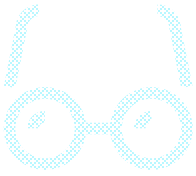
 2018

# Provisional quorum



	Shareholders	Shares
Postal ballot	000,000	000,000
Present and represented	000,000	000,000
<b>TOTAL</b>	<b>000,000</b>	<b>000,000</b>

## ▼ Required quorum

- 20% of the capital for OGM
- Participation rate: 00%

# AGENDA FOR THE ORDINARY MEETING

---



1. Approval of the 2017 parent Company financial statements
2. Approval of the 2017 consolidated financial statements
3. Allocation of earnings and setting of the dividend

# AGENDA FOR THE ORDINARY MEETING

---



4. Renewal of the Director's term of office of **Mr. Antoine BERNARD DE SAINT-AFFRIQUE**
5. Renewal of the Director's term of office of **Ms. Louise FRÉCHETTE**
6. Renewal of the Director's term of office of **Mr. Bernard HOURS**
7. Renewal of the Director's term of office of **Mr. Marc ONETTO**
8. Renewal of the Director's term of office of **Mr. Olivier PÉCOUX**
9. Renewal of the Director's term office of **Ms. Jeanette WONG**

# AGENDA FOR THE ORDINARY MEETING

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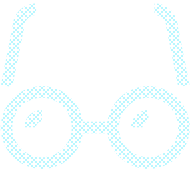


10. Appointment of **Ms. Jeanette WONG** as Director of the Company in replacement of Ms. Henrietta FORE  
*(as from the completion date of the combination with Luxottica)*
  
11. Approval of the undertakings referred to in article L. 225-42-1 of the French Commercial Code relating to the severance payment granted to Mr. Laurent VACHEROT, President and Chief Operating Officer, in the event that his employment contract is terminated under certain conditions

# AGENDA

## FOR THE ORDINARY MEETING

---



12. Approval of the fixed, variable and exceptional compensation components comprising the total compensation and benefits in kind paid or awarded in respect of the 2017 fiscal year to Mr. Hubert SAGNIÈRES, Chairman and Chief Executive Officer
13. Approval of the fixed, variable and exceptional compensation components comprising the total compensation and benefits in kind paid or awarded in respect of the 2017 fiscal year to Mr. Laurent VACHEROT, President and Chief Operating Officer
14. Approval of the compensation policy applicable to the Executive Board Officers
15. Powers to carry out formalities









# 2018

**SOUND GROWTH,  
SOUND FUNDAMENTALS**

Laurent Vacherot

# 2017: another year of earnings growth



	2016	Croissance	2017
<b>Revenue</b>	€7,115m	+5.3% 	€7,490m
<b>Adjusted Contribution from operations<sup>(1)(2)</sup></b> <i>As a percentage of revenue</i>	€1,321m 18.6%	+3.5% 	€1,367m 18.3%
<b>Adjusted Earnings per share<sup>(2)</sup></b>	€3.79	+1.6% 	€3.85
<b>Adjusted Free Cash Flow<sup>(3)</sup></b>	€963m	+4.0% 	€1,002m
<b>Dividend per share<sup>(4)</sup></b>	€1.50		€1.53

(1) Contribution from operations corresponds to revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs and other operating expenses)

(2) The 2017 accounts are adjusted for non-recurring items related, on one hand, to expenses associated with the proposed combination with Luxottica and, on the other hand, to the positive effects of tax changes in the United States and France. 2016 results are not adjusted

(3) Net cash from operating activities less change in WCR and capital expenditure. Adjusted for non-recurring items related to the German competition authority (BKA) in 2016 and to 2017 items including costs linked to the proposed transaction with Luxottica along with the settlement of litigation

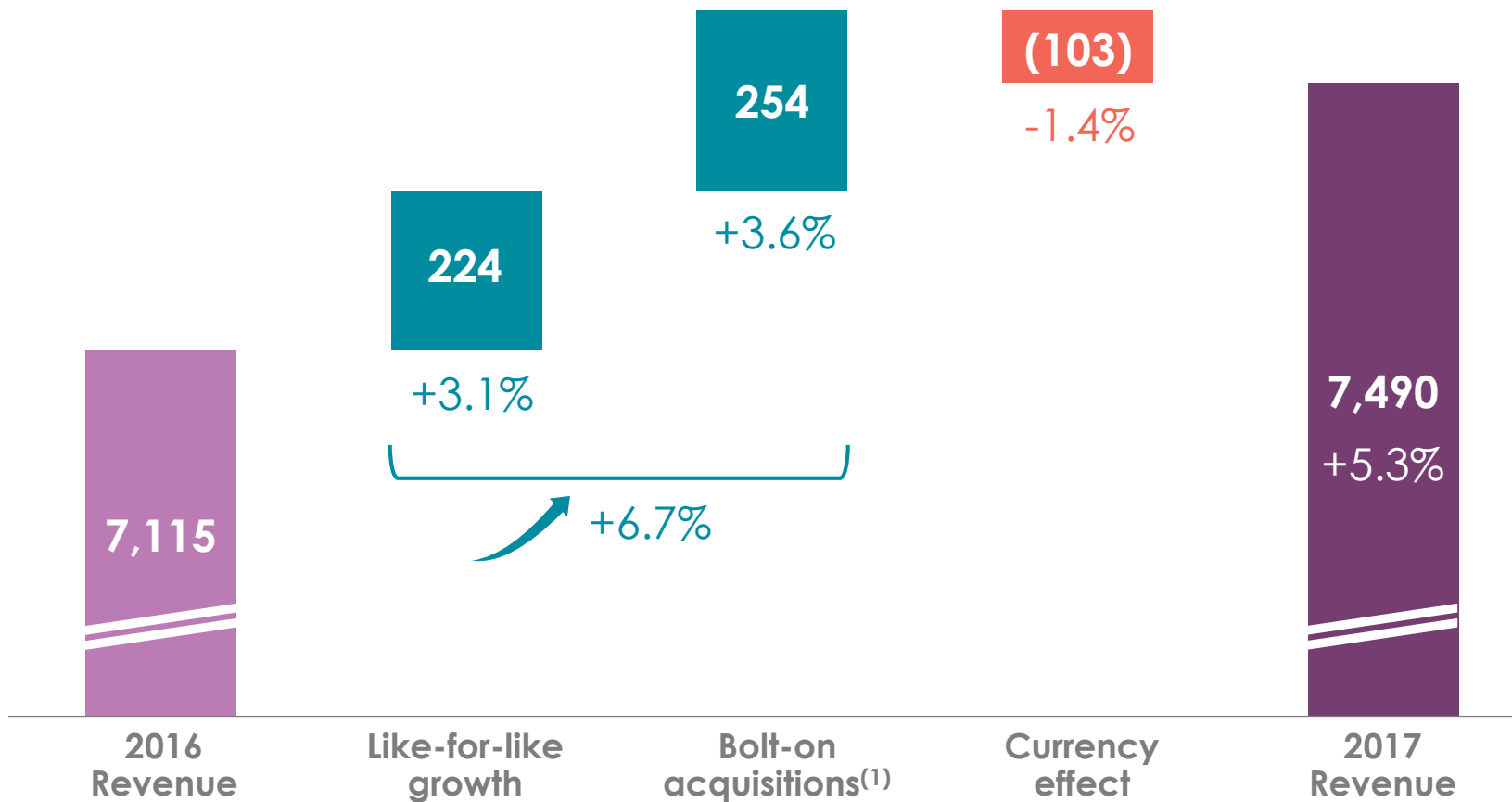
(4) To be submitted for shareholder approval at the April 24, 2018 Annual General Meeting



# 2017: a balanced revenue increase between like-for-like growth and bolt-on acquisitions



€ millions



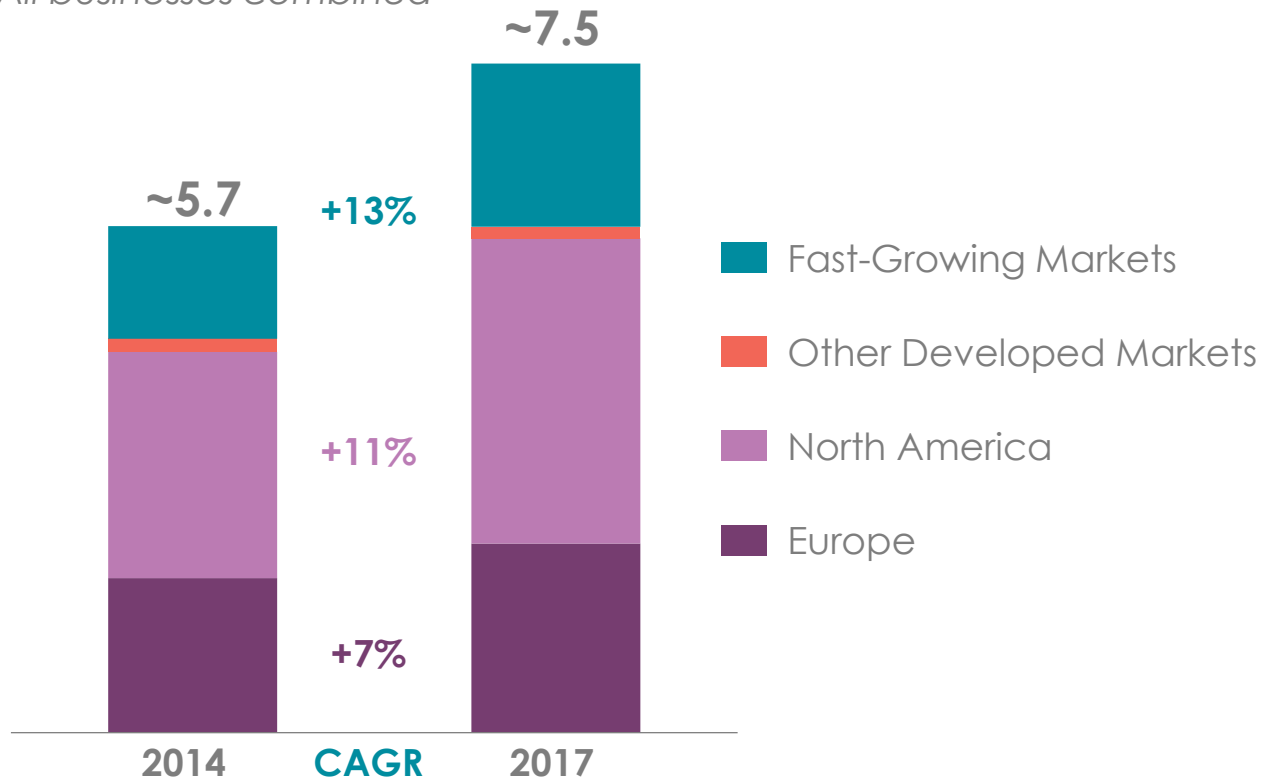
(1) Local acquisitions or partnerships

# Sustained revenue growth across geographies



## BY GEOGRAPHY

Revenue in €Bn  
All businesses combined



## 2017 HIGHLIGHTS

- ▼ Lenses: solid momentum driven by new products and e-commerce
- ▼ Continued progression in Sunglasses & Readers
- ▼ Equipment and Instruments performed well
- ▼ Fast-Growing Countries<sup>(1)</sup>: 24% of total sales

(1) Fast-growing countries include China, India, ASEAN, South Korea, Hong Kong, Taiwan, Africa, the Middle East, Russia and Latin America

# Important Factors for Consideration in 2017



Hive-down  
completed as  
of November,  
1st 2017

## ESSILOR INTERNATIONAL (Compagnie Générale d'Optique)

French joint-stock company (S.A.)  
Registered with the Trade and Companies Registry (Registre du  
Commerce et des Sociétés) of Créteil under number 712 049 618

↓ 100%

## ESSILOR INTERNATIONAL

French simplified joint-stock company (S.A.S.)  
Registered with the Trade and Companies Registry (Registre du  
Commerce et des Sociétés) of Créteil under number 439 769 654



## Equity holdings of the Essilor Group<sup>(2)</sup>

### Holding company (listed company)

Chairman and Chief Executive Officer: Hubert Sagnières  
President and Chief Operating Officer: Laurent Vacherot

### Operating company

Chief Executive Officer: Hubert Sagnières  
Deputy Chief Executive Officer: Laurent Vacherot  
Management Committee

2017 accounts  
are adjusted  
for non-recurring  
items

- Transaction costs related to the proposed combination with Luxottica: €109 million
- Costs related to employee shareholding plans<sup>(1)</sup>: €45 million
- A gain from a tax reimbursement in France, redistributed to eradicate poor vision: €19 million
- A gain from the tax reform in the USA: €73 million

(1) Lifting of the performance conditions of 2 employee shareholding plans and "Boost 2017" program

(2) Excluding the following subsidiaries: Essilor India Private Limited (EIPL), Essilor Manufacturing India Private Limited (EMIL), Essilor Korea Co, Ltd., Onbitt Co., Ltd., for which ESSILOR INTERNATIONAL (Compagnie Générale d'Optique) is shareholder

# Adjusted<sup>(1)</sup> Net Profit Up 4.8%



€ millions

	2017 Adjusted <sup>(1)</sup>	2016 Reported	Change
<b>Revenue</b>	<b>7,490</b>	<b>7,115</b>	+5.3%
Contribution from operations <sup>(2)</sup>	1,367	1,321	+3.5%
Operating profit	1,248	1,230	+1.5%
Net profit	922	880	+4.8%
<b>Profit attributable to equity holders</b>	<b>833</b>	<b>813</b>	+2.5%
Earnings per share (in €)	3.85	3.79	+1.6%

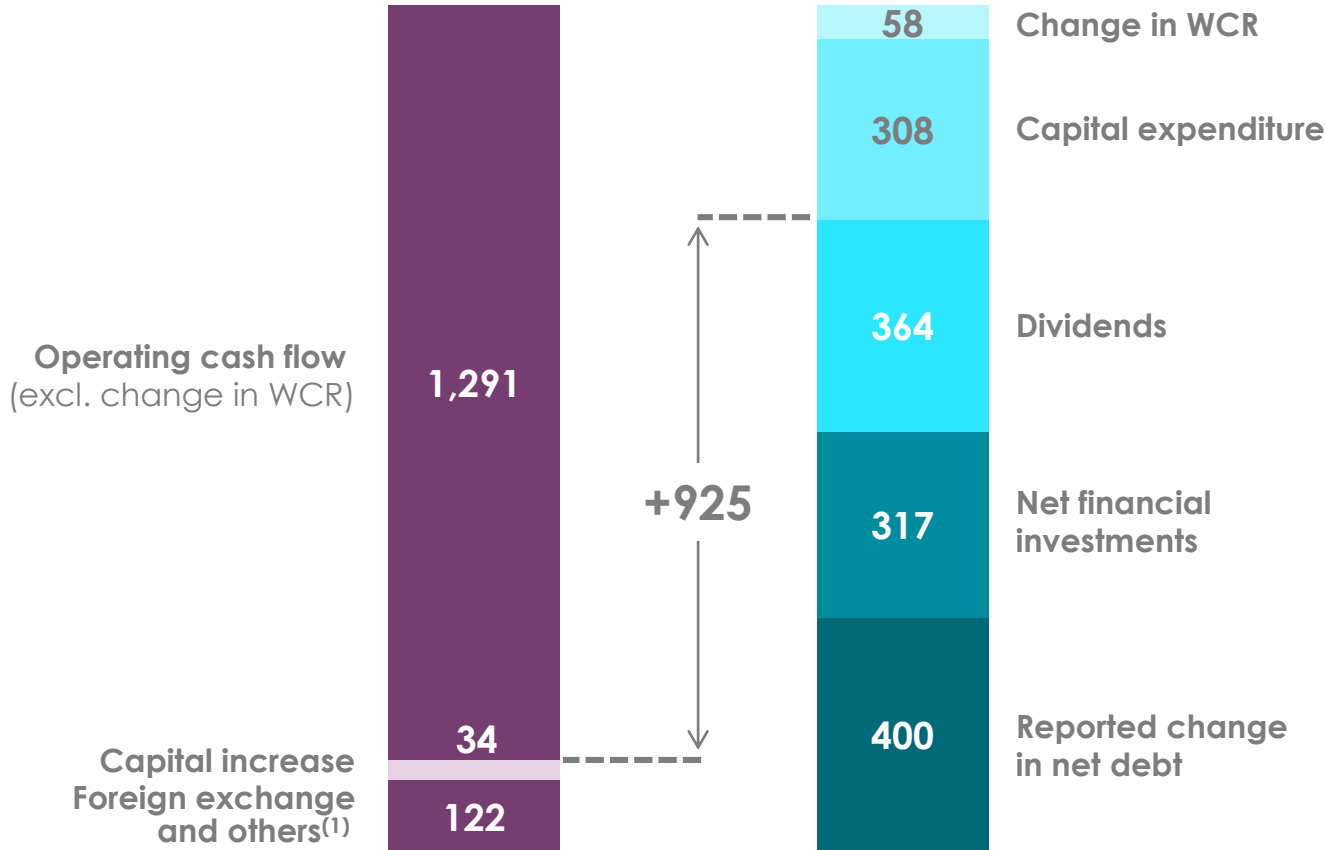
(1) The 2017 accounts are adjusted for non-recurring items related, on one hand, to expenses associated with the proposed combination with Luxottica and, on the other hand, to the positive effects of tax changes in the United States and France

(2) Contribution from operations corresponds to revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs and other operating expenses)

# A Sound Financial Situation

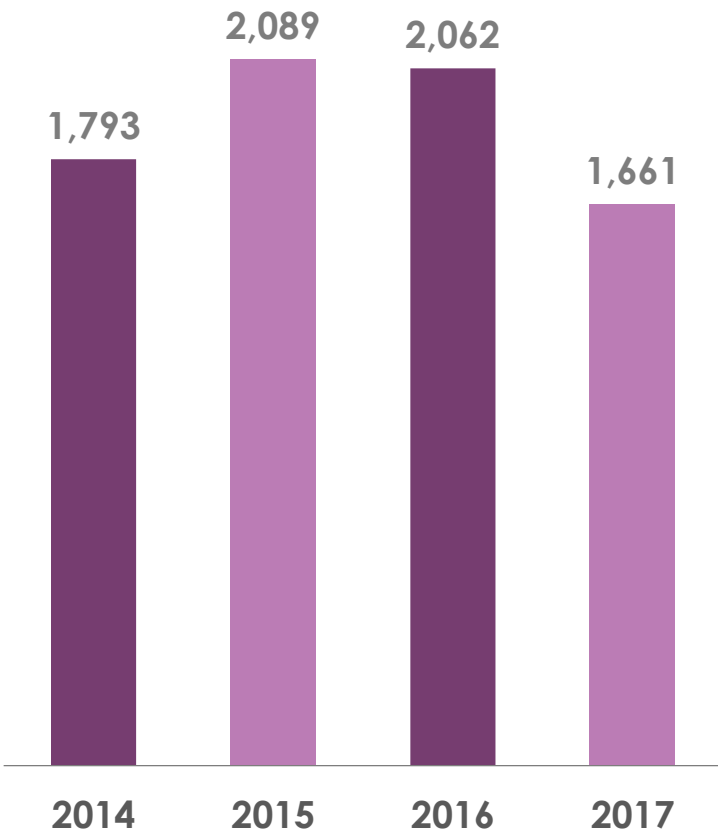


€ millions



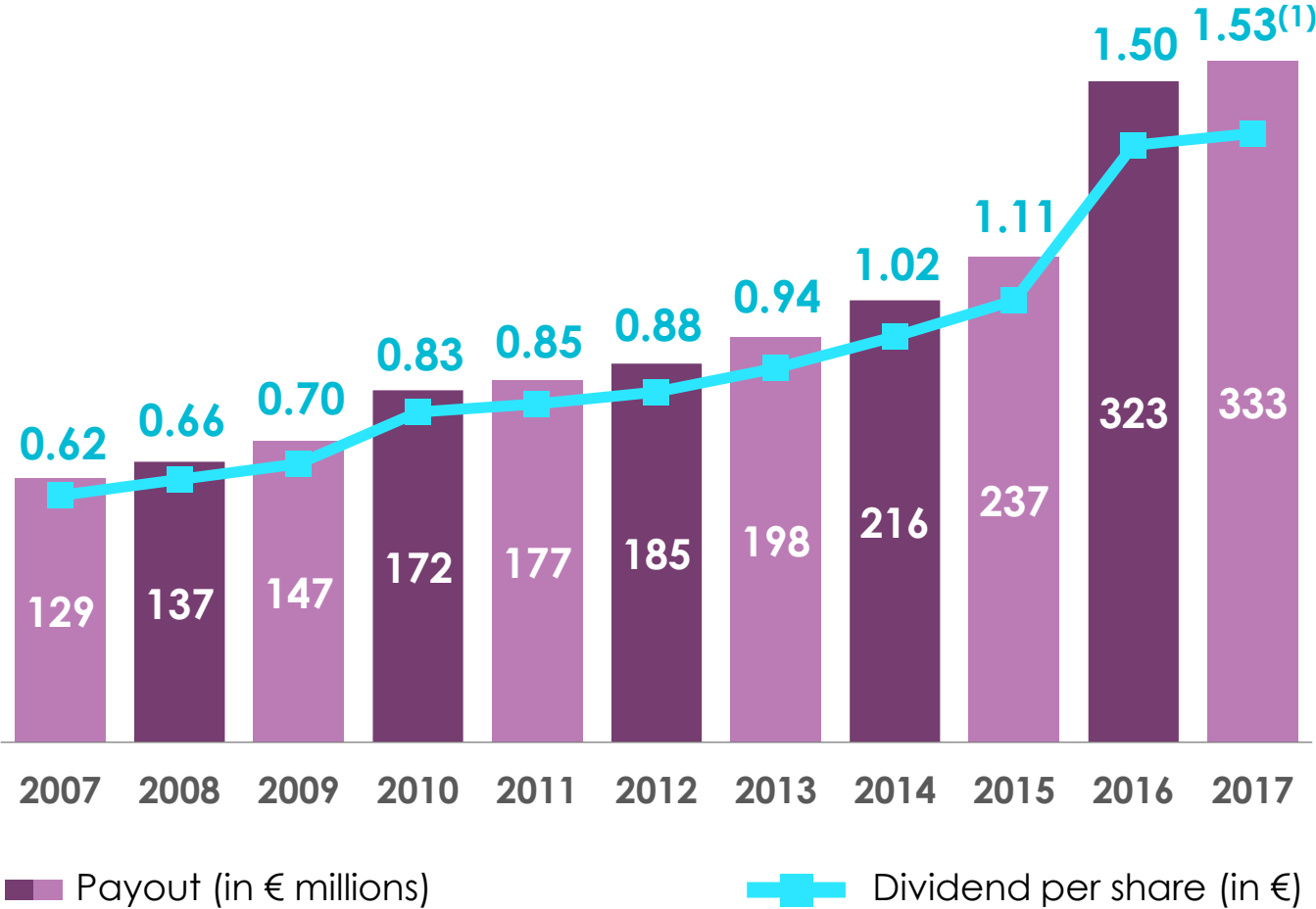
## FAST DE-LEVERAGING

Net debt in € millions



(1) Including €96m of foreign exchange impact

# Dividend per share



(1) To be submitted for shareholder approval at the April 24, 2018 Annual General Meeting



# Strengthening our foundations for future growth



The collage features several distinct advertisements:

- Glasses Direct:** A website header with navigation tabs for 'MEN', 'WOMEN', 'BOUTIQUE', and 'HELP/FAQ/ABOUT'. A banner offers 'SIGN UP' to get '2 PAIRS FROM £19'.
- Varilux X series:** A banner with the text 'EMBRACE EVERY INCH OF YOUR WORLD' and an image of a man wearing glasses.
- Kodak ColorJet Lens:** A woman in a yellow jacket wearing sunglasses and holding a phone.
- Costa:** A man and a woman wearing sunglasses.
- Crizal:** A banner with the text 'TRANSPARENCY HAS NEVER BEEN SO VISIBLE' and an image of several mannequin heads wearing glasses.
- Transitions:** A couple wearing sunglasses with the text 'LIVE THE GOOD LIGHT' and 'BUY ONE, GIVE ONE'.
- Essilor:** A yellow robot wearing glasses with the text 'ROAD SAFETY STARTS WITH GOOD VISION' and 'CHECK YOUR VISION REGULARLY AND WE'.
- Eyezen:** A woman wearing glasses with the text 'RELAX AND HELP PROTECT YOUR EYES FROM SCREENS'.
- Foster Grant Eye-Gear:** A banner for 'NEW! Advanced Gaming Eyewear'.
- Essilor:** A banner with the text 'IN 3 PEOPLE CAN'T SEE THE WORLD CLEARLY ARE YOU ONE OF THEM?' and '#PutVisionFirst'.
- Bolon Eyewear:** A woman wearing sunglasses with the text 'BOLON EYEWEAR'.

# Successful rollout of new products



## NORTH AMERICA

2017

VARILUX X design



Eyezen™ START

2018

Transitions Signature VII  
STYLE COLOURS COLLECTION

BLUE | CAPTURE



Vision-R™ 800



## LATIN AMERICA

2017

eyeprotect™  
SYSTEM

2018

VARILUX X design



BLUE | CAPTURE

## EUROPE

2017

VARILUX X design

Transitions Signature VII  
STYLE COLOURS COLLECTION

2018



BLUE | CAPTURE

2.5 new VISION  
generation



## ASIA-PACIFIC AFRICA / MIDDLE EAST

2017

Eyezen™ START

2018

VARILUX X design



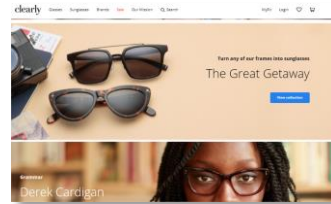


# Continued growth in developed markets



## NORTH AMERICA

+4.7%<sup>(1)</sup>



- ▼ Ultimate Lens Package
- ▼ Key account partnerships
- ▼ Initiatives with “Alliances & Business solutions”
- ▼ Online acceleration

## EUROPE

+6.5%<sup>(1)</sup>



- ▼ New product deployment
- ▼ Multi-network strategy including Online
- ▼ Personalized premium products success

(1) 2017 Combined revenue growth (like-for-like and bolt-on acquisitions), across all business divisions

# China: a consumer-driven organization to develop the world's biggest market



## A VAST MARKET WITH GROWING NEEDS

**myopiLUX**<sup>®</sup>

**aojo**

**Eyezen**™ START

- ▼ 1.3 bn people
- ▼ 45% are myopes
- ▼ ~500 million have uncorrected poor vision

**BOLON**  
EYEWEAR

## 18% REVENUE GROWTH OVER 3 YEARS<sup>(1)</sup>



(1) Compound Annual Growth Rate

# Continuing to invest in Fast-Growing<sup>(1)</sup> Markets



## AFRICA-MIDDLE EAST



**Ethiopia** **NEW**

## ASIA-PACIFIC

**Vietnam**

**Indonesia**

## LATIN AMERICA

**Guatemala** **NEW**

**4 countries representing 500 Million people**

(1) Fast-growing countries include China, India, ASEAN, South Korea, Hong Kong, Taiwan, Africa, the Middle East, Russia and Latin America

# Increased focus on employee engagement



## CREATING AN INCLUSIVE AND STIMULATING ENVIRONMENT

### Learning Culture



10 New languages



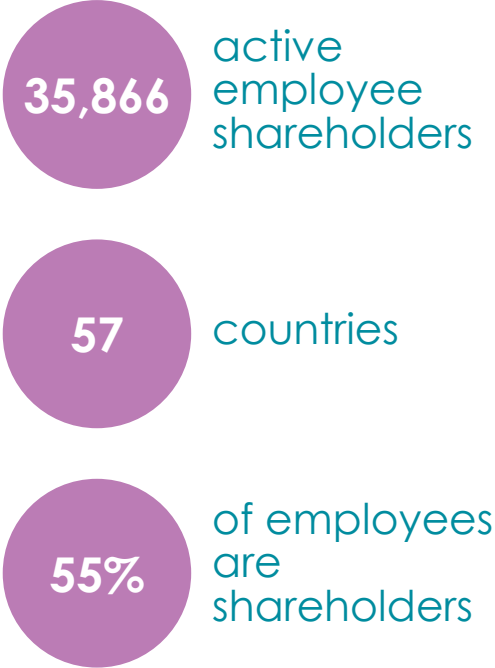
New development program

DIVERSITY AND INCLUSION:  
LET'S AIM HIGHER



### Safety and well-being

## RAPID EXPANSION OF EMPLOYEE SHAREHOLDING





# Accelerating our fight against poor vision



## AWARENESS



ROAD SAFETY STARTS WITH GOOD VISION

VISION IS THE MOST IMPORTANT ASPECT TO MAKE DECISIONS ON THE ROAD. CHECK YOUR VISION REGULARLY AND WEAR YOUR GLASSES.


VISION IMPACT INSTITUTE

*#PutVisionFirst*

ALL ABOUT VISION .com  
VIRTUALLY EVERYTHING IN SIGHT

LA BONNE VUE

## INCLUSIVE BUSINESS



eyeMITRA™

Vision Ambassador

- ▼ 6,000 primary vision care providers
- ▼ Product distribution in 45 countries

## STRATEGIC GIVING



Vision For Life™  
ESSILOR

**Essilor Social Impact Fund**

- ▼ More than 3,000 Essilor employees volunteered globally
- ▼ Global contribution of €49M

# On track to reach our 2020 sustainability targets



## CREATING WEARERS

Improve the lives of 50 million individuals at the "base of the pyramid"<sup>(1)</sup>



Create 25,000 primary vision care providers



Invest €30 million in philanthropic visual health programs



## REDUCING ENVIRONMENTAL FOOTPRINT

Reduce water intensity by 20%<sup>(2)</sup>



Lower energy intensity by 15%<sup>(2)</sup>



## CARING FOR OUR PEOPLE

Decrease by 30% work-related injury frequency rate<sup>(3)</sup>



Give 100% of employees access to Essilor University online training platform



35% of employees as shareholders, with a longer-term ambition of 50%



## WORKING WITH SOCIETY

100% of strategic suppliers receive external CSR audit



100% of preferred suppliers acknowledge Essilor's Supplier Charter

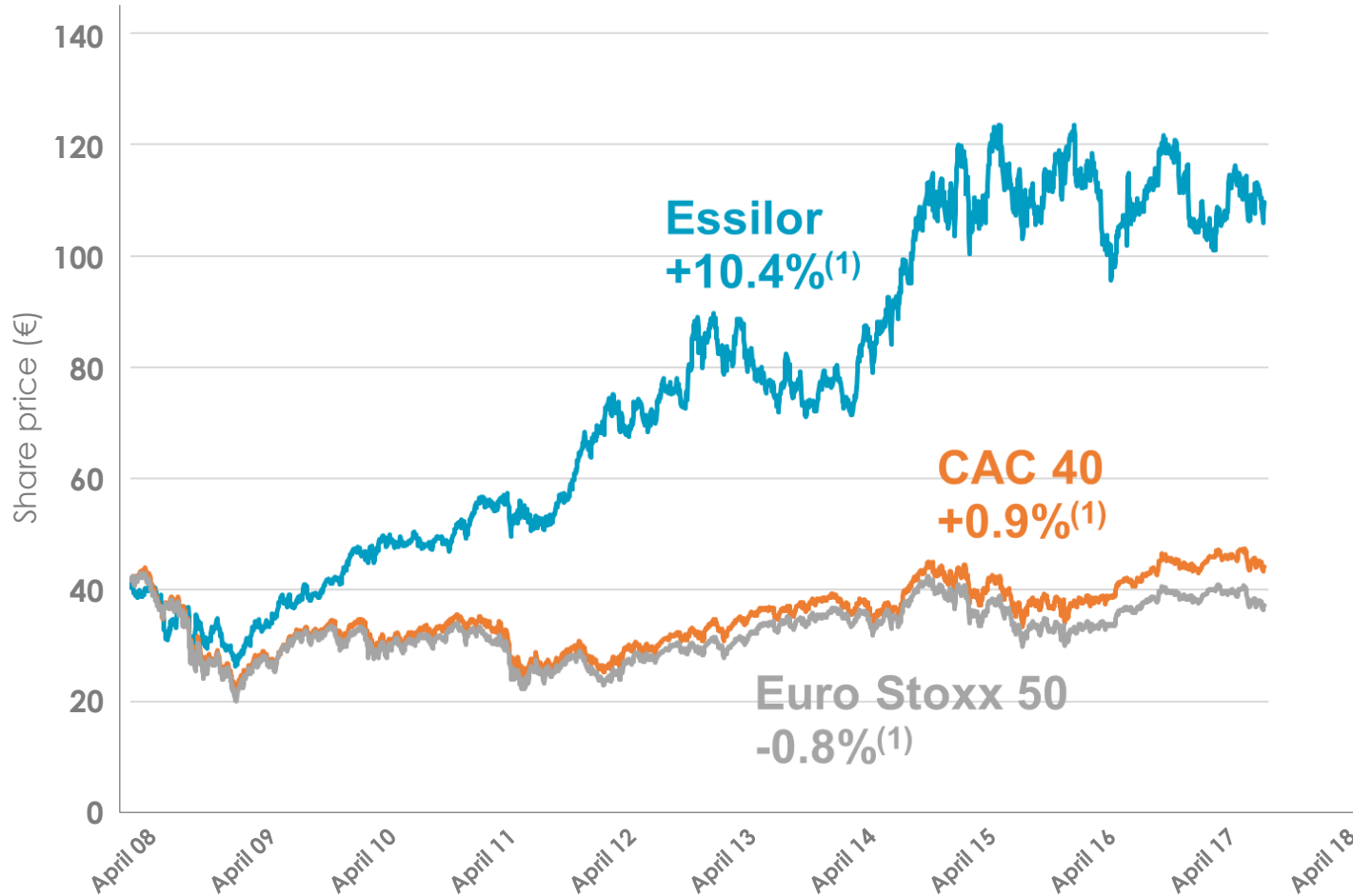


(1) "Base of the pyramid" refers to underprivileged and high-risk populations characterized by high rates of poverty, living on less than \$2.50 a day

(2) Targets measured per "good" lens produced across a defined scope of manufacturing facilities with Group's most significant environmental footprint

(3) Baseline for work-related injury frequency rate: 2015 with a zero-accident goal

# Sound fundamentals driving long term value creation



(1) Compound Annual Growth Rate

A GROUP RECOGNISED FOR INNOVATION AND SUSTAINABLE DEVELOPMENT

**Forbes** 2017 THE WORLD'S MOST INNOVATIVE COMPANIES POWERED BY THE INNOVATORS DNA

EURONEXT vigeo eiris

CDP A LIST 2017 WATER

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

FTSE4Good



# 2018

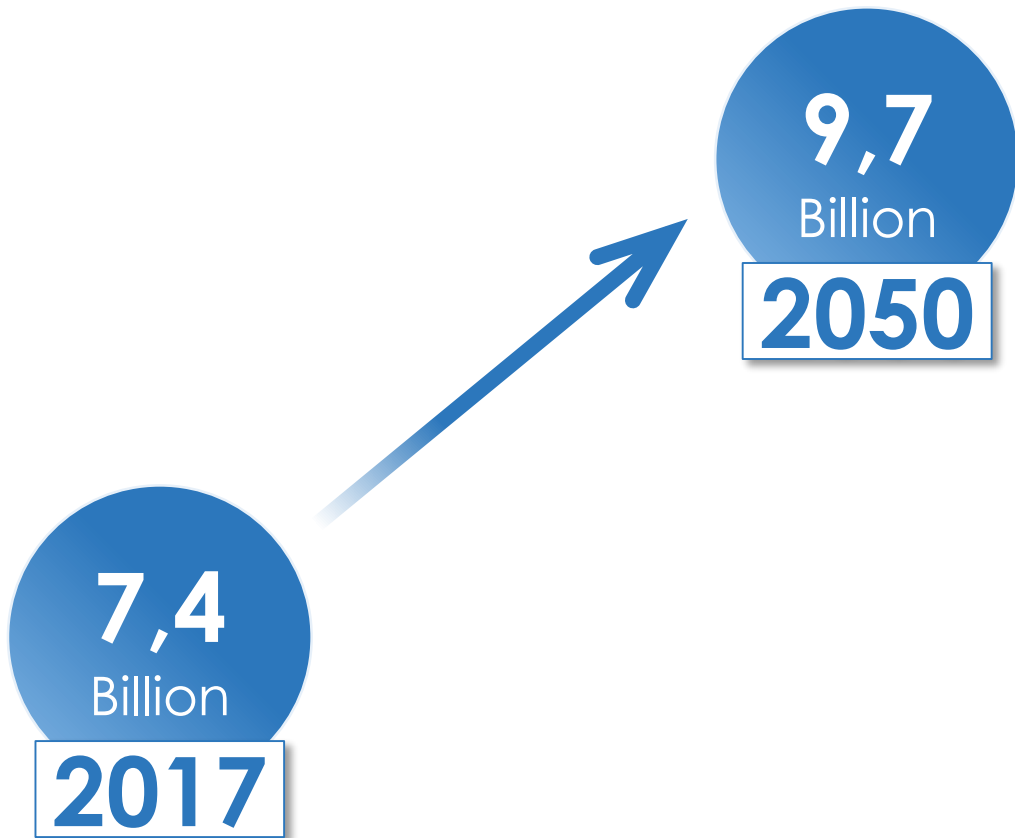
READY TO ACCELERATE  
IN A GROWING MARKET

Paul du Saillant

# Bringing good vision to everyone, everywhere by 2050



Worldwide population



Source: United Nations

## CORRECTION



- ▼ Primary objective of Essilor lenses

## PROTECTION



- ▼ UV rays

## PREVENTION



- ▼ Harmful blue light
- ▼ High myopia



# Poor vision, the world's largest disability



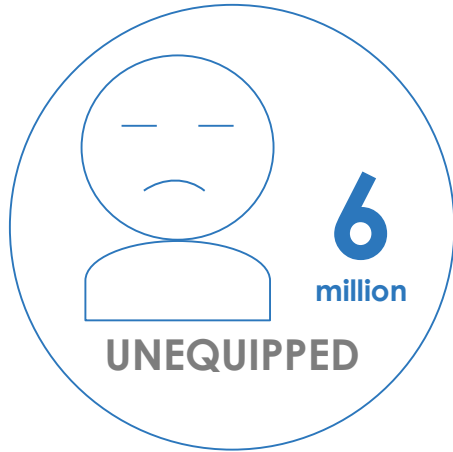
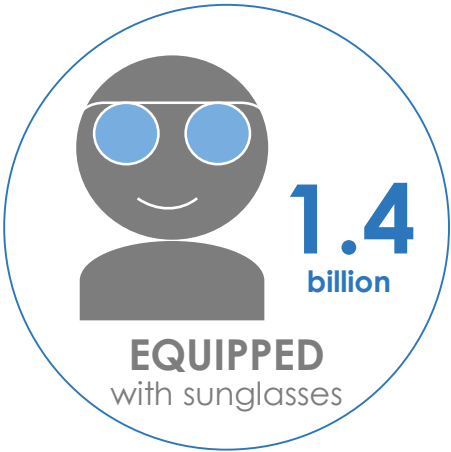
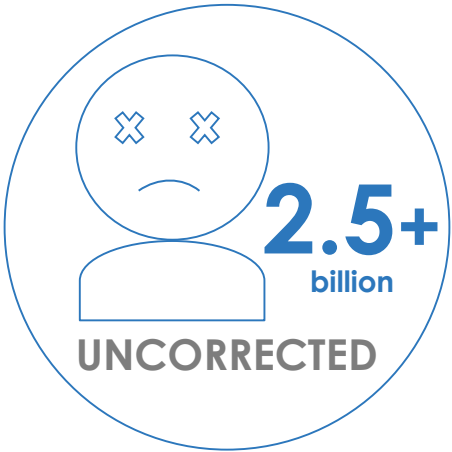
## 7,4 BILLION PEOPLE WORLDWIDE

### VISION CORRECTION

- 4.6 billion people require vision correction

### VISION PROTECTION & PREVENTION

- 100% should protect their eyes (sun, UV, blue light)



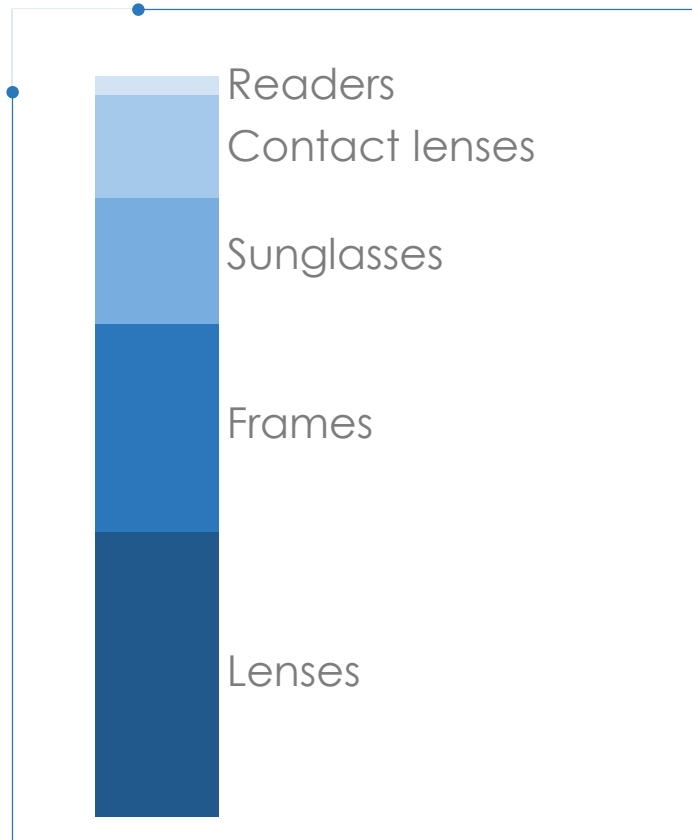
Source : Essilor - 2016 estimates



# An underdeveloped optical market: ~€15 spent per inhabitant per year



## A €100 BN MARKET...



## ...HIGHLY FRAGMENTED...

- ▼ > 2,000 laboratories
- ▼ > 1,000 Brands
- ▼ Traditional and emerging business models (Retail, Online)

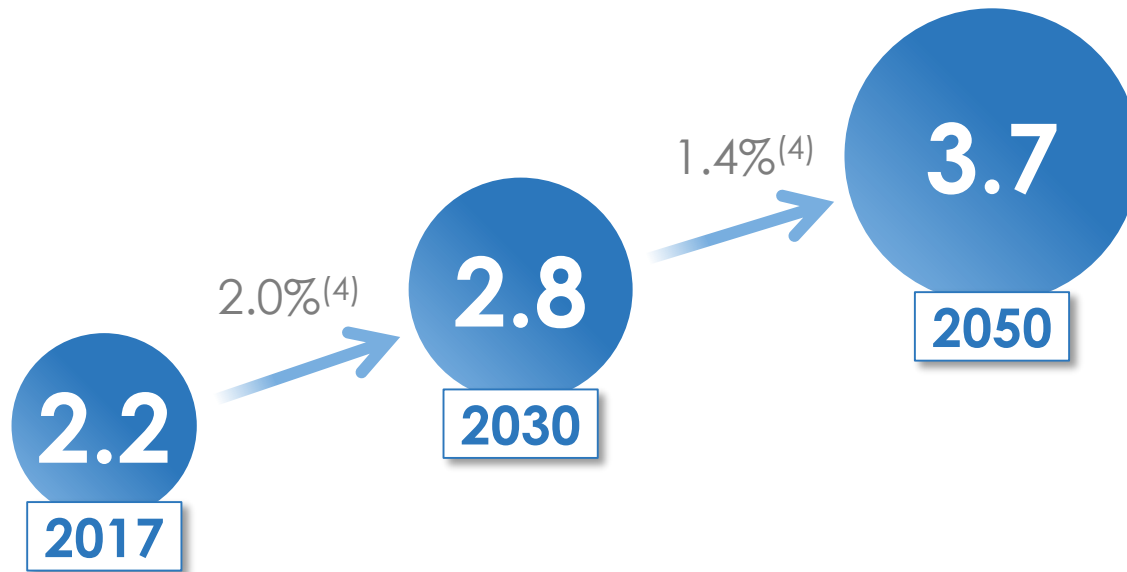
## ...GROWING VISION HEALTH NEEDS

- ▼ Presbyopia
- ▼ Myopia
- ▼ Harmful rays exposure

# In 2030, more than 2.8 billion people will have Presbyopia



Billion people<sup>(1)</sup>



(1) Source: Essilor estimates, Brien Holden Vision Institute

(2) Morgan IG1, Ohno-Matsui K, Saw SM. Myopia. Lancet. 5 May 2012

(3) Verkicharla, Ohno-Matsui, Saw. Current and predicted demographics of high myopia and an update of its associated pathological changes, Ophthalmologic & Physiological Optics. 2015

(4) Compound Annual Growth Rate

## TRENDS

- ▼ Ageing population
- ▼ In mature markets, Seniors are more equipped than mid lifers
- ▼ In fast growing markets: large mid lifers active population

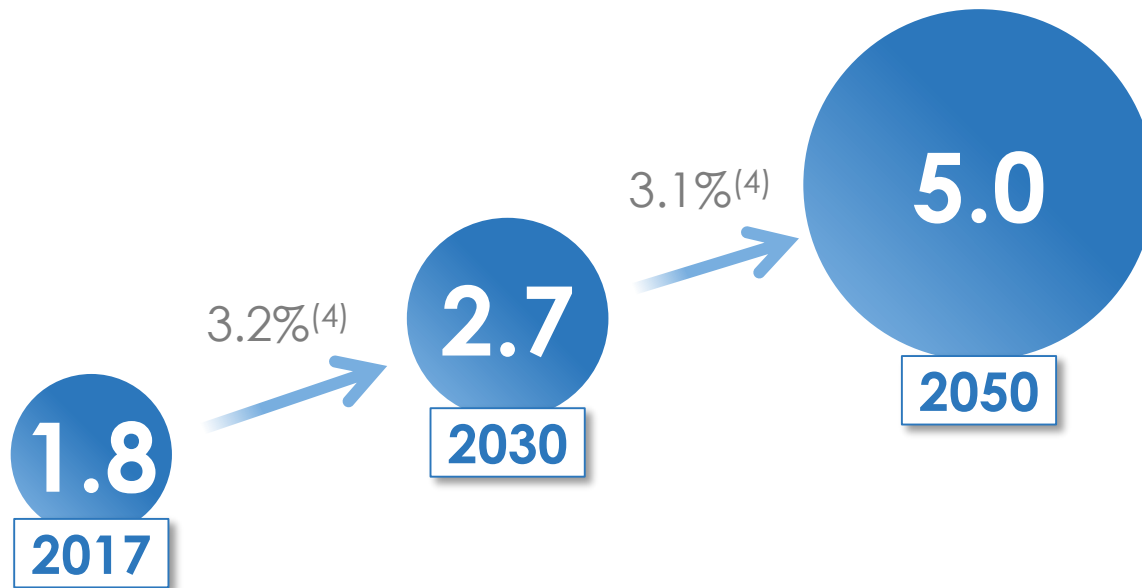
## CONSUMER CHALLENGES

- ▼ Reduce stigma around ageing
- ▼ Solutions for all budgets
- ▼ Access to the solutions

# In 2030, more than 2.7 billion people will have Myopia



Billion people<sup>(1)</sup>



## TRENDS

- ▼ Changing lifestyles leading to Myopia pandemic: Urban & Connected

## CONSUMER CHALLENGES

- ▼ Poor aesthetics and physical comfort
- ▼ Growing prevalence of myopia in children<sup>(2)</sup>
- ▼ Risk of eye disease in high myopias<sup>(3)</sup>

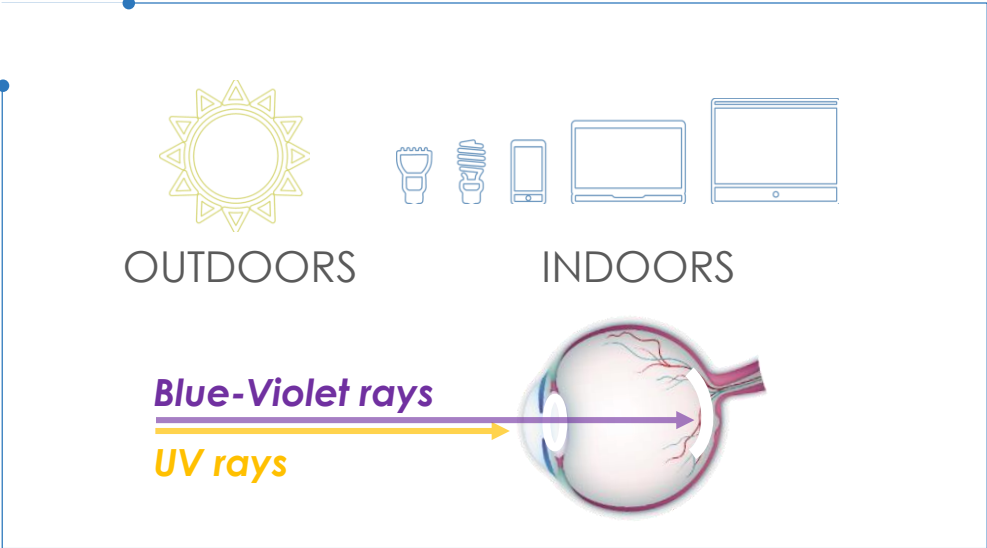
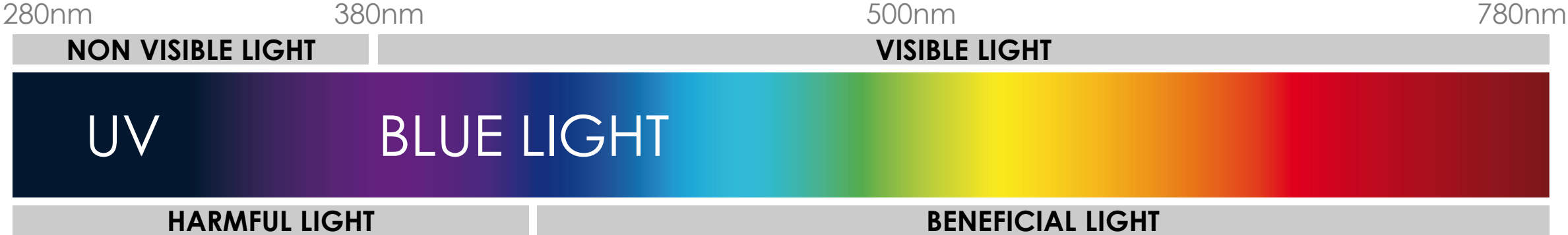
(1) Source: Essilor estimates, Brien Holden Vision Institute

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(3) Verkicharla, Ohno-Matsui, Saw. Current and predicted demographics of high myopia and an update of its associated pathological changes, Ophthalmologic & Physiological Optics. 2015

(4) Compound Annual Growth Rate

# Everyday exposure to harmful light is a major vision health risk for each person on the planet

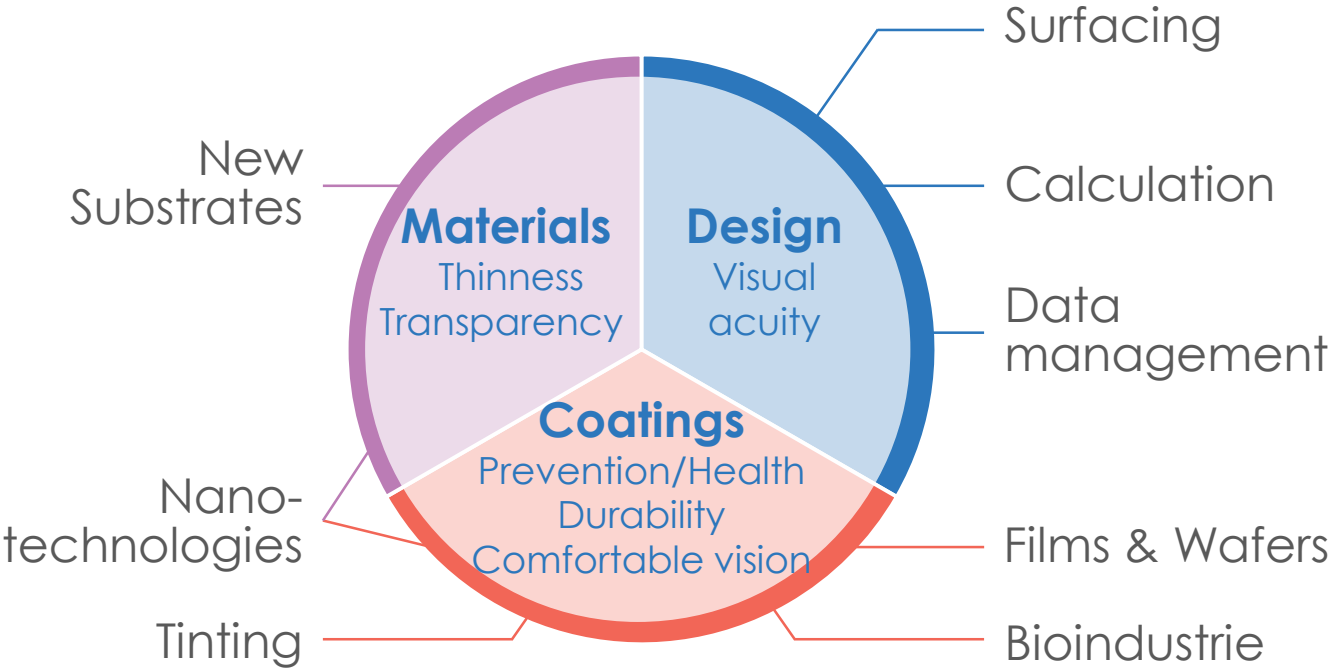


- ▶ **UV:** Only 20% of equipped people
  - ▶ **Blue Light:** People still not fully aware
- Massive under-penetration** with high potential for prescription lenses

# Innovative solutions for all vision needs exist



## LENS TECHNOLOGIES



## GLOBAL SUPPLY CHAIN

- ▼ A Worldwide organization:
  - 34 Plants
  - 14 Distribution centers
  - 481 Proximity laboratories
- ▼ Specific solutions to address the needs of each local market

# Consumer brands: combining vision and self expression



NEW **VARILUX X series**

EMBRACE EVERY INCH OF YOUR WORLD.

EXTENDED VISION WITHIN ARM'S REACH  
THANKS TO XTRAP™ TECHNOLOGY  
REARREALLY CAPTURE EVERY DETAIL.

PROGRESSIVE LENS BRAND WORLDWIDE

Varilux

**BOLON**  
EYEWEAR

27 KM/H  
**SCROLLING SPEED**  
**EYES WILL NOT TIRE.**

**Eyezen**  
LENSES FOR A CONNECTED LIFE

**MOLSION**

**COSTA**

WE'RE TURNING THE TIDE ON  
**OCEAN POLLUTION.**  
SUNGLASSES MADE FROM RECYCLED FISHING NETS.

THE **UNTANGLED**  
COLLECTION

**See real life**  
Never miss the details with Xperio sun lenses.

Your everyday world is full of beautiful moments that are worth a closer look. See it all more clearly with Xperio sun lenses.

Ask your optician professional for Xperio sun lenses in your prescription and your choice of style and color.

REAL COLOR \_ SHARP CONTRAST \_ REDUCED GLARE \_ UV PROTECTION

**Xperio**  
YOUR MOMENT IS THE SUN

Advertisement featuring a woman in a tan top and dark skirt wearing glasses.

**MORE THAN GLASSES**


Advertisement featuring a woman lying down wearing red sunglasses.

# Improving accessibility through strong multi-channel distribution




RETAIL

### Independent practice




- Personalized Consumer Experience
- Very developed in mature markets

### Retail



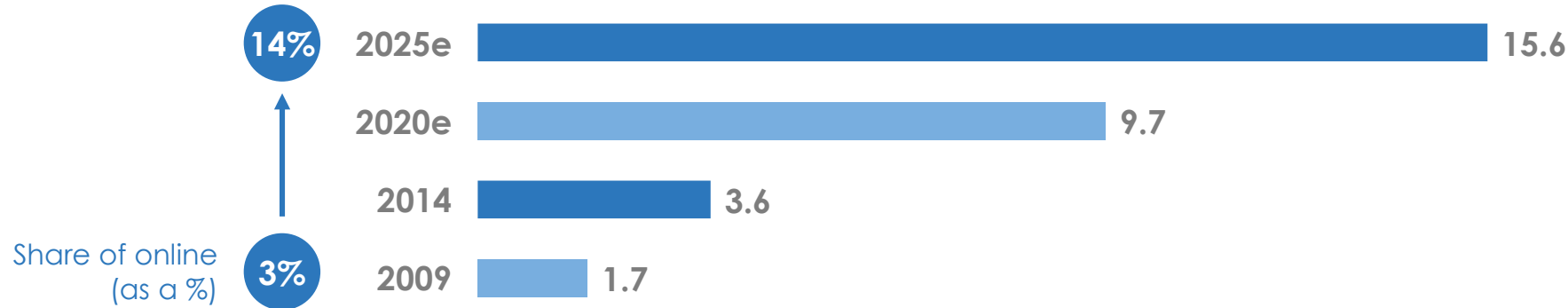
- Mono-brand & Franchise model
- Growing fast in emerging markets

### Micro-entrepreneurs



- New inclusive business models

ONLINE



Year	Share of online (as a %)	Global online optical retail (in € billions)
2009	3%	1.7
2014	-	3.6
2020e	-	9.7
2025e	14%	15.6

Global online optical retail (in € billions)  
World 2009 - 2025

33

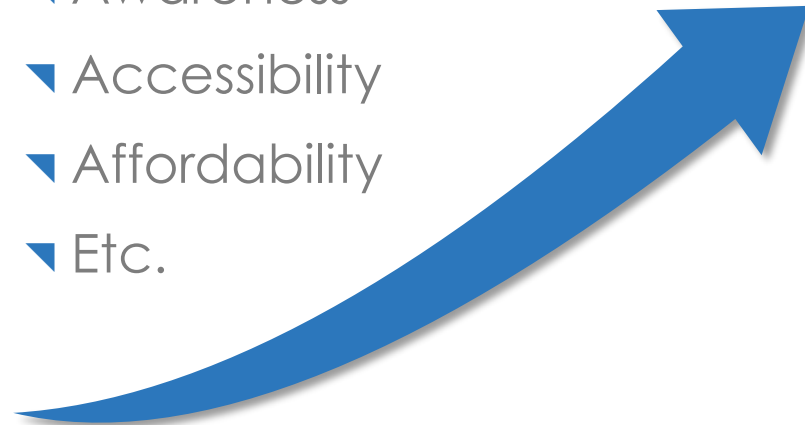


# A market potential of €300bn



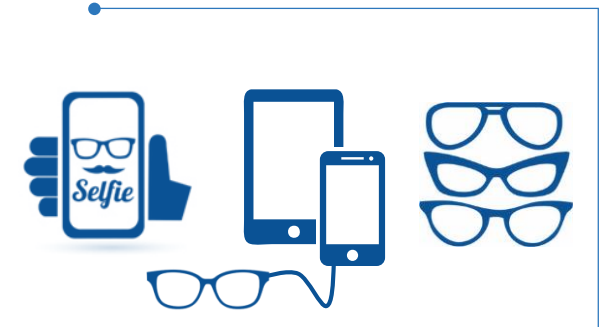
€100  
bn<sup>(1)</sup>

- ▼ Innovation
- ▼ Industry solutions
- ▼ Consumer Brands
- ▼ Awareness
- ▼ Accessibility
- ▼ Affordability
- ▼ Etc.



c.€300  
bn<sup>(2)</sup>

... AND MORE  
WITH NEW  
LIFESTYLES



(1) Sell-out value for contact lenses, spectacle lenses, readers, sunglasses and frames in 2016

(2) Assuming 100% of vision correction and protection needs addressed and fast-growing markets product mix in line with more advanced developing countries

Source: Essilor estimates





# 2018

A POWERFUL MISSION  
CREATING VALUE FOR ALL

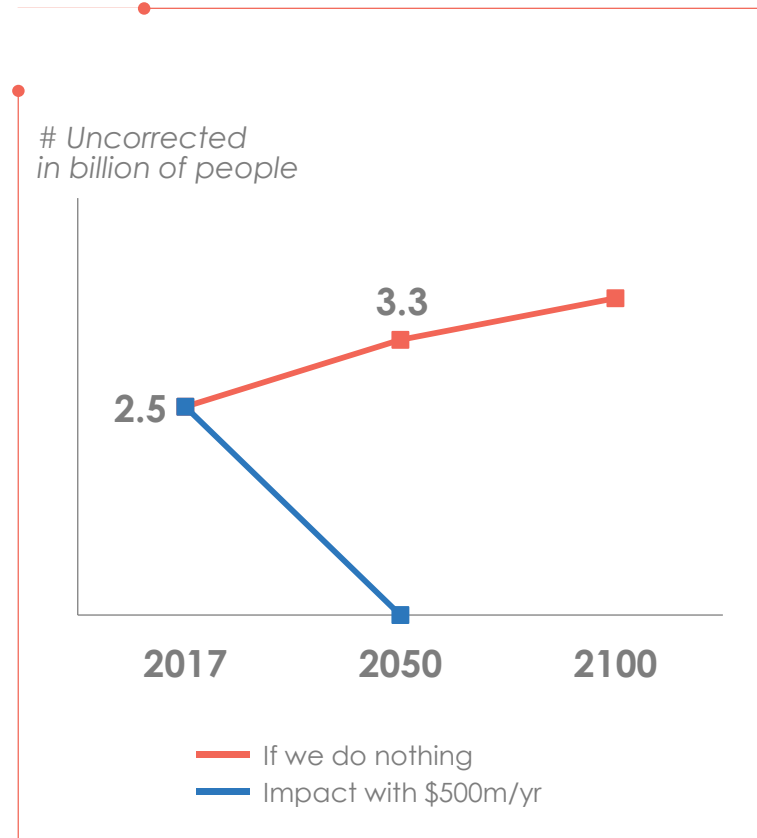
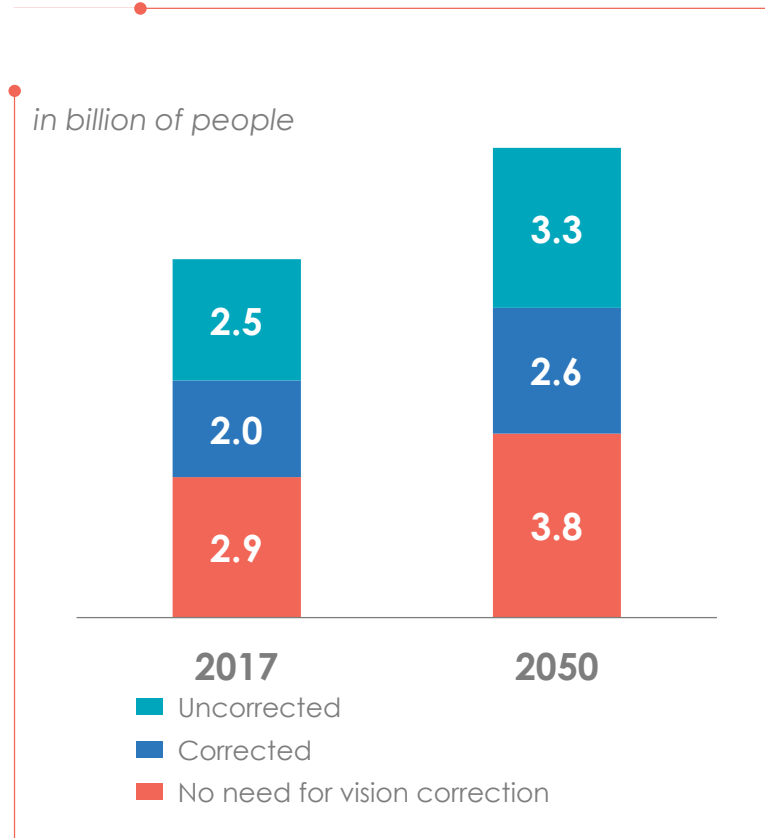
Jayanth Bhuvanaraghan





**IMPROVING LIVES BY IMPROVING SIGHT**  
*Good vision for everyone, everywhere*

# Our ambition to eradicate uncorrected poor vision by 2050



**\$5**  
to improve  
the sight  
of one  
person<sup>(1)</sup>

**\$500m**/yr  
to eradicate  
poor vision  
in 30+ years

(1) Low-income populations and people living below the international poverty line

# Another major step towards the fight against poor vision



**THE QUEEN ELIZABETH  
DIAMOND JUBILEE TRUST**

- ▼ **53** Commonwealth Governments
- ▼ **2.4 billion** people
- ▼ **900 million** with uncorrected poor vision

**\$1bn**

Vision Catalyst Fund



# Working with governments and the public sector to make our ambition a reality



Providing glasses for government screening of 35m people in 2018



Supporting expansion of Eye Mitra program in Bangladesh



Creating equitable access to vision care for all Liberians



Committed to making Danyang city, URE free by 2019



Designing social finance based model to serve school children



Training medical staff to screen school children



# Our three main areas of action to reach the 2.5 billion



## Inclusive Business

For-profit sustainable models to empower local communities



## Strategic Giving

Funding and driving outreach programs



## Awareness & Advocacy

Making good vision a global priority

← BUILDING ACCESS AND AWARENESS →



**IMPROVING LIVES BY IMPROVING SIGHT**  
*Good vision for everyone, everywhere*





# 2018

GOVERNANCE  
Hubert Sagnières

# Key steps to closing



Main conditions to closing of the Delfin stake contribution

Works Council consultations	<ul style="list-style-type: none"> <li>Essilor Works Councils' consultation/information process</li> </ul>	✓
Other regulatory approval	<ul style="list-style-type: none"> <li>AMF waiver of potential mandatory tender offer by Delfin for the shares of Essilor</li> </ul>	✓
Essilor shareholders approval	<ul style="list-style-type: none"> <li>Essilor AGM approval of transaction elements</li> <li>Essilor special meeting approval of cancellation of double voting rights</li> </ul>	✓
Hive down	<ul style="list-style-type: none"> <li>Contribution of the activities and equity holdings of Essilor International to its subsidiary "Essilor International"</li> </ul>	✓
Anti-trust	<ul style="list-style-type: none"> <li>Regulatory proceedings in all relevant geographies</li> </ul>	ON-GOING
Exchange offer	<ul style="list-style-type: none"> <li>Completion of the contribution of the Luxottica's shares by Delfin to Essilor</li> <li>Post-Contribution, launch of mandatory exchange offer by Essilor for the remainder of Luxottica's shares, same economic terms as for Delfin contribution</li> </ul>	



Transaction expected to close in first part of 2018

# Essilor's board of directors



**Hubert Sagnières<sup>(1)</sup>**  
Chairman and Chief Executive Officer



**Philippe Alfroid**  
Director



**Antoine  
Bernard de Saint-Affrique**  
Independent Director



**Maureen Cavanagh**  
Director representing  
employees shareholders



**Juliette Favre<sup>(1)</sup>**  
Valoptec Association President  
Director representing  
employees shareholders



**Louise Fréchette**  
Independent Director



**Bernard Hours<sup>(1)</sup>**  
Independent Director



**Annette Messemer<sup>(1)</sup>**  
Independent Director



**Marc Onetto**  
Independent Director



**Olivier Pécoux<sup>(1)</sup>**  
Director



**Laurent Vacherot**  
President and Chief Operating Officer



**Jeanette Wong<sup>(1)</sup>**  
Independent Director



**Delphine Zablocki<sup>(1)</sup>**  
Director representing  
employees

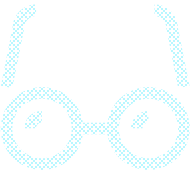


**Leonel Ascencao Pereira<sup>(1)</sup>**  
Director representing  
employees

*(1) Board members of EssilorLuxottica*

*To be submitted for shareholder approval at the April 24, 2018 Annual General Meeting*

# Committees composition



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## Audit and risks committee

Annette Messemer (President)  
Philippe Alfroid  
Juliette Favre  
Jeanette Wong

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## CSR committee

Louise Fréchette (President)  
Antoine Bernard de Saint-Affrique  
Hubert Sagnières  
Juliette Favre

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## Nominations and compensation committee

*(merge february 28<sup>th</sup>, 2018)*

Bernard Hours (President)  
Olivier Pécoux  
Marc Onetto  
Hubert Sagnières & Juliette Favre *(consultatives voices on non-compensations questions)*

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## Strategic committee

All Directors

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# 2018

CSR COMMITTEE

Louise Fréchette

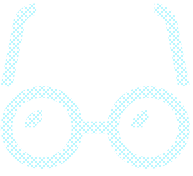
# CSR Committe – 5 Years of work



- ▼ **Members:** Louise Fréchette (Chair), Antoine Bernard de Saint-Affrique, Juliette Favre, Hubert Sagnières
- ▼ **Goal:** ensure that the Group effectively deploys Essilor's mission in a sustainable and responsible manner
- ▼ A mission closely tied to the Group's Social, Societal and Environmental issues (materiality matrix) periodically reviewed by the CSR Committee and the Board of Directors:
  - assessment of the Company's **sustainable development** strategy and **2020 targets**
  - Review of the Company's policies on **compliance and ethics**
- ▼ A transversal management with the other committees
- ▼ A transversal meeting in 2017 with the Audit and Risk Committee meeting (chaired by Annette Messemer) for reviewing some cross-cutting topics (suppliers relationships, prevention of corruption, personal data protection, etc.)



# CSR Committee – Recents topics



## ▼ **Sustainable development:**

- Follow-up mission activities
- “Responsible purchasing” policy
- “Climate change” program including EHS initiative “ReBoost Water & Energy”
- Vision Impact Institute actions

## ▼ **Ethics and Compliance:**

- Code of Ethics rolled out early 2018
- Essilor Group’s human rights policy – Risk mapping
- Policy to prevent sexual harassment

## ▼ Non financial reporting & associated performance

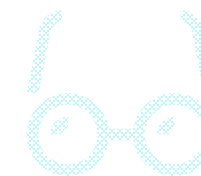


# 2018

CORPORATE OFFICERS'  
COMPENSATION

Bernard Hours

# Resolution n°12: 2017 compensation of the Chairman and CEO



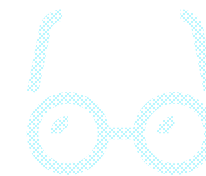
Target compensation	2015	2016	2017	Variation 2016 / 2015	Variation 2017 / 2016
Fixed	€800k	€800k	€800k	0.0%	0.0%
Target variable	€800k	€800k	€800k	0.0%	0.0%
Fixed + Target variable	€1,600k	€1,600k	€1,600 k	0.0%	0.0%

Performance-based compensation	2015	2016	2017	Variation 2016 / 2015	Variation 2017 / 2016
% Achievement variable	169%	120%	152%	-49 pts	+32 pts
% Variable at maximum	200%	200%	200%	+0 pt	+0 pt
Fixed + variable of the year	€2,150k	€1,760k	€2,014k	-18.2%	+14.5%
Performance shares	35 000	35,000	50,000 <sup>(1)</sup>		

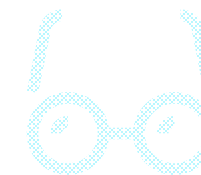
(1) Including 15,000 shares subject to the contribution of Luxottica shares to Essilor being completed

# Resolution n°12: 2017 annual variable of the Chairman and CEO



<b>wEIGHT (A)</b>	<b>Objective</b>	<b>% Achievement (B)</b>	<b>% Achievement weighted (A) x (B)</b>	<b>Amount</b>
25%	Organic growth	120%	30%	€240,000
25%	Restated NET EPS	187%	47%	€374,400
50%	Specific objectives	150%	75%	€600,000
<b>100%</b>			<b>152%</b>	<b>€1,214,400</b>

# Resolutions n°12 and n°13: Specific objectives

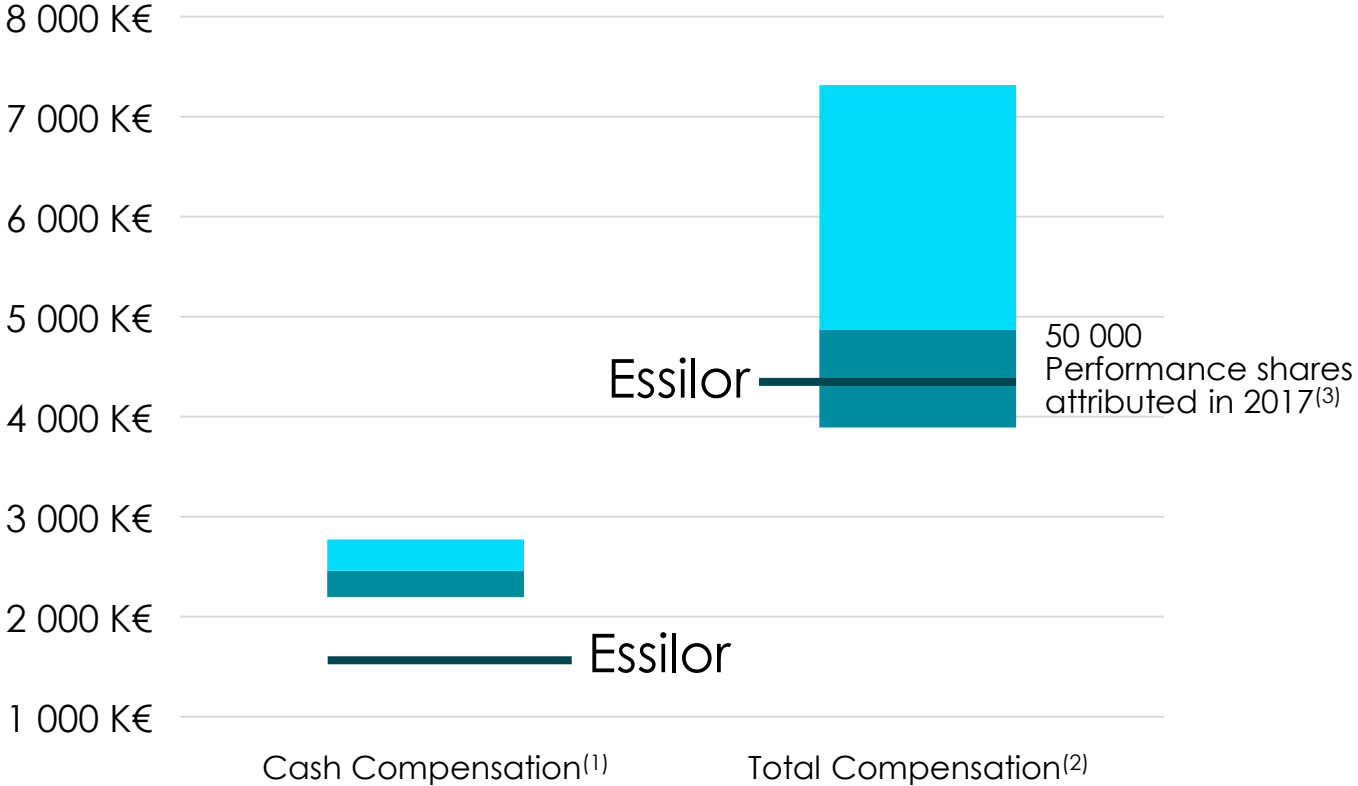


Specific objectives in the 2017 annual variable component	PDG	DGD
<p><b>Ensuring the successful completion of the combination with Luxottica</b>                      Strong support from the Valoptec Association                      Ratification of the planned combination by the shareholders in 2017                      Approval of the anti-trust authorities in the main countries concerned</p>	YES	YES
<p><b>The sustainability of Essilor's culture (Mission, Principles &amp; Values and Employee Shareholding)</b>                      Outstanding success of the "Boost" employee shareholding plan                      Employee shareholding rate of 54%, outperforming the 2020 target of 35%                      Two-fold increase of EyeMitras (from 2,000 to 4,000) and increased contribution to the fund for the Mission's activities</p>	YES	YES
<p><b>Development of long-term growth plans</b>                      Definition and implementation of the new organization and governance structure in China                      Structuring of the Sun &amp; Readers and Online divisions                      Presentation and implementation of the innovation plan</p>	YES	YES
<p><b>Support for the new President and COO in the Group's new organization</b>                      Successful implementation of the new organization and governance of the top management</p>	YES	
<p><b>Adapting and strengthening internal control procedures to accompany the Group's growth</b>                      Increased headcount in internal Audit, allowing the department to perform 30% more audits than in 2016                      Establishment of a network of Finance correspondents in the main countries and regions with the main purpose of monitoring the internal Control mechanism                      Halving of the number of open cases following an audit</p>		YES

# External benchmark



## International Panel – 20 companies (CEO)



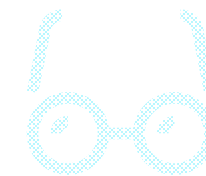
(1) fixed + variable at target

(2) fixed + variable at target + performance shares valued according to the IFRS standards

(3) 35,000 performance shares and an additional 15,000 shares subject to the contribution of Luxottica shares to Essilor being completed



# Resolution n°13: 2017 compensation of the President and COO



Target compensation	2016 <sup>(1)</sup>	2017	Variation 2017 / 2016
Fixed	46 k€	650 k€	N/A
Target variable	46 k€	650 k€	N/A
Fixed + Target variable	92 k€	1 300 k€	N/A

Performance-based compensation	2016 <sup>(1)</sup>	2017	Variation 2017 / 2016
% Achievement variable	120%	152%	+32 pts
% Variable at maximum	200%	200%	+0 pt
Fixed + variable of the year	102 k€	1 639 k€	N/A
Performance shares	32 005	32 045	

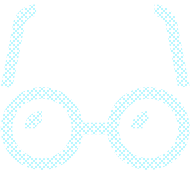
(1) The sums outline for fiscal year 2016 correspond to compensation due for the period of the corporate office, i.e from December 6, 2016.

# Resolution n°13: 2017 annual variable of the President and COO



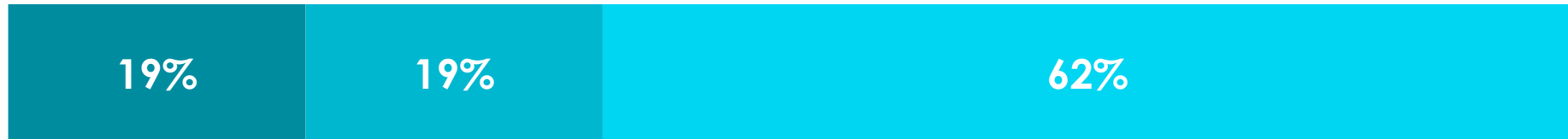
Weight (A)	Objective	% Achievement (B)	% Achievement weighted (A) x (B)	Amount
30%	Organic growth	120%	36%	€234,000
30%	Restated NET EPS	187%	56%	€364,650
40%	Specific objectives	150%	60%	€390,00
<b>100%</b>			<b>152%</b>	<b>€988,650</b>

# 2017 compensation structure

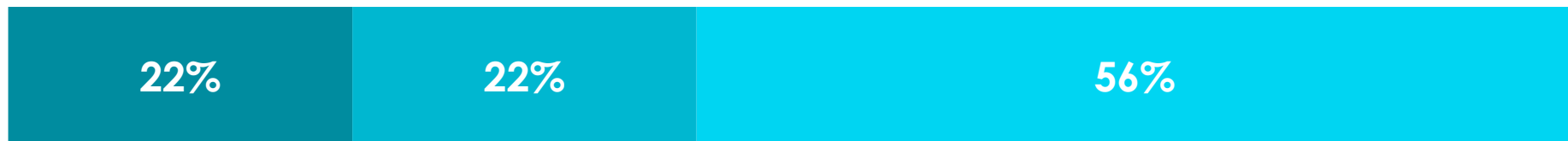


## Performance-based

Chairman  
and CEO



President  
and COO

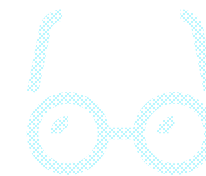


■ Fixed component

■ Annual variable at Target

■ Performance Shares

# Resolution n°14: 2018 compensation policy



## 2018 annual target variable component

	<b>Hubert Sagnières Chairman and CEO</b>	<b>Laurent Vacherot President and COO</b>
Organic growth	25%	30%
Restated NET EPS	25%	30%
Specific objectives	50%	40%



# 2018

STATUTORY AUDITORS' REPORT

Olivier Lotz  
PricewaterhouseCoopers



# Statutory Auditors' reports

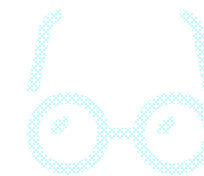
## Ordinary Meeting



- ▼ Statutory Auditors' report on the financial statements of the parent company
  - First resolution: Approval of the 2017 Essilor International company financial statements
  - Pages 222 to 225 of the 2017 Registration Document
  - “In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2017 and of the results of its operations for the year then ended in accordance with French accounting principles”
- ▼ Statutory Auditors' report on the consolidated financial statements
  - Second resolution: Approval of the 2017 consolidated financial statements
  - Pages 187 to 190 of the 2017 Registration Document
  - “In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2017 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union”

# Statutory Auditors' reports

## Ordinary Meeting



- ▼ Statutory Auditors' Report on related-party agreements and commitments
  - Pages 126 and 127 of the 2017 Registration Document
  - No new agreements / commitments authorized during the year and requiring the approval of the Shareholders' Meeting.
  - Agreements and commitments previously approved by the Shareholders' Meeting had no effect during the year ended December 31, 2017.
- ▼ Statutory Auditor's Report on the consolidated human resources, environmental and social information included in the Management Report
  - Pages 279 and 280 of the 2017 Registration Document
  - We have no matters to report in connection with this report.



**2018**

**QUESTIONS  
/ ANSWERS**





 2018

VOTE DES RÉOLUTIONS

# First resolution

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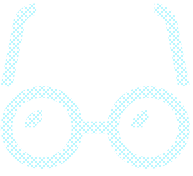


- ▼ Approval of the 2017 parent Company financial statement



# Second resolution

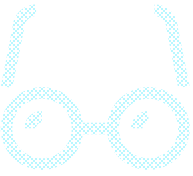
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- ▼ Approval of the 2017 consolidated financial statements

# Third resolution

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- ▼ Allocation of earnings and setting of the dividend
  - Dividend per share: €1.53

## Fourth resolution

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- ▼ Renewal of the Director's term of office  
of Mr. Antoine BERNARD DE SAINT-AFFRIQUE

*(until the completion date of the Contribution of Luxottica shares by Delfin to Essilor or, if the contribution is not completed for a period of three years)*



- ▼ Renewal of the Director's term of office of Ms. Louise FRÉCHETTE

*(until the completion date of the Contribution of Luxottica shares by Delfin to Essilor or, if the contribution is not completed for a period of three years)*

# Sixth resolution

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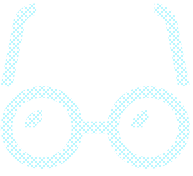
## ▼ Renewal of the Director's term of office of Mr. Bernard HOURS

*(until the completion date of the Contribution of Luxottica shares by Delfin to Essilor or, if the contribution is not completed for a period of three years)*



# Seventh resolution

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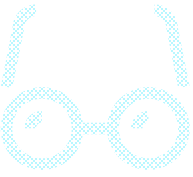


## ▼ Renewal of the Director's term of office of Mr. Marc ONETTO

*(until the completion date of the Contribution of Luxottica shares by Delfin to Essilor or, if the contribution is not completed for a period of three years)*

# Eighth resolution

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## ▼ Renewal of the Director's term of office of Mr. Olivier PÉCOUX

*(until the completion date of the Contribution of Luxottica shares by Delfin to Essilor or, if the contribution is not completed for a period of three years)*

# Ninth resolution

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## ▼ Renewal of the Director's term of office of Ms. Jeanette WONG

*(until the completion date of the Contribution of Luxottica shares by Delfin to Essilor or, if the contribution is not completed for a period of three years)*

# Tenth resolution

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- ▼ Appointment of Ms. Jeanette WONG as a new Director of the Company in replacement of Ms. Henrietta FORE (as from the completion date of the combination with Luxottica)

# Eleventh resolution

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- ▼ Approval of the undertakings referred to in article L. 225-42-1 of the French Commercial Code relating to the severance payment granted to Mr. Laurent VACHEROT, President and Chief Operating Officer, in the event that his employment contract is terminated under certain conditions



## Twelfth resolution

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- ▼ Approval of the fixed, variable and exceptional compensation components comprising the total compensation and benefits in kind paid or awarded in respect of the 2017 fiscal year to Mr. Hubert SAGNIÈRES, Chairman and Chief Executive Officer

# Thirteenth resolution

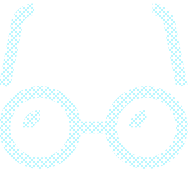
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- ▼ Approval of the fixed, variable and exceptional compensation components comprising the total compensation and benefits in kind paid or awarded in respect of the 2017 fiscal year to Mr. Laurent VACHEROT, President and Chief Operating Officer

# Fourteenth résolution

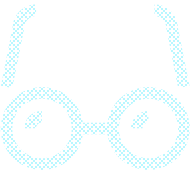
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- ▼ Approval of the compensation policy applicable to the Executive Board Officers

# Fifteenth resolution

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- ▼ Powers to carry out legal formalities

ESSILOR

