

Christian Dior

Board of Directors' report on the draft resolutions

1. APPROVAL OF THE PARENT COMPANY FINANCIAL STATEMENTS AND OF RELATED-PARTY AGREEMENTS

The first items of business relate to:

- the approval of the financial statements: you are asked to vote to approve the financial statements of the parent company Christian Dior SE (**first resolution**), as well as the Group's consolidated financial statements (**second resolution**);
- the appropriation of net profit (**third resolution**): the dividend to be distributed will amount to 6.00 euros per share. Given the interim dividend of 2.00 euros per share which was paid in cash on December 3, 2020, the final dividend would be 4.00 euros per share. The final dividend will be paid on April 22, 2021;
- the approval of related-party agreements (**fourth resolution**): details of these agreements are set out in the Statutory Auditors' special report.

2. STRUCTURE OF THE BOARD OF DIRECTORS – ADVISORY BOARD

2.1 Board of Directors

Based on the recommendations of the Nominations and Compensation Committee, you are asked to renew the terms of office as Director of Delphine Arnault and H el ene Desmarais (**fifth to sixth resolutions**) for three years ending at the close of the Ordinary Shareholders' Meeting to be convened in 2024 to approve the financial statements for the previous fiscal year.

Detailed information on Directors whose terms of office are proposed for renewal can be found in §1.4.1 of *the Board of Directors' report on corporate governance* (see the 2020 Annual Report).

Their background and experience are presented below, as well as the reasoning behind your Board of Directors' decision to propose these renewals.

- **Delphine Arnault**

Age: 45 – Nationality: French

Delphine Arnault began her career at international strategy consultancy firm McKinsey, where she worked as a consultant for two years. In 2000, she moved to designer John Galliano's company, which she helped develop, acquiring hands-on experience in the fashion industry. In 2001, she joined the Executive Committee of Christian Dior Couture, where she served as Deputy Managing Director until August 2013. Since September 2013, she has been Executive Vice-President of Louis Vuitton, in charge of supervising all of Louis Vuitton's product-related activities. In January 2019, Delphine Arnault became a member of the Executive Committee of the LVMH group.

Delphine Arnault contributes in-depth knowledge of the luxury goods industry, particularly in fashion and leather goods, which is particularly useful in defining the Group's strategy.

- **H el ene Desmarais**

Age: 65 – Nationality: Canadian

H el ene Desmarais has been Chairman of the Board of Directors and Chief Executive Officer of Centre d'Entreprises et d'Innovation de Montr al – the biggest technology enterprise incubator in Canada – since it was founded in 1996. She holds directorships at a large number of companies and organizations in both the public and private sectors and has led initiatives in the areas of economics, education and health care. Ms. Desmarais is Founder and Executive Chairman of Ivado Labs and Chairman of the Boards of Directors of Scale AI, HEC Montr al (Hautes  tudes Commerciales de Montr al), and the Montreal Economic Institute. She also serves on the Board of Directors of Garda World Security Corporation and is a member of the Board of Governors of the International Economic Forum of the Americas.

H el ene Desmarais will continue to contribute her experience in the corporate world, in both the public and private sectors.

2.2 Advisory Board

Based on the recommendations of the Nominations and Compensation Committee, you are asked to renew the terms of office as Advisory Board member of Jaime de Marichalar y Sáenz de Tejada (**seventh resolution**) for three years ending at the close of the Ordinary Shareholders' Meeting to be convened in 2024 to approve the financial statements for the previous fiscal year.

Detailed information on Advisory Board member whose term of office is proposed for renewal can be found in §1.4.1 of the *Board of Directors' report on corporate governance* (see the 2020 Annual Report).

His background and experience are presented below, as well as the reasoning behind your Board of Directors' decision to propose this renewal.

- **Jaime de Marichalar y Sáenz de Tejada**

Age: 57 – Nationality: Spanish

Jaime de Marichalar y Sáenz de Tejada began his career in 1986 in Paris where he worked for Banque Indosuez on the MATIF Futures Market. He then joined Credit Suisse and worked for its investment banking and private banking divisions. In January 1998, he was appointed Chief Executive Officer of Credit Suisse in Madrid.

The Company currently has one Advisory Board member: Jaime de Marichalar y Sáenz de Tejada, whose extensive knowledge of the Group and the global luxury goods market represents a valuable asset during the Board's discussions.

3. COMPENSATION OF COMPANY OFFICERS

3.1 Compensation policy

3.1.1 Pursuant to Article L.22-10-8 II of the French Commercial Code, you are asked to approve the modifications made for 2020 in view of the exceptional circumstances caused by the health crisis to the compensation policy of the Directors (**eighth resolution**) and that applicable to the two senior executive officers (**ninth resolution**).

The modifications made for 2020 to the compensation policy of Directors and senior executive officers are described in § 2.2 of the *Board of Directors' report on corporate governance* (see the 2020 Annual Report).

3.1.2 In accordance with Article L.22-10-8 II of the French Commercial Code, you are then asked to approve the compensation policy for Directors (**thirteenth resolution**), and that applicable to senior executive officers (**fourteenth and fifteenth resolutions**).

The compensation policy approved by the Board of Directors at its meeting on January 26, 2021, on the recommendation of the Nominations and Compensation Committee on the same day, is set out in §2.1 of the *Board of Directors' report on corporate governance* (see the 2020 Annual Report). No compensation of any type whatsoever may be calculated, awarded or paid unless it complies with the compensation policy approved or, where there is no such policy, with the compensation or practices set forth in Article L. 22-10-8 of the French Commercial Code.

In accordance with section III de l' Article L. 22-10-8, par. 2, of the French Commercial Code, the Board of Directors may, in exceptional circumstances, waive the application of the compensation policy under the conditions set out in §2.2 of the *Board of Directors' report on corporate governance* (see the 2020 Annual Report)

3.2 Disclosures required under Article L. 22-10-9 I of the French Commercial Code

In accordance with Article L.22-10-34 I of the French Commercial Code, you are asked to approve the disclosures required under Article L.22-10-9 I of the aforementioned Code, as presented in §2.2 of the *Board of Directors' report on corporate governance* (see the 2020 Annual Report) (**tenth resolution**).

3.3 Compensation paid to senior executive officers during fiscal year 2020 or awarded in respect of said fiscal year

In accordance with Articles L.22-10-34 I and L. 22-10-34 II of the French Commercial Code, you are asked to approve the disclosures required under Article L. 22-10-9 I of the aforementioned Code as well as the fixed, variable and exceptional components of the total compensation and any benefits in kind paid during the fiscal year ended December 31, 2020 or awarded in respect of said fiscal year to Bernard Arnault and Sidney Toledano, as presented in §2.2 of the *Board of Directors' report on corporate governance* (see the 2020 Annual Report) (**eleventh and twelfth resolutions**).

Summary of compensation paid to each senior executive officer

Bernard Arnault

Christian Dior SE did not pay any fixed or variable compensation to Bernard Arnault in respect of fiscal year 2020.

Items of compensation (EUR)	Gross amount awarded in respect of fiscal year 2020	Gross amount paid during fiscal year 2020	Remarks
Fixed compensation	-	-	None
Variable compensation	-	-	None
Medium-term incentive plan	-	-	None
Exceptional compensation	-	-	None
Bonus performance shares	-	-	None
Compensation for serving as a Director	9,191	15,319 ^(a)	Given the circumstances linked to the health crisis, the compensation for the office of Director was reduced, on an exceptional basis, by 30% in 2020.
Benefits in kind	-	-	None
Severance pay	-	-	None
Non-compete payment	-	-	None
Supplementary pension plan	-	-	None ^(b)

(a) Amount paid in respect of the prior fiscal year.

(b) Supplementary pension at LVMH.

Sidney Toledano

Items of compensation (EUR)	Gross amount awarded in respect of fiscal year 2020	Gross amount paid during fiscal year 2020	Remarks
Fixed compensation	167,667	167,667	It has been decided to keep stable the fixed component. Nevertheless, given the exceptional circumstances linked to the health crisis, the Board of Directors has decided not to pay any compensation for the months of April and May 2020.
Variable compensation	-	-	None
Medium-term incentive plan	-	-	None
Exceptional compensation	-	-	None
Bonus shares	-	-	None
Compensation for serving as a Director	6,893	9,848 ^(a)	Given the circumstances linked to the health crisis, the compensation for the office of Director was reduced, on an exceptional basis, by 30% in 2020.
Benefits in kind	-	-	None
Severance pay	-	-	None
Non-compete payment	-	-	None ^(b)
Supplementary pension plan	-	-	None

(a) Amount paid in respect of the prior fiscal year.

(b) Employment contract with LVMH SE as Chairman of its Fashion Group: non-compete clause providing for the payment, for a period of 12 months, of compensation equal to his monthly average gross salary over the 12 months preceding the effective termination of his employment contract.

4. AUTHORIZATIONS PROPOSED AT THE SHAREHOLDERS' MEETING OF APRIL 15, 2021

Share repurchase program (L.22-10-62 et seq. of the French Commercial Code)

Type	Resolution	Expiry/Duration	Amount authorized
Share repurchase program Maximum purchase price: 700 euros	SM April 15, 2021 (16th resolution)	October 14, 2022 (18 months)	10% of the share capital ^(a)
Reduction of capital through the retirement of shares purchased under the share repurchase program	SM April 15, 2021 (17th resolution)	October 14, 2022 (18 months)	10% of the share capital per 24-month period ^(a)

(a) As a guide, this equates to 18,050,752 shares on the basis of the authorized share capital as of December 31, 2020

You are asked to authorize the Board of Directors to purchase the Company's shares for a period of 18 months from the date of this Shareholders' Meeting (**sixteenth resolution**). These acquisitions may be carried out to meet any objective compatible with provisions in force at the time, and in particular to (i) provide market liquidity, (ii) allocate shares in order to cover stock option plans, bonus share awards or any other employee share ownership operations, (iii) cover securities conferring entitlement to the Company's shares, (iv) retire them, or (v) hold them for subsequent exchange or payment in connection with any external growth transactions (further details on transactions carried out under the previous program are set out in the 2020 Annual Report in §5.1 of the *Management report of the Board of Directors – Christian Dior parent company*).

Unless it obtains prior approval from the Shareholders' Meeting, the Board of Directors may not use this authorization as from the date at which a third party files a proposal for a tender offer for the Company's shares; this restriction shall hold until the end of the offer period.

The purchase price at which the Company may acquire its own shares may not exceed 700 euros per share, with the understanding that the Company may not purchase shares at a price greater than the higher of the following two values: (i) the last quoted share price resulting from the execution of a transaction to which the Company was not a party, and (ii) the highest current independent purchase offer on the trading platform where the purchase is to take place.

This authorization would supersede the delegation granted by the Shareholders' Meeting of June 30, 2020 in its fourteenth resolution.

You are also asked to authorize the Board of Directors, for a period of 18 months from the date of this Shareholders' Meeting, to reduce the Company's share capital through the retirement of some or all of the shares repurchased or to be repurchased by the Company, up to a maximum of 10% of the share capital per 24-month period (**seventeenth resolution**). The authorization to reduce the share capital through the retirement of shares acquired under the share repurchase program may be used in particular to offset the dilution resulting from the exercise of share subscription options. This authorization would supersede the delegation granted by the Shareholders' Meeting of June 30, 2020 in its fifteenth resolution.

4. AMENDMENTS TO THE BYLAWS

Amendment to Article 15 of the Bylaws

You are asked to amend the Items 2 and 3 of II of Article 15 of the Bylaws of the Company (Chairman – Executive management) in order to fix the age limit for serving as Chief Executive Officer or Group Managing Director at seventy-five years (**eighteenth resolution**).