

President & Chief Operating Officer's Compensation

At its meeting on December 6, 2016, the Board of Directors approved, on the recommendation of the Nominations Committee and the Executive Officers and Compensation Committee, all of the following:

- the appointment of Laurent Vacherot as President & Chief Operating Officer with effect from December 6, 2016;
- the suspension of Laurent Vacherot's employment contract upon his appointment as President & Chief Operating Officer, as well as the conditions, where applicable, for the termination of this contract (I);
- the compensation payable to Laurent Vacherot for his duties as President & Chief Operating Officer (II).

I. Suspension of and conditions for the termination of Laurent Vacherot's employment contract

Laurent Vacherot's employment contract will be suspended throughout his term of office as President & Chief Operating Officer.

He will also be entitled to a severance payment in the event that his employment contract is terminated.

The conditions for calculating and granting the severance payment can be summarized as follows:

- Laurent Vacherot will receive a severance payment in the event that his employment contract is terminated by the Company, excluding the following cases:
 - serious or gross misconduct;
 - resignation;
 - voluntary or forced retirement;
 - termination by mutual consent.
- His employment contract must be terminated within one year of the end of his term of office as President & Chief Operating Officer.
- The maximum gross amount of the severance payment is equal to 12 months' contractual compensation.

- The amount and the payout conditions of the severance payment are subject to the fulfillment of performance conditions in accordance with Article L. 225-42-1 of the French Commercial Code and the recommendations of the AFEP-MEDEF Code.

Laurent Vacherot's performance will be measured based on the average rate of achievement of his annual variable compensation targets during the three fiscal years preceding the termination of his employment contract.

- If the performance rate is less than 50%, no severance payment will be due.
 - If the performance rate is higher than or equal to 100%, the severance payment will be equal to a maximum of 12 months' contractual compensation.
 - If the performance rate is between 50% and 100%, the severance payment will be determined on a strictly proportionate basis.
- The aggregate amount of the severance payment and benefits due by law or under the collective bargaining agreement for the termination of his employment contract is capped at 24 months' contractual compensation. In the event that the aggregate amount of the severance payment and the benefits due by law or under the collective bargaining agreement for the termination of his employment contract exceed the 24-month ceiling, the severance payment would be reduced by the portion exceeding this ceiling.

The Board of Directors' decision regarding the severance payment will be voted on at the Shareholders' Meeting to be held on May 11, 2017.

The terms and conditions for the granting of the severance payment, as well as the determination of the maximum amount and calculation method, have been defined in accordance with the recommendations of the AFEP-MEDEF Corporate Governance Code for Listed Companies.

II. Compensation payable to Laurent Vacherot for his term of office as President & Chief Operating Officer

For his duties as President & Chief Operating Officer, Laurent Vacherot's gross annual compensation can be broken down as follows:

- A fixed component for a gross amount of €650,000, i.e., €46,301 for 2016;
- A variable component for a gross amount of €650,000 if targets are fully met and which could vary from €0 to €1,300,000, depending on the achievement rate of the targets. For 2016, the structure of the targets and the level to be attained are those set out for his duties as an employee. His bonus for 2016 will therefore be calculated using: (i) the assessment base used for the compensation paid under his employment contract for the period from January 1, 2016 to

December 5, 2016 and (ii) the assessment base used for the compensation paid for his corporate office for the period from December 6, 2016 to December 31, 2016.

For 2017, the structure of the targets and the levels to be attained will be set by the Board of Directors' meeting of February 16, 2017.

In order to set the President & Chief Operating Officer's compensation, the Executive Officers and Compensation Committee examined the results of two benchmarking studies of senior executive compensation practices carried out by an independent firm of consultants. The first study related to the compensation of officers holding similar positions within CAC 40 companies. The second related to the compensation for similar positions held in the companies included in the international panel used to benchmark the Chairman and Chief Executive Officer's compensation. The total cash at target (fixed compensation + target bonus) of the President & Chief Operating Officer lies between the median of the panel of CAC 40 companies and the median of the international panel.

In addition, Laurent Vacherot:

- will maintain his membership of the Group death/disability and health insurance plans and the defined contribution pension plan for Essilor International employees;
- will continue being a member of the defined benefit pension plan, which he was already eligible for as an employee and under which he no longer accrues any potential benefits;
- will continue to be provided with a company car.

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 €200 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®, Eyezen™, Xperio®, Foster Grant®, Bolon™ and Costa®. It also develops and markets equipment, instruments and services for eyecare professionals.

Essilor reported consolidated revenue of more than €6.7 billion in 2015 and employs 61,000 people worldwide. It markets its products in more than 100 countries and has 32 plants, 490 prescription laboratories and edging facilities, as well as five 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.

Investor Relations and Financial Communication

Tel.: +33 (0)1 49 77 42 16