica. Board fee levels aligned with the market will also improve the company's ability to attract the right international profiles to serve as members of the Board of Directors of EssilorLuxottica.

4. Cash retention scheme of Luxottica

The retention scheme that the Board of Directors of Luxottica approved in December 2017 was intended to reinforce key personnel's motivation and morale in the context of the combination whose closing timeline was longer than expected and to avoid undesired loss of Luxottica talents as typically happens in such disruptive situations.

To this end, the retention scheme embedded the possibility to change the nature of the retention scheme by substituting cash for EssilorLuxottica shares, thus allowing to align key personnel's interests to value creation for shareholders. Such substitution requires the approval of resolution n°9 by the shareholders' meeting. As a reminder, the value of the retention scheme will be indexed to EssilorLuxottica share price.

It is noted that Essilor's key personnel benefitted from a performance share award in 2017, while Luxottica's key personnel a management did not benefit from any long-term incentive award in that year.

The retention scheme approved by the Board of Directors of Luxottica in December 2017 re-balanced this situation. The Luxottica retention scheme is a 3 year plan and is the only long term incentive granted to Luxottica employees after the 2016 LTI plan.

In any event, EssilorLuxottica will work on future plans in order to ensure a progressive convergence of the compensation schemes.

The shareholders of Essilor were not informed of the retention scheme of Luxottica during the meeting of 11 May 2017 as it was approved by Luxottica only in December 2017, months after of the meeting. The combination agreement dated 17 January 2017 does not provide for any adjustments of the exchange ratio of the contribution in kind of Luxottica's share to EssilorLuxottica other than those relating to the payment of dividends in the interim period exceeding certain pre-defined thresholds.

5. Details concerning Francesco Milleri

Mr. Francesco Milleri receives a remuneration from Luxottica as Vice Chairman and Chief Executive Officer of Luxottica. The remuneration of Mr. Francesco Milleri for the financial year 2017 is publicly disclosed in the annual Remuneration Policy of Luxottica available on Luxottica's website, for the same period he did not receive any other remuneration from other companies controlled by Luxottica. Furthermore, Mr. Francesco Milleri receives directors' fees from EssilorLuxottica.

Mr. Francesco Milleri has not received any remuneration from Delfin since he has taken the office of Director of EssilorLuxottica.

MeA e Associati ("**Mea**") is a company, owned by Francesco Milleri, which provides, among other, information technology consultancy services to several companies, including Luxottica.

Luxottica has concluded with Mea a framework agreement according to which Mea provides certain information technology consultancy services ("**IT Services**") to Luxottica and its subsidiaries. Amounts related to such IT Services were €14.1 million in the first six months of 2018 and €27.3 million and €11.9 million in 2017 and 2016, respectively.

All services provided by MeA to Luxottica have been requested by the latter, have been reviewed by Luxottica as part of its procurement process and deemed the most competitive for the company after having performed a deep analysis on the market relevant benchmark (costs/services offered) and its knowledge and capability. Such services have been examined and validated by the independent related party committee of Luxottica, in accordance with the Italian listed companies regulation on such matter. All information relating to the consultancy services provided to Luxottica by MeA, including in respect of the related amounts, have been publicly disclosed in Luxottica's filings and financial statements and in the listing prospectus filed with the AMF in connection with the completion of the combination of Essilor and Luxottica.

Annex 1

Questions received from Phitrust and Comgest

Free English translation for information purposes only

Phitrust's Questions

I. On the corporate governance organization:

1. Can you confirm that you will propose to the Board of Directors the appointment of Mr. Francesco Milleri as Chief Executive Officer, which would de facto lead to the dissociation of the management positions? In such case, when would he take office? What would then be the position and functions granted to Mr. Hubert Sagnières?
2. How do you explain that after signing an agreement last October 1st and putting in place detailed rules of procedure of the Board of Directors on the allocation of powers, you have changed your mind and made a decision calling into question this organization of the governance of EssilorLuxottica?
3. If this appointment is confirmed, it would lead to an even greater imbalance between Luxottica and its shareholders and Essilor International, stressing a de facto undeclared takeover of EssilorLuxottica. How do you intend to compensate the minority shareholders of Essilor International who will have been deprived of the control premium inherent to a takeover bid?

II. On executives' compensation:

1. The Essilor 2017 Registration Document (Section 1.7.2.4) states that "*the integration process will be long and complex*". How does the Board of Directors explain that the compensation of the executives is increased very strongly and immediately, whereas the combination is far from complete and that, consequently, neither the arguments of the size of the new integrated company nor the success of the operation can be raised as justifications for these increases?
2. How does the Compensation Committee justify the grant to the Chairman - who is also the largest shareholder of the company with 38% of the share capital - a disproportionate increase in his compensation from a fixed compensation of 1.1 million euros (as "Executive Chairman" of Luxottica) to a fixed and variable compensation of more than 10 million euros?
3. If a separation of management powers is put in place, Resolution n° 1 of this shareholders' meeting would become obsolete. On what basis would the compensation of the executives then be established, it being understood that the non-executive Chairman could no longer benefit from a variable compensation nor distribution of performance shares. In this case, will there be a shareholders' meeting before mid-year 2019 to vote on the new compensation policy?
4. How do you justify the substantial increase of 127% in directors' fees proposed by Resolution n ° 2, while on the one hand you do not give the shareholders the elements to decide, particularly the panel of companies on which would be based this comparison, and

that on the other hand the level of directors' fees appears abnormally high (+ 184%) compared to that of companies of the same capitalization listed on the French market?

5. On December 15, 2017, more than 7 months after the general meeting that approved the combination, Luxottica set up a 2018-2020 cash retention plan for the benefit of Luxottica senior executives (of which €15 million for 5 executives, including Francesco Milleri for €4 M). As part of Resolution n° 9, it is proposed that the amounts granted be converted into shares of the new company EssilorLuxottica.

    (a) How do you explain the implementation of this "retention plan" for some of Luxottica's senior executives after the combination agreement? Is this retention plan limited to only five executives of Luxottica?

    (b) Does this mean distrust on the part of Luxottica executives with regard to this combination transaction?

    (c) Is it contemplated to grant equivalent compensation to Essilor's executives?

    (d) The minority shareholders of Essilor were not informed of this extraordinary compensation at the meeting of May 11, 2017, which approved the transaction. How do you intend to compensate this sum, which will have a retrospective impact on the value of the contributions initially presented to the shareholders?

III. On the appointment of the Chief Executive Officer

If the appointment of Mr. Francesco Milleri as Chief Executive Officer is confirmed, could you give us the following details:

1. What is the compensation of Mr. Francesco Milleri as "*Deputy Chairman and CEO*" at Luxottica and how will it evolve?

2. Does Mr. Milleri, who has other activities on your side, receive any other compensation from your holding company Delfin or from subsidiaries of Luxottica?

3. The personal company of Francesco Milleri provides IT services of Luxottica. Was there a tender for these contracts? Are the activities of this IT service company continued under the new EssilorLuxottica group? In this hypothesis and to avoid conflicts of interest, should the new CEO of EssilorLuxottica not ask that the activities of his IT service company be stopped with all entities of the EssilorLuxottica group?

<u>Comgest Questions</u>

1. The rules of procedure of the Board of Directors provide that EssilorLuxottica's management shall be ensured jointly by the Chairman and the Vice-Chairman of the Board, with executive functions and equal powers. Why choose a two-headed governance, with the associated risks in case of any long lasting conflicts? Would not it be simpler and more effective to dissociate the functions of Chairman and Chief Executive Officer, accompanied by operational management for each of the two entities?

2. Question addressed to Mr. Olivier Pécoux, Director of EssilorLuxottica and Chairperson of the Nomination and Compensation Committee:

The documentation relating to Essilor’s combination with Luxottica includes a number of principles relating to the future management of EssilorLuxottica. These principles stipulate in particular that the Chief Executive Officer will be appointed by the Board of Directors on the basis of the recommendation of the Nomination and Compensation Committee and the joint recommendation of the Executive Chairman and the Vice Executive Chairman. At the beginning of November 2018, the Italian press echoed the wish of the Executive Chairman and Vice Executive Chairman to see Mr. Francesco Milleri take the position of CEO of EssilorLuxottica as soon as possible.

How to interpret these statements?