
GrandVision 
EGM



4.11.19

Proposal to amend the Remuneration Policy:

1. Bring Remuneration Policy in line with new Shareholder Rights Directive
2. Changes in variable remuneration
 - Amendment of STI and LTI percentages
 - Deletion of Top LTIP 2015 (amended 2017)
3. Allow the Supervisory Board to grant a Retention Bonus and Risk Compensation Fee to the Management Board in case of a change of control

- Review conducted by third party at the beginning of the year
- Benchmarking against two peer group:
 - Against subset of AEX & listed European specialty retailers
- Conclusive findings the STI and the LTI lags behind market on a comparable basis
 - Both for at target as well as at maximum performance
- Deletion of Top LTIP 2015:
 - Simplified & structure not in line with market practice
 - Award reinvested into the LTIP structure
- Due to announcement of intended EssilorLuxottica transaction, EGM was postponed

Proposed STI & LTI amendments - CEO

| EUR '000 | CEO | | | |
|---|-----------|-----------|-----------|-----------|
| | At Target | | At Max | |
| | Previous | New | Previous | New |
| Annual Base Salary | 816,000 | 816,000 | 816,000 | 816,000 |
| Bonus / STI | 40% | 80% | 60% | 120% |
| LTI | 65% | 100% | 81% | 125% |
| Total variable | 856,800 | 1,468,800 | 1,152,600 | 1,999,200 |
| Total compensation (Annual Base Salary + Variable) | 1,672,800 | 2,284,800 | 1,968,600 | 2,815,200 |
| % change | | +37%** | | +43%** |

** Please note that the increase in LTIP allocation correlated with the termination of the previous “Top LTIP plan”. The Top LTIP was a share-based share appreciation plan, and the allocation was based on an anticipated face value, a hurdle rate and the share price at the time of allocation. For indicative reasons; the TOP LITP plan 2018 that has been allocated to the CEO, would have a value of EUR 473,385 assuming a share price of EUR 28. In that case, the increase in variable remuneration is 6% instead of 37%.

Proposed STI & LTI amendments - CFO

| EUR '000 | CFO | | | |
|---|-----------|-----------|-----------|-----------|
| | At Target | | At Max | |
| | Previous | New | Previous | New |
| Annual Base Salary | 500,000 | 500,000 | 500,000 | 500,000 |
| Bonus / STI | 35% | 65% | 52.5% | 97.5% |
| LTI | 45% | 70% | 56% | 88% |
| Total variable | 400,000 | 675,000 | 543,750 | 925,000 |
| Total compensation (Annual Base Salary + Variable) | 900,000 | 1,175,000 | 1,043,750 | 1,425,000 |
| % change | | +31%** | | +37%** |

** Please note that the increase in LTIP allocation correlated with the termination of the previous “Top LTIP plan”. The Top LTIP was a share-based share appreciation plan, and the allocation was based on an anticipated face value, a hurdle rate and the share price at the time of allocation. For indicative reasons; the TOP LTIP plan 2018 that has been allocated to the CEO, would have a value of EUR 473,385 assuming a share price of EUR 28. In that case, the increase in variable remuneration is 6% instead of 37%. If the Top LTIP plan wasn’t discontinued the CFO would have been awarded SSAR’s in 2019 with a similar value and therefore also had a much lower increase in variable remuneration.

- Cash retention bonus and risk compensation fee of up to one-time maximum annual remuneration package

- In case both the cash retention bonus and risk compensation fee are awarded, then the maximum amount is limited to two times the full maximum annual remuneration package

- EssilorLuxottica intended take-over is such a change of control
 - Complex transaction
 - Exceptionally long lead time to closing and full integration
 - CEO and CFO play key role in ensuring:
 - Full continuity of all business operations
 - Smooth and successful transaction

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