

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

A world map with a network overlay of red and blue lines connecting various geographical locations. The text "Open model for a network company" is centered over the map in a light blue font.

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
- > **6,000** years heritage
- Frames
- Lenses
- Instruments
- Equipment
- Contact Lenses
- Smart Glasses
- Readers & others
- AFA
- DTC banners

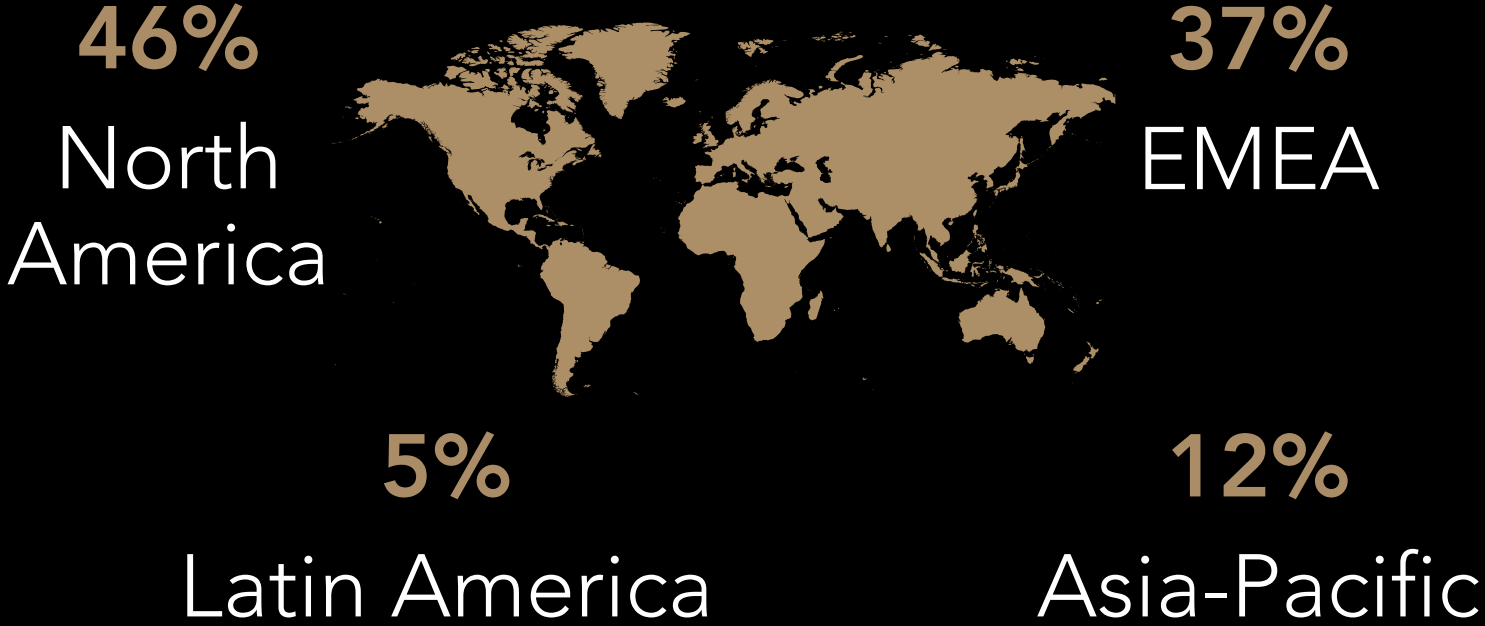
Go-to-Market

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*



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

*proforma revenue FY21

EssilorLuxottica, the integration

Complementarity of products,
services, segments and geographies

Top customer engagement

New categories / New geographies



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
MANAGEMENT

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

&

Resilient
supply chain

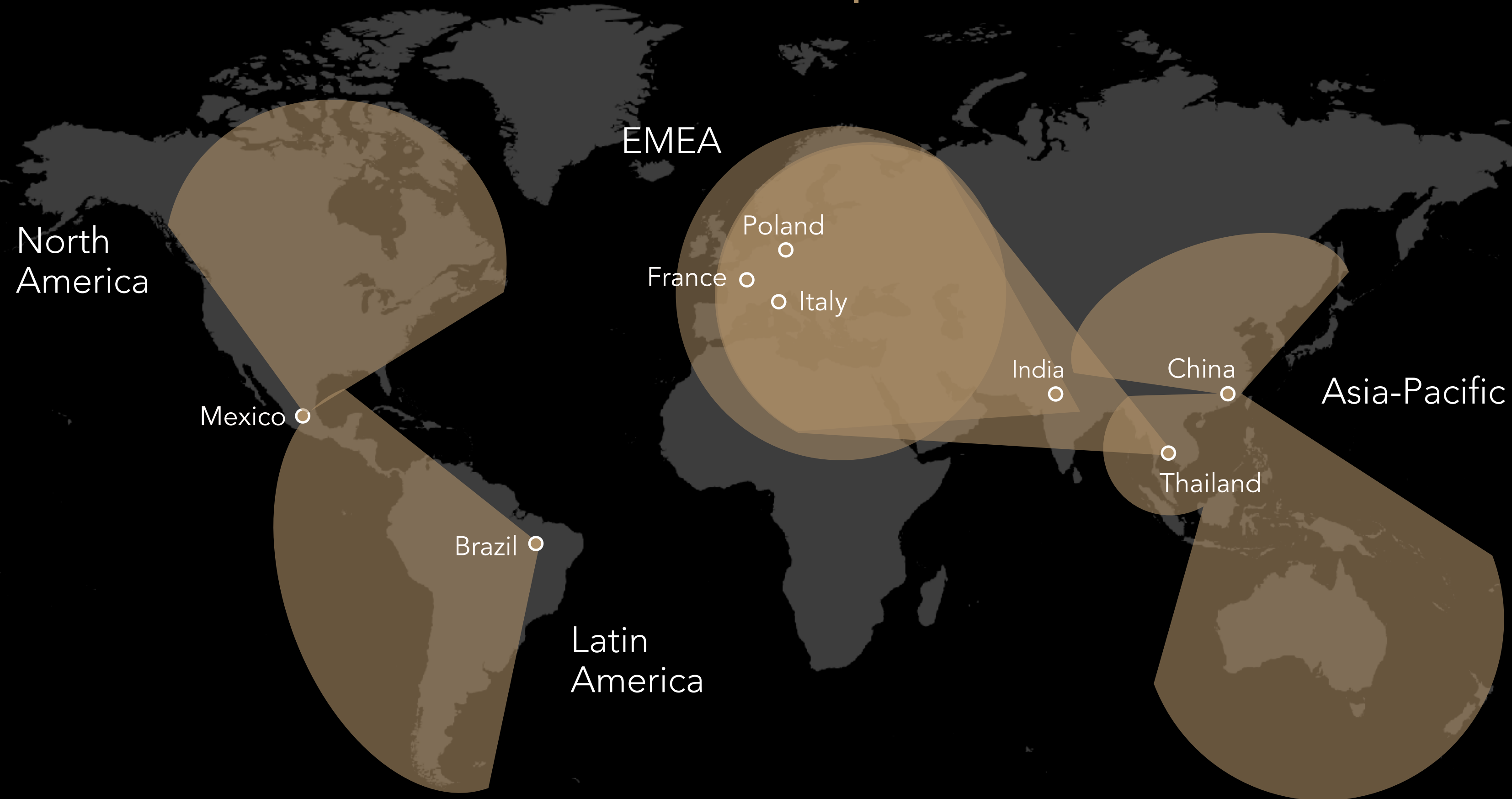
One supply chain
through simplification
and standardization

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

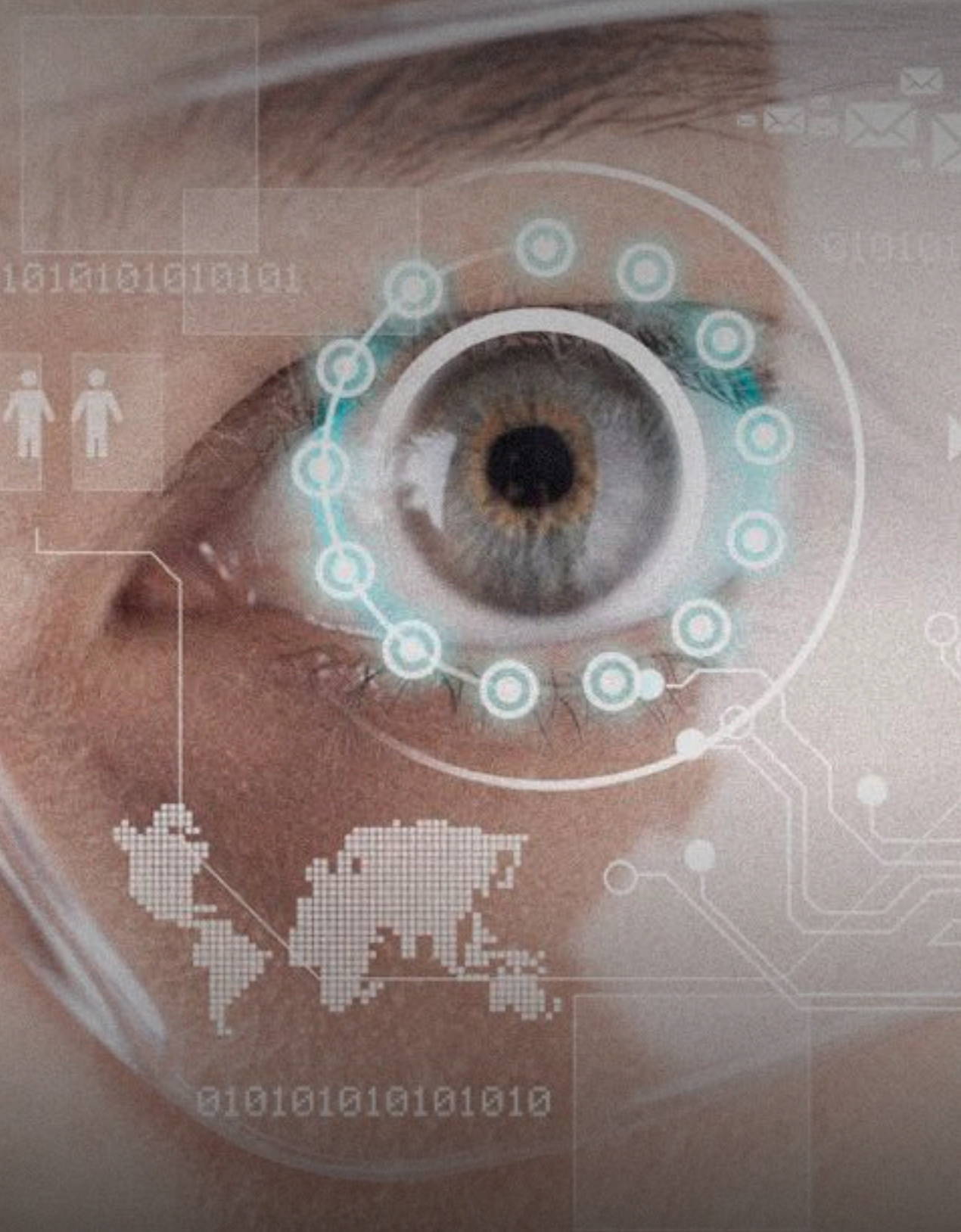
15 minutes

Norbert Gorny

Chief Operating Officer

Lens innovation as a differentiating factor

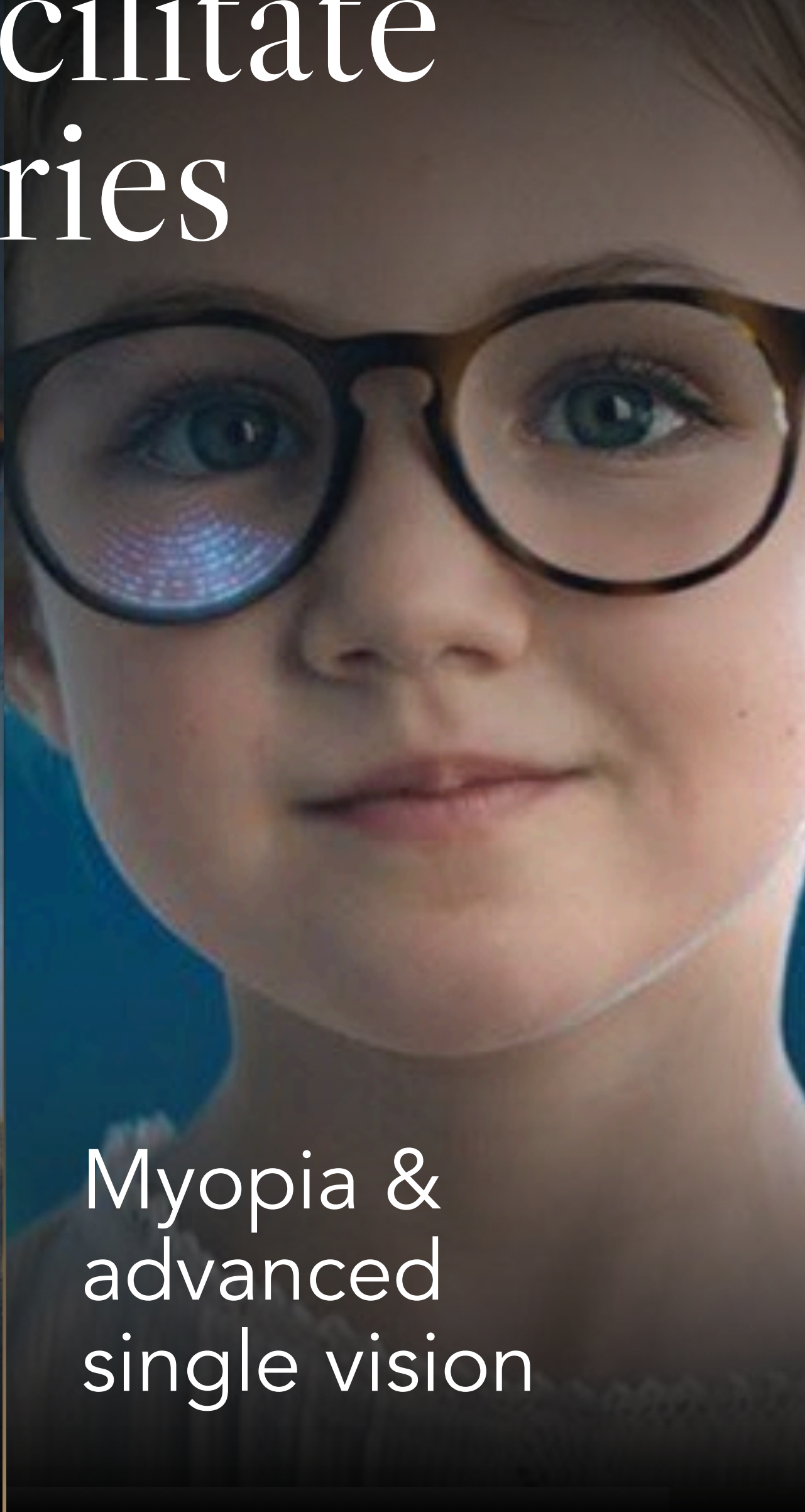
Innovation to outperform wearer needs and to facilitate creation of new categories



E-lens



Near vision



Myopia &
advanced
single vision



Light
management

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.

SG
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**

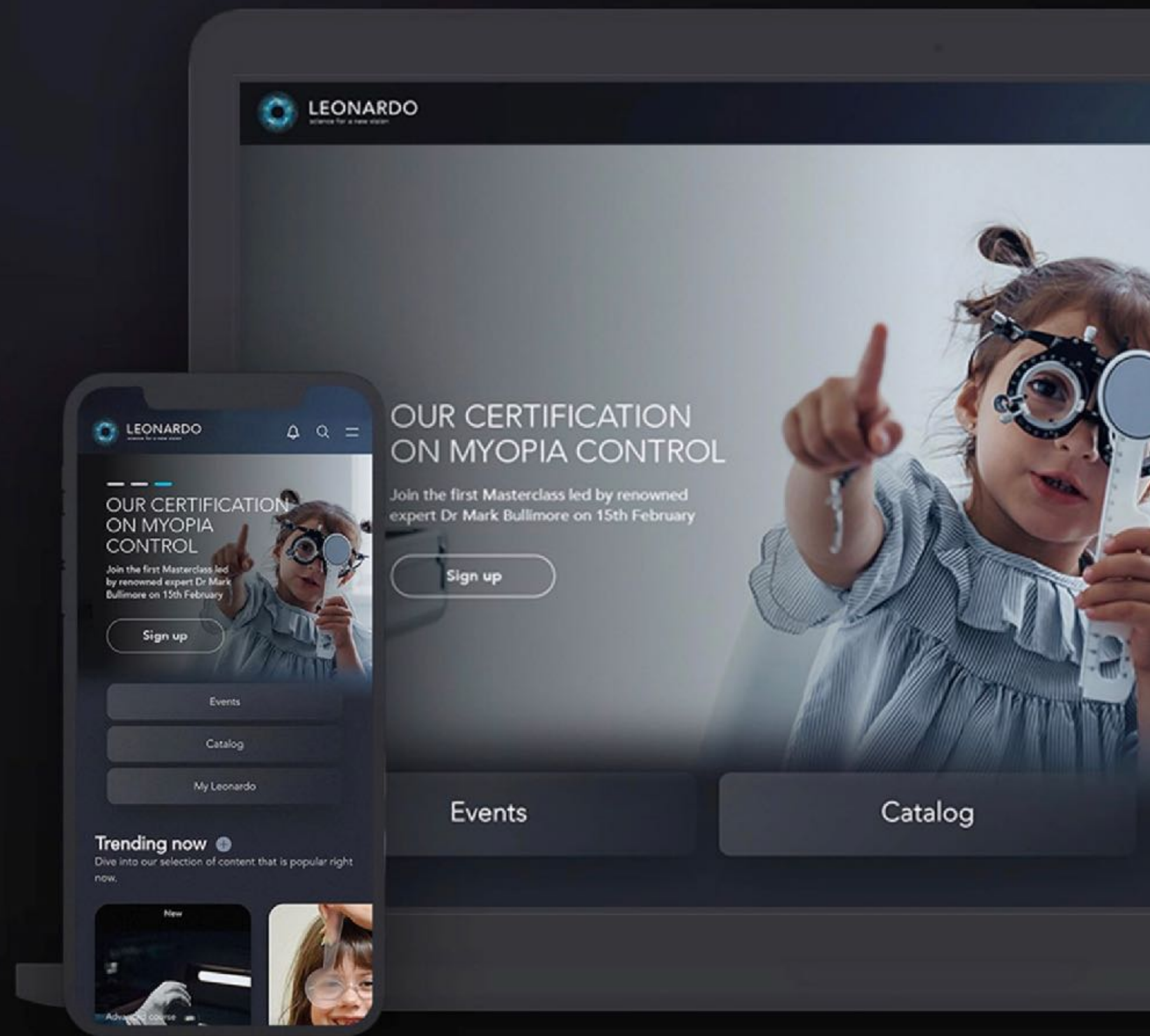
Myopia dispensing: transforming ECP practices and engaging with hospitals and clinics

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

A black and white photograph of a Ray-Ban store interior. On the left, a large, stylized graphic of a pair of glasses is visible. In the center, a sign reads "RAY-BAN AUTHENTIC". Below the sign, there are several display cases containing various styles of Ray-Ban sunglasses. The store has a modern, clean aesthetic with track lighting on the ceiling.


Act as
one company

A black and white map of Europe, where the landmasses are filled with a dense pattern of small, bright white dots, representing a geographical footprint or data points across the continent.

Leverage our
geographical
footprint

A black and white photograph showing a customer in profile, using a tablet to view a virtual try-on of sunglasses. The tablet screen displays a man wearing dark sunglasses. To the left of the tablet, a pair of sunglasses is shown in a virtual overlay. Below the tablet, text on the screen reads "RAY-BAN ORIGINAL WAYFARER €213.00" and "ACQUISTA ORA".

Accelerate
category growth
& innovation
deployment

A black and white photograph of a smiling woman wearing glasses, standing in an eyeglass store. She is holding a tablet that displays a software interface with various charts and data points. In the background, shelves are filled with various styles of eyeglasses.

Level up
our customer
partnerships
& services

A pair of black Ray-Ban glasses with clear lenses is positioned on a textured, deep red surface. The glasses are slightly angled, with the left lens more prominent. The Ray-Ban logo is visible on the upper part of the left lens. The background has a fine, grid-like texture. The overall lighting is soft, highlighting the contours of the glasses.

Vision care champion

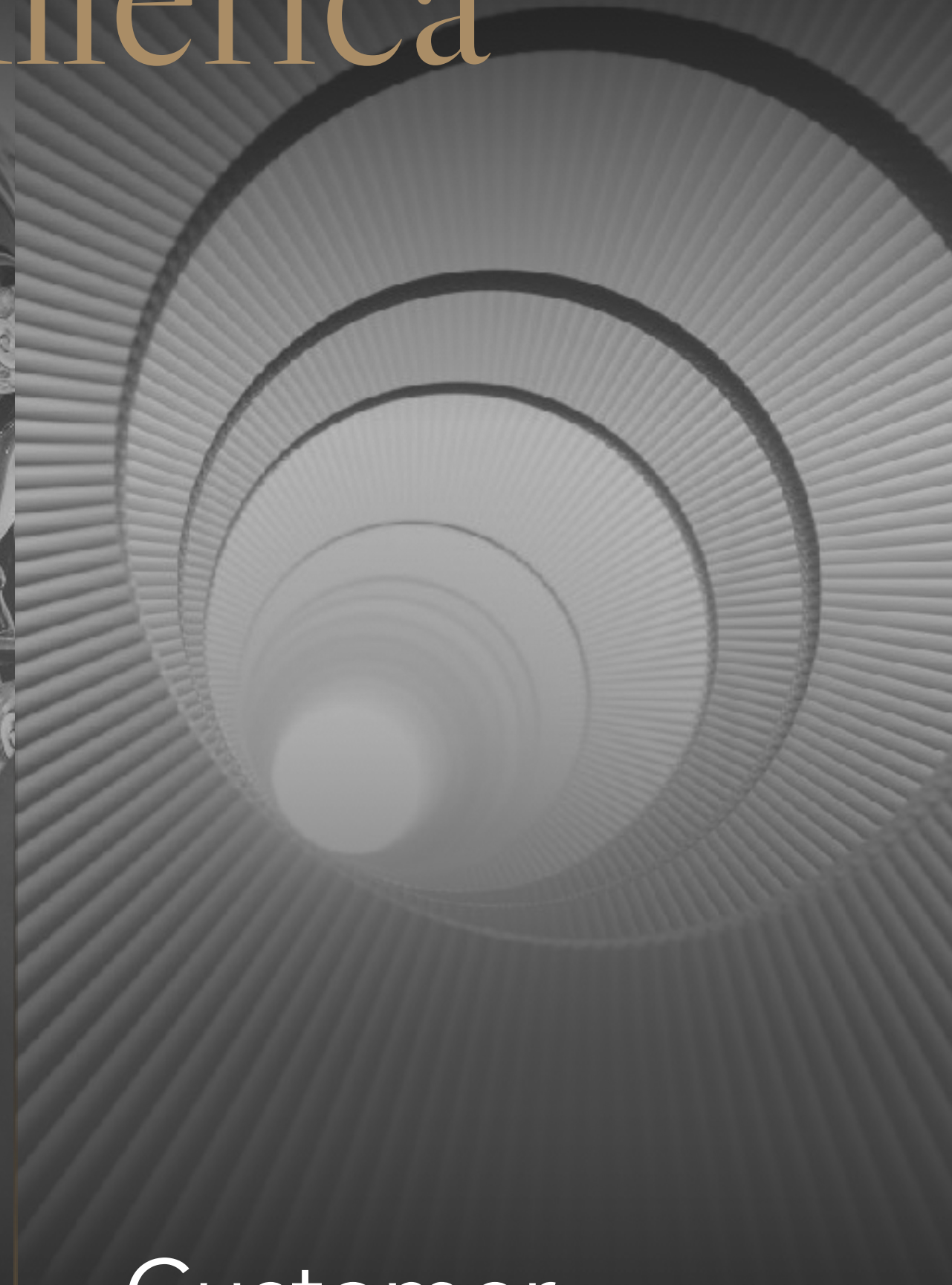
How EssilorLuxottica leads the market in North America



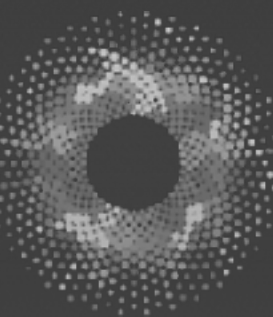
Partner programs



Products & Brand



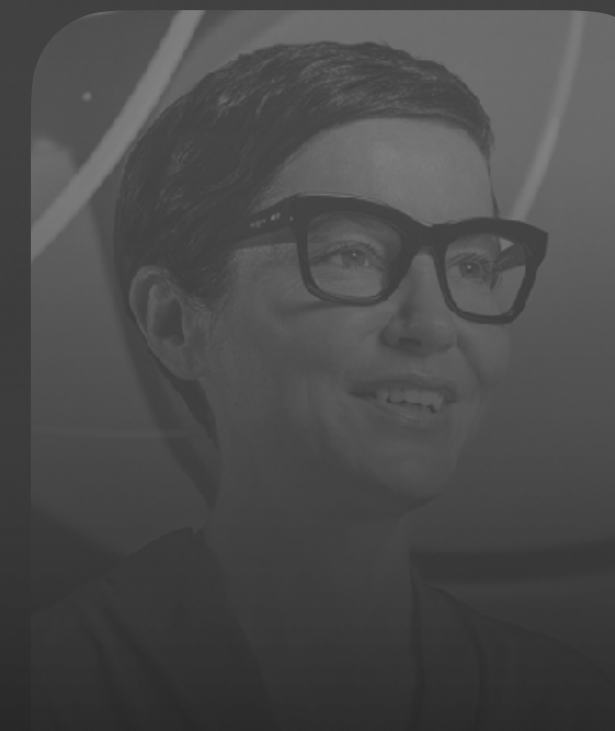
Customer
centric
organization



LEONARDO



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

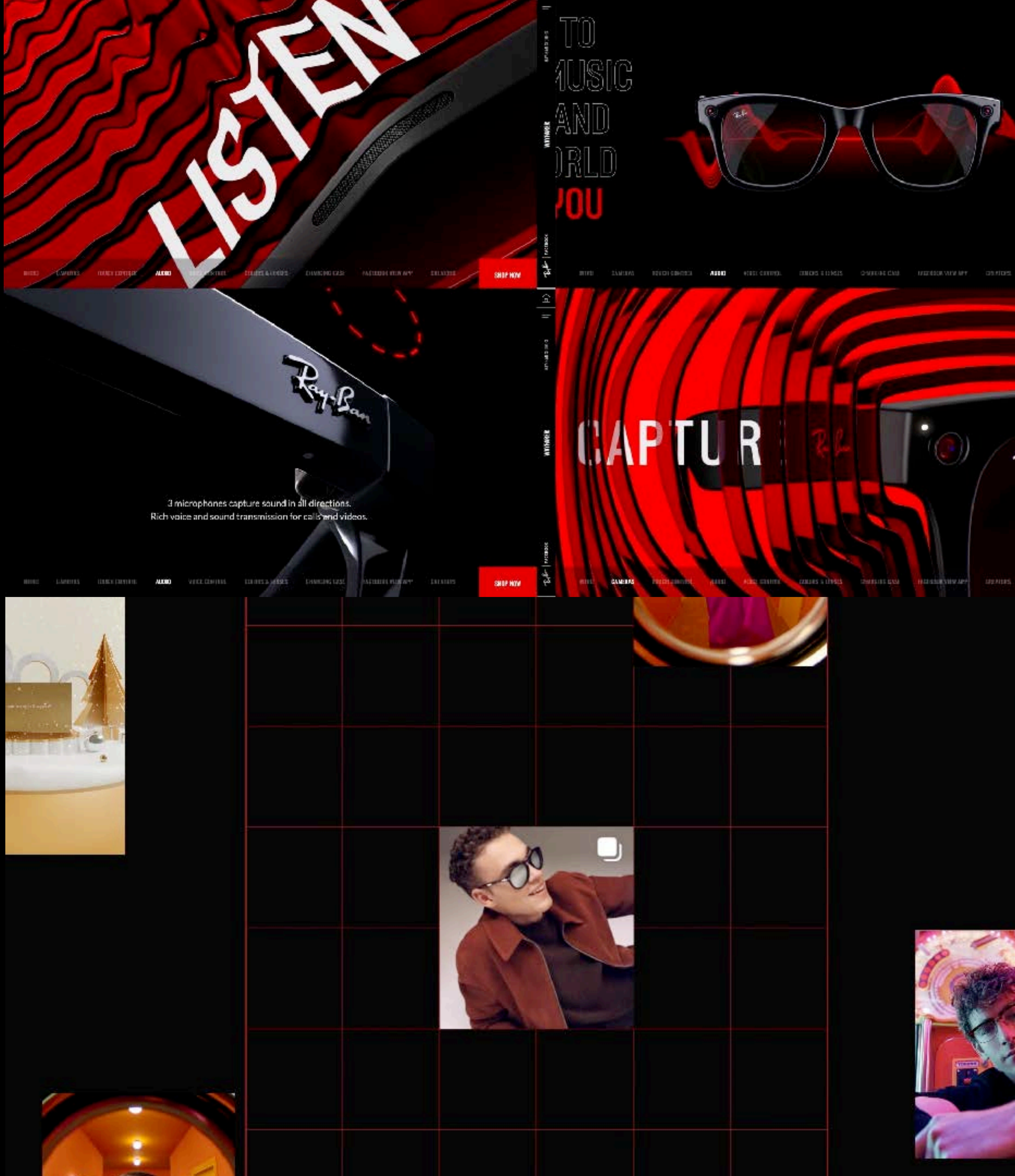
AUDIENCE
>500 m
UNIQUE VISITORS

TEAM
800
PEOPLE

€1.5Bn
TURNOVER

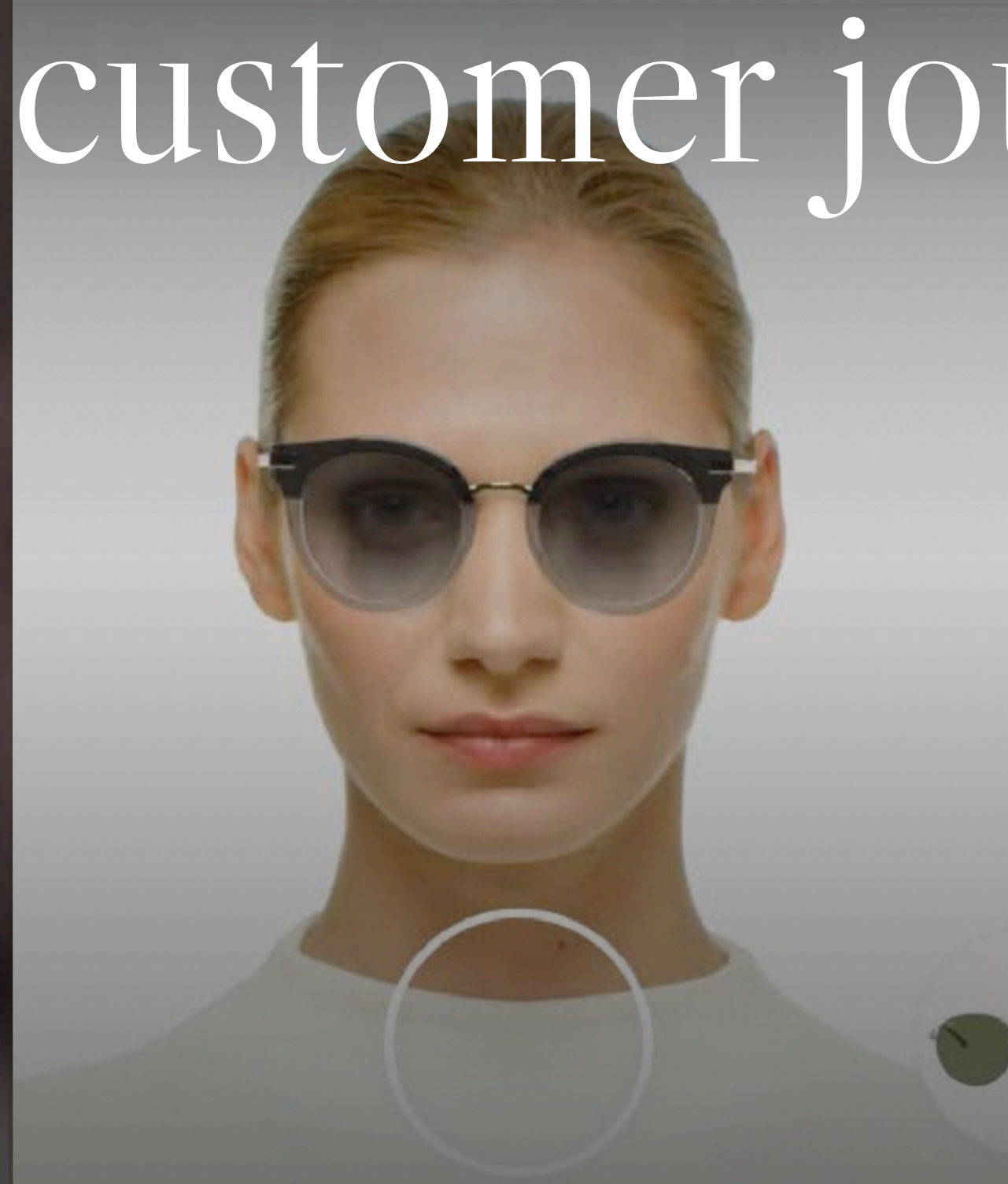
75
BANNERS

44
COUNTRIES



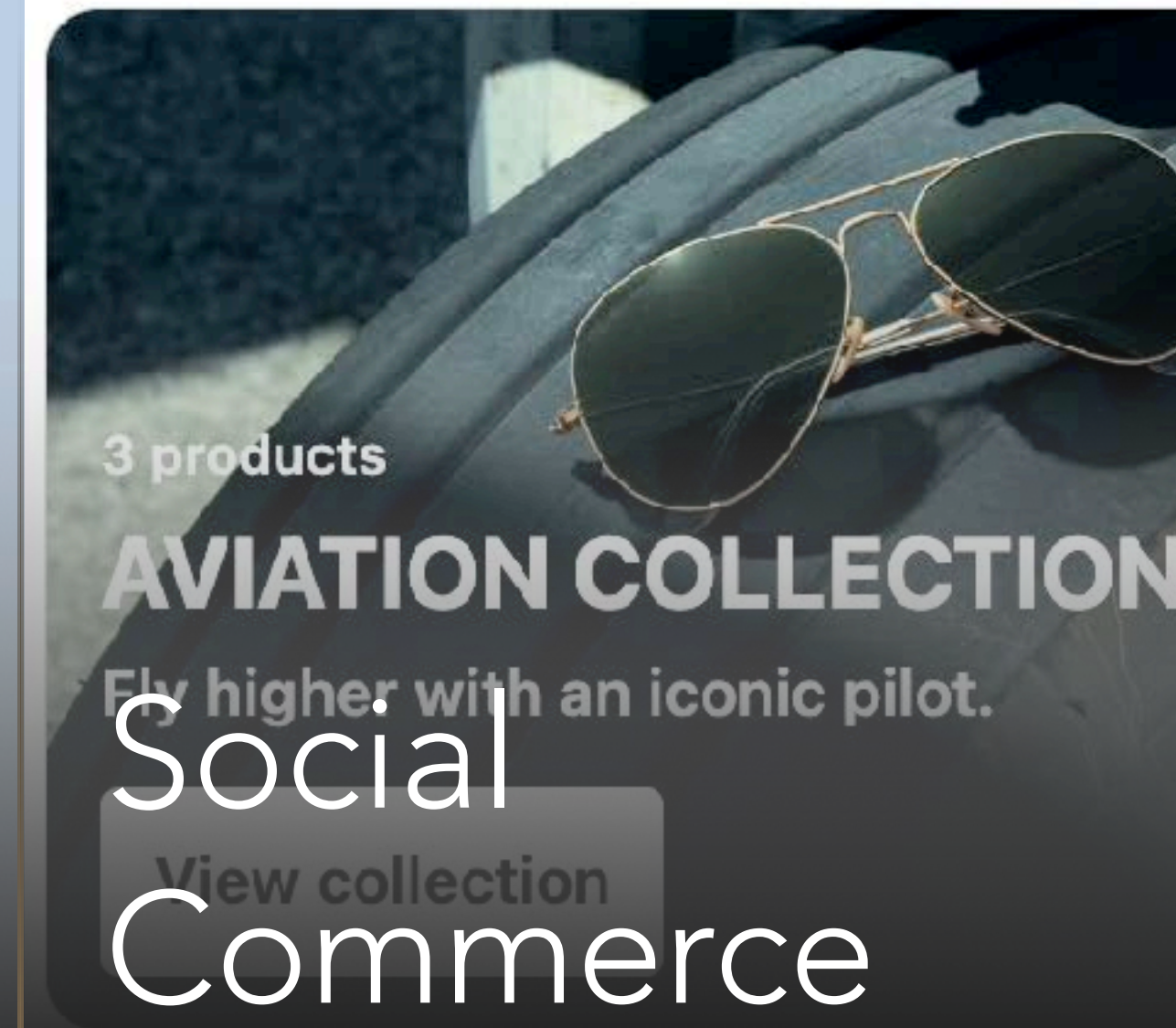
Fully personalized experience, integrated customer journey

Frame
Advisor
Artificial
Intelligence



Virtual
Try-on

Lens
Configurator



Social
Commerce

Q&A

15 minutes

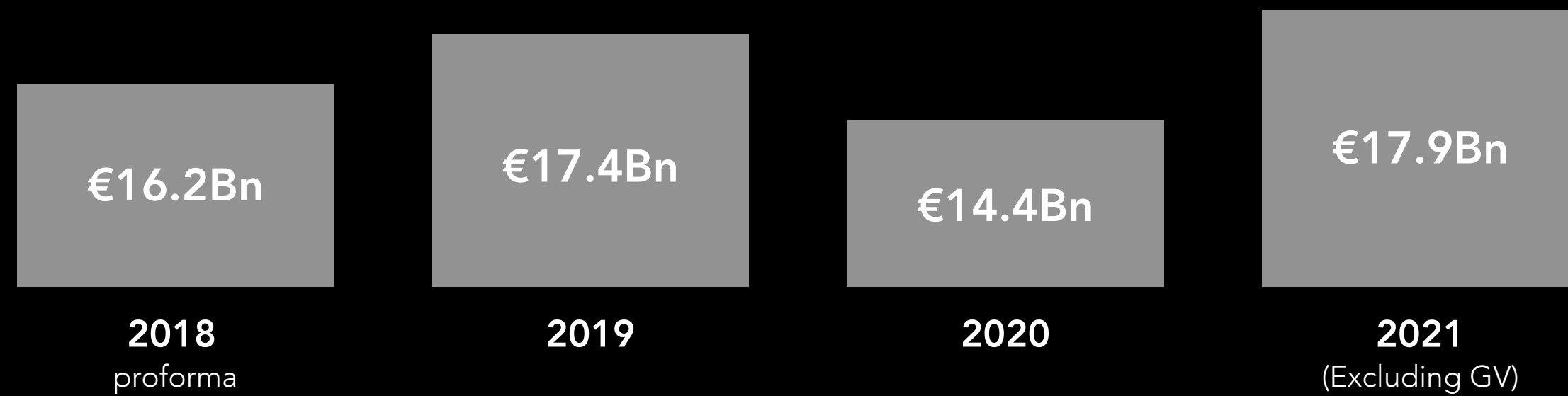
Stefano Grassi

Chief Financial Officer

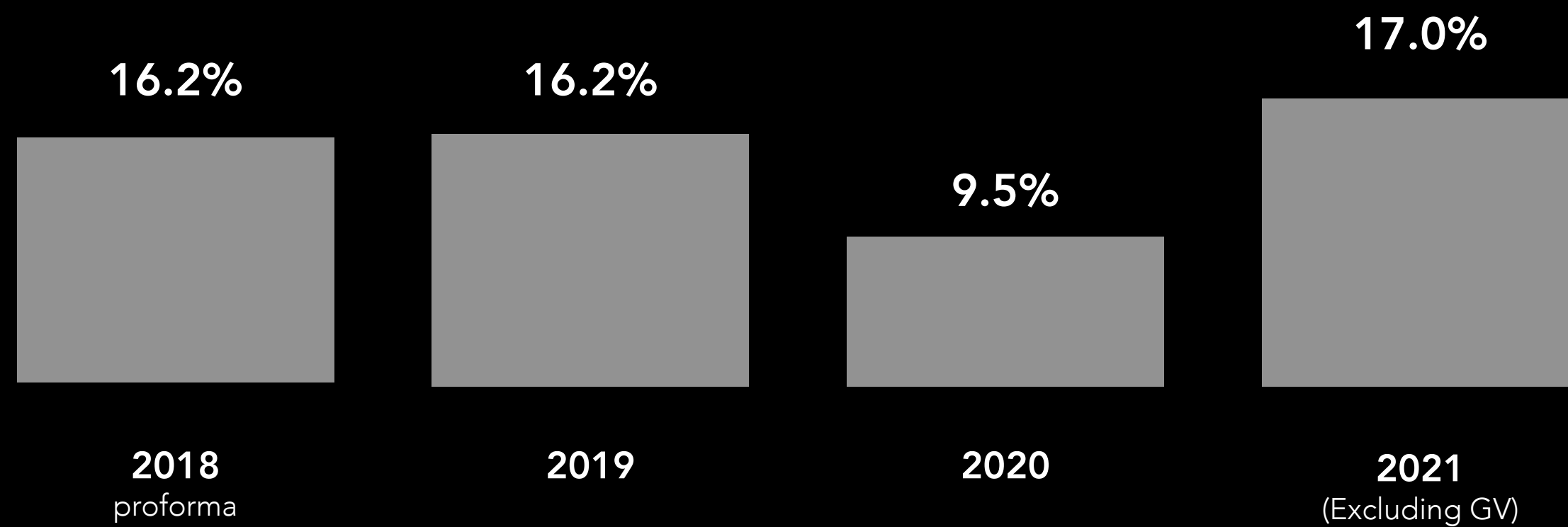
Financial roadmap

Long term outlook

Revenue

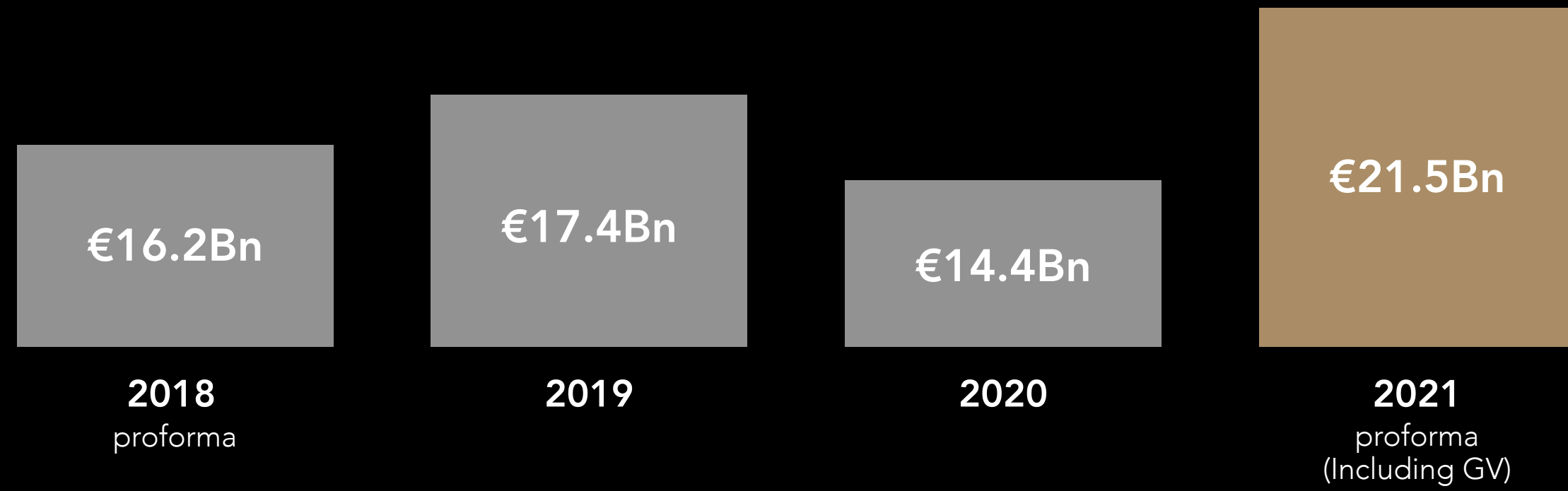


Adj Operating Profit as a % of revenues

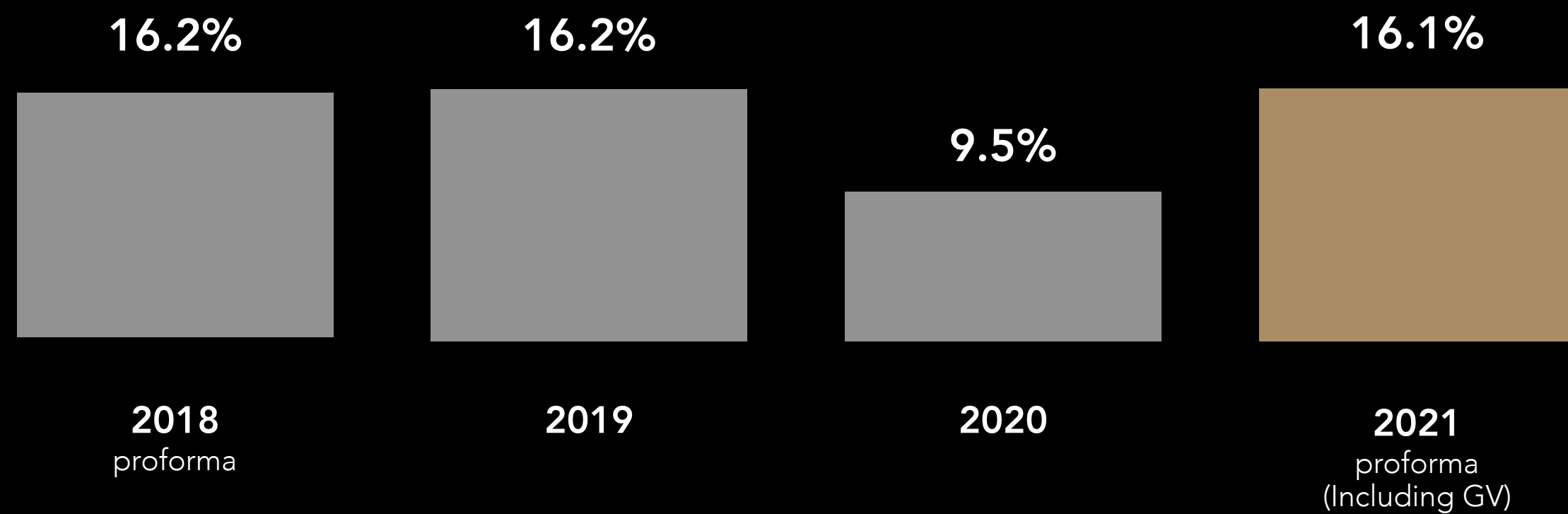


Long term outlook

Revenue

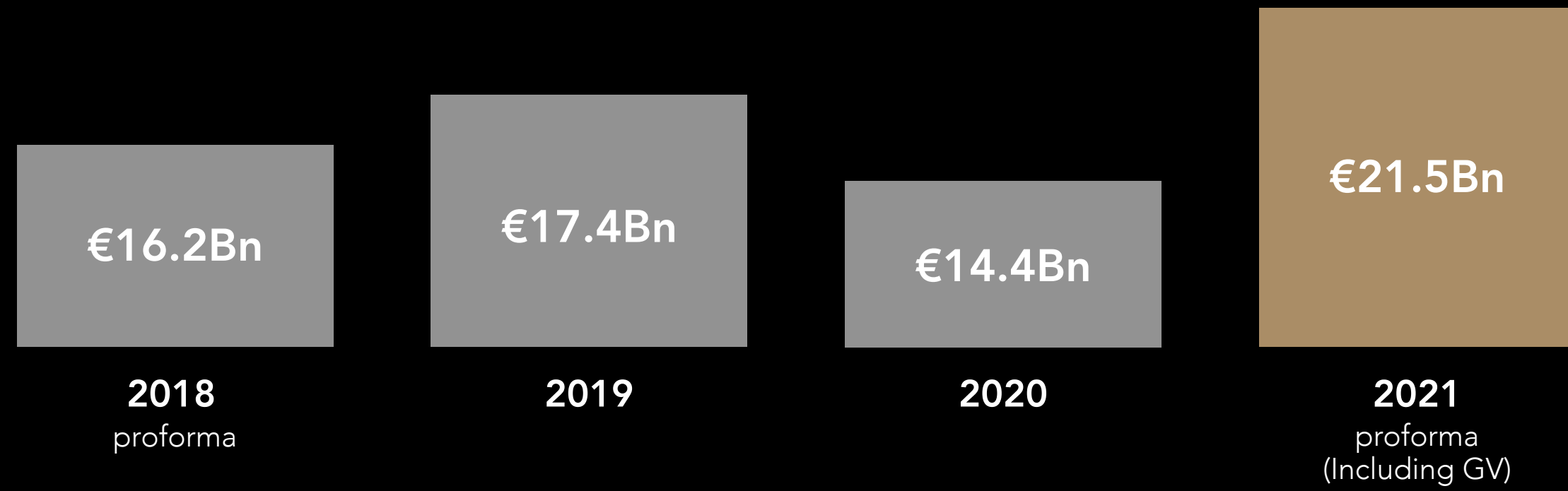


Adj Operating Profit as a % of revenues

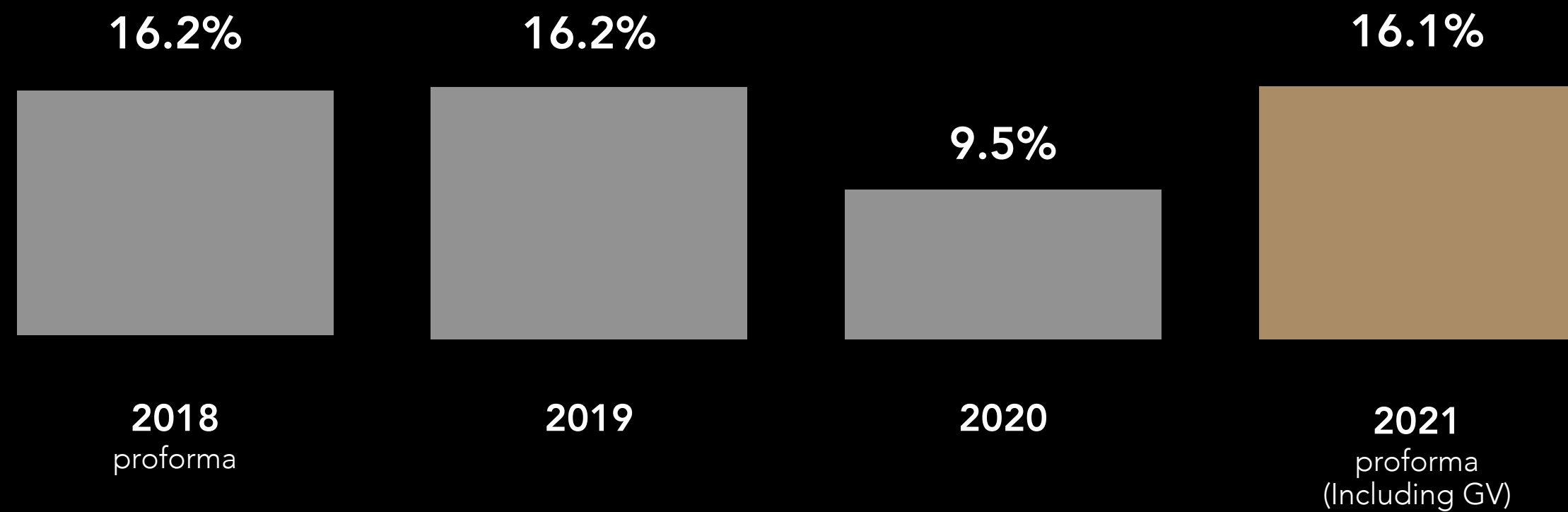


Long term outlook

Revenue



Adj Operating Profit as a % of revenues



5 years outlook

at constant currency

Revenue annual growth 2022-26

mid-single digit

~ €27-28Bn

2026

19-20%

2026

Sales key drivers

NA &
Europe

Low to mid
single digit

APAC &
LATAM

Mid to high
single digit

Bolt-on
acquisitions

Up to 1 p.p.
of growth

E-commerce

Double digit
(~10% of total
revenues by 2026)

Volume

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

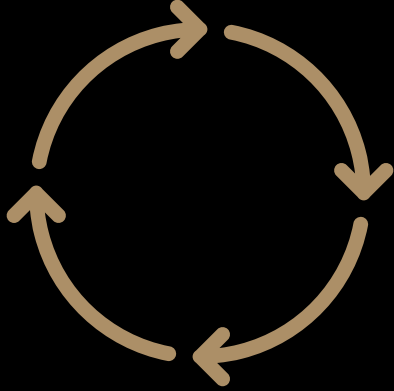
Cost

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

INVESTMENTS

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

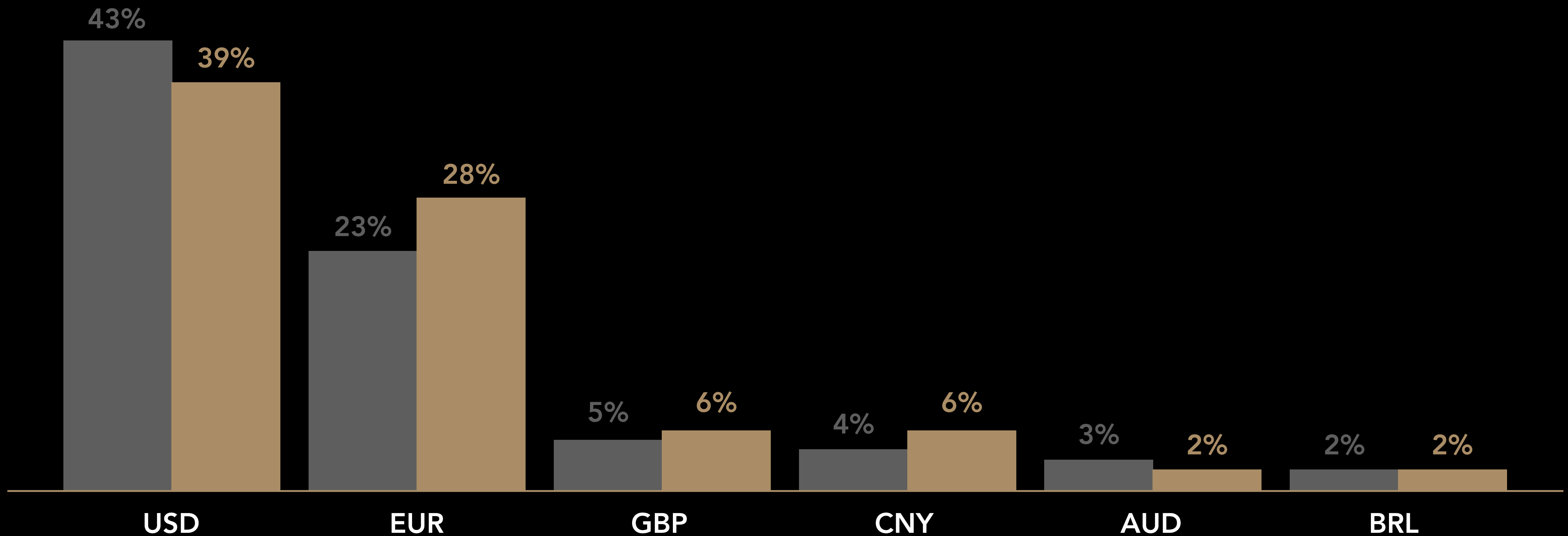


STEADY STATE Operating leverage at 3% growth

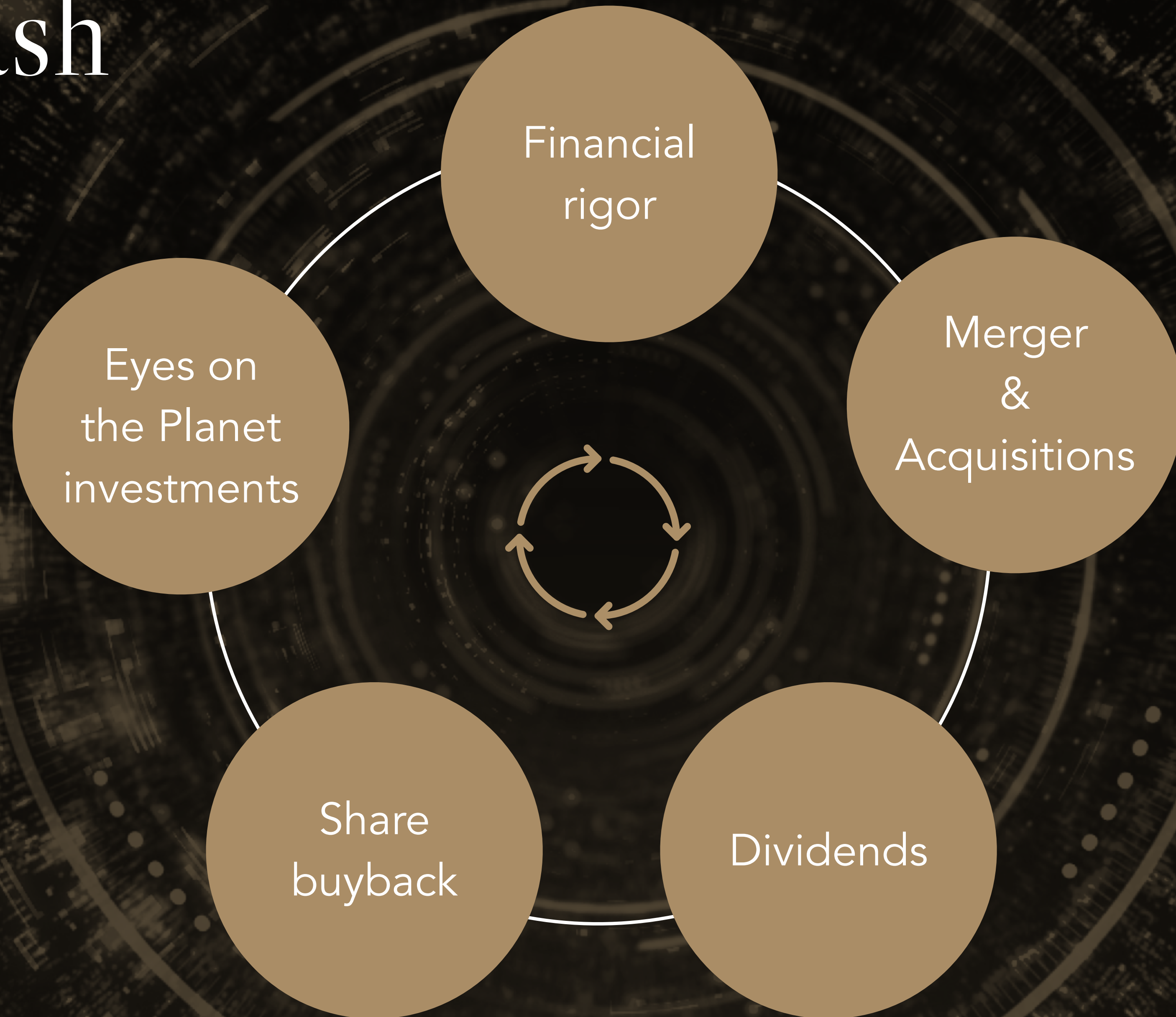
EFFICIENCIES

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

Revenue and cost currency structure



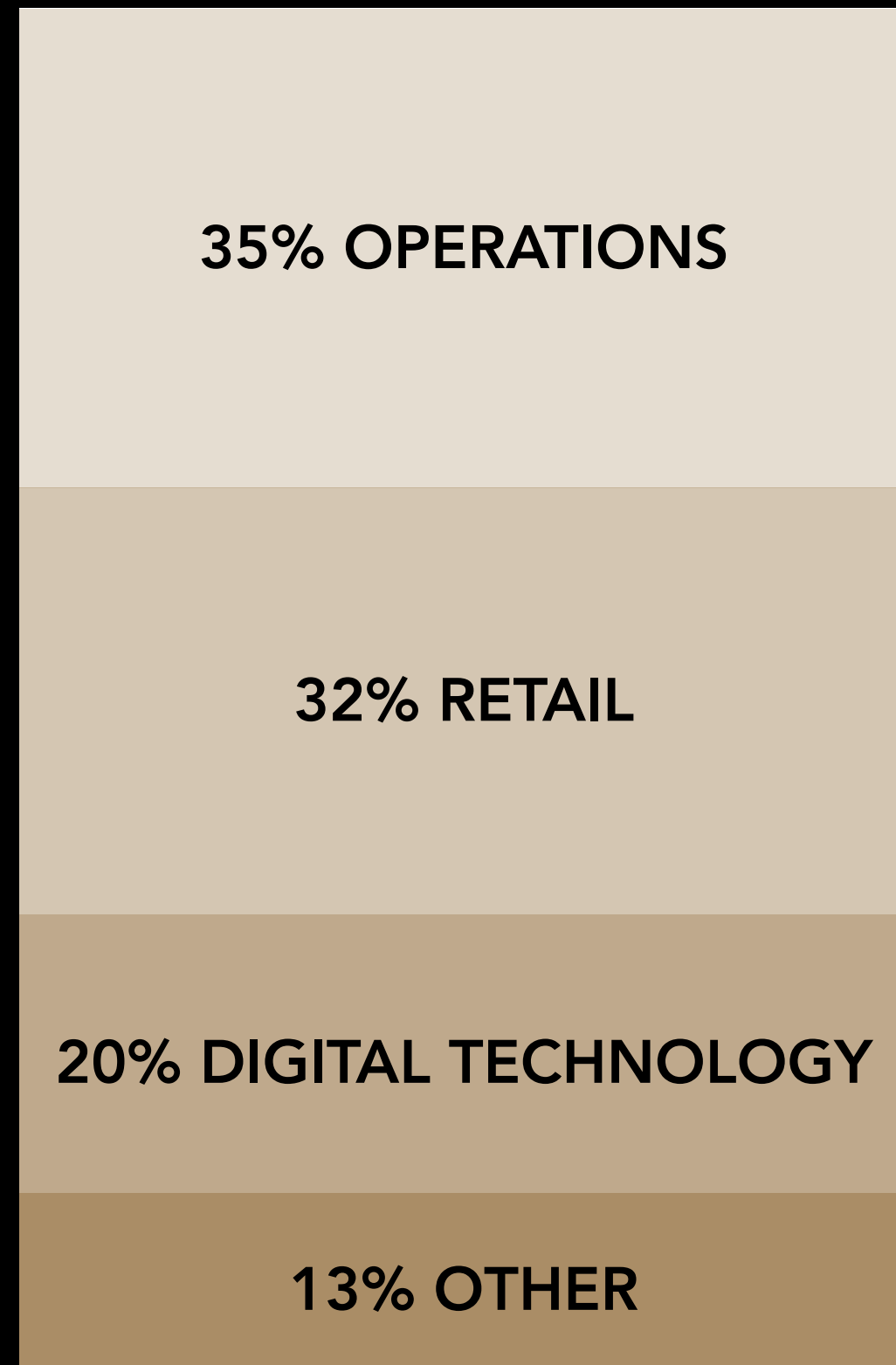
Use of cash



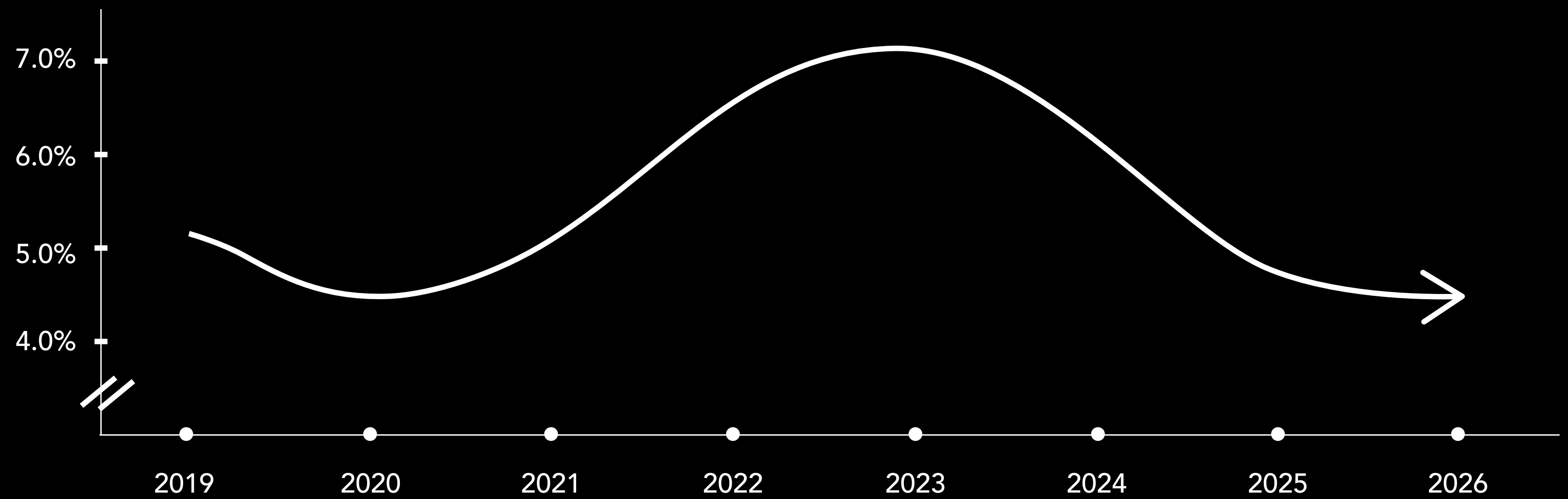
Investments

Capex mix

2021 proforma



Capex % on revenue



Q&A

30 minutes

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

EssilorLuxottica

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