

3. CHARTER OF THE BOARD OF DIRECTORS

The Board of Directors is the strategic body of LVMH Moët Hennessy - Louis Vuitton SE. The competence, integrity and responsibility of its members, clear and fair decisions reached collectively, and effective and secure controls are the ethical principles that govern the Board.

The key priorities pursued by LVMH's Board of Directors are enterprise value creation and the defense of the Company's interests.

LVMH's Board of Directors acts as guarantor of the rights of each of its shareholders and ensures that shareholders fulfill all of their duties.

The Company adheres to the Code of Corporate Governance for Listed Companies published by AFEP and MEDEF.

Each of these elements contributes to preserving the level of enterprise performance and transparency required to retain the confidence of shareholders and partners in the Group.

1. Structure of the Board of Directors

The Board of Directors shall have a maximum of 18 members, a third of whom at least are appointed from among prominent independent persons with no interests in the Company.

In determining whether a Director may be considered as independent, the Board of Directors refers among others to the criteria set forth in the AFEP/MEDEF Code of Corporate Governance for Listed Companies.

The number of Directors or permanent representatives of legal entities from outside companies, in which the Chairman of the LVMH Board of Directors or any LVMH Director serving as LVMH Chief Executive Officer or Group Managing Director holds an office, shall be limited to four.

2. Missions of the Board of Directors

Apart from the selection of the Company's management structure and the appointment of the Chairman of the Board of Directors, Chief Executive Officer and Group Managing Director(s), the principal missions of the Board of Directors are to:

- ensure that the Company's interests and assets are protected;
- define the broad strategic orientations of the Company and the Group and ensure that their implementation is monitored;
- approve any significant operation that does not fall within the scope of the strategic orientations defined by the Board of Directors;
- stay abreast of the Company's financial position, cash position and commitments;
- approve the Company's annual and half-yearly financial statements;
- review the essential characteristics of the internal control and risk management systems adopted and implemented by the Company;

- ensure that major risks to which the Company is exposed are in keeping with its strategies and its objectives, and that they are taken into account in the management of the Company;
- verify the quality, reliability and fairness of the information provided to shareholders concerning the Company and the Group, in particular to ensure that the management structure and the internal control and risk management systems are able to guarantee the quality and reliability of financial information published by the Company and to give a true and fair view of the results and the financial position of the Company and the Group;
- set out the organization principles and procedures for the Performance Audit Committee;
- disseminate the collective values that guide the Company and its employees and that govern relationships with consumers and with partners and suppliers of the Company and the Group;
- promote a policy of economic development consistent with a social and citizenship policy based on concepts that include respect for human beings and the preservation of the environment in which it operates.

3. Operating procedures of the Board of Directors

The Board of Directors shall hold at least four meetings a year.

Any individual who accepts the position of Director or permanent representative of a legal entity appointed as Director of the Company shall agree to attend Board of Directors' and Shareholders' Meetings regularly.

The Board may use videoconferencing or other means of telecommunication to organize meetings with Directors participating remotely. No such means shall be used, however, when the Board is meeting to prepare and approve the parent company financial statements and Management Report, or when it is meeting to prepare the consolidated financial statements and the report on Group management.

In order to ensure the identification and effective participation of the Directors concerned in a Board meeting, these means of telecommunication shall, at a minimum, transmit participants' voices as well as satisfy technical criteria for a continuous, real-time connection with the meeting. All remote participants in the meeting shall provide their identity. The attendance of any non-Board members shall be reported to, and subject to approval by, all Directors participating in the meeting.

Directors participating remotely by videoconferencing or conference call shall be deemed present for the purposes of calculating the quorum and majority.

The minutes of the meeting shall include the identities of the Directors who participated in the meeting remotely, the means of communication used and any connection problems that may occur during the meeting or disrupt it. On the recommendation of the Board's Nominations and Compensation Committee, repeated unjustified absenteeism by a Director may cause the Board of Directors to reconsider his appointment.

So that members of the Board of Directors can fully serve the function entrusted to them, the Chief Executive Officer provides members with any and all information necessary for the performance of their duties.

Decisions by the Board of Directors shall be made by simple majority vote and are adopted as a board.

If they deem appropriate, independent Directors may meet without requiring the presence of the other members of the Board of Directors.

For special or important issues, the Board of Directors may establish one or more ad hoc committees.

Each member of the Board of Directors shall act in the interests and on behalf of all shareholders.

Once each year, the Board of Directors evaluates its procedures and informs shareholders as to its conclusions in a report presented to the Shareholders' Meeting. In addition, at least once every three years, a fully documented review of the work of the Board, its organization and its procedures is conducted.

4. Responsibilities

The members of the Board of Directors shall be required to familiarize themselves with the general and specific obligations of their office, and with all applicable laws and regulations.

The members of the Board of Directors shall be required to respect the confidentiality of any information of which they may become aware in the course of their duties concerning the Company or the Group, until such information is made public by the Company.

The members of the Board of Directors agree not to trade in the Company's shares, either directly or indirectly, for their own account or on behalf of any third parties, based on privileged information disclosed to them in the course of their duties that is not known to the public.

Moreover, members of the Board of Directors shall refrain from engaging in any transactions involving the Company's shares or related financial instruments, and from any exercise of options for the duration of periods:

- beginning, as applicable, on either the 30th calendar day preceding the date of publication of the Company's annual or half-yearly consolidated financial statements, or the 15th calendar day preceding the date of publication of the Company's quarterly consolidated revenue announcement; and
- ending (i) the day after said publication at 2:00 pm, if the publication concerned occurs in the afternoon, or (ii) the day after said publication at 9:00 am, if it occurs in the morning.

However, this restriction does not apply to the exercise of share purchase or share subscription options, provided that no shares are resold before the end of the blackout period in question.

Senior executive officers shall refrain from engaging in any hedging transactions, either on their share subscription or

purchase options, or on their shares acquired from the exercise of options, or their performance shares; this restriction shall apply until the end of their respective holding periods as established by the Board of Directors.

The Directors agree to:

- warn the Chairman of the Board of Directors of any instance, even potential, of a conflict of interest between their duties and responsibilities to the Company and their private interests and/or other duties and responsibilities;
- abstain from voting on any issue that concerns them directly or indirectly;
- inform the Chairman of the Board of Directors of any operation or agreement entered into with any LVMH group company to which they are a party;
- provide details to the Chairman of the Board of Directors of any formal investigation, conviction in relation to fraudulent offenses, any official public incrimination and/or sanctions, any disqualifications from acting as a member of an administrative, management or supervisory body imposed by a court as well as of any bankruptcy, receivership or liquidation proceedings to which they have been a party.

The Chairman of the Board of Directors shall apprise the Performance Audit Committee upon receiving any information of this type.

5. Compensation

The Shareholders' Meeting shall set the total amount of Directors' fees to be paid to the members of the Board of Directors.

This amount shall be distributed among all members of the Board of Directors and the Advisors, if any, on the recommendation of the members of the Directors' Nominations and Compensation Committee, taking into account their specific responsibilities on the Board (e.g. Chairman, Vice-Chairman, participation on committees created within the Board).

The settlement of a portion of these fees shall be contingent upon attendance by Directors at the meetings of the Board of Directors and, where applicable, the Committee(s) of which they are members, calculated according to a formula to be determined by the Board of Directors, acting upon a proposal submitted by the Nominations and Compensation Committee.

Exceptional compensation may be paid to some Directors for any special assignment they assume. The amount shall be determined by the Board of Directors and reported to the Company's Statutory Auditors.

6. Scope of application

This Charter shall apply to all members of the Board of Directors as well as all the members of the Advisory Board. It must be given to each candidate for the position of Director and to each permanent representative of a legal entity prior to the start of the letter's term of office.