

Flexible Paid Time Off (PTO) Policy

Policy Statement

EssilorLuxottica believes in a culture of mutual respect, responsibility, and high performance. To ensure that its employees remain energized and motivated, EssilorLuxottica wants to provide certain exempt employees with the ability to take paid time off when needed, for any reason (“Flexible PTO”), within the guidelines of this policy.

Eligible Employees

This policy applies to all U.S. full-time exempt employees, with the exception of Retail Stores (collectively referred to as “eligible employees”). All exempt Retail Store employees, and full-time non-exempt employees, in the U.S. are not eligible for paid time off (“PTO”) under this policy, but will continue to accrue PTO under the existing PTO policies for U.S. employees, subject to the terms of those policies.

Effective Date

Effective July 1, 2022, eligible employees who were not already subject to the Luxottica Leadership PTO or Essilor Unlimited Vacation policies will begin transitioning to the Flexible PTO Policy from their current PTO Policy. The Company’s expectation is that they will transition to the new Flexible PTO Policy by December 31, 2022, or the date they exhaust or voluntarily forfeit all unused, accrued PTO under their current PTO Policy, whichever is earlier, unless otherwise required by law or Company agreement. To ensure a successful transition by this date, eligible employees will not accrue any further PTO under their current PTO Policy after June 26, 2022, and will be subject to any applicable forfeiture and carryover rules.

Flexible PTO

Flexible PTO allows eligible employees to take time off as needed, for any reason, as business allows.¹ This includes time spent away from work for vacation, relaxation, sickness, personal, or family reasons. Flexible PTO is not earned or accrued at any time. There is no limit on the overall amount of time that can be taken, as long as time off is planned in advance with the employee’s supervisor and direct reports so that business continues uninterrupted during the absence. A reasonable limit of **two (2) consecutive weeks**, however, is the maximum amount of Flexible PTO that can be taken at one time under this policy.

Pay for Flexible PTO

Flexible PTO is paid at the eligible employee’s regular base salary.

Scheduling Flexible PTO

Eligible employees are expected to schedule Flexible PTO in advance, and ensure that it does not adversely impact the business or co-workers, whenever possible. Employees should

¹ EssilorLuxottica complies with all federal, state and local leave and disability laws, including paid sick and safe time requirements. For details regarding these laws, please discuss with your supervisor or contact your HR Business Partner.

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coordinate their Flexible PTO with their supervisor, direct reports and co-workers and provide at least two (2) weeks advance notice when they plan to be out, if and when possible. When advance notice is not feasible, eligible employees should provide notice as soon as possible to lessen any disruption on the business.

Management Review

The use of Flexible PTO must be approved by an immediate supervisor. Flexible PTO is required to be recorded in the employee's applicable timekeeping system for tracking purposes. Supervisors are responsible for ensuring that the use of Flexible PTO is reasonable, does not adversely impact other co-workers or the business, and does not impact the job performance of the employee. The Company retains the right to deny requested Flexible PTO based on business needs, the productivity of the employee, or any other business reason. Repeated failure to schedule or obtain approval for Flexible PTO in advance may result in review with Human Resources or subject an eligible employee to corrective action.

It is expected that supervisors will approve Flexible PTO requests in a fair and consistent manner. If supervisors have questions on the reasonableness of a request, or the potential interaction with an accommodation or job protected leave of absence as explained below, they should consult with their HR Business Partner.

Leaves of Absence and Third-Party Benefit Programs

At times, employees may be eligible for time off work under applicable federal, state and local laws, and/or one of EssilorLuxottica's leave of absence policies. Eligible employees may use Flexible PTO for pay during such time off work, just as they can for any other approved reason. In doing so, Flexible PTO will run concurrently with an approved leave of absence and will not extend the leave's qualifying start or end dates.

Eligible employees may designate when during the approved leave of absence they wish to take their Flexible PTO. Time off in excess of two weeks of Flexible PTO will be unpaid, unless the eligible employee qualifies for a third-party benefit program such as short or long-term disability insurance, state disability insurance, workers' compensation, or as otherwise required by law. If a third-party benefit does apply, the amount of Flexible PTO an employee receives is offset by any payments received under the third-party program, and benefits are coordinated.

However, any Flexible PTO used during an unpaid short-term disability insurance elimination period, if applicable, will not count toward the employee's two week maximum for that continuous leave of period, should the employee's paid benefits exhaust before the employee returns to work. For example, an employee who goes out on maternity leave may use one week of Flexible PTO to cover her elimination period prior to the start of her short-term disability leave, and then use another two weeks of Flexible PTO during her unpaid baby bonding leave. Similarly, an employee with a long-term illness may use one week of Flexible PTO to cover his elimination period before starting short-term disability leave insurance benefits, and then use another two weeks of Flexible PTO after his short-term disability leave has exhausted.

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Eligible employees are required to apply for and integrate state disability and short-term disability insurance benefits with their Flexible PTO. Similarly, eligible employees are encouraged to apply for a leave of absence when applicable, so that the Company may fully evaluate the request under Company policy and/or applicable law; otherwise, their request for Flexible PTO may be denied. For more information regarding EssilorLuxottica's leaves of absence, short or long-term disability plans, or state disability insurance programs, please contact EssilorLuxottica's Leave and Disability Service Center.

Change of Status

Any eligible employee who moves into a full-time exempt role after the effective date of this policy will begin transitioning to the Flexible PTO Policy immediately. PTO accruals will cease as of the role transition date, with the expectation that the eligible employee will transition to the Flexible PTO Policy within six (6) months of that date, unless otherwise specified by the Company. At the end of the established transition period, any unused, accrued PTO will be forfeited unless otherwise required by law. In such cases where it cannot be forfeited, the Company will determine how such unused, accrued PTO will be exhausted or paid to the employee within the legal requirements.

Termination of Employment

Flexible PTO is not a form of additional wages for services performed, is not earned and does not accrue. Rather, it is part of the Company's goal to provide a flexible work schedule, which includes eligible employees' ability to decide when and how much time to take off within the guidelines of this Policy. Accordingly, there is no pay out of Flexible PTO upon voluntary or involuntary termination unless otherwise required by law. Any PTO hours that were accrued under a previous PTO policy, and not exhausted prior to the employee's termination of employment, will be handled in accordance with the PTO policy under which the PTO hours were originally accrued.

Future Revisions to This Policy

This policy is not intended to be a contract between EssilorLuxottica and any of its employees, and this policy does not in any way impact the "at-will" nature of the employment relationship between the Company and its employees. EssilorLuxottica reserves the right to change this policy at any time, in any way, with or without notice.

Questions? Contact your HR Business Partner.