

LVMH

RULES OF PROCEDURE OF THE COMPENSATION  
COMMITTEE

AS OF APRIL 18, 2024

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The Board of Directors has set up a specialized committee in charge of the compensation of company officers, which acts under the responsibility of the Board of Directors and whose rules of procedure have been approved by the Board of Directors.

## 1. Membership of the Committee

The Compensation Committee shall consist of at least three Directors. The majority of its members shall be independent. Its members shall be appointed by the Board of Directors.

The Board of Directors shall appoint a Chairman of the Committee from among its members.

Neither the Chairman of the Board of Directors, nor any Director serving as Chief Executive Officer or Group Managing Director of LVMH, or who is compensated by any LVMH subsidiary, may be a member of the Committee.

## 2. Role of the Committee

The principal duties of the Committee are to:

- issue an opinion on the compensation policy for company officers, as well as, after seeking the opinion of an independent consulting firm, where applicable, on any exception to the application of said compensation policy;
- make proposals on the maximum overall annual amount set at the Shareholders' Meeting that may be allocated to Directors (and Advisory Board members, where applicable) as compensation for their work, and on the allocation of this budget between the members of the Board of Directors;
- make annual proposals to the Board of Directors on the fixed, variable, exceptional, immediate and deferred compensation and benefits in kind to be awarded to (i) senior executive officers of the Company and (ii) Directors and Advisory Board members who are employees of the Company or any of its subsidiaries by virtue of an employment contract;
- issue recommendations regarding the financial, strategic and ESG criteria (whether they are qualitative or quantifiable), on the basis of which the variable portion of compensation for senior executive officers is to be determined;
- periodically assess achievement of the financial, strategic and ESG criteria (whether they are qualitative or quantifiable), on the basis of which the variable portion of compensation for senior executive officers is determined;
- make proposals on (i) the allocation of options and/or bonus shares to senior executive officers and to Directors and Advisory Board members who are employees of the Company or any of its subsidiaries by virtue of an employment contract, (ii) the performance conditions applicable to senior executive officers for the exercise of these options and/or the vesting of these bonus shares, and (iii) the quantity of bonus shares or shares acquired from the exercise of options that must be retained in the possession of the senior executive officers until the end of their terms of office;
- adopt positions on any supplementary pension plans set up by the Company for its senior executive officers;
- issue recommendations on any retirement bonuses that may be paid to a senior executive officer at the end of their terms of office;
- review the components of the report on corporate governance relating to the compensation received by the company officers, in particular the summary table of the payments made to each Director and Advisory Board member in respect of their term of office, the compensation policy for company officers, and the items of compensation of senior executive officers submitted for shareholder approval as part of "say on pay".

The Committee is also informed of the compensation policy in place within the Group.

### 3. Operating procedures of the Committee

A Director's agreement to serve on the Committee implies that he/she will devote the necessary time and energy to his/her duties on the Committee.

The Committee shall meet whenever necessary, at the initiative of either its Chairman, the Chairman of the Board of Directors, the Director serving as Chief Executive Officer, or two Committee members.

The Chairman of the Board of Directors, the Chief Executive Officer and, where applicable, the Group Managing Director(s) shall not participate in the Committee's work relating to their compensation.

The proceedings of the Committee are confidential and shall not be discussed outside the Board of Directors.

Decisions of the Committee shall be made by simple majority vote and shall be deemed to have been reached as a board.

Meetings or joint working sessions may be organized between the Board's various committees on cross-cutting topics, particularly with regard to sustainability (ethical, environmental, social and climate issues) and governance.

### 4. Prerogatives of the Committee

The Committee shall report on its work to the Board of Directors. It shall submit its findings, recommendations and suggestions to the Board.

Members of the Committee may request any and all available information that they deem necessary for the purposes of performing their duties.

The Committee may commission outside technical studies, the results of which it is responsible for reporting to the Board, on matters falling within its area of expertise if it considers this necessary or beneficial to the performance of its duties, after having notified the Chairman of the Board of Directors or the Board of Directors itself.

Unfavorable opinions issued by the Committee on any proposal must be substantiated.

### 5. Compensation of Committee members

The members and the Chairman of the Committee may receive specific compensation, determined by the Board of Directors and offset against the maximum overall annual amount allocated at the Shareholders' Meeting to Directors as compensation for their work.