

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 few items of the agenda concern:

- approval of the financial statements: you are asked to approve the financial statements of the parent company Christian Dior SE (**first resolution**), and the consolidated financial statements of the Group (**second resolution**);
- allocation of net profit (**third resolution**): a total gross dividend of 10.00 euros per share will be distributed. Given the interim dividend of 3.00 euros per share which was paid in cash on December 2, 2021, the remaining amount of 7.00 euros per share will be paid on April 28, 2022;
- approval of related-party agreements (**fourth resolution**): details of these agreements are given in the Statutory Auditors' special report (included in the 2021 Annual Report).

2. Composition of the board of directors – Statutory auditors

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 Nicolas Bazire, Renaud Donnedieu de Vabres, Ségolène Gallienne and Christian de Labriffe (**fifth to eighth resolutions**) for a period of three years ending at the close of the Ordinary Shareholders' Meeting to be convened in 2025 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 §1.4.1.2 of *the Board of Directors' report on corporate governance* (see the 2021 Annual Report).

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

- **Nicolas Bazire**

Nicolas Bazire was named Cabinet Director for Prime Minister Edouard Balladur in 1993. He was Managing Partner at Rothschild et Cie Banque from 1995 to 1999 and has been Managing Director of Agache since 1999.

Owing to his experience as a French government official, in the business world, and in the financial services sector, together with his position as an Executive Committee member at LVMH in charge of development and acquisitions, Nicolas Bazire brings to the Board of Directors his vast expertise in the areas of strategy, finance and economics.

- **Renaud Donnedieu de Vabres**

After serving in the prefectural administration as a sub-prefect, Renaud Donnedieu de Vabres was appointed as a member of France's highest administrative body, the Council of State, and embarked on a political career in 1986, notably serving as an aide to the Minister of Defense. He was elected as a deputy to the National Assembly representing the Indre-et-Loire department in 1997 and remained in this post until 2007. In 2002, he was appointed as Minister Delegate for European Affairs and then as Minister of Culture and Communication, from 2004 to 2007. In 2008, he was named the Ambassador for Culture during the French presidency of the European Union. He is now Chairman of the company RDDV Partner.

Renaud Donnedieu de Vabres, who has held prominent positions as a French government official, further broadens the Board of Directors' expertise, particularly owing to his knowledge of the cultural and artistic world, which is intimately connected with that of fashion and luxury.

- **Ségolène Gallienne**

Ségolène Gallienne holds a Bachelor of Arts in Business and Economics from Collège Vesalius in Brussels. She has worked as Public Relations Manager at Belgacom and as Director of Communications for Dior Fine Jewelry. She currently serves on the boards of directors of various companies, in France and abroad, and is Chairman of the Board of Directors of Diane, a company specializing in the purchase, sale and rental of art objects.

Ségolène Gallienne brings to the Board of Directors her international experience in the corporate world, which includes both operational companies and holding companies.

- **Christian de Labriffe**

Christian de Labriffe began his career with Lazard Frères & Cie, where he was Managing Partner from 1987 to 1994. He then served as Managing Partner of Rothschild & Cie Banque until September 2013, then as Chairman and Chief Executive Officer of Salvepar until March 31, 2017. He has served as Chairman of the Supervisory Board of Tikehau Capital since March 31, 2017.

Christian de Labriffe has had a long career in banking as a Managing Partner at major investment banks. He brings to the Board of Directors his in-depth knowledge of the business world. Nicolas Bazire brings to the Board his expertise in both national and international economics and finance.

2.2 Statutory Auditors

We hereby inform you of the resignation of Ernst & Young et Autres from its appointment as Principal Statutory Auditor of your Company at the close of this Shareholders' Meeting. Following a tender process, in accordance with current legal and regulatory requirements, it is proposed that you appoint Deloitte as a replacement, on the recommendation of the Performance Audit Committee, as Principal Statutory Auditor, for the remaining term of its predecessor's appointment, that is until the close of the Ordinary Shareholders' Meeting to approve the financial statements for the fiscal year ending December 31, 2024.

3. Compensation of executive officers

3.1 Information on the compensation of executive officers referred to in section I of Article L. 22-10-9 of the French Commercial Code

In accordance with section I of the Article L.22-10-34 of the French Commercial Code, you are asked to approve the information on the compensation of executive officers referred to in section I of Article L.22-10-9 of the aforementioned Code, as presented in point 2.2 of the *Board of Directors' report on corporate governance* (included in the 2021 Annual Report) (**tenth resolution**).

3.2 Compensation paid to senior executive officers during fiscal year 2021 or awarded in respect of said fiscal year

In accordance with sections I and II of Article L.22-10-34 of the French Commercial Code, you are asked to approve the information referred to section I of Article L. 22-10-9 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, 2021 or awarded in respect of said fiscal year to Bernard Arnault and Sidney Toledano, (with the understanding that (i) no fixed, variable or exceptional compensation, other than that paid or awarded in respect of his duties, was paid or awarded to Bernard Arnault in his capacity of the company's Chairman of the Board of Directors during or in respect of fiscal year 2021 and (ii) no variable or exceptional compensation was paid or awarded to Sidney Toledano in his capacity of the company's Chief Executive Officer during or in respect of fiscal year 2021), as presented in point 2.2 of the *Board of Directors' report on corporate governance* (included in the 2021 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 2021.

Items of compensation (EUR)	Gross amount awarded in respect of fiscal year 2021	Gross amount paid during fiscal year 2021	Remarks
Fixed compensation	-	-	None
Variable compensation	-	-	None
Medium-term incentive plan	-	-	None
Exceptional compensation	-	-	None
Bonus performance shares	-	-	None
Compensation for the office of Director	13,130	9,191 ^(a)	
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 2021	Gross amount paid during fiscal year 2021	Remarks
Fixed compensation	200,000	200,000	It has been decided to keep stable the fixed component.
Variable compensation	-	-	None
Medium-term incentive plan	-	-	None
Exceptional compensation	-	-	None
Bonus shares	-	-	None
Compensation of the office of Director	9,848	6,893 ^(a)	
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.

3.3 Compensation policy

Pursuant to section II of Article L.22-10-8 of the French Commercial Code, you are asked to approve the compensation policy applicable to Directors (thirteenth resolution) and that applicable to senior executive officers (fourteenth and fifteenth resolutions).

The compensation policy applicable to senior executive officers approved by the Board of Directors at its meeting of January 27, 2022, on the recommendation made by the Nominations and Compensation Committee on the same date, is set out in point 2.1 of the *Board of Directors' report on corporate governance* (included in 2021 Annual Report). No compensation amount of any type may be determined, awarded, or paid if it does not comply with the approved compensation policy or, where the latter does not exist, with the remuneration policies or practices referred to in section II of Article L.22-10-8 of the French Commercial Code.

In accordance with section III of Article L. 22-10-8 of the French Commercial Code, the Board of Directors may in exceptional circumstances, after soliciting the opinion of the Nominations and Compensation Committee, and, where appropriate, an independent consulting firm, depart from the compensation policy, provided that such derogation is only temporary, in the corporate interest and necessary to safeguard the sustainability or viability of the Company.

4. Authorizations proposed at the shareholders' meeting of April 21, 2022

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

Type	Resolution	Expiry/Duration	Amount authorized
Share repurchase program Maximum purchase price: 950 euros	SM April 21, 2022 (16th resolution)	October 20, 2023 (18 months)	10% of the share capital ^(a)
Reduction of capital through the cancellation of shares purchased under the share repurchase program	SM April 21, 2022 (17th resolution)	October 20, 2023 (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, 2021.

You are asked to authorize the Board of Directors to purchase the Company's shares for a period of eighteen months starting from the date of this Shareholders' Meeting (**sixteenth resolution**). Such share purchases may be made for any purpose that is compatible with laws and regulations in force, and in particular (i) to provide market liquidity, (ii) to cover stock option plans, bonus share awards or any other share-based payment plans for employees, (iii) to cover securities conferring entitlement to the Company's shares, (iv) to be retired or (v) to be held for subsequent exchange or payment in connection with external growth transactions (see point 1.12 of the *Board of Directors' report on corporate governance* out in the 2021 Annual Report in and point 5.1 of the *Management report of the Board of Directors – La société Christian Dior* (included in 2021 Annual Report)). The Board of Directors may not allow to use this authorization, without prior authorization from the Shareholders' Meeting, in the event that a third party has made a public offer on the Company's shares; until the end of that offer period.

The purchase price at which the Company may acquire its own shares may not exceed 950 euros per share, with the understanding that the Company may not purchase such shares at a price above the higher of the following two values: (i) the last quoted share price after the execution of a transaction in which the Company is not a stakeholder, and (ii) the highest independent purchase bid in progress offer on the trading platform on which such a purchase would be made. This authorization invalidates the authorization granted by the Shareholders' Meeting of April 15, 2021 in its sixteenth resolution.

You are also asked to authorize the Board of Directors, for a period of eighteen months starting from the date of this Shareholders' Meeting, to reduce the Company's share capital by cancelling 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 cancellation of shares acquired under the share repurchase program may be used in particular to offset the dilution resulting from the issuance of new shares to be awarded as bonus shares and/or the exercise of stock options. This authorization invalidates the authorization granted by the Shareholders' Meeting of April 15, 2021 in its seventeenth resolution.

4.2 Share capital increase (Articles L. 225-129, L. 225-129-2, L. 228-92 and L. 22-10-49 to L. 22-10-54 of the French Commercial Code)

Type	Authorization date	Expiry/ Duration	Amount authorized	Issue price determination method
Capitalization of profit, reserves, additional paid-in capital or other items	SM of April 21, 2022 (18 th resolution)	June 20, 2024 (26 months)	120 million euros ^(a)	Not applicable
With maintenance of preferential subscription rights: Ordinary shares and securities giving access to the share capital	SM of April 21, 2022 (19 th resolution)	June 20, 2024 (26 months)	120 million euros ^{(a)(b)}	Freely determined
Without preferential subscription rights: Ordinary shares and securities giving access to the share capital				
- public offering	SM of April 21, 2022 (20 th resolution)	June 20, 2024 (26 months)	120 million euros ^{(a)(b)}	At least equal to the minimum price required by regulations ^(c)
- for eligible investors or a restricted group of investors	SM of April 21, 2022 (21 st resolution)	June 20, 2024 (26 months)	120 million euros ^{(a)(b)} Issue of shares capped at 20% of the share capital per year, determined as of the issue date	At least equal to the minimum price required by regulations ^(c)
Increase in the number of shares to be issued in the event of the oversubscription of capital increases, with or without preferential subscription rights, carried out pursuant to the 19 th , 20 th and 21 st resolutions of the Shareholders' Meeting of April 21, 2022	SM of April 21, 2022 (22 nd resolution)	June 20, 2024 (26 months)	Up to a maximum of 15% of the initial issue and up to a maximum of 120 million euros ^(a)	Same price as the initial issue
In connection with a public exchange offer	SM of April 21, 2022 (23 rd resolution)	June 20, 2024 (26 months)	120 million euros ^(a)	Freely determined
In connection with in-kind contributions	SM of April 21, 2022 (24 th resolution)	June 20, 2024 (26 months)	10% of the share capital at the issue date ^{(a)(d)}	Freely determined

(a) Maximum nominal amount (i.e. 60,000,000 shares based on a nominal value of 2 euros per share). This is an overall cap set at the Shareholders' Meeting of April 21, 2022 for any issues decided upon pursuant to the 19th, 20th, 21st, 22nd, 23rd, 24th, 25th, 26th and 28th resolutions.

(b) The amount of the capital increase decided by the Board of Directors may be increased up to a maximum of 15% of the initial issue in the event that the issue is oversubscribed (Shareholders' Meeting of April 21, 2022, 22nd resolution) and up to the overall cap of 120 million euros stated in (a).

(c) Up to a maximum of 10% of the share capital, the Board of Directors may freely determine the issue price, provided that this price is equal to at least 90% of the weighted average share price over the three trading days preceding the date on which the subscription price is determined (Shareholders' Meeting of April 21, 2022 – 20th and 21st resolutions).

(d) As a guide, this equates to 18,050,751 shares on the basis of the share capital under the Bylaws as of December 31, 2021.

You are asked to authorize the Board of Directors, for a period of twenty-six months starting from this Shareholder's Meeting, to carry out :

- capital increases through the capitalization of profits, reserves, additional paid – in capital or other items and award new shares to shareholders or increase the nominal value of existing shares (**eighteenth resolution**);
- share issues, either with preferential subscription rights for shareholders (**nineteenth resolution**) or without preferential subscription rights but potentially granting a priority right to shareholders if the issues take place on the French market (**twentieth resolution**), or for the benefit of eligible investors or a restricted group of investors (**twenty-first resolution**).

In the event of a capital increase issued without preferential share subscription rights, the issue price of the shares must be at least equal to the minimum price required by the laws and regulations in force at the time of the issuance.

In the event that the issue is oversubscribed in connection with a capital increase, the number of shares to be issued may be increased by the Board of Directors as provided by law (**twenty-second resolution**).

You are also asked to authorize the Board of Directors, for a period of twenty-six months starting from the date of this Shareholders' Meeting, to increase the share capital by issuing shares in consideration for either securities tendered as part of a public exchange offer (**twenty-third resolution**) or, within the limit of 10% of the share capital, contributions in kind of equity securities or other securities giving access to the share capital granted to the Company (**twenty-fourth resolution**).

These authorizations will allow your Board of Directors greater flexibility to seize market opportunities or finance the Group's growth. These authorizations invalidate, from the date of this Shareholders' Meeting, the authorizations granted by the Shareholders' Meeting of June 30, 2020, which have not been used.

4.3 Employee shareholder structure (Articles L. 225-177, Line 1 of L.225-129-6 , L.225-197-1 *et seq.* and Articles L. 22-10-56 to L. 22-10-60 of the French Commercial Code))

Type	Authorization date	Expiry/ Duration	Amount authorized	Issue price determination method
Award of stock subscription or stock purchase options	SM of April 21, 2022 (25 th resolution)	June 20, 2024 (26 months)	1% of the share capital ^(a) ^(b)	Average share price over the 20 trading days preceding the award date ^(c) No discount
Bonus share awards	SM of April 21, 2022 (28 th resolution)	June 20, 2024 (26 months)	1% of the share capital ^(a) ^(b)	Not applicable
Capital increase reserved for employees who are members of a company savings plan	SM of April 21, 2022 (26 th resolution)	June 20, 2024 (26 months)	1% of the share capital ^(a) ^(b)	Average share price over the 20 trading days preceding the award date Maximum discount: 30%

(a) Up to the overall maximum of 120 million euros set at the Shareholders' Meeting of April 21, 2022, 27th resolution against which this amount is offset.

(b) As a guide, this equates to 1,805,075 shares on the basis of the share capital under the Bylaws as of December 31, 2021.

(c) For stock purchase options, the price may not be less than the average purchase price of the shares.

The authorization to award (i) stock subscription or stock purchase options, (ii) bonus share to the Group's employees and/or senior executive officers (**twenty-fifth and twenty-eighth resolutions**) gives the Board of Directors a mechanism for retaining Group employees and executives who contribute more directly to its results by allowing them to participate in its future results.

The various authorizations to carry out a capital increase proposed to the shareholders entail an obligation to also submit for their approval a resolution authorizing the Board of Directors to increase the share capital for the benefit of Group employees who are members of a company savings plan (**twenty-sixth resolution**).

These delegations of authority would be granted for a period of twenty-six months dating from the Shareholders' Meeting of April 21, 2022 and would supersede the delegation granted by the Shareholders' Meeting of June 30, 2020 in its twenty-fourth, twenty-fifth and twenty-seventh resolutions.

The maximum nominal amount of the capital increases carried out pursuant to these authorizations (**eighteenth to twenty-sixth resolutions**) may not exceed the overall limit of one hundred twenty (120) million euros or, where relevant, the overall limit that may be set under resolutions on the same subjects that might supersede these resolutions during the validity period of this delegation (**twenty-seventh resolution**).

The Board of Directors