

## **EssilorLuxottica and Delfin sign settlement agreement to solve EssilorLuxottica's governance issues and unlock the Group's potential to accelerate the integration process**

- **Leonardo Del Vecchio and Hubert Sagnières empowered Francesco Milleri and Laurent Vacherot to immediately focus on integration process, accelerating the simplification of the new Group**
- **All current disputes to be waived and terminated, including Delfin's arbitration**
- **Key executives jointly appointed to staff in order to lead the Group's central functions**
- **Confirmation of the search for CEO**
- **Valoptec will withdraw its proposed additional resolution and will vote against the remaining additional proposals to appoint new Board members**

**Charenton-le-Pont, France (May 13, 2019 – 8.40 am)** – EssilorLuxottica announced today that EssilorLuxottica and Deflin S.à.r.l. agreed upon a settlement agreement to overcome the governance issues and set the basis for a renewed start of profound collaboration between Essilor and Luxottica. The agreement settles any existing dispute among the parties.

The Board of Directors of EssilorLuxottica unanimously supported and approved this agreement aimed at immediately making the Group's structure more efficient and effective from an operational standpoint.

The equal-powers governance, set forth in the Combination Agreement and the Board Rules, is remaining in place until the date of the shareholders' general meeting to be called in 2021 to approve the financial statements for the year ended December 31, 2020.

According to the agreement:

- Leonardo Del Vecchio and Hubert Sagnières empowered Francesco Milleri (Deputy Chairman - CEO of Luxottica Group) and Laurent Vacherot (CEO of Essilor International) with the responsibility to develop and implement the EssilorLuxottica strategy and integration process, accelerating the simplification of the new Group by integrating the two operating companies within the next 12 to 24 months
- Mr Milleri and Mr Vacherot approved the appointment of key executives for the Group's central functions
- Mr Vacherot has been appointed as a Director of EssilorLuxottica, replacing Bernard Hours, who has asked to be relieved of his office. He will also become a member of the Board's Strategy Committee
- The Board confirmed the search for a new CEO. Francesco Milleri and Laurent Vacherot have informed the Board that they are not candidates for this position.

As a result of this agreement, all existing claims will be waived and legal proceedings will be terminated, including the request for arbitration filed by Delfin before the International Court of Arbitration of the International Chamber of Commerce on March 27, 2019.

In light of this agreement, Valoptec decided that it will withdraw the proposal submitted on April 18, 2019 for the appointment, at the Shareholders' Meeting convened for May 16, 2019, of one additional Director of EssilorLuxottica and will vote against the proposals submitted by certain institutional investors for the appointment of two additional Directors. The representative of Valoptec at the Board of EssilorLuxottica will integrate the Strategic and the Integration Committees of the Company.

As previously stated, the Board recommends that the shareholders vote against all the remaining proposed additional resolutions which, if approved, would result in a clear breach of the Combination Agreement and in a potential disruption for the activities of the Board.

*"I'm very pleased of this outcome. The industrial rationale of the combination is even stronger when looking at all the opportunities raised during the meetings of the Integration Committee. Today, respecting the equal power and the Combination Agreement, we have found a solution to better execute such strategic combination,"* commented Leonardo Del Vecchio, Executive Chairman of EssilorLuxottica.

*"With these decisions driving to a more unified company, EssilorLuxottica is well positioned to accelerate its growth in order to achieve its mission: to help people around the world to see more, be more and live life to its fullest by addressing their evolving vision needs and personal style aspirations,"* added Hubert Sagnières, Executive Vice-Chairman of EssilorLuxottica.

*EssilorLuxottica is a global leader in the design, manufacture and distribution of ophthalmic lenses, frames and sunglasses. Formed in 2018, its mission is to help people around the world to see more, be more and live life to its fullest by addressing their evolving vision needs and personal style aspirations. The company brings together the complementary expertise of two industry pioneers, one in advanced lens technology and the other in the craftsmanship of iconic eyewear, to set new industry standards for vision care and the consumer experience around it. Influential eyewear brands including Ray-Ban and Oakley, lens technology brands including Varilux® and Transitions®, and world-class retail brands including Sunglass Hut and LensCrafters are part of the EssilorLuxottica family. In 2018, EssilorLuxottica had nearly 150,000 employees and pro forma consolidated revenues of Euro 16.2 billion.*

*The EssilorLuxottica share trades on the Euronext Paris market and is included in the Euro Stoxx 50 and CAC 40 indices. Codes and symbols: ISIN: FR0000121667; Reuters: ESLX.PA; Bloomberg: EL:FP.*

## CONTACTS

### **EssilorLuxottica Investor Relations**

(Charenton-le-Pont) Tel: + 33 1 49 77 42 16

(Milan) Tel: + 39 (02) 8633 4870

E-mail: [ir@essilorluxottica.com](mailto:ir@essilorluxottica.com)

### **EssilorLuxottica Corporate Communications**

(Charenton-le-Pont) Tel: + 33 1 49 77 45 02

(Milan) Tel: + 39 (02) 8633 4470

E-mail: [media@essilorluxottica.com](mailto:media@essilorluxottica.com)