

Executive Director's Compensation

2014 Bonus

At its meeting on February 18, 2015, the Board of Directors determined the 2014 bonus to be paid to Hubert Sagnières in his capacity as Chief Executive Officer, in line with the recommendations of the Executive Officer and Remunerations Committee.

This determination was based on the following factors:

- The target 2014 bonus, assuming that the objectives were fully met, amounted to €800,000. Depending on the extent to which the objectives were met, the actual bonus could represent between 0 and 1.6 times the target amount, i.e. between €0 and €1,280,000.
- The 2014 bonus was 80% based on financial targets and 20% on personal objectives, as follows:
 - 40% on a target for restated net earnings per share, with a ceiling of 74% in the event the target is amply exceeded.
 - 30% on combined organic growth target¹ or up to 56% if the target were to be exceeded significantly.
 - 10% on a target for growth from bolt-on acquisitions², with no increase if it is exceeded.
 - 20% on four personal objectives related to the Company's strategy, with no increase if they are exceeded. The targets for 2014 were an in-depth review of the external growth strategy, quality of succession planning, success of the Transitions Optical integration, and planning for the renewal of the Board assisted by the Nominations Committee.

In addition, the personal objectives were – exceptionally and in line with the 2014 compensation policy for Group employees – weighted by the degree to which the Group's organic growth target is met.

After a review of performance in relation to all of these objectives, it was determined that Mr. Sagnières' bonus would amount to 147.3% of the target amount, or a total of €1,178,400 for the year.

Note that the fulfillment rate was 106% for the 2013 objectives and 123% for 2012.

¹ Organic growth and growth from acquisitions completed in 2013, including Costa.

² Acquisitions and partnership agreements signed in 2014.

The following table summarizes total compensation due to Hubert Sagnières in respect of 2014:

Hubert Sagnières Chairman and Chief Executive Officer	
Salary	€800,000
2014 bonus	€1,178,400

The following table shows how the 2014 bonus was calculated:

W		A		W x A	W x A x target in €
Weighting	Target	Performance measurement	% achievement	Weighted % achievement	Achievement in €
40%	Restated net EPS	0 to 185%	185%	74,0%	€592 000
30%	Combined organic growth	0 to 185%	145%	43,5%	€348 000
10%	Bolt-on acquisition-led growth	0 to 100%	98%	9,8%	€78 400
20%	Personal factor result (C1 x C2)	0 to 100%	100%	20,0%	€160 000
	C1: Personal factor	0 to 100%	100%		
	C2: Group organic growth	0 to 100%	100%		
100%				147,3%	€1 178 400

In 2014, Essilor International reported:

- Adjusted (not restated) net earnings per share of €3.05.
- Combined organic growth of 8.6%.
- And 10 bolt-on acquisitions equal to annual revenues of €165 million.

For each objective, the required degree of fulfillment has been demandingly, carefully and precisely set, but will not be made public for confidentiality reasons. As a listed company and, unlike the competition, a pure player in the ophthalmic optics industry, Essilor International believes that revealing how performance is measured would be prejudicial to the effective execution of its strategy vis-a-vis its competitors.

2015 Compensation

At its February 18, 2015 meeting, the Board of Directors decided, in line with the recommendations of the Executive Officer and Remunerations Committee, to maintain the same bonus structure in 2015 as applied in 2014. The 2015 bonus will therefore be weighted as follows:

- 80% on financial targets
 - 40% on an organic growth target, or up to 80% if the target were to be exceeded significantly.
 - 30% on a restated Net EPS target, or up to 66% if the target were to be exceeded significantly.
 - 10% on a target for growth from bolt-on acquisitions, or up to 18% if the target were to be exceeded significantly.
- 20% on three personal objectives related to the Company's strategy, or up to 36% if the target were to be exceeded significantly.

In accordance with the Board of Directors' decision of November 25, 2014, the actual 2015 bonus may vary from 0% to 200% of the target amount depending on the extent to which the objectives are met.

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 fulfill it, Essilor allocates more than €150 million to research and innovation every year, in a commitment to continuously bringing 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 NYSE 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.

Investor Relations and Financial Communication

Phone: +33 (0)1 49 77 42 16