

LUXOTTICA GROUP SPA

GROUP PROCEDURE FOR GRANTING ASSIGNMENTS TO EXTERNAL AUDIT COMPANIES

(Translation from the Italian, which remains the definitive version)

1. Subject of the procedure

This procedure (hereinafter referred to as the “Procedure”) governs the granting of assignments (hereinafter “Assignments”) by Luxottica Group S.p.A. (hereinafter “Luxottica” or the “Parent company”) and its subsidiary companies (hereinafter “Subsidiary Companies”) to external audit companies, in order to protect the independence of the external auditor as fundamental guarantee for the reliability of the accounting information, with regard to the companies granting the Assignments.

Therefore, the application of the Procedure involves the Parent company and all the Subsidiary Companies.

2. Network of the Main Auditor and secondary auditors of the Group

The external audit company assigned by the Parent company as per art. 155 of Italian Legislative Decree 58/98 is the main auditor (“Main Auditor”) for the entire Luxottica Group (hereinafter the “Group”) and, as a result, the Network of the Main Auditor is the subject which must be used for granting audit Assignments, as per art. 165 of Italian Legislative Decree 58/98, also by the Subsidiary Companies.

The Network of the Main Auditor includes the Main Auditor, its Affiliated Companies and any other company or person associated with the Main Auditor or which is in any way linked to the Main Auditor by the same name, trade name or business name or by the sharing of significant professional or organizational resources.

Use of other auditors (“secondary auditors”) by the Subsidiary Companies must be agreed in advance with the Main Group company, by means of a justified request sent to the Chief Financial Officer (“CFO”) of the Parent company, all in accordance with the indications in the section below, “Approval Procedures.”

The Network of the Main Auditor and the secondary auditors are hereinafter jointly referred to as “Group Auditors.”

3. Categories of assignments and limits for granting these assignments

The categories of assignments governed by this Procedure are as follows:

- “Audit Services;”
- “Audit Related Services;”
- “Non Audit Services;”
- “Prohibited Services.”

The limits for granting these assignments derive from the current standards in Italy and in the USA, also considering the listing of the Luxottica shares at the Milan and New York Stock Exchanges, saving any further constraints due to local laws applicable to the individual non-Italian Subsidiary Companies.

Indispensable and optional Audit Services

The “indispensable Audit Services” are those which deal with the following audit and accounting organization activities:

- a) accounting auditing of the annual and periodic reports as per applicable laws and regulations (including the auditing of the “annual report” as per the US applicable laws to the companies listed in the United States);
- b) accounting auditing of the annual and periodic consolidation packages.

The “optional Audit Services” are those which deal with the following accounting auditing related activities:

- c) checking the compliance of the so-called sustainability balance sheets or social balance sheets;
- d) reports or opinions for specific operations which, by law, are the responsibility of the external auditor in charge of the accounting auditing;
- e) auditing of the reports required by national or supranational Administrations (such as the European Union) for the granting of contributions/funding for specific initiatives/projects;
- f) auditing carried out in order to issue “comfort letters” relating to issuing financial instruments and capital collection activities carried out by the Parent Company and by the Subsidiary Companies;
- g) auditing agreed with the management in specific balance sheet areas or accounts or accounting situations, to support the auditing of the periodic reports;
- h) auditing of Subsidiary Companies and related companies (including a “review” of the working files of other external audit companies), required for the auditing of the periodic reports of the companies being audited;
- i) auditing of balance sheets and/or asset/liability situations to be published in informational prospectus, informational documents, offering memoranda and similar documents;
- j) services required by Control Authorities and Institutions (such as, for example, those related to the so-called regulatory accounting);
- k) auditing aimed at Internal Control System certificates, as per Section 404 of the Sarbanes-Oxley Act of 2002.

Audit Related Services

The “Audit Related Services” are those which deal with the following other auditing activities:

- a) auditing agreed in the following areas:
 - accounting due diligence processes (financial due diligence) for companies, firms or property to be purchased, sold or leased;
 - procedures carried out in regulatory accounting areas;
 - procedures carried out in areas relating to the Internal Control System for supporting the internal auditor;
 - procedures for checking related companies as provided for by company shareholders agreements (in relation to so-called audit rights);
 - social security plans for the personnel of the Parent company and/or the Subsidiary Companies;
- b) accounting and reporting opinions, including opinions for the application of (i) new accounting principles and new accounting and regulatory reporting standards, (ii) current accounting principles in other countries, (iii) laws and regulations issued by authorities on companies and market;
- c) assistance for the internal audit function within the limits set by the Securities Exchange Commission.

Non Audit Services

The “Non Audit Services” are those which deal with activities not related to the accounting auditing.

By way of example, the following is a list of the activities included in these categories:

Tax

- a) Studies into transfer pricing, cost segregation and other tax assessments;
- b) Tax planning and related services, also with regard to corporate reorganization projects;
- c) Tax and related consultancy services for all the income statements presented by the Parent company or its subsidiaries;

Others

- a) treasury management matter consultancy;
- b) strategic planning services or risk management handling services;
- c) corporate integration consultancy following mergers;
- d) property consultancy services.

Prohibited Services

“Prohibited Services” whose granting is not allowed in any way, are those which deal with the following matters:

- a) keeping of the accounts and accounting records (bookkeeping);
- b) organization and implementation of the financial information systems;
- c) assessments and opinions about congruity not covered by the national laws or by specific local laws (appraisal or valuation services, fairness opinions, contribution-in-kind reports);
- d) actuarial services;
- e) internal audit outsourcing services;
- f) management activities, with particular reference to personnel management (management functions or human resources);
- g) investment, bank and insurance services (broker/dealer, investment adviser or investment banking services);
- h) other legal and expert consultancy services unrelated to the audit, mainly in relation to the matters set by the Securities Exchange Commission and the Public Company Accounting Oversight Board considering the listing of the Luxottica shares on the New York Stock Exchange.

4. Approval procedures

Indispensable Audit Services.

The granting of the auditing commitment as per art. 155 of Italian Legislative Decree 58/98, is based on a reasoned proposal made by the board of statutory auditors of the Parent Company according to Art. 159 of the Italian Law Decree 58/98

To such end the Board of statutory auditors with the assistance of the inside departments of the Company and in particular of the Administration, Finance, Control Management and Internal Audit – starts a selection procedure amongst auditing companies registered in the book of same as per art. 161 Italian Law Decree 58/98 .

In the evaluation of the offers made by the auditing companies, the Board of Statutory Auditors considers besides the terms of the related revision plan, the limits imposed by the current provisions as far as incompatibility.

The proposal reasoned by the Board of Statutory Auditors is introduced after the Committee exam for the Internal Control, to the Board of director and it is subject to the approval of the shareholders Meeting.

Optional Audit Services, Audit Related Service, Non Audit Services

The process for the approval of such tasks envisage that the [Administration, Finance and Control Management](#) submits to the Board of the Statutory Auditors (in its capacity of Audit Committee according to the Sarbanes-Oxley Act) the related proposal, together with the declaration by the Main Audit that the task is consistent with the provisions of the Security Exchange Commission as far as independence.

The Audit Committee approves such tasks and proceeds to write down in the minutes the approval itself.

Significant urgent cases

In accordance with the directives of the Security and Exchange Commission, the Board of Statutory Auditors in its capacity of Audit Committee [according to the Sarbanes-Oxley Act](#) has the right to appoint one or more members for the approval of the “Audit” and “Audit Related” services.

In accordance with the above, the Audit Committee appoints its Chairman for authorizing individual assignments, in cases of proven significant urgency and cases in which the members of the Audit Committee cannot meet.

The President of the Audit Committee will inform about these decisions during the very next meeting of the Audit Committee.

Regular information

Where the Board of Statutory Auditors in its capacity of Audit Committee deems it appropriate according to the Sarbanes-Oxley Act will inform the Board of Directors about the assignments assigned following this Procedure.

5. Cost reporting

On request of the Board of Directors the Administration, Finance and Control Function reports to the Board itself about the expenses met for the assignments granted according to this Procedure.

The Board of Statutory Auditors, in its capacity of Audit Committee, has the right to make use of the Internal Auditing Function for the monitoring the following:

- the existence of the authorization for all the assignments granted;
- the presence of any discrepancies with regard to the assignments (in terms of time and resources) estimated.

Luxottica Group S.p.A.

The Board of Directors

Milan, 14 february 2008