

Executive Director's Compensation

Chairman and Chief Executive Officer's compensation

At its meeting on December 2, 2015, the Board of Directors determined the gross annual compensation to be paid in respect of 2016 to Hubert Sagnières in his capacity as Chairman and Chief Executive Officer, and the number of performance shares to be granted to him under the December 2015 plan, in line with the Executive Officers and Remunerations Committee's recommendations.

For 2016, the Board of Directors decided to maintain Mr. Sagnières' annual cash compensation (salary plus target and maximum bonuses) at the same level as in 2015.

	2015	2016
Salary	€800,000	€800,000
Target bonus for the year	€800,000	€800,000
<i>Maximum bonus for the year</i>	€1,600,000	€1,600,000

The performance objectives for 2016 will be defined in the first quarter, when the Board meets to assess the degree to which the 2015 objectives were met and determine the bonus payable for that year.

Long-term compensation/2015 grant

During the December 2 meeting, the Board of Directors also decided, by virtue of the 14th, 15th and 16th resolutions approved by shareholders at the May 5, 2015 Annual Meeting, to grant performance shares and capped performance stock options to 9,691 employees. Up to 1,443,176 shares may be awarded under these plans, of which 1,343,153 under the performance share plan and 100,023 under the capped performance stock option plan.

In this regard, and in line with the recommendation of the Executive Officers and Remunerations Committee, the Board decided to grant 35,000 performance shares to Mr. Sagnières, corresponding to 2.4% of the total authorized award (performance shares and performance options combined) and 0.016% of the Company's total capital at October 31, 2015. Note that Mr. Sagnières was granted 40,000 performance shares on November 25, 2014.

The shares will only vest if the grantee is still employed by the Company on the vesting date, and are subject to the two performance conditions described below.

For all grantees, the number of shares that vest will depend on the annualized growth in the Essilor share price during the performance measurement period extending from the third to the sixth anniversary of the grant date.

Additionally:

- For Executive Committee members, the number of shares that vest will also depend on the average rate of achievement of the Company financial performance component of their annual bonus targets, calculated over the performance measurement period extending from the third to the sixth anniversary of the grant date.
- For executive directors¹, the number of shares that vest will also depend on the average rate of achievement of their annual bonus targets, calculated over the performance measurement period extending from the third to the sixth anniversary of the grant date.

Because these average achievement rates are capped at 1, application of this vesting condition can only lead to a reduction in the number of shares acquired by executive directors and members of the Executive Committee.

The vesting period is set at a minimum of three years for French tax residents, followed by a two-year lock-up period, and a minimum of four years for non-residents, with no lock-up period.

In addition to the lock-up period applicable to all performance shares, executive directors¹ are required to retain one-third of the vested shares for their entire term of office. This requirement no longer applies when the cumulative value of shares acquired over time through performance share plans or the exercise of stock options permanently represents the equivalent of two years' cash compensation (salary plus target bonus).

About Essilor

The world's leading ophthalmic optics company, Essilor designs, manufactures and markets a wide range of lenses to improve and protect eyesight. Its mission is to improve lives by improving sight. To support this mission, Essilor allocates more than €180 million to research and innovation every year, in a commitment to continuously bring new, more effective products to market. Its flagship brands are Varilux[®], Crizal[®], Transitions[®], Definity[®], Xperio[®], Optifog[®], Foster Grant[®], Bolon[®] and Costa[®]. It also develops and markets equipment, instruments and services for eyecare professionals.

Essilor reported consolidated revenue of nearly €5.7 billion in 2014 and employs 58,000 people. It markets its products in more than 100 countries and has 33 plants, 490 prescription laboratories and edging facilities, as well as several research and development centers around the world. For more information, please visit www.essilor.com.

The Essilor 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: ESSI.PA; Bloomberg: EI:FP.

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¹ In 2015, Hubert Sagnières, Chairman and Chief Executive Officer, was the only executive director of Essilor International.