

Shareholders' Meeting of April 15, 2021

Responses to written questions

Written questions from FIR (Forum pour l'Investissement Responsable)

Environment

1. To remain in line with the Paris Agreement, what are your capex plans between now and 2025? How will these capital expenditures be divided between maintenance and growth capex across the entire value chain? How will they be divided geographically?

Since 2015, all the Group's Maisons have integrated the LIFE 2020 program into the strategic plans that they present annually to the Group's Executive Committee. Within this framework, they propose their action and development plans to achieve the LIFE 2020 targets. Moreover, 360 of the projects proposed by the Maisons have also been validated as part of our Carbon Fund for the period spanning 2017 to 2020.

As part of its new environmental program (LIFE 360, which sets targets for 2023, 2026 and 2030), LVMH has committed to the SBTi (Science Based Targets initiative) approach and has defined a target of a 50% reduction, relative to 2019, in Scope 1 and 2 emissions by 2026, as well as a plan to develop renewable energies and continue its implementation of the low-carbon investment plan via the Carbon Fund.

The Group also set a target for Scope 3 (55% reduction in emissions per unit of value added by 2030), along with a program to develop the circular economy and material innovations. These action and development plans designed to achieve the LIFE 360 objectives will be presented by the Maisons to the Group's Executive Committee on a yearly basis.

2. How are you limiting the impact of biodiversity loss on your future revenue? Please specify the indicators and procedures put in place.

Protecting natural ecosystems has always been an imperative for LVMH, since its business activities depend to a very great extent on natural raw materials. In 2020, LVMH broke new ground by calculating its environmental footprint across its entire value chain. It covers climate change, water and biodiversity and has given a real structure to the LVMH group's biodiversity strategy.

By 2026, LVMH plans to roll out certification systems meeting the most rigorous biodiversity protection standards for all its strategic supply channels. Standards are adopted for each raw material, and deployment objectives based on the percentage of quantities certified have been set for 2023 and 2026.

In addition, LVMH aims to roll out an agricultural regeneration approach across all its strategic supply chains by 2030. The aim is to regenerate by 2030 the equivalent of five million hectares of habitat for fauna and flora, which will bring down the impact of the Group's activities on its ecosystem towards equilibrium point.

3. How are you planning for the increasing scarcity of certain natural resources and supply difficulties for your strategic resources? In what ways does this affect your business models and how are you safeguarding your supply chains?

LVMH regularly conducts a systemic analysis of exposure to various risks with the assistance of Verisk Maplecroft, a service provider that pays considerable attention to environmental risks. In addition to its own operations, some 30,000 suppliers and service providers, representing 90% of Group expenditure, were assessed in relation to their 2020 risk levels. The impact on ecosystems and depletion of natural resources are among the risks identified.

Accordingly, LVMH is pursuing an ambitious mitigation policy and is also adapting to the increasing scarcity of resources:

- A policy of diversifying its supply sources
- A circular economy and eco-design program for products under the LIFE 360 program that aims to conserve natural resources
- A materials innovation policy
- A policy of adapting agricultural practices, which extends to winegrowing.

Social

4. Solidarity between economic actors, including both large firms and small businesses, seems necessary to mitigate the negative effects of the current crisis. How is your Group adapting its purchasing or selling practices, on the national and international levels, to support its suppliers or customers who are affected by the crisis? Do you apply different policies for micro, small and medium-sized enterprises? Has the crisis prompted you to make structural changes to your policies in this area?

Very practical supplier-focused actions were implemented throughout 2020 to actively provide support. These actions included, for example, supplying protective equipment and health and safety products (such as face masks, gowns and hand sanitizer), disbursing

financial assistance directly to our suppliers' subcontractors (embroidery in India), and granting shorter payment periods from "30 days" to "on receipt".

Micro-companies and SMEs were watched very closely where their situation threatened to deteriorate amid the crisis. This close monitoring remains in place.

5. At the Group level, how are you managing the impact on employees of the massive shift to remote working since the onset of the pandemic, and particularly in terms of the management of psychosocial risks, reimbursement of related expenses, employee satisfaction surveys, the change in employee preferences, the proportion of employees working from home, etc.?

Amid an unparalleled crisis caused by the unprecedented pandemic, solidarity and dialogue have become more essential than ever before. The overriding priority has always been to protect the health of employees and maintain close relationships with staff.

Strict measures to protect employees' health and safety were introduced very efficiently by all Group companies, and they continue to be applied.

The Maisons made adjustments to their sites and workplaces to implement the requisite precautionary and protective measures. LVMH provided all its employees with the necessary equipment, hand sanitizer, face masks and Plexiglas shields to ensure safe business continuity.

For employees able to work from home, the Group introduced on a general basis and significantly stepped up, in line with the government recommendations, the use of remote working, which was already in place at the Maisons under the agreements and charters providing for this flexible working organization.

Working from home was facilitated by the provision of desktop equipment and personalized support, including an Employee Assistance Program-type listening and advice system. In 2020, 95% of the Maisons around the world introduced flexible working time arrangements (part-time working, working from home, part-time working upon their return to work, etc.).

Since the pandemic first struck, regular communications have kept employees informed, as the weeks passed, of all the initiatives and information about their professional activities. Crisis management units were established in every area. A very active and constructive dialogue was introduced between the Maisons and local officials to lay down protocols for shutting down and then gradually resuming operations with a key focus on employees' health and safety.

From a health perspective, medical concierge services were offered by a number of Maisons. In countries where healthcare is not easily accessible, the Maisons arranged additional insurance covering the expenses of employees who contracted Covid-19.

The results of a poll carried out by the Group showed a high level of backing for the policy implemented by the Group and its Maisons. During the crisis, they successfully maintained a close relationship with their teams, whether or not these were working from home, and developed work policies meeting the expectations of all concerned. Close to 90% of

respondents felt that management decisions at the LVMH group were well informed, and 94% said they were proud to be part of the Group and their Maison.

6. Do you have a definition of “decent wage” that is not limited to the local legal minimum wage? If so, how do you define it? How does your company ensure that its own employees, but also those of its suppliers, receive a decent wage?

As stated in the LVMH Code of Conduct, the Group ensures that the conduct of its business respects individual rights and also encourages the continuous improvement of workforce-related, social and public health conditions, which are essential to the development and protection of human rights. At the start of 2021, LVMH established a working group whose mission is to translate this commitment into more precise and verifiable principles with respect to decent wages. Its objective is to guarantee that practices to ensure decent compensation are applied both across the Group and by its subcontractors and suppliers. These principles will be adopted and announced later in 2021.

The Group has opted to decentralize human resources management in order to ensure that rigorous and appropriate systems are put in place, particularly with respect to compensation, everywhere that it operates.

International surveys, taking into account the specificity and diversity of the Group's professions and business segments, are carried out each year to make sure that the salaries paid are well in range when compared with those of similar employees outside the Group.

By way of the variable component of their compensation, employees have a stake in their company's performance. In addition, the Group's employees in France are eligible for profit-sharing, incentive and/or company savings plans, which totaled 311 million euros in 2020.

The Group also makes sure that the healthcare, provident insurance and medical coverage offered to its employees remains in line with standards for such protection in developed countries.

7. When defining the formula for calculating incentive payments under the plans open to your employees in France, do you take environmental and workforce-related criteria into account? If so:
- What are these criteria? Have they evolved since April 1, 2020?
 - What is the relative weighting of these criteria in the incentive formula? Has it changed over the past year?
 - What is the percentage of eligible employees?

All actions by the Group's Maisons reflect their commitment to ethics, sustainability, the environment, people and society. Accordingly, many of them have entered into incentive agreements that take workforce-related and environmental criteria into account, even though there is no legal obligation to do so.

By way of example, Moët Hennessy Champagne Services (MHCS) has included in its two

incentive agreements (for its employees in Reims and Épernay) a sustainable development indicator (energy consumption and waste sorting) as well as a workforce-related indicator (workplace accident frequency rate).

Hennessy's incentive agreement provides for three workforce-related and social indicators, accounting for 37.5% of the overall incentive payment:

- An accident analysis and prevention indicator, with a 50/50 weighting between the frequency rate and the severity rate;
- Reduction in electricity consumption;
- Reduction in food waste.

In addition, a social bonus is included to reinforce employee engagement around these issues, which can increase the payment by 1 percentage point, when all the indicators outperform their targets.

For Make Up For Ever, one of the four indicators takes workforce-related and environmental criteria into account (paper consumption) and represents 20% of the overall incentive payment.

For Guerlain, the incentive payment is divided into two parts, with (i) a payment tied to the company's financial results (net sales and operating profit), ranging from 3% to 10% of the payroll, and (ii) a sustainable development payment of between 200 and 300 euros per person, which depends on the results of ISO 14001 audits (a standard based on the principle of continuous improvement in environmental performance through the effective management of impacts relating to the company's business activities).

In its new incentive agreement, Parfums Christian Dior has updated one indicator out of five relating to the environment, which concerns the recovery and reuse of brand waste, in other words the percentage of its production rejects that are recycled.

8. With respect to employee savings arrangements, which of your funds have effectively been awarded a responsible investment certification (CIES, Finansol, Greenfin, ISR)? For each fund offered by your Group, what specific labels have been received, what percentage does it represent within total employee savings invested, and to what proportion of employees is it offered? In addition, what percentage of the Group's employees, both in France and around the world, has access to other types of workplace savings products, particularly with respect to their retirement? What proportion of the assets corresponding to these savings products is managed in a socially responsible manner and meets high standards of quality? Which ones?

The law does not make it compulsory for companies to subscribe to certified funds. However, this practice is increasingly prevalent for companies. In light of this, the Maisons propose numerous certified socially responsible funds (Comité intersyndical de l'épargne salariale (CIES), Finansol, Greenfin, Investissements Socialement Responsables (ISR)) associated with [French] ministries (finance, ecology) or trade union bodies. These funds allow employees to invest their incentive payments ethically and responsibly.

For example, Parfums Christian Dior, MHCS, Moët Hennessy SAS Holding, Hennessy, Sephora and Louis Vuitton offer employees the possibility of investing their incentive

payments in CIES, Finansol or ISR certified funds (e.g. BNP Multipar solidaire dynamique, BNP Equilibre, Amundi label Prudence, Amundi label Actions Euroland, Amundi Diversifié solidaire; Amundi Equilibre solidaire ESR, Multipar Solidaires, Amundi Label Equilibre Solidaire).

All Maisons aim to enhance the possibility of investing in socially responsible funds in the future; this ethical, socially and environmentally responsible policy is regularly discussed with the social partners.

Governance

9. Do you apply the [GRI 207 standard](#) to your tax disclosures?

The Group, as part of its tax obligations, complies with Country-by-Country Reporting (CBCR) requirements. CBCR is performed in accordance with OECD recommendations (as transposed by French tax regulations). It is the focus of an information exchange between the tax administrations of countries where the Group is present.

If so, do these disclosures relate to all the areas covered by this standard and if not, for which areas have you decided not to provide information and why?

N/A

If you are not applying this standard, what are your reasons for this choice and do you plan to begin applying it in the near future (within one to two years)?

Which other measures have you already implemented or do you plan to implement to meet the growing demand from your stakeholders for tax transparency?

The LVMH group's overall tax rate was 27.4% in 2019 and 32.7% in 2020. The Group considers that it is not concerned by criticisms relating to tax evasion or optimization undertaken by multinational companies. For example, as far as France is concerned, LVMH generates 8% of its revenue, 35% of its taxable profit and pays 49% of its tax in France.

For an exporter like LVMH, the primary tax issue relates to the apportionment of profits generated by its business in different countries. In other words, it's not a question of whether LVMH avoids taxes, but whether it avoids profits being taxed twice within the context of very tough tax competition between many different countries. The shifting regulatory backdrop in this area only serves to increase this risk. The LVMH group's experience is that transparency when it comes to tax paid by country does not help to either diffuse or rationalize the debate between tax administrations about the apportionment of profit. That is why LVMH intends to limit the communication of tax information to its strict legal obligations.

10. What scope of operations is taken into account for your fairness ratio disclosures? What conclusions have you reached in looking at the movement in these ratios? Have these findings led you to make policy changes in relation to executive compensation? If so, in what way?

We publish the fairness ratios for two scopes:

- ✓ For the listed company LVMH SE,
- ✓ For employees of the LVMH group's holding company in France.

Changes in the ratios for LVMH SE do not have an impact on the Group's compensation policy given this company's limited workforce.

The change in the ratios for the extended scope shows a lowering of ratios since 2017. This is due to the increase in employee compensation.

Our compensation policy aims to share the rewards of our growth by way of compensation for senior executives and employees, which has resulted in a significant increase in compensation in recent years.

11. With regard to the implementation of your Group's gender equality policy, could you share with us:

The time frames and numerical targets – already met or to be met – for the areas involved in this policy (career development, training, compensation, work-life balance, etc.) at all levels of responsibility?

Whether this gender equality policy is applied across all Group companies, both in France and abroad, and if not, could you explain why?

If the policy is applied at the Group's operations around the world, what specific measures are you putting in place to promote gender equality in countries where efforts in this regard tend to encounter resistance?

Today, 16 Group Maisons are led by a female President, which is 3 more than in 2019 and already one more than in 2020. More generally, women represented 42% of the key positions at LVMH in 2020 – compared with 23% in 2007 – and the Group is aiming to achieve parity in key positions by 2025.

Women make up 71% of the workforce and 64% of management-level roles ("cadres" in French).

The Group is also aiming to achieve equal pay. Each Maison is putting in place initiatives and tools to reduce any pay gaps between women and men within the same job category.

Our equal pay policy is applied for all our operations throughout the world.

Through its EllesVMH initiative, the Group is working to achieve the target of parity in key positions in close collaboration with its Maisons.

Another initiative: The Group has created the Inclusion Index in order to pool the best initiatives of the Group and its Maisons with regard to diversity, equality and inclusion. In 2020, it covered 148 initiatives to improve gender equality, impacting almost 29,000 employees worldwide.

Finally, it should be noted that the Group obtained a rating of 91 points out of 100 under the French government's Professional Equality Index (Index de l'égalité professionnelle).

12. What formal arrangements are in place for your lobbying activities and how do these align with your group's CSR strategy? Can you outline your company's chain of responsibility for lobbying and institutional relations? In what circumstances can or should matters be referred to your Group's oversight body (board of directors, supervisory board)? What disclosures do you publish concerning your lobbying practices (public positions, budgets allocated, etc.) in each of your global markets?

Based on the diversity of its expertise, by respecting its ethical and social-responsibility values, LVMH aims to contribute actively to the economic debate, putting the onus on dialogue and cooperation with the public authorities. Notwithstanding the fact that its specializations and markets would oblige it to do so less in this area than other companies, the Group naturally follows changes in policies and regulations related to its business activities and priorities. These include, among others, brand protection, commercial relations, market access, sustainable development and promotion of the circular economy, in addition to protecting raw materials used in its products.

Reporting to the Group's Executive Management, the Company Secretariat and Corporate Affairs Department represents the Group's public affairs and interests, mainly vis-à-vis business federations. They also carry out initiatives relating to public consultations and organizing events and meetings.

The Group participates in the public sphere in compliance with laws and the specific regulations of the institutions and organizations concerned. It follows the Code of Conduct adopted by the company. LVMH is registered, where its activities require it to do so, in the registers of interest representatives. It is thus included in the European Union's Transparency Register and the French Register of the Authority for Public Transparency (Répertoire français de la Haute Autorité pour la transparence de la vie publique).

Within this framework, the information communicated relates to the disclosure of actions and spending that can be considered to be lobbying, according to criteria set by the competent authorities, and which LVMH uses to a limited extent.

13. How in practical terms do you involve employee representatives at Group and local level to ensure the Group embarks on a just transition? Do you intend to publish their opinion concerning your vigilance plan? Do you intend to publish their opinion on your non-financial performance document?

In accordance with applicable rules, statements of non-financial performance are consolidated at the Group level. Every year, the statement of non-financial performance is presented to and discussed with employee representatives at both the SE Works Council and the Group Works Council for entities in France. To guarantee the transparency of the Group's non-financial data and in compliance with the applicable rules, the indicators are included in the management report published each year on the website, lvmh.com.

Question from the Banque de France (as a shareholder)?

Does LVMH plan to publish in the future the qualitative criteria (especially as they relate to corporate social responsibility and sustainable development) used to calculate the award of variable compensation to the Chairman and Chief Executive Officer and to the Group Managing Director?

The Universal Registration Document for the 2020 fiscal year states (including on page 177) the nature of the qualitative criteria set by the Board of Directors and used to calculate the award of variable compensation to the Chief Executive Officer and to the Group Managing Director, but does not give a breakdown for confidentiality reasons vis-à-vis competitors.

Every year, the Nominations & Compensation Committee assesses the performance of the two senior executives using these qualitative criteria of a strategic, organizational, operational and managerial nature, which specifically encompass corporate social responsibility and sustainable development. These qualitative criteria have a weighting of one-third and of 40% respectively in the determination of the variable compensation payable to the Chairman and Chief Executive Officer and to the Group Managing Director.

The Company will consider providing more detailed disclosures in the future where criteria are not competitively sensitive.

Written question from IPAC (Initiative pour un Actionnariat Citoyen)

The Group's policy looks ambitious from a sustainable development standpoint. But LVMH rarely features in the top quartile of theme-based and industry rankings published around the world. Do you have any plans to accelerate the Group's transformation to bridge this gap?

Measuring our non-financial performance is of the utmost importance, and we set great store by it. Its role is to report on the ambitions of our social and environmental responsibility policy. For the 16th year in a row, the Universum survey has ranked LVMH as the number-one preferred employer for business and management school students in France. In addition to the Group's appeal as a leading employer, the ranking also reflects how younger generations view our social and environmental commitments. In addition, the Group notably also leads the Vérité40 carbon index published by Axylia. The growing number of theme-based and industry rankings, which are not always predicated on mature reference frameworks, does not provide a reliable snapshot of companies' non-financial value. With this in mind, we are keeping a close eye on current initiatives aimed at harmonizing sustainability reporting standards.

Written question from Mr Vincent LEGRAS

I am surprised to see Nicolas Bazire's reappointment in the list of resolutions. Regardless of his talent and skills, he was found guilty of serious offences and sentenced by the court to five years in prison, three of which must be served without parole. How can this be compatible with his three-year term as a Director? Moreover, it seems to me that this information should have been mentioned in the convening brochure for the Shareholders' Meeting.

This shareholder highlights Nicolas Bazire's talent and skills, and it is precisely these qualities that have prompted the Board of Directors to propose to the Shareholders' Meeting that he be reappointed as a Director.

With regard to the court decision referred to in the question, it should be noted that it has been appealed, that it involves events that happened a very long time ago, which are totally unrelated to Nicolas Bazire's duties at LVMH, and that it in no way calls into question his integrity.