Christian Dior

Annual Report as of December 31, 2024

Combined Shareholders' Meeting
April 17, 2025

As table totals are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded component figures.

Christian Dior

Annual Report as of December 31, 2024

Chairman's message

Remaining alert

The Group's businesses delivered a solid performance in 2024, achieving revenue well above 2021-2023. But more than anything else, for us, 2024 was a pivotal year of preparing for the future.

Solid performance in an unfavorable environment

Some years see new beginnings. I am convinced that all the work done by our Maisons' employees is laying very firm foundations for the future. Whereas 2023 was the year in which demand began to normalize, 2024 was a year of preparation and renewed momentum.

The Group's solid performance is even more impressive in light of the numerous challenges overcome to achieve it. Indeed, it is clear that global geopolitical tensions did not ease during the year: far from it. Exchange rates were also unfavorable to both our sales momentum and our profitability. The Group succeeded in adapting to this environment, diversifying its businesses and locations to harness the resources to be able to end 2024 having, on the whole, delivered growth. It owes this performance to the fundamentals underpinning the Group and its Maisons. Once again last year, this played a powerfully stabilizing role.

If I had to pick a single figure to illustrate this strength, it would be the Group's cash flow, which grew 29% year on year to over 10 billion euros in 2024. This cash flow is both an outcome and an opportunity. An outcome, of course, of the profitability of our well-managed businesses and Maisons, which generate high margins. And an opportunity to pursue multiple new avenues for investment and innovation in our powerful design and global appeal.

All these outcomes were achieved thanks to our dedicated teams, to whom I would like to express my congratulations and appreciation. The quality of their work contributes to our Group's worldwide prestige.

Support for some of the most memorable moments of 2024

In 2024, the whole world's eyes were on Paris, with the Paris 2024 Olympic and Paralympic Games and the reopening of Notre-Dame Cathedral. Our Maisons – Berluti, Chaumet, Dior, Louis Vuitton, Moët Hennessy, Sephora – were honored to contribute their expertise, from the Olympic Torch Relay through to the final days of the Games, to this great celebration of passion and emotion that made the summer of 2024 so magical. Our Group also lent its steadfast support to the restoration of Notre-Dame Cathedral, as befits such a national treasure. Following its successful reconstruction, Notre-Dame has returned to the City of Light, more vibrant and brighter than ever. Through these two historic feats, Paris and France secured their place in the hearts of the entire world.

Preparing for the future means remaining alert and harnessing the key trends of our time. In 2024, the Group entered into a global partnership with Formula 1 – an alliance extraordinarily rich in innovation, excellence and emotion that will allow TAG Heuer, Louis Vuitton and Moët Hennessy to display their expertise and imagination. Preparing for the future also meant bringing to fruition the renaissance of The Landmark, Tiffany's Fifth Avenue store in Manhattan and now the Group's leading luxury goods store worldwide, and gradually renovating all of the Maison's other stores in order to unlock its rich potential for powerful desirability over the coming years. For Louis Vuitton, whose power to enchant remains as strong as ever, preparing for the future also meant bringing back Takashi Murakami's flowers, like a touch of magic at the height of winter. For Dior, it meant continuing to strive for excellence in its collections to enable this magnificent couture house to shine ever brighter.

As ever, remaining alert

In 2024, we stepped up our commitments, which are fully aligned with our long-term vision. The Group was once again France's largest private-sector recruiter this past year. Its Institut des Métiers d'Excellence and You & ME program are our country's most ambitious corporate initiatives for recruitment, training and knowledge sharing. Year after year, the Group continues to reaffirm its confidence in the potential of France's terroirs, production sites and talent. This confidence is also reflected in the Group's significant contribution to France's budget.

In the same vein, the Group once again improved its environmental performance this past year, sharply reducing its energy consumption to meet its target two years ahead of schedule, and rolling out a circular design and recycling approach whose positive effects are already visible. Our Maisons, which have always been environmentally conscious, have as ever remained alert to environmental concerns and continued to work together to refine their production and sales practices. Our focus on biodiversity, and particularly water – so essential to the equilibrium and regeneration of our ecosystems – reached very significant new milestones in 2024.

Ready for the future

Throughout 2024, our Group invested and worked to further enhance the desirability of its very high-quality products, whose long-term outlook is strong. Our customers are still as loyal as ever to our Maisons and their latest releases, while demand for the finest craftsmanship and masterful expertise is mounting steadily all over the world. Authentic design and expert craftsmanship never go out of style: of that I am sure.

Everywhere around the world, we are positioned to seize opportunities as soon as they arise. In Paris, for example, where tourism is recovering, we are pursuing major projects for our brands; in Asia and the United States, which are undergoing profound changes, other developments are also being pursued, with a number of remarkable innovations.

Lastly, a number of our Maisons and Group central functions have passed on the torch to a new generation. They have handed down their experience, and an influx of fresh energy is now at work, which is a vital step. More important than anything else, though, is the entrepreneurial family spirit running through our Group's identity, culture and independence of mind, which continues to be the source of its greatest strength amid the prevailing uncertainties, along with its long-term vision: the strength to confidently and consistently follow the path of the highest quality, creativity, commitment and excellence in all we do.

Bernard Arnault

Chairman of the Board of Directors

History

The history of Christian Dior began in 1946, when Monsieur Christian Dior started his own haute couture establishment in a townhouse at 30 Avenue Montaigne in Paris, where the Company still has its headquarters.

In 1984, the Boussac group – which owned Christian Dior at the time – was acquired by Bernard Arnault in association with a group of investors. In 1988, through one of its subsidiaries, Christian Dior took a 32% stake in LVMH, an ownership interest that would be gradually increased over the years. As of December 31, 2024, Christian Dior thus held 42% of the share capital and 57% of the voting rights of LVMH, while the Arnault family group also held 7% of the share capital and 8% of the voting rights of LVMH as of this same date.

The Christian Dior Group was formed through successive alliances among companies that, from generation to generation, have successfully combined traditions of excellence and creative passion with a cosmopolitan flair and a spirit of conquest. These companies now form a powerful, global Group in which the historic companies share their expertise with the newer brands, and continue to cultivate the art of growing while transcending time, without losing their soul or their image of distinction.

From the 14th century to the present

14th century	1365	Le Clos des Lambrays
16th century	1593	Château d'Yquem
18th century	1729	Ruinart
	1743	Moët & Chandon
	1765	Hennessy
	1772	Veuve Clicquot
	1780	Chaumet
19th century	1803	Officine Universelle Buly
	1815	Ardbeg
	1817	Cova
	1828	Guerlain
	1832	Château Cheval Blanc
	1837	Tiffany & Co.
	1839	L'Epée 1839
	1843	Krug
		Glenmorangie
	1846	Loewe
	1849	Royal Van Lent
	1852	Le Bon Marché
	1854	Louis Vuitton
	1858	Mercier
	1860	TAG Heuer
		Jardin d'Acclimatation
	1865	Zenith
	1870	La Samaritaine
	1884	Bulgari
	1895	Berluti
	1898	Rimowa
20th century	1908	Les Echos
	1914	Patou
	1916	Acqua di Parma
	1923	La Grande Épicerie de Paris
	1924	Loro Piana
	1925	Fendi
	1936	Dom Pérignon
		Fred
		Minuty
	1944	Le Parisien-Aujourd'hui en France
	1945	Celine
	1946	Christian Dior Couture
	1947	Parfums Christian Dior
		Emilio Pucci
	1949	Paris Match
	1952	Givenchy
		Connaissance des Arts
	1955	Château Galoupet
	1957	Parfums Givenchy
		Repossi
		Vuarnet
	1959	Chandon
	1960	DFS
	1969	Sephora
	1970	Kenzo
	1972	Perfumes Loewe
	1973	Joseph Phelps
	1974	Investir-Le Journal des Finances
	1976	Benefit Cosmetics
		Belmond
	1977	Newton Vineyard
	1980	Hublot
	1983	Radio Classique
		Ole Henriksen
	1984	Marc Jacobs
		Make Up For Ever
	1985	Cloudy Bay
	1988	Kenzo Parfums
	1991	Fresh
	1992	Colgin Cellars
	1993	Belvedere
	1996	Terrazas de los Andes
	1998	Bodega Numanthia
	1999	Cheval des Andes
21st century	2006	Armand de Brignac
		Château d'Esclans
		Maisons Cheval Blanc
	2007	Barton Perreira
	2008	KVD Vegan Beauty
	2009	Maison Francis Kurkdjian
	2010	Woodinville
	2013	Ao Yun
	2017	Fenty Beauty by Rihanna
		Volcán de mi Tierra
	2020	Eminente
	2024	SirDavis

Executive and Supervisory Bodies; Statutory Auditors as of December 31, 2024

Board of Directors

Bernard ARNAULT
Chairman of the Board of Directors

Antoine ARNAULT
Vice-Chairman of the Board of Directors
Chief Executive Officer

Delphine ARNAULT

Nicolas BAZIRE (1)

Hélène DESMARAIS (2)

Renaud DONNEDIEU de VABRES (2)(3)

Ségolène GALLIENNE (1)(2)

Christian de LABRIFFE (1)(2)

Maria Luisa LORO PIANA

Advisory Board member

Jaime de MARICHALAR y SÁENZ de TEJADA

Performance Audit Committee

Christian de LABRIFFE (2)
Chairman

Nicolas BAZIRE

Renaud DONNEDIEU de VABRES (2)

Governance & Compensation Committee

Hélène DESMARAIS (2)
Chairman

Nicolas BAZIRE

Christian de LABRIFFE (2)

Statutory Auditors

Deloitte & Associés (4)
represented by Guillaume Troussicot

Forvis Mazars (5)
represented by Isabelle Sapet and Guillaume Machin

Statutory Auditor in charge of certifying sustainability information

Deloitte & Associés (6)
represented by Guillaume Troussicot

(1) Renewal of term of office as a Director proposed at the Shareholders' Meeting of April 17, 2025.
(2) Independent Director.
(3) Until the close of the Shareholders' Meeting of April 17, 2025.
(4) A resolution to reappoint Deloitte & Associés as a Statutory Auditor will be presented at the Shareholders' Meeting of April 17, 2025.
(5) A resolution to appoint BDO Paris as a Statutory Auditor to replace Forvis Mazars will be presented at the Shareholders' Meeting of April 17, 2025.
(6) A resolution to reappoint Deloitte & Associés as the Statutory Auditor in charge of certifying sustainability information will be presented at the Shareholders' Meeting of April 17, 2025.

Financial highlights

Key consolidated data

(EUR millions and as %)	2024	2023	2022
Revenue	84,683	86,153	79,184
Gross margin	56,765	59,277	54,196
Gross margin as a percentage of revenue	*67%*	*69%*	*68%*
Profit from recurring operations	19,565	22,796	21,050
Current operating margin as a percentage of revenue	*23.1%*	*26.5%*	*26.6%*
Net profit, before minority interests	12,908	15,921	14,702
Net profit, minority interests' share	7,700	9,617	8,905
Net profit, Group share	5,208	6,304	5,797
Cash from operations before changes in working capital	27,212	29,511	26,765
Operating investments	5,531	7,478	4,969
Operating free cash flow (a)	10,473	8,101	10,110
Equity, Group share	24,294	21,527	19,038
Minority interests	42,558	38,766	35,276
Total equity	66,852	60,293	54,314
Net financial debt (b)	9,058	10,548	8,867
Net financial debt/Total equity ratio	13.5%	17.5%	16.3%

(a) See the consolidated cash flow statement in the consolidated financial statements for the definition of "Operating free cash flow".
(b) Excluding "Lease liabilities" and "Purchase commitments for minority interests' shares", which are recognized as either "Other current liabilities" or "Other non-current liabilities", depending on the specific case.

Data per share

(EUR)	2024	2023	2022
Earnings per share			
Basic Group share of earnings per share	28.87	34.94	32.13
Diluted Group share of earnings per share	28.86	34.93	32.11
Dividend per share			
Interim	5.50	5.50	5.00
Final	7.50	7.50	7.00
Gross amount paid for fiscal year (a)	**13.00 (b)**	**13.00**	**12.00**

(a) Gross amount excluding the impact of tax regulations applicable to recipients.
(b) For fiscal year 2024, amount proposed at the Shareholders' Meeting of April 17, 2025.

Information by business group

Change in revenue by business group *(EUR millions and as %)*	2024	2023	Change		2022
			Reported	Organic (a)	
Wines and Spirits	5,862	6,602	-11%	-8%	7,099
Fashion and Leather Goods	41,060	42,169	-3%	-1%	38,648
Perfumes and Cosmetics	8,418	8,271	+2%	+4%	7,722
Watches and Jewelry	10,577	10,902	-3%	-2%	10,581
Selective Retailing	18,262	17,885	+2%	+6%	14,852
Other activities and eliminations	504	324	-	-	281
Total	**84,683**	**86,153**	**-2%**	**+1%**	**79,184**

(a) On a constant consolidation scope and currency basis. For the Group, the impact of changes in scope with respect to 2024 was -1% and the impact of exchange rate fluctuations was -2%. The principles used to determine the impact of exchange rate fluctuations on the revenue of entities reporting in foreign currencies and the impact of changes in the scope of consolidation are described on page 295.

Profit from recurring operations by business group *(EUR millions)*	2024	2023	2022
Wines and Spirits	1,356	2,109	2,155
Fashion and Leather Goods	15,230	16,836	15,709
Perfumes and Cosmetics	671	713	660
Watches and Jewelry	1,546	2,162	2,017
Selective Retailing	1,385	1,391	788
Other activities and eliminations	(623)	(415)	(279)
Total	**19,565**	**22,796**	**21,050**

Information by geographic region

Revenue by geographic region of delivery *(as %)*	2024	2023	2022
France	8	8	8
Europe (excl. France)	17	17	16
United States	25	25	27
Japan	9	7	7
Asia (excl. Japan)	28	31	30
Other markets	13	12	12
Total	**100**	**100**	**100**

Revenue by invoicing currency *(as %)*	2024	2023	2022
Euro	21	20	19
US dollar	28	28	30
Japanese yen	9	7	7
Hong Kong dollar	2	3	2
Other currencies	40	42	42
Total	**100**	**100**	**100**

Geographic breakdown of stores	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
France	553	550	518
Europe (excl. France)	1,254	1,213	1,108
United States	1,193	1,128	1,054
Japan	510	497	496
Asia (excl. Japan)	2,019	2,003	1,829
Other markets	778	706	659
Total	**6,307**	**6,097**	**5,664**

Business overview, highlights and outlook

1. Wines and Spirits

In 2024, revenue for the Wines and Spirits business group represented 7% of the Christian Dior Group's total revenue. Champagne and wines made up 54% of this revenue, while cognac and spirits accounted for 46%.

1.1 Wines and Spirits brands

Moët & Chandon, Dom Pérignon, Ruinart, Krug, Veuve Clicquot, Hennessy, Château d'Yquem, Glenmorangie, Clos des Lambrays... The origins of all these world-famous estates are inextricably linked to the appellations and terroirs of the world's most prestigious wines and spirits. Whether they are in Champagne, Bordeaux, or other famed wine regions, these Maisons, many of which date back more than a century, all share a powerful culture of excellence.

1.2 Competitive position

1.2.1 Champagne

In 2024, shipments of Group champagne brands were down 10.2% from 2023, while shipments from the Champagne region decreased by 9.2% (source: CIVC). The Group's market share thus amounted to 22.6% of total shipments, compared to 22.9% in 2023.

Champagne shipments, for the whole Champagne region, break down as follows:

(in millions of bottles and percentage)	2024			2023			2022		
	Sales volume		Market share	Sales volume		Market share	Sales volume		Market share
	Region	Group	*(%)*	Region	Group	*(%)*	Region	Group	*(%)*
France	118	8	6.8	127	9	7.1	138	9	6.6
Export	153	53	34.8	172	59	34.6	188	64	34.3
Total	**271**	**61**	**22.6**	**299**	**68**	**22.9**	**326**	**73**	**22.5**

(Source: *Comité Interprofessionnel du Vin de Champagne* – CIVC).

1.2.2 Cognac

In 2024, the volumes shipped from the Cognac region were down slightly (0.4%) from 2023 (source: BNIC), while volumes of Hennessy shipped rose by 9.8%. Hennessy's market share of volumes shipped from the Cognac region improved by 5.0 points to 54% in 2024 from 49% in 2023. The company is the world leader in cognac and premium international spirits, with particularly strong positions in the United States, China and other important markets for cognac (South Africa, Nigeria, the United Kingdom, etc.).

Cognac shipments, in number of bottles, excluding bulk, both for the industry and for the Group, are as follows:

(in millions of bottles and percentage)	2024			2023			2022		
	Sales volume		Market share	Sales volume		Market share	Sales volume		Market share
	Region	Group	*(%)*	Region	Group	*(%)*	Region	Group	*(%)*
France	4	2	42.9	4	2	36.8	5	2	45.2
Export	157	85	53.9	158	77	49.0	204	98	47.9
Total	**161**	**87**	**53.7**	**162**	**79**	**48.7**	**209**	**100**	**47.8**

(Source: *Bureau National Interprofessionnel du Cognac* – BNIC).

1.3 Primary production methods, supply sources and subcontracting

1.3.1 Champagne

The Champagne appellation covers a defined geographic area classified A.O.C. *(Appellation d'Origine Contrôlée)*, which covers the 34,000 hectares that can be legally used for production. There are essentially three main types of grape varietals used in the production of champagne: Chardonnay, Pinot Noir and Meunier.

The Christian Dior Group owns 1,665 hectares under production, which provide 21% of its annual needs. In addition, the Group's Maisons purchase grapes and wines from winegrowers and cooperatives on the basis of multi-year agreements; the largest supplier of grapes and wines represents less than 10% of total supplies for the Group's Maisons. The Group's champagne houses, along with their partner grape suppliers, are steadily building up their use of sustainable winegrowing practices for *Viticulture Durable en Champagne* certification.

In addition to its effervescence, the primary characteristic of champagne is that it is the result of blending wines from different years and/or different varieties and land plots. The best brands are distinguished by their masterful blend and consistent quality, achieved thanks to the talent of their wine experts.

Weather conditions significantly influence the grape harvest from one year to the next. The production of champagne also requires aging in cellars for two years or more for premium, vintage and/or prestige cuvées. To protect themselves against crop variations and manage fluctuations in demand, but also to ensure consistent quality year after year, the Group's champagne houses regularly adjust the quantities available for sale and keep reserve wines in stock, mainly in storage tanks. As maturation times vary, the Group constantly maintains champagne inventories in its cellars for future sales.

The making of champagne involves extremely rigorous processes in order to ensure absolute consistency in quality from year to year. Moët & Chandon fully operates its Mont Aigu site, with its vat room, bottling line, cellars, disgorging area and packaging workshop supplementing the production capacity of Moët & Chandon's historic facilities in Épernay, which are undergoing renovation work. The historic production sites of Veuve Clicquot, Ruinart and Krug are in Reims. Veuve Clicquot continued construction of its new Comète production facility located in Saint-Léonard, near Reims, while Krug inaugurated a new winemaking site in Ambonnay.

Dry materials (bottles, corks, etc.) and all other components of containers and packaging are purchased from non-Group suppliers. In 2024, the champagne houses also used subcontractors for about 44 million euros of services, notably pressing, co-packing, handling and storing bottles.

In order to drive innovation and develop expertise in its production processes, the Group inaugurated its research and development facility in Oiry in 2021, which is open to all its Maisons.

1.3.2 Cognac

The Cognac region is located around the Charente basin. The vineyard, which currently extends over more than 83,000 hectares, consists almost exclusively of the Ugni Blanc varietal, which yields a wine that produces the best *eaux-de-vie*. This region is divided into six vineyards, each of which has its own qualities: Grande Champagne, Petite Champagne, Borderies, Fins Bois, Bons Bois and Bois Ordinaires. Hennessy selects its *eaux-de-vie* essentially from the first four vineyards, where the quality of the wines is more suitable for the preparation of its cognacs.

Charentaise distillation is unique because it takes place in two stages: a first distillation *(première chauffe)* and a second distillation *(seconde chauffe)*. The *eaux-de-vie* obtained are aged in oak barrels. Cognac results from the gradual blending of *eaux-de-vie* selected on the basis of vintage, origin and age.

Hennessy – which carries out all of its production in Cognac – inaugurated a state-of-the-art bottling and packaging plant named Pont Neuf in 2017. With the inauguration of a second production line at the Pont Neuf plant in 2021, the Maison's production capacity has been raised to 10 million cases per year. The design of this 26,000-square-meter facility reduces its environmental footprint and optimizes working conditions to an extent never achieved previously.

Most of the cognac *eaux-de-vie* that Hennessy needs for its production are purchased from a network of approximately 1,600 independent producers, a collaboration which enables the company to ensure that exceptional quality is preserved as part of an ambitious sustainable winegrowing policy. Hennessy directly operates about 180 hectares, providing for less than 1% of its *eaux-de-vie* needs.

With an optimized inventory of *eaux-de-vie*, the Maison can manage the impact of price changes by adjusting its purchases from year to year under the contracts with its partners. Hennessy continues to control its purchase commitments and diversify its partnerships to prepare for its future growth across the various quality grades.

Like the Champagne and Wine businesses, Hennessy obtains its dry materials (bottles, corks and other packaging) from non-Group suppliers. The barrels and casks used to age the cognac are also obtained from non-Group suppliers. Hennessy makes only very limited use of subcontractors for its core business: aging, blending and bottling *eaux-de-vie*.

1.3.3 Other wines and spirits

Outside of champagne and cognac, the Group owns a range of rare brands of spirits and still and sparkling wines whose quality and uniqueness relies on careful production and/or selection of raw materials, as well as longstanding expertise in complex development and aging processes that combine excellence, innovation and tradition.

1.4 Distribution

Moët Hennessy has a powerful and agile global distribution network, thanks to which the Wines and Spirits business group continues to expand the presence of its portfolio of brands in a balanced manner across all geographies. Part of this network consists of joint ventures with the Diageo spirits group [(1)], governed by agreements that have been in place since 1987, which help strengthen the positions of the two groups, improve distribution control, enhance customer service and increase profitability by sharing distribution costs. In 2024, 23% of champagne and cognac sales were made through this channel.

1.5 Highlights of 2024 and outlook for 2025

	2024	2023	2022
Revenue *(EUR millions)*	**5,862**	**6,602**	**7,099**
Of which: Champagne and wines	*3,180*	*3,461*	*3,474*
Cognac and spirits	*2,683*	*3,141*	*3,625*
Sales volumes *(millions of bottles)*			
Champagne	61.7	66.5	70.9
Cognac	80.8	83.2	94.3
Other spirits	20.8	21.5	23.9
Still and sparkling wines	61.3	61.1	56.5
Revenue by geographic region of delivery *(%)*			
France	7	7	6
Europe (excl. France)	20	20	18
United States	34	32	37
Japan	6	6	6
Asia (excl. Japan)	18	21	20
Other markets	15	14	13
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**1,356**	**2,109**	**2,155**
Current operating margin *(%)*	**23.1**	**31.9**	**30.4**

Highlights

After three exceptional years, the normalization of demand that began in 2023 continued in 2024 amid a slowdown in consumption and a difficult market environment in China. The Group's Wines and Spirits Maisons drew on the strength of their retail networks and on proactive sales strategies to win market share and consolidate their leadership in cognac, champagne and Provence rosé wines. Moët Hennessy continued with its mission of "Crafting Experiences", aimed at enhancing the customer experience, by developing visitor and reception sites at its Maisons and other iconic points of sale.

The Group's champagne houses maintained their market share of more than 22% of all Champagne-appellation shipments despite volumes being down. Inclement weather at the beginning of the summer resulted in an especially poor harvest in the Champagne region, weighing on the division's performance. As well as rolling out its *Collection Impériale Création No. 1* prestige cuvée internationally, **Moët & Chandon** unveiled a limited-edition "France" version of its *Moët Impérial* cuvée for the 2024 Paris Olympics. The Maison demonstrated its firm commitment to biodiversity with the inauguration of "Essentia", a conservatory of regional grape varieties. **Dom Pérignon** launched *Vintage 2015* and *Vintage 2006 Plénitude 2*, as well as an ultra-exclusive edition designed in collaboration with artist Mathias Bengtsson and a limited edition in tribute to Jean-Michel Basquiat. **Veuve Clicquot** introduced exciting new experiences such as "Solaire Journeys" aboard the Venice Simplon-Orient-Express and launched its Sun Club outdoor pop-up locations to coincide with the relaunch of its *Rich* cuvée. The Maison also continued its support for women entrepreneurs through its Bold program. **Krug** unveiled *Krug Grande Cuvée 172e Édition*, *Krug Rosé 28e Édition* and *Krug 2011*, and celebrated the 10th anniversary of its Single Ingredient program with a focus on flowers. **Ruinart** unveiled its iconic Reims site, now beautifully transformed, officially opening the Nicolas Ruinart pavilion, a contemporary building designed by architect Sou Fujimoto.

(1) Diageo has a 34% stake in Moët Hennessy, which is the holding company of the Group's Wines and Spirits businesses.

Chandon performed well in the United States and benefited from the renewed appeal of its completely renovated winery in Napa Valley. Still wines produced by **Moët Hennessy Wine Estates** grew steadily. In Provence rosé wines, **Château d'Esclans** confirmed its global leadership thanks to strong growth in its main markets, while **Minuty** delivered a promising performance, notably in the United States. **Château Galoupet** received excellent reviews and stepped up its sustainability initiatives. **Cloudy Bay** continued to stand out as a benchmark in Sauvignon Blanc wines. **Terrazas de los Andes** received excellent ratings from critics for the quality of its wines, confirming the relevance of its upmarket strategy. **Joseph Phelps** ramped up its expansion outside the United States. **Ao Yun** strengthened its position as the best red wine produced in China with the launch of its 2020 vintage.

Hennessy cognac revenue was held back by weak local demand in China and a challenging market environment in the United States. The Maison elevated its desirability with the success of the *LeBron James* limited edition, designed in collaboration with the basketball star, and its new "Made for More" campaign in the United States, which reaffirmed its place in cocktails. Hennessy continued its international development, driven by markets including South Africa, the Asia-Pacific region and Europe. The Maison stepped up its commitment to sustainability through a new sustainable winegrowing model, "Living Landscapes". The program is the first ever to bring together the wine trading Maisons in a joint effort to revitalize the winegrowing landscape in the Cognac region.

Recognized for the excellence of their products, single malt whiskies **Glenmorangie** and **Ardbeg** continued to innovate. Glenmorangie's new *Triple Cask Reserve* and *A Tale of Ice Cream* whiskies both won awards at the San Francisco World Spirits Competition. Ardbeg once again won the award for the Best Scotch Islay Single Malt for *Ardbeg 25 Years Old* and unveiled *Ardbeg The Abyss* in the ultra-premium segment. **Belvedere** benefited from the ongoing success of its *Belvedere 10* luxury vodka, backed by a campaign featuring rapper Future. Reflecting its commitment to sustainability, it became the first of the Group's Maisons to secure ISO 46001 certification for its water management. **Eminente** rum enjoyed strong growth in Europe.

The business group continued to diversify its portfolio and innovate, launching new whisky brand **SirDavis** through a joint venture with Beyoncé Knowles-Carter and announcing a partnership with alcohol-free sparkling wine brand **French Bloom**.

Steadfast in its commitment to protecting soil, the second edition of the World Living Soils Forum was held in Arles, bringing together winegrowing, agriculture and soil specialists from around the world and reaffirming the vital importance of soil health for the planet and for all humankind.

Outlook

The Wines and Spirits business group is approaching 2025 with vigilance and pragmatism, with the environment still clouded by uncertainty hanging over a number of markets. While continuing to strictly manage costs, the Group's Maisons will maintain their target of growing their market share through a proactive policy aimed at crafting unique experiences for consumers. Moët & Chandon will activate its partnership with Formula 1 entered into in 2024. Mindful of their rich natural heritage and environmental responsibility, all of the Maisons will continue to follow their roadmaps to act sustainably by protecting biodiversity and reducing their carbon footprint. Excellence, authenticity and sustainability will remain their guiding principles, in keeping with Moët Hennessy's vision of consolidating its position as the leader in luxury wines and spirits.

2. Fashion and Leather Goods

In 2024, the Fashion and Leather Goods business group represented 48% of the Christian Dior Group's total revenue.

2.1 Fashion and Leather Goods brands

In the luxury fashion and leather goods sector, the Group holds a portfolio of brands that are primarily French, but also include Italian, Spanish, British, German and American companies.

The Fashion and Leather Goods business group comprises Louis Vuitton, Christian Dior, Celine, Loewe, Kenzo, Givenchy, Fendi, Emilio Pucci, Marc Jacobs, Berluti, Loro Piana, Rimowa and Patou. While respecting the identity and autonomous management of these brands, the Group supports their growth by providing them with shared resources.

Parfums Christian Dior, Perfumes Loewe, Parfums Kenzo and Parfums Givenchy are included in the Perfumes and Cosmetics business group.

2.2 Competitive position

In the Fashion and Leather Goods sector, the luxury market is highly fragmented, consisting of a handful of major international groups plus an array of smaller independent brands. The Christian Dior Group's brands are present all around the world, and it has established itself as one of the most international groups. All these groups compete in various product categories and geographic areas.

2.3 Design

Working with the best designers, while respecting the spirit of each brand, is a strategic priority: the creative directors promote the Maisons' identities, and are the artisans of their creative excellence and their ability to reinvent themselves. As a means to continually renew this precious resource, the Group has always been committed to supporting young designers and nurturing tomorrow's talent, in particular through the LVMH Prize for Young Fashion Designers, which each year honors the work of an up-and-coming designer displaying exceptional talent and outstanding creativity.

The Christian Dior Group believes that one of its essential assets is its ability to attract a large number of internationally recognized designers to its Maisons.

2.4 Supply sources, manufacturing and subcontracting

As of 2024, Louis Vuitton has twenty-nine leather goods workshops – eighteen in France, four in Spain, four in the United States and three in Italy – which manufacture most of the Maison's leather goods. In addition to manufacturing and model-making for leather goods, Louis Vuitton's workshops in Italy handle all development and manufacturing processes for all types of footwear, as well as development for certain accessories (textiles, jewelry and eyewear). In addition to leather goods manufacturing, Louis Vuitton's workshops in Spain also handle all leather goods accessories (belts and straps). Louis Vuitton uses external manufacturers only to supplement its manufacturing.

Louis Vuitton purchases its materials from suppliers located around the world, with whom the Maison has established long-term partnership relationships. The supplier strategy implemented over the last few years has enabled the Maison to meet its requirements in terms of volume, quality and innovation while engaging its suppliers in a CSR approach. This strategy is the result of a policy of focusing on and supporting the best suppliers while limiting Louis Vuitton's reliance on them. Accordingly, the leading supplier in the leather market accounts for around 21% of Louis Vuitton's leather supplies; the leading supplier in the metal parts market accounts for slightly less than 20% of its metal parts supplies.

Christian Dior's production capacity and use of outsourcing vary very widely depending on the product. In leather goods, Christian Dior works with companies outside the Group to increase its production capacity and provide greater flexibility in its manufacturing processes. In ready-to-wear and jewelry, it purchases supplies primarily from non-Group businesses.

Most of the other Maisons in the Fashion and Leather Goods business group have workshops in their countries of origin or in Italy, which cover only a portion of their production needs. Furthermore, the LVMH Métiers d'Art segment protects and partly develops the Maisons' access to raw materials and world-class expertise in leather goods and hardware.

Generally, the subcontracting used by the business group is diversified in terms of the number of subcontractors and is located primarily in the brand's country of origin, France, Italy and Spain.

Lastly, fabric suppliers for the different Maisons are often Italian, but on a non-exclusive basis. The designers and style departments of each Maison ensure that manufacturing does not generally depend on patents or exclusive expertise owned by third parties.

2.5 Distribution

Controlling the distribution of its products is a core strategic priority for the Christian Dior Group, particularly in the luxury fashion and leather goods sector. This control allows the Group to retain retail margins, and guarantees strict control of the brand image, sales reception and environment that the brands require. It also gives the Group closer contacts with its customers so that it can better anticipate their expectations, thereby offering them unique shopping experiences.

In order to meet these objectives, the Group has the premier international network of exclusive boutiques under the banner of its Fashion and Leather Goods brands. This network included more than 2,300 stores as of December 31, 2024.

2.6 Highlights of 2024 and outlook for 2025

	2024	2023	2022
Revenue *(EUR millions)*	**41,060**	**42,169**	**38,648**
Revenue by geographic region of delivery *(%)*			
France	7	7	7
Europe (excl. France)	19	18	17
United States	17	17	21
Japan	12	10	9
Asia (excl. Japan)	36	39	36
Other markets	9	9	10
Total	**100**	**100**	**100**
Type of revenue *(as % of total revenue)*			
Retail	95	95	95
Wholesale	5	5	5
Licenses	-	-	-
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**15,230**	**16,836**	**15,709**
Current operating margin *(%)*	**37.1**	**39.9**	**40.6**

Highlights

The Fashion and Leather Goods business group showed strong resilience in an uncertain environment in 2024. Driven by a desire to offer their customers exceptional products and experiences, the Group's Maisons continued to pursue creativity, very high quality, masterful craftsmanship and retail excellence.

Louis Vuitton was once again driven by its boundless capacity for innovation in the world of travel. Nicolas Ghesquière's Fall/Winter fashion show celebrated ten years of his designs at the Maison. Following the Voyager show in Shanghai, the 2025 Cruise collection was presented in Barcelona's Park Güell. For his second fashion show, Pharrell Williams drew inspiration from the American West and his 2025 Spring/Summer collection, "The World is Yours", was unveiled at UNESCO's headquarters in Paris, celebrating the Maison's spirit of travel. Many new designs were launched in leather goods, including the *Speedy P9* bag in fresh colors, the *Low Key* line and the *Neverfull Inside Out*, a reversible version of one of the Maison's icons. In jewelry, its *LV Diamonds* collection introduced a cut in the shape of the *Monogram* flower and extended the Maison's commitment to sustainable practices by ensuring that every diamond is fully traceable. For its tenth anniversary, the *Escale* watch released its first three-hand model. In 2024 more than ever before, carrying on a well-established tradition, victory traveled in Louis Vuitton: bespoke trunks, handcrafted in its historic Asnières workshops, held the torches and medals of the Paris 2024 Olympic and Paralympic Games. As Title Partner of the 37th America's Cup in Barcelona, the Maison also unveiled two trunks carrying the trophy for the Louis Vuitton Cup qualifiers and the iconic Auld Mug presented to the winner of the America's Cup. In New York, with Louis Vuitton's Fifth Avenue flagship store set to undergo a multi-year renovation, the Louis Vuitton 57th Street store, opened at the end of the year, was a major success. This new flagship – the Maison's largest in the United States – offers an immersive experience at the crossroads of luxury, culture and fine dining.

Christian Dior maintained its creative momentum, fusing heritage and modernity. Maria Grazia Chiuri revisited the origins of Dior ready-to-wear with a tribute to the 1967 *Miss Dior* collection and drew inspiration from Mary, Queen of Scots for her Cruise show at Drummond Castle in Scotland, as well as from Amazon warrior women for her Spring/Summer 2025 collection at the Musée Rodin in Paris. The Maison continued to develop its collections, in particular the *Dioriviera* collection. Kim Jones brought the signature looks of Dior couture to menswear and launched a capsule collection with Lewis Hamilton. Victoire de Castellane unveiled her *Diorama* & *Diorigami* high jewelry designs and celebrated the Maison's tradition of jewelry-making with the *My Dior* collection, which echoes the texture of its iconic *cannage* stitching. The Maison enjoyed high levels of visibility both during the Paris 2024 Olympic and Paralympic Games, thanks to its athlete ambassadors, and at the opening ceremony, with Lady Gaga and Celine Dion both wearing Dior. Beijing hosted the *L'Or de Dior* exhibition in September, while the *Christian Dior: Designer of Dreams* exhibition arrived in Riyadh in November. At the end of the year, an exhibition opened at La Galerie Dior in Paris featuring photographs by Peter Lindbergh for the Maison. Lastly, key highlights in retail included the opening of an exceptional store in Geneva, designed by Christian de Portzamparc, and Dior's spectacular façades and enchanting window displays to celebrate the end-of-year holiday season around the world, in particular at its 30 Montaigne store in Paris and at the new *Dior Gold House* in Bangkok.

Loro Piana, which continued to enhance its desirability, turned in a remarkable performance. The year marked the Maison's centenary, which it celebrated by showcasing its signature blend of heritage and modernity. The Fall/Winter collection was highly successful and leather goods saw strong growth driven by the launch of its latest handbag, the *Loom*. For the end-of-year holiday season, culminating its centenary celebrations, Loro Piana transformed the window displays and façades of Harrods, inviting visitors on a delightful, enchanting voyage. Another highlight was the publication of *Master of Fibres*, a book exploring one hundred years of the Maison's history through its archives and interviews with the Loro Piana family.

Celine expanded its *Triomphe* leather goods line and achieved further success in its *Plein Soleil* collection with its new *Raphia* bags. It also successfully launched a new fragrance, *Zouzou*, and *Le Rouge Celine* lipstick. Three flagship stores were opened in Osaka, Seoul and Paris.

Fendi focused on its iconic bags, launching *Peekaboo Soft* and unveiling *Mamma Baguette* at its Milan fashion show. A collection of seven exclusive fragrances evoking the history of the Fendi family was launched in June. The Maison opened a number of flagship stores, including in Miami and Madrid.

Loewe held its first major exhibition in Shanghai, celebrating its heritage and commitment to craftsmanship. The success of the *Flamenco* bag in nappa lambskin reflected the shift further upmarket of its range of products. Jonathan Anderson developed an innovative, creative collection with Japanese studio Suna Fujita. Several major store openings took place, including a new Casa Loewe store in Seoul.

Marc Jacobs celebrated its 40th anniversary by revisiting its most emblematic designs and looks, and launched *The Mini Bag*, a new leather goods line.

In September, **Givenchy** announced the appointment of Sarah Burton as Creative Director for all its men's and women's collections.

Kenzo reaffirmed the "West meets East" stylistic positioning of its looks, with highlights including fashion shows at the gardens of the Palais-Royal and the National Library of France in Paris.

Berluti's growth was driven by the success of its collections, in particular the iconic *Fast Track*, which masterfully blends the remarkable style of a formal shoe with the unique comfort of a sneaker. The unveiling of Team France's uniforms for the opening ceremonies of the Paris 2024 Olympic and Paralympic Games enjoyed a very positive reception and major media coverage. The store network expanded, including a store in Tokyo's new Azabudai Hills district.

Rimowa continued to deliver growth, fueled by innovation, a number of new store openings and taking direct control over distribution in Thailand and Belgium. Highlights included the launch of the *Original Bag*, designed with the Maison's signature expertise, and the revival of its historic *Hammerschlag* line in hammered aluminum. Maintaining its commitment to sustainability, repair and recycling for its suitcases, the Maison rolled out its Re-Crafted program in the United States and South Korea.

Pucci presented its *Very Vivara* collection in April, paying tribute to the Maison's heritage through its iconic *Vivara* print.

Outlook

In 2025, amid a global environment characterized by wide-ranging geopolitical and economic uncertainty, the Group will focus on growing its market share by further elevating the quality, sustainability and desirability of its Maisons' products and enhancing the customer experience. **Louis Vuitton** will pursue a number of development projects over the coming months, focused on its capacity for innovation and its quest for perfection in all its areas of expertise, including the new collaboration starting in 2025 with renowned Japanese artist Takashi Murakami, who will add a colorful touch to the Maison's signature designs, as well as the future opening of its new 103 Champs-Élysées location, where work is ongoing. Louis Vuitton will activate its partnership with Formula 1 entered into in 2024. The Maison will continue to highlight its commitment to corporate social responsibility, notably through its five-year partnership with nonprofit People For Wildlife to conserve natural resources and through the 2025-2026 Louis Vuitton Watch Prize for Independent Creatives, the second edition of a competition aimed at recognizing and supporting emerging creative talent in watchmaking. **Christian Dior** will continue to selectively invest in its desirability, which means focusing on product quality and creativity as well as high-impact communications and events around the world. The Cruise show – one of the year's most highly awaited events – will take place in Rome in May 2025. **Loro Piana** will continue its pursuit of excellence and hold its first exhibition at Museum of Art Pudong in Shanghai in March. At **Celine**, new Creative Director Michael Rider will unveil his first collections in June. A new flagship store will be opened on Via Monte Napoleone in Milan. **Fendi** will be celebrating its centenary throughout the year, starting in February with a men's and women's fashion show directed by Silvia Fendi at its new "Spazio Solari" location in Milan. **Loewe** will launch the *Madrid* bag and celebrate the tenth anniversary of its *Puzzle* bag. Alongside the selective expansion of the store network, the *Loewe Crafted World* exhibition will open in Tokyo and the iconic Craft Prize will return to Madrid. **Givenchy** will unveil its first collections designed by Sarah Burton in March in Paris. **Berluti** will continue to renovate and expand its store network, particularly in Japan and the Middle East.

3. Perfumes and Cosmetics

In 2024, the Perfumes and Cosmetics business group posted revenue of 8,418 million euros, representing 10% of the Christian Dior Group's total revenue.

3.1 Perfumes and Cosmetics brands

The Christian Dior Group is a key player in the perfume, makeup and skincare sector, with a portfolio of world-famous French brands, including Parfums Christian Dior, Guerlain, Parfums Givenchy and Kenzo Parfums. The Group also owns other beauty brands, including Benefit, Fresh, Acqua di Parma, Loewe Perfumes, Make Up For Ever, Maison Francis Kurkdjian, Fenty Beauty by Rihanna and Officine Universelle Buly.

3.2 Competitive position

The LVMH Beauty division has maintained its global competitive position thanks to the success of its perfumes, particularly in Europe and the United States, and the recovery in makeup in the United States, despite the ongoing impact on the skincare market of the economic situation in China.

3.3 Research

Established in 1981, LVMH Recherche is a research and innovation center for the Group's Perfumes and Cosmetics brands.

LVMH Recherche aims to shape the future of sustainable digital beauty. Innovation is central to the Group's commitment to offering unrivaled product performance, unprecedented sensory experiences and new uses by investing in key new areas for the future while taking into account social and environmental impacts.

Spread across five sites around the world (Hélios in Saint-Jean-de-Braye, Kosmo in Paris, and Asian innovation centers in Tokyo, Shanghai and Seoul), LVMH Recherche's 670 employees (including researchers, chemists, biologists, toxicologists and pharmacists) deliver over a thousand exceptional products in the skincare, makeup and fragrance categories every year. These very high-quality products are developed with the greatest respect for the environment and in keeping with each Maison's sensory signature and unique identity.

Innovation and openness to the world are pillars of the strategy pursued by LVMH Recherche (400 patent families), which works with a number of public bodies (including universities, the French National Scientific Research Center [CNRS] and the French National Institute of Health and Medical Research [INSERM]) and private-sector organizations (notably startups, SMEs and mid-tier enterprises) in France and abroad. LVMH Recherche has gradually created a powerful innovation ecosystem whose aim is to identify the most promising technological advances and accelerate their development by building strategic partnerships in new scientific fields as varied as sustainable farming, biotechnology, cellular biology, advanced materials, new processes, big data, artificial intelligence and more.

3.4 Supply sources, production and subcontracting

The six French production centers operated by Parfums Christian Dior, Guerlain and LVMH Fragrance Brands meet almost all the manufacturing needs of the four major French Maisons. The other Maisons have some of their products manufactured by the Group's other brands, with the remainder subcontracted externally.

Dry materials, such as bottles, stoppers and any other items that form the containers or packaging, are acquired from suppliers outside the Group, as are the raw materials used to create the finished products. In certain cases, these materials are available only from a limited number of French or foreign suppliers.

Most product formulas are developed at the LVMH Recherche laboratories in Saint-Jean-de-Braye (France), but the Group may also acquire or develop formulas from specialized companies.

3.5 Distribution and communication

The presence of a broad spectrum of brands within the business group generates synergies and represents a market force. The volume effect means that advertising space can be purchased at competitive rates, and better locations can be negotiated in department stores. The use of shared services by subsidiaries increases the effectiveness of support functions for worldwide distribution and facilitates the expansion of the newest brands and their access to new markets. These economies of scale permit larger investments in design and advertising, two key factors for success in the Perfumes and Cosmetics business group.

The Group's Perfumes and Cosmetics brand products are sold worldwide, mainly through "selective retailing" channels (as opposed to mass-market retailers and drugstores), although certain brands also sell their products in their own stores and on their own e-commerce sites. Excellence in retailing is key to the Group's Perfumes and Cosmetics Maisons. It requires expertise and attentiveness from beauty consultants, as well as innovation at points of sale. At December 31, 2024, the network of directly operated Perfumes and Cosmetics stores consisted of over 700 stores.

To meet the expectations of younger generations, who are looking for originality, as well as demand for a connected in-store and online experience, all brands are accelerating the implementation of their online sales platforms, particularly on their own sites, and stepping up their digital content initiatives. Our brands are actively incorporating digital tools to enhance the customer experience and attract new consumers.

3.6 Highlights of 2024 and outlook for 2025

	2024	2023	2022
Revenue *(EUR millions)*	**8,418**	**8,271**	**7,722**
Revenue by geographic region of delivery *(%)*			
France	10	9	9
Europe (excl. France)	21	21	20
United States	19	19	19
Japan	6	5	5
Asia (excl. Japan)	30	33	35
Other markets	14	13	12
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**671**	**713**	**660**
Current operating margin *(%)*	**8.0**	**8.6**	**8.5**

Highlights

Growth in the Perfumes and Cosmetics business group was driven by powerful innovative momentum combined with a firmly selective retail strategy, in a highly competitive market environment.

Parfums Christian Dior turned in a very solid performance thanks to its proactive growth strategy and the strength of its product categories. Men's fragrance *Sauvage* continued to dominate the global market, boosted by the launch of *Sauvage Eau Forte*. Iconic women's fragrances also delivered remarkable performances. *J'adore* was boosted by a new marketing campaign featuring Rihanna as its new face, as was *Miss Dior* by the launch of its new *Miss Dior Parfum* edition. *La Collection Privée Christian Dior* continued to elevate the Maison's positioning in high perfumery with the very promising launch of the highly concentrated *Esprits de Parfum*. Makeup was buoyed by the success of its latest innovations in the *Forever* range *(Glow Maximizer*, *Glow Star Filter* and *Skin Perfect)*. Skincare continued to gain momentum in the premium segment with its *Prestige* line, particularly in Asia. Amid an overall market slowdown, Parfums Christian Dior consolidated its leading position in key markets by maintaining a resolutely selective distribution strategy, investing in rolling out a new identity for its points of sale and developing an omnichannel strategy. The Maison reaffirmed its commitment based on and guided by its purpose: "Making the world a happier, more beautiful place". Specific actions were taken to support women's empowerment and biodiversity protection, such as implementing regenerative agriculture techniques for the flowers and plants grown to produce its fragrances, and launching projects to restore natural habitats in partnership with WWF.

Guerlain continued its rapid growth in fragrances. The *L'Art & La Matière* premium fragrance collection was expanded with the successful launch of two new fragrances: *Néroli Plein Sud*, inspired by the travels of Antoine de Saint-Exupéry, and *Patchouli Paris*, evoking the excitement of a night out in Paris. To celebrate the end-of-year festive season, the Maison released a limited-edition *Imagine Guerlain* bottle designed by artist Shourouk Rhaiem. The *Aqua Allegoria* collection was expanded with the successful new *Florabloom* fragrance. Makeup was boosted by the relaunch of the iconic *Rouge G* lipstick and from growth in *Terracotta* and *KissKiss*, which was buoyed by the success of its *Bee Glow Oil* version. Skincare was backed by innovation in the *Orchidée Impériale* and *Abeille Royale* ranges. Honoring its commitment to biodiversity and its close relationship with the art world, Guerlain joined forces with Lee Ufan Arles for the Art & Environment Prize and continued to favor the use of natural materials and refillable product formats.

Parfums Givenchy continued to gain ground in fragrances, buoyed by its iconic scent *L'Interdit*, whose desirability was further elevated by the successful launch of *L'Interdit Absolu*. The new *Irresistible Very Floral* and *Gentleman Society Extrême* fragrances also added to its momentum. The Maison proved resilient in makeup, benefiting from the relaunch of *Prisme Libre* powder, which helped it win market share, particularly in Europe. **Benefit** delivered growth driven by its innovation in both products and services, as well as strong performance by the brand's bestsellers. New product launches in the *Precisely, My Brow* line confirmed the Maison's leadership in brow beauty. Cult product *Benetint* and the interactive *Benemart* experience in the run-up to the year-end received a warm welcome. **Fresh** continued to showcase its expertise in using natural ingredients to create beauty products that perform with experiences that transform. The Maison focused on its iconic *Kombucha Essence*, *Soy Facial Cleanser*, *Crème Ancienne* and *Black Tea* products. **Make Up For Ever** launched its new *Hydra Glow* foundation in the *HD Skin* franchise. Its *Artist Color Pencil* and its makeup palettes performed well in the United States and Europe. **Kenzo Parfums** benefited from the success of the *Ikebana Mimosa* and *La Récolte Parisienne* additions to its *Flower by Kenzo* line. **Maison Francis Kurkdjian** opened a new showcase store on Rue François 1er in Paris. The year also saw the launch of the Maison's eau de parfum *APOM* (A Part of Me) alongside initiatives to promote its flagship fragrances including *Baccarat Rouge 540*. The Maison continued its corporate giving initiatives with the Palace of Versailles, establishing a "Biodiversity Observatory". **Acqua di Parma** had an eventful year, launching the limited-edition *Mandarino Millesimato* and entering into collaborations with Dorothée Meilichzon and India Mahdavi. **Loewe Perfumes** saw strong growth thanks to expansion in its Asian markets, a region where the Maison enjoys high levels of desirability, with the rollout of a unique customer experience. **Fenty Beauty** established a presence in China and launched a new range of haircare products, *Fenty Hair*. **Officine Universelle Buly** launched its *La Maison Parfumée* collection and celebrated the art of travel with new beauty essentials, offered in particular to passengers on the legendary Venice Simplon-Orient-Express.

Outlook

While remaining vigilant, as called for by the ongoing uncertainty of the current environment, the Group's Maisons will continue to invest in their strengths: product excellence, innovation, brand image and a selective approach to retail networks. **Parfums Christian Dior** will continue with its development strategy through selective investments to boost its desirability and leadership. The Maison will draw on sustained, dynamic innovation across its entire portfolio, its unique expertise and a refreshed brand image developed in collaboration with Dior Couture. **Guerlain** will benefit from the relaunch of its *Abeille Royale* watery oil serum featuring an innovative new formula, as well as additions to the *L'Art & La Matière* and *Aqua Allegoria* ranges. One of the highlights of the year will be the centenary of the legendary *Shalimar* scent. **Parfums Givenchy** will further develop its range of fragrances, adding new scents to *L'Interdit*, *Gentleman Society* and *Irresistible*. Several major launches will take place in makeup. **Kenzo Parfums** will continue to promote its iconic *Flower by Kenzo* fragrance and will relaunch one of its emblematic franchises. **Maison Francis Kurkdjian** will continue with its international expansion and unveil a new fragrance with a strong personal connection to its creator. **Loewe Perfumes** will bring fresh innovation to its fragrance and home scents collection. **Benefit** will strengthen its positioning with a new store layout and innovative initiatives in brow beauty, eye makeup and foundation. **Fresh** will further expand its flagship *Kombucha*, *Crème Ancienne* and *Black Tea* lines. **Make Up For Ever** will unveil new foundation products and celebrate color. **Acqua di Parma** will expand its collections celebrating the Italian art of living. **Officine Universelle Buly** will open a new store in the spring on the right bank of the Seine in Paris.

4. Watches and Jewelry

In 2024, the Watches and Jewelry business group represented 12% of the Christian Dior Group's total revenue.

4.1 Watches and Jewelry brands

The Group's Watches and Jewelry Maisons are some of the most emblematic brands in the industry. They operate in jewelry and watches with Tiffany & Co., Bulgari, Chaumet, Fred, TAG Heuer, Hublot, Zenith, Repossi and L'Epée 1839. These Maisons are guided by a daily quest for excellence, creativity and innovation.

4.2 Competitive position

The jewelry market is highly fragmented, consisting of a handful of major international groups plus an array of smaller independent brands and companies from many different countries.

The watchmaking market consists of major international players and is divided into a number of segments including traditional watches and smartwatches. The luxury watch market consists of a handful of major international groups as well as smaller independent brands.

The Christian Dior Group's brands are present all around the world, and it has established itself as one of the international leaders.

4.3 Design, supply sources, manufacturing and subcontracting

The Watches and Jewelry group designs most of its models in its own studios, but may also sometimes use third parties.

At its Swiss workshops and manufacturing centers, the Group assembles a substantial proportion of the watches and chronographs sold under the TAG Heuer, Hublot, Zenith, Tiffany, Bulgari and Chaumet brands; it also designs and manufactures mechanical movements such as *El Primero* and *Elite* by Zenith, *Heuer 02* by TAG Heuer, *UNICO* by Hublot and *Solotempo* by Bulgari; and it manufactures some critical components such as dials, cases and straps.

The Group's jewelry businesses mainly rely on multibrand or monobrand production sites in France, Italy and the United States. Furthermore, Tiffany is also involved in the upstream diamond processing chain, particularly in Belgium, Cambodia and Vietnam.

The subcontracting used by the business group is diversified in terms of the number of subcontractors and is located primarily in the brand's country of origin, the United States, Italy, France and Switzerland.

4.4 Distribution

The business group, which enjoys a strong international presence, has reaped the benefits of its excellent coordination and pooling of administrative, sales and marketing teams. A worldwide network of after-sale multi-brand services has been gradually put in place to improve customer satisfaction. The Watches and Jewelry business group has a territorial organization that covers all markets.

This business group is focusing on the quality and productivity of its retail networks and is also developing its online sales. It selects multi-brand retailers very carefully and builds partnerships so that retailers become genuine brand ambassadors when interacting with end-customers. In an equally selective approach, the Maisons also continue to refurbish and open their own directly operated stores in buoyant markets in key cities.

The Watches and Jewelry brands' directly operated store network comprised 958 stores as of year-end 2024 at prestigious locations in the world's largest cities.

4.5 Highlights of 2024 and outlook for 2025

	2024	2023	2022
Revenue *(EUR millions)*	**10,577**	**10,902**	**10,581**
Revenue by geographic region of delivery *(%)*			
France	5	3	3
Europe (excl. France)	15	15	15
United States	24	23	26
Japan	13	11	11
Asia (excl. Japan)	29	34	32
Other markets	14	14	13
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**1,546**	**2,162**	**2,017**
Current operating margin *(%)*	**14.6**	**19.8**	**19.1**

Highlights

The Watches and Jewelry business group proved resilient in the face of mixed trends across different markets, once again backed by the expert craftsmanship of the watchmaking Maisons and the bold innovation strategy of the jewelry Maisons. Business was also buoyed by the selective expansion of their retail networks, promotional events and partnerships with artists and athletes.

Tiffany & Co. showcased its iconic *Tiffany T*, *Lock*, *HardWear* and *Knot* lines in its global "With Love, Since 1837" campaign. Inspired by the celebration of love – the thread running through its collections – the campaign received a very positive response. In 2024, the new store concept was rolled out to nearly 50 stores, with nearly one-quarter of the store network having been renovated since the Maison joined LVMH. This ongoing transformation – including new store openings and renovations in Monaco, Madrid and Bal Harbour, Florida – set the stage for growth in the Maison's iconic high jewelry collections. The Landmark – the Maison's iconic flagship on New York's Fifth Avenue, and the first to be renovated – achieved record-breaking revenue in 2024. *Céleste*- the 2024 *Blue Book* high jewelry collection, unveiled in Beverly Hills, followed by Madrid and Beijing – drew inspiration from the boundless imagination of Jean Schlumberger, the Maison's first designer. The *Tiffany Wonder* exhibition held in Tokyo featured hundreds of masterpieces, retracing nearly 200 years of expert craftsmanship and modernity. The new *Tiffany Titan by Pharrell Williams* collection was exceptionally well received. For the 50th anniversary of the first pieces designed by Elsa Peretti, the Maison showcased another facet of her work, exemplified by the *Bone Cuff* bangle and its ring version.

Bulgari achieved record-breaking revenue in high jewelry and luxury watches as well as market share gains. The Maison celebrated its 140th anniversary with a new brand campaign entitled "Eternally Reborn". In Rome, the Baths of Diocletian were the backdrop for the unveiling of the *Aeterna* high jewelry collection, which also tied in with this celebration. Bulgari pushed the boundaries of jewelry-making to craft the exceptional pieces featured in the collection. The 140-carat *Aeterna* necklace – the most expensive high jewelry piece sold in the past decade – highlighted the Maison's singular expertise in working with diamonds and colored gemstones alike. Bulgari launched the new *Tubogas* jewelry collection, a contemporary take on its iconic 1950s line, and unveiled *Octo Finissimo Ultra COSC*, which set a new record for the world's thinnest watch. Flagship stores were opened in Costa Mesa (California), Dubai, Riyadh, Bangkok and Paris. A documentary film titled *An Emperor's Jewel*, featuring the Maison's ambassador Priyanka Chopra Jonas, drew back the curtains on the making of the Bulgari Hotel in Rome and paid tribute to the excellence of Italian craftsmanship.

TAG Heuer confirmed its status as an avant-garde watchmaker by launching the *Monaco Split-Seconds Chronograph* with its split-seconds complication and strengthened its ties with the world of sports, in particular as part of the 10-year partnership announced between LVMH and Formula 1. The *TAG Heuer Formula 1 x Kith* limited editions were a success, reviving an iconic 1980s line, and the *Aquaracer* and *Carrera* lines were expanded. The Maison returned to eyewear with Thélios, unveiling its first collection at LVMH Watch Week. Thirteen new stores were opened in 2024.

Hublot continued to showcase its expertise, launching unique pieces such as the new *MP-10 Tourbillon Weight Energy System* and the visionary *Arsham Droplet* pocket watch, designed in collaboration with artist Daniel Arsham. A *Big Bang* model made from recycled materials was designed in collaboration with Novak Djokovic. As well as being the Official Timekeeper of UEFA Euro 2024, the Maison teamed up with sailor Alan Roura for the 2024 Vendée Globe yacht race.

Zenith rounded out its *Defy* collection, adding a chronograph version to the *Defy Skyline* line and introducing the *Defy Extreme Diver*, a diver's watch inspired by the first 1960s models. The *Chronomaster Triple Calendar* added a new complication to the *Chronomaster* line.

L'Epée 1839, a prestigious high-end Swiss clockmaker known for its exceptional mechanisms and complications, joined LVMH.

Chaumet, which achieved further growth, enjoyed major media coverage thanks to its design of the medals for the Paris 2024 Olympic and Paralympic Games. In Venice, an event showcasing its latest high jewelry collection, *Chaumet en Scène*, was a major commercial and promotional success. *Chaumet & Nature*, the first large-scale high jewelry exhibition to be held in Qatar, opened in November. The Maison continued to expand its *Bee My Love* collection, which maintained its excellent momentum, and opened its first stores in Italy (Rome) and Thailand (Bangkok).

Fred generated robust revenue through sales of its high jewelry pieces. Highlights of the year included the rollout of the "Fred: The Sunshine Jeweler" campaign, the unveiling of the new *Monsieur Fred Ideal Light* high jewelry collection, the launch of the *Pretty Woman Sunlight Message* necklace collection and a new creative collaboration with the French Open.

Repossi celebrated the 10th anniversary of its *Serti Sur Vide* high jewelry collection and entered into a unique partnership with the *Centre Pompidou* to pay tribute to the works of sculptor Constantin Brancusi.

Outlook

The Watches and Jewelry business group will continue to pursue its target of gaining market share. In a still uncertain economic and geopolitical environment, the Maisons will continue to strictly manage costs and remain selective in their investments. The priority is on pursuing innovation and enhancing the desirability of collections as well as continuing the quality-driven development of directly operated stores. Production capacity will continue to be ramped up, with the expansion of the Bulgari manufacturing facility in Valenza and the Hublot facility in Nyon. **Tiffany & Co.** will continue to enrich its iconic lines with the launch of new models, notably in its *Bird on the Rock* and Jean Schlumberger collections, while continuing to renovate its store network. The opening of new flagship stores in Tokyo (Ginza Tower) and Milan (Monte Napoleone) will be among the highlights of the year. **Bulgari** will take the opportunity in 2025 – the Year of the Snake according to the Chinese zodiac – to roll out a program of events promoting its iconic *Serpenti* line, beginning with an exhibition in Shanghai starting in January. **TAG Heuer** will scale up its partnership with Formula 1 entered into in 2024. The Maison will add to its iconic lines and launch a next-generation smartwatch. Exceptional new watch models featuring innovative technologies will also be unveiled. **Hublot** will celebrate the 20th anniversary of its *Big Bang* line with limited editions and an immersive experience at the Watches & Wonders trade show. **Zenith** will celebrate its 160th anniversary. **Chaumet** will step up communications around its *Bee My Love* collection and take part in the World Expo in Osaka. **Fred** will continue to develop its iconic collections, with two major launches planned for *Force 10* and *Chance Infinie*. **Repossi** will continue the rollout of its new store concept worldwide.

5. Selective Retailing

In 2024, the Selective Retailing business group represented 22% of the Christian Dior Group's total revenue.

The Selective Retailing business group comprises Sephora, the world's leading selective beauty retailer; Le Bon Marché, a Paris department store with a unique atmosphere; and travel retailer Duty Free Shoppers (DFS), which caters specifically to international travelers.

5.1 Competitive position

Distribution in the beauty sector is highly fragmented, served by major specialist retail chains, department stores, websites and independent perfume retailers.

5.2 Distribution and digitalization

Sephora markets beauty products. Its stores are organized around dedicated spaces for perfume, makeup, skincare and haircare, and services. Customers are free to try products out and beauty advisers are on hand to provide personalized recommendations. The quality of this concept has enabled Sephora to gain the confidence of perfume and cosmetics brands.

With its distribution network of 2,175 stores present in 34 countries as of December 31, 2024, its websites, mobile apps and strong social media presence, the Maison creates an omnichannel beauty experience that is increasingly innovative and personalized and offers customers an interactive, flexible, seamless shopping journey.

DFS has developed its business through partnerships with international tour operators and major luxury brands. Through its airport concessions and its city-center *Galleria* stores, which currently account for about two-thirds of its revenue, DFS is particularly present in the United States and at tourist destinations in the Asia-Pacific region.

5.3 Highlights of 2024 and outlook for 2025

	2024	2023	2022
Revenue *(EUR millions)*	**18,262**	**17,885**	**14,852**
Revenue by geographic region of delivery *(%)*			
France	11	11	12
Europe (excl. France)	12	9	9
United States	46	46	44
Japan	1	1	1
Asia (excl. Japan)	12	15	16
Other markets	18	18	18
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**1,385**	**1,391**	**788**
Current operating margin *(%)*	**7.6**	**7.8**	**5.3**

Highlights

The Selective Retailing business group's growth was driven by momentum and continued growth at Sephora. DFS experienced mixed trends between different regions.

Sephora achieved another remarkable year, with double-digit growth in both revenue and profit, continuing to gain market share. The Maison consolidated its leadership in North America – its largest market – and delivered an exceptional performance in France, other European countries and the Middle East, as well as in emerging markets such as Brazil, Mexico, Turkey and Thailand. The United Kingdom, where Sephora began to develop its operations in 2021, had a particularly buoyant year in 2024, with sustained growth and five new store openings, including an iconic store in Birmingham. In China, the differentiation strategy proved its relevance in a challenging environment, as demonstrated by the successful launch of Fenty Beauty in the spring.

While makeup remained the leading product category in terms of revenue, growth was robust in fragrances, buoyed by a number of innovations. Haircare and skincare also saw strong growth. Sephora launched its global "Clean at Sephora" and "Planet Aware at Sephora" programs, which offer a selection of brands based on very strict criteria in terms of product formulation and environmental impact.

Growth was driven by the store network thanks to ambitious renovations and a flurry of innovations to further enhance the customer experience, including new AI-powered diagnostic tools to help sales associates make better recommendations to customers, promotional events with partner brands and the continued rollout of the omnichannel strategy. More than 120 directly operated stores were opened in 2024, including a number of flagship stores, most notably in Florence, Italy. Sephora continued its successful partnership with Kohl's in the United States, with major benefits for both companies. Meanwhile, online sales accounted for nearly one-quarter of its revenue, with specific investment in the web app. Sephora continued to innovate to inspire its community of 70 million loyal customers – the largest in the beauty sector worldwide. The global rollout of the Sephoria event continued.

The Maison renewed its involvement with the Rare Beauty brand to coincide with World Mental Health Day and published its first impact report setting out its environmental and social commitments around the world. Lastly, as part of LVMH's partnership with the Paris Olympic and Paralympic Games, 2024 was an exceptional year for Sephora as a partner of the Torch Relay and the official makeup partner for the Champions Park and Club France.

DFS saw business activity remain below its 2019 pre-Covid level, with marked differences between its various destinations. Strong growth in Japan and at US airports was not enough to make up for declining sales at key destinations such as Hong Kong and Macao, affected by the impact of China's economic slowdown on Chinese customers' buying behavior. DFS undertook a series of structural initiatives to boost its competitiveness, streamlining operations and reallocating resources to the most profitable regions to secure its long-term growth potential. Highlights of the year included the official opening of the Lombok Airport store in Indonesia and the launch of the *Galleria* project at Yalong Bay on the island of Hainan. In Paris, **La Samaritaine** was transformed into an enchanting winter garden for the end-of-year holiday season.

Buoyed by its loyal Parisian clientele and an increasing number of domestic and international customers, revenue at **Le Bon Marché** continued to grow, driven by the department store's differentiation strategy, with its exclusive, innovative concepts and continuously renewed selection of products and services. Business was spurred by a rich array of cultural events. Act 1 of the *Aux Beaux Carrés: Travaux in situ* exhibition by French artist Daniel Buren was a beginning-of-the-year highlight, followed by Act 2 held during the Olympic Games. Just before the summer, for the *Tous Fadas sur la Rive Gauche* exhibition, Le Bon Marché and La Grande Épicerie de Paris charted a course for Marseille and southern France to celebrate the historic port city's tradition of craftsmanship and the Provençal way of life. Starting in September, Le Bon Marché hosted the *Paris Paris* exhibition, showcasing the work of Paris-based designers; after nightfall, the store became the stage for *Entre Chiens et Louves*, an exclusive show blending theater, dance and circus performance, which returned after a highly successful run in 2023.

Outlook

Sephora will continue to implement its strategy focused on an exacting selection of brands and products; an enhanced customer experience, both online and in-store; closer ties with its community of loyal customers; and ongoing employee training and engagement initiatives, in particular for the 40,000 customer-facing employees at its stores. The Maison is maintaining its target of growing its market share in existing regions while continuing to develop its recently launched markets, in particular the United Kingdom. It will continue to invest in digital and other technology to offer customers the best omnichannel experience in prestige beauty, including artificial intelligence pilot projects promoting excellence in the workforce and customer relations. Sephora will also uphold its firm commitment to diversity, equity and inclusion, which are at the heart of its corporate purpose and its core values, with initiatives focused on both its employees and its communities. In the absence of a strong upturn in its market in the near term, **DFS** will continue to streamline operations to drive a significant uplift in profitability. It has been announced that the *Galleria* in Venice will cease operations in 2025. Investments will be focused on the Yalong Bay project, expansion at flagship destinations in Asia and the ongoing elevation of the customer experience. Beyond its exclusive selection and customer experience, **Le Bon Marché** will continue to assert its singularity by cultivating its unique cultural dimension, which makes the department store a compelling destination in its own right. In January 2025, the tenth edition of the store's *Carte Blanche* art series will feature the *Le La Serpent* exhibition by Brazilian artist Ernesto Neto.

6. Other activities

"Other activities" include, in particular, the Les Echos group, which comprises leading French business and cultural news publications; Royal Van Lent, the builder of high-end yachts marketed under the brand name Feadship; and Cheval Blanc and Belmond, which operate a collection of exceptional hotels and hospitality activities.

Risk factors and management

1. Risk factors

The risk factors to which the Christian Dior Group is exposed, the occurrence of which could jeopardize its ability to carry on its normal business activities and to execute its strategy, are presented under the following three headings:

- operational and business risks;
- risks related to the external environment;
- financial risks.

Only major risks, classified as such based on their probability of occurrence and their adverse impact on the Group are presented below. Risk magnitude was assessed after taking into account the preventive measures and risk management procedures put in place by the Group. The severity of the risks has been rated on a scale from 3 (moderate risk) to 1 (critical risk).

Type of risk	Risk description	Degree of severity (a)	See §
Operational and business risks	Risks related to products or communication at odds with the Maisons' image	1	1.1.1
	Risks related to access to and pricing of raw materials	2	1.1.2
	Risks related to cybersecurity	2	1.1.3
	Risks related to talent management and the loss of strategic competencies	3	1.1.4
Risks related to the external environment	Risks related to the geopolitical and economic environment	1	1.2.1
	Risks related to climate change	1	1.2.2
	Risks related to business interruptions	2	1.2.3
	Risks related to counterfeiting and parallel retail networks	2	1.2.4
	Risks related to legal and regulatory compliance	2	1.2.5
Financial risks	Foreign exchange risks	1	1.3.1
	Risks related to liquidity and interest rate fluctuations	3	1.3.1
	Risks related to tax policy	3	1.3.2

(a) 1: Critical; 2: Major; 3: Moderate.

Moreover, the impacts, risks and opportunities arising from the Group's business model are set out in the "*Sustainability Report* – General information", §3.3.3.

1.1 Operational and business risks

Operational risks are mainly present – and managed – at the level of LVMH and its subsidiaries.

1.1.1 Risks related to products or communication at odds with the Maisons' image

Risk description	Risk management
The renown and reputation of the Group's brands rests on the quality and exclusiveness of its products, their distribution networks and the marketing strategy applied. Products, production methods, distribution networks or marketing methods not in line with brand image could affect brand awareness and adversely impact revenue. The net value of brands, trade names and goodwill recorded in the Group's balance sheet as of December 31, 2024 amounted to 42.2 billion euros, compared with 45.5 billion euros as of year-end 2023.	• The Group is constantly vigilant with regard to the inappropriate use by third parties of its brand names, in particular through the systematic registration of brands and main product names and communications to limit the risk of confusion between the Group's brands and others with similar names. • The Group supports and develops the reputations of its Maisons by working with seasoned and innovative professionals in various fields (creative directors, oenologists, cosmetics research specialists, etc.), with the involvement of the most senior executives in strategic decision-making processes (collections, distribution and communication). In this regard, the Group's key priority is to respect and bring to the fore each Maison's unique characteristics. • The Group supervises media appearances made by senior executives and spokespeople of the Group and the Maisons by defining guidelines and best practices for each interview, ensuring the Group and the Maisons' reputations are preserved. • At every stage in the production process, the Group implements an exacting control and quality audit process and selects its subcontractors based on the most stringent product quality and production method standards. • Lastly, the Group is introducing a strict approval process for its advertising spending (visual, types of medium, media, etc.).
Circulation of information prejudicial to the Group in the media or on social media.	• The Group constantly monitors the media and social networks through specialized service providers. These vendors work with media platforms, publishers or editors to correct information that may be inaccurate or detrimental to the Group or the specific Maison's image as quickly as possible. These monitoring practices are supplemented by internal and external teams working to detect these risks and undertake the necessary corrective measures with the appropriate departments (legal, digital, purchasing, media, press, social media, etc.). Additionally, the Group regularly maintains its crisis management system. • Initiatives pursued by the Group aim to promote an environment and a legal framework suited to the digital world, prescribing the responsibilities of all those involved and instilling a duty of vigilance with regard to unlawful acts online to be shared by all actors at every link in the digital value chain.
Inappropriate conduct by brand ambassadors, employees, distributors or Group suppliers, and breaches of compliance rules (Sapin II Act, GDPR, etc.).	• Employees and the Maisons are made aware of the ethical rules in force at the Group through codes of conduct, charters and other guidelines including the Christian Dior and LVMH Codes of Conduct, the Christian Dior and LVMH Business Partner & Supplier Codes of Conduct and the LVMH Charter on Working Relations with Fashion Models. Additional arrangements have been put in place to provide guidance on how to interpret and apply these principles (see "*Sustainability Report* – Social", §2.2). • The Group's distribution agreements include strict guidelines on these matters, which are also regularly monitored by the Maisons through on-site audits. • LVMH has also implemented a responsible supply chain management approach.

1.1.2 Risks related to access to and pricing of raw materials

Risk description	Risk management
The Group is heavily dependent on rare and precious raw materials and natural resources that are often difficult to access. They are essential to the design of its products. These resources are threatened by climate change, which is affecting natural ecosystems and local communities. Likewise, the Group's performance is at risk of being affected by fluctuations in the price of raw materials (grapes, leather, cotton, gold) and other constituents of cost prices such as energy (oil, gas and electricity), labor and other inputs.	• Just as for its strategic expertise, the Group has adopted a policy of sourcing a portion of its strategic raw materials in-house (Champagne vineyards, investments made by LVMH Métiers d'Art in Fashion and Leather Goods). • The quality and consistency of supplies of strategic raw materials depend in particular on the Group's ability to protect plant and animal resources and associated ecosystems. With this in mind, LVMH has developed traceability and biodiversity strategies as part of its LIFE 360 program. In this way, the Group is engaged in a process of continuous improvement with regard to its ability to trace materials back to their source, so as to gain a better understanding of supply risks. • The Group also has a policy of achieving certification of all supplies of strategic raw materials by 2026, selecting those standards that reflect the highest social and environmental practices, such as protecting ecosystems and working against deforestation and climate change. LVMH works with sector-specific initiatives such as Textile Exchange and the Leather Working Group to ensure that standards are always rising. • The Group has also kicked off an ecosystem protection program with a goal of covering 5 million hectares by 2030, in particular through an ambitious plan to roll out regenerative agriculture across its supply chains. • In 2019, the LVMH Group adopted a specific charter, which is currently being revised, that sets out requirements applicable to supplies of raw materials of animal origin. • The Group is pursuing an ambitious policy of having its suppliers undergo environmental and social audits, with the aim of building long-term partnerships. • Since 1996, industry agreements have established a qualitative reserve in order to cope with variable harvests and secure grape supplies in the Champagne region (see the *"Business overview, highlights and outlook"* section, §1.3.1). • The Maisons seek to build long-standing partnerships with their suppliers. The Perfumes and Cosmetics Maisons do so via the Research & Development Department, the Fashion and Leather Goods Maisons forge partnerships with farmers, and the Wines and Spirits business group enter into multi-year sourcing agreements for grapes and *eaux-de-vie*. • The Group has secured the precious metals component of its production costs for Watches and Jewelry, either by purchasing hedges from banks or by negotiating the forecast price of future deliveries of alloys with precious metal refiners or producers. • The geopolitical environment could disrupt supply chains. Against this volatile backdrop, the Group's teams have worked to increase the flexibility of supplies of the most sensitive and critical materials and products by implementing regional solutions.

1.1.3 Risks related to cybersecurity

Risk description	Risk management
The Group is exposed to cyber risks that can arise from opportunistic or targeted cyberattacks, internal breaches, unintentional exposure of data and collateral damage due to third parties, partners or suppliers, whether these are malicious acts by such third parties, or because they themselves are victims of cyberattacks. The threat from cybercriminals is steadily increasing, mainly driven by the prospect of financial gain and sometimes heightened by prevailing political and geopolitical tensions. Against this backdrop, the Group is the target of an increasing share of attempted attacks. Regardless of their origin, the occurrence of cyber risks may result in the loss, corruption or disclosure of sensitive data, including information relating to products, customers or financial data. Such risks may also lead to the partial or total unavailability of some systems, impeding the normal operation of the processes and business activities concerned, to destabilization attempts through denial-of-service attacks, or publishing false or inappropriate content. Cyber risks can therefore have financial, reputational, contractual or legal consequences.	• The Group has developed an end-to-end methodology for analyzing cyber risks, which it analyzes and maps both at its various Maisons and at consolidated Group level. This analysis is based on a taxonomy of around twenty risks common to all the Maisons, four of which have emerged as major risks for the Group. This has resulted in the drawing up or strengthening of cybersecurity guidelines, which are translated into a governance structure, policies and Group-wide security solutions and services implemented through major security programs. Over and above these common analyses and action plans, cybersecurity is now built into all new projects (security "by design"). • Furthermore, security is assessed across the Group as a whole through periodic compliance assessments based on both international standards and in-house standards adjusted to suit the Group's particular context and policies, as well as programs of audits including, in particular, penetration testing and "red teams". Incident response performance is also measured and monitored. • The Group has implemented and operates security services and solutions for in-depth defense of infrastructures and data, including directory monitoring, workstation and server protection (EDR – Endpoint Detection & Response/EPP – Endpoint Protection Platform), external attack surface management (EASM), screening network and Internet activity (firewalls, proxies), secure remote access, and suspicious network activity detection (NDR – Network Detection & Response). • Given the sharp increase in the number of software vulnerabilities reported by publishers, the Group has also implemented a vulnerability management department (Vulnerability Operation Center or VOC) which monitors, scans, detects, analyzes, prioritizes and remediates these vulnerabilities. • Significant security reinforcements have been made to cloud environments to support the general transition of information systems to the cloud. This involves monitoring environments' architecture and configuration to detect any policy breaches, undesired exposure and various other vulnerabilities. Significant efforts have been made in relation to identity and access management, including in particular identity federation, multifactor authentication and single sign-on (SSO), as well as protecting privileged accounts through bastion-type solutions. • In addition to these solutions, steps have been taken to improve the cyber resilience of architecture and reduce the impact of potential cyberattacks. Examples include segmenting networks more finely to isolate and contain lateral movements in the event of an attack and protecting backup mechanisms to mitigate the potential impact of ransomware attacks.

Risk description	Risk management
	• Group-wide cybersecurity programs have implemented security systems to not only protect against but also detect and respond to incidents through a central SOC/CERT (Security Operation Center – Computer Emergency Response Team) service. An approach primarily based on prevention would be insufficient, as it is not possible to prevent the occurrence of all potential risk scenarios. When an incident occurs, detection and response are crucial to minimizing its impact. Open to all the Maisons, SOC/CERT ensures the analysis and surveillance of cybersecurity events all over the world, 24/7, by identifying suspicious scenarios and implementing the necessary investigations and responses as quickly as possible. In addition to detecting anomalous behavior, these teams help the Maisons respond to known incidents and manage the more serious cases of cyber crises. • The Group organizes frequent educational and training actions to improve cyber crisis management and has launched a worldwide awareness campaign. It carries out audit campaigns and penetration testing, and the dissemination of a "Business Continuity Plan" methodology toolkit (see §3.2, "Information and communication systems" below regarding the role of cybersecurity teams and the CISO [Chief Information Security Officer]).
The Group may be exposed to shortcomings in the implementation of obligations governing personal data protection.	• The Group rolled out six broad principles, laid down in the Christian Dior and LVMH Codes of Conduct published in April 2024. These principles are set out in an LVMH Privacy Charter, to be published in the first quarter of 2025. One of the principles, the principle of security, requires Maisons to catalogue, assess and document risks related to personal data. Safety measures must be adopted to ensure the confidentiality, integrity and availability of such data (see "*Sustainability Report* – Social", §4.6).

1.1.4 Risks related to talent management and the loss of strategic competencies

Risk description	Risk management
The Group is known for its Maisons, whose success is based on unique and often time-honored expertise. This range of skills underpins both the high quality of the Group's products, sold all over the world, and the reputation of its Maisons. The longevity of expertise could be threatened by the loss of these traditional professions and strategic skills, especially in leather goods and watchmaking.	• To preserve and promote this expertise, the Group implements a range of measures to encourage the passing on and promotion of these professions, notably by promoting the recognition of the luxury trades as *métiers d'excellence* (professions of excellence), with criteria specific to the luxury sector and geared to increase the public's awareness of them, attract future talent and ensure the continued development of in-house employees' skills (see "*Sustainability Report* – Social", §1.5). • In order to safeguard and develop the Fashion and Leather Goods Maisons' access to the high-quality raw materials and expertise they need, LVMH Métiers d'Art invests in, and provides long-term support to, its best suppliers (see "*Business overview, highlights and outlook*", §2.4).

Risk description	Risk management
The pursuit of our strategy of growth, international expansion and digitalization relies on the Group's ability to identify talented individuals with the skills it needs and attract and retain them in a highly competitive environment.	• The Group is constantly seeking to create conditions that enable its employees to realize their full potential and succeed within the business. The Group devotes special care to matching employee profiles and responsibilities, formalizing annual performance reviews, developing skills through ongoing training, and promoting internal mobility (see "*Sustainability Report* – Social", §1.5). • Employee growth, engagement and loyalty are at the heart of the Group's strategic goals. In so doing, it fosters a sense of dedication to the Group and its values, encouraging talent retention. The Group's HR policies make employee development a top priority, recognizing the essential roles that internal mobility and training play in acquiring and retaining talent.

1.2 Risks related to the external environment

1.2.1 Risks related to the geopolitical and economic environment

Risk description	Risk management
Geopolitical and macroeconomic instability that have the ability to disrupt production activities, logistics, tourism and the operation of stores, which negatively impact Group's business activities. Furthermore, any increase in import tariffs on luxury products could adversely affect the Group's competitiveness in some parts of the world.	• In an uncertain geopolitical and economic environment, the Group's strategy remains focused on continuously boosting the appeal of its brands, delivering excellence in distribution and having a responsive organization. The Group's main advantages in facing these types of crises are the exacting quality standards applied to all its operations, combined with the incomparable dynamism and creativity of its teams. • Moreover, the distribution of the Group's business activities across all geographic regions and a wide range of industry sectors (see Note 24 to the consolidated financial statements) serves to limit its exposure to and acts as a buffer against the shocks and disruptions caused by this type of crisis. • Lastly, the Group maintains very few operations in politically unstable regions. It is important to Note that the Group's activity is spread for the most part between three geographic regions – Asia, Western Europe and the United States – favoring a geographic balance between its businesses and regions that offset one another.

1.2.2 Risks related to climate change

Risk description	Risk management
Environmental risks, and climate change chief among them, may impact ecosystems, causing depletion of the natural resources essential for the manufacture of the Group's products, pose a threat to the continued operation of its supply chains and interrupt business.	• The effects of climate change are liable to impact the Group's activities, and in particular its supply chains. The LIFE 360 program structures the Group's commitment to climate change mitigation and adaptation and is aligned with the TCFD recommendations (Task Force on Climate-related Financial Disclosures). • The Group has put in place a governance structure at its highest level, with climate strategy signed off and monitored by the Sustainability & Governance Committee, LVMH's Executive Committee and Board of Directors and monitoring by Christian Dior SE's Performance Audit Committee. • Every year, the Group carries out an in-depth double materiality assessment of risks related to climate change. The Group measures the carbon footprint of its entire value chain every year, and it also carries out analysis of its value chain to identify and financially quantify the physical and transition risks according to several climate scenarios. The Group has also put in place a system for analyzing the GPS coordinates of all physical sites in its value chain (including stores, logistics and production sites) to assess the associated risks. • The Group set itself Scope 1, 2 and 3 greenhouse gas emissions reduction targets approved by the Science Based Targets initiative in 2021. The Group also has a climate transition plan (see "*Sustainability Report* – Environment", §2.2). More specifically, it makes use of a certification plan for those raw materials with the greatest impact on the environment and an action plan to reduce energy consumption on sites and in stores, promote more sustainable modes of transportation and continue the actions of the LVMH Carbon Fund. • The Group is putting an action plan in place for the various issues involved in adapting to climate change. In the medium term, changing winegrowing practices is the main component of the Group's adaptation strategy, such as by altering harvest dates and developing different methods of vineyard management (widening rows, increasing the size of grapevine stocks, employing irrigation in certain countries), and more generally considering the key issue of water availability. • Given its heavy reliance on natural resources, the Group has for several years had in place a sustainable sourcing and raw material protection policy, covering in particular its Perfumes and Cosmetics, Fashion and Leather Goods and Watches and Jewelry business groups. This policy also aims to accelerate the rollout of regenerative agriculture practices to boost the ability of soil to store carbon and have a positive impact on the climate. The Group is also involved in protecting high added-value ecosystems outside of its supply chain, for example in the Amazon basin. Furthermore, in accordance with the LIFE 360 objectives, the Group's Maisons are adopting sustainable product design principles across the board ("*Sustainability Report* – Environment", §6.1) as well as drawing on LVMH Circularity ("*Sustainability Report* – Environment", §6.2), whereby materials are reincorporated into the production process via a closed-loop recycling approach to limit the use of natural resources.

1.2.3 Risks related to business interruptions

Risk description	Risk management
In its production, storage and distribution activities, the Group is exposed to the risk of accidents and losses from events such as fires, water damage, natural disasters or the unavailability of our partners' information systems, which may lead to a suspension of these operations.	• To identify, analyze and provide protection against industrial and environmental risks, the Group relies on a combination of independent experts and qualified professionals from the Group (in particular safety, quality and environmental managers). • Protecting the Group's assets is part of an industrial risk prevention policy that meets the highest safety standards (FM Global and NFPA fire safety standards). • Working with its insurers, the Group has adopted HPR (Highly Protected Risk) standards, in order to significantly reduce fire risk and associated operating losses. Continuous improvement in the quality of risk prevention is an important factor taken into account by insurers in evaluating these risks and, accordingly, in the granting of comprehensive coverage at competitive rates. This approach is combined with an industrial and environmental risk-monitoring program (see also "*Sustainability Report* – Environment"). • Industrial safety at facilities where the Group operates is an absolute priority. There is a constant focus on, and dedicated investment in, managing these risks. The Group's industrial facilities and Seveso-certified sites are regularly audited, ensuring that compliance and safety are subject to strict ongoing monitoring. • Preventive audits also serve to identify and quantify risks of natural catastrophe or "NatCat" (storms, floods, earthquakes, forest fires, etc.). These types of risks can give rise to significant additional insurance costs. • In addition, prevention and protection plans include business continuity and contingency plans. • All of the Group's Maisons receive specific support in this area, notably through the "BCP Accelerator" program, which provides them with first-class methodological support in identifying priority scenarios to work up (including scenarios under which external providers' IT services are unavailable). Monitoring the Business Continuity Plan (BCP) is one of the key controls that all Maisons must implement. The effectiveness of the BCP has been tested annually since 2020.

1.2.4 Risks related to counterfeiting and parallel retail networks

Risk description	Risk management
Counterfeiting or copying the brands' products or the Group's expertise or production methods can have an immediate adverse effect on revenue and profit, and over time may damage the brand image of the products concerned and erode consumer confidence. Similarly, some Group products – leather goods, perfumes and cosmetics in particular – may be distributed through parallel retail networks, including online sales networks, without the Group's consent.	• To address the counterfeiting of products, the Group systematically registers intellectual property rights (for example, its trademarks, designs and models) in France and in other countries. This involves close cooperation with governmental authorities, customs officials and specialists of such matters (for example, lawyers and investigators) in the countries concerned, as well as with market participants in the digital world (for example, e-commerce platforms), whom the Group also ensures are made aware of the adverse consequences of counterfeiting. • Anti-counterfeiting measures aim to protect the reputation and intellectual property rights of our Maisons, as well as our consumers, who can fall victim to counterfeiters, sometimes to the detriment of their own health (see consumer awareness campaigns by Unifab). • The Group plays a role in all of the trade bodies representing the major names in the luxury goods industry, in order to promote cooperation and a consistent global message (see in particular "*Sustainability Report* – Governance", §1.5). • The Group and several Internet companies work together to better protect the Group's intellectual property rights and combat the online advertising and sale of counterfeit products. • In addition, the Group fights the sale of its products through parallel retail networks, in particular by developing product traceability, prohibiting direct sales to those networks, and taking specific initiatives aimed at better controlling retail channels.

1.2.5 Risks related to legal and regulatory compliance

Risk description	Risk management
The Group's activities in France and abroad are subject to a complex and ever-changing range of laws and regulations. Failure to comply with laws and regulations can lead to disputes and proceedings and result in financial penalties – some affecting the Group as a whole – as well as adversely affecting the Maisons' activities and the reputation of both the Group and its Maisons.	• The Group monitors legal developments in the various areas of law relevant to its activities so as to anticipate and take into account regulatory developments both in France and abroad. This monitoring is undertaken both in-house through the Group's legal departments and externally. The Group has a community of legal specialists spread across many countries, based both within the LVMH holding company and at the Group's Maisons. LVMH's Legal Department is structured into different areas of expertise (stock market and corporate law, M&A and business law, competition law, intellectual property, IT and digital privacy) and has teams in Hong Kong, New York, Seoul, Shanghai and Tokyo. The Group also draws on specialist lawyers around the world recognized for excellence in their particular areas of expertise. • The Legal Department works closely with the Corporate Affairs, Ethics & Compliance, and Anti-Counterfeiting Departments, which play an active role in monitoring legal developments and ensuring legal and regulatory compliance. These three departments form part of the General Administration & Legal Affairs Department, whose Director is a member of the LVMH Group's Executive Committee and reports directly to the Chairman and CEO. Awareness training on legal and regulatory compliance is delivered within the holding company and the Maisons, notably covering ethics and compliance (two new compulsory training modules were rolled out in 2024 to support the publication of the new Code of Conduct and the LVMH Anti-Corruption Charter), privacy and competition law.

Risk description	Risk management
	• Among these topics, the Group closely follows changes in regulations and their application in matters of brand ownership, technology, sales policy and international sanctions, distribution and competition as well as in matters of environmental and social responsibility (particularly in France with the implementation of “Anti-Waste and Circular Economy” and “Climate and Resilience” laws, as well as at European level with the “Green Deal” legislative initiatives and those related to Corporate Duty of Vigilance). • As regards the duty of vigilance, in 2024 the Group tightened up oversight of its vigilance policy by putting in place a dedicated governance structure involving every level of the Group, from the Board of Directors right down to operational communities within the Maisons, and creating a new department focused solely on the duty of vigilance. The Group’s vigilance policy is detailed in the Vigilance Plan.

1.3 Financial risks

1.3.1 Risks related to foreign exchange, liquidity and interest rate fluctuations

The Group applies a foreign exchange and interest rate risk management strategy mainly aimed at reducing the negative impact of any foreign currency or interest rate fluctuations related to its business, financing and investments. For LVMH and its subsidiaries, this management is centralized for the most part at the level of LVMH SE and the subsidiary responsible for LVMH’s cash pooling arrangement. The risks and their management are presented to LVMH’s Performance Audit Committee. Hedging decisions are made according to a clearly established process and are covered in regular presentations to LVMH’s Executive Committee, along with detailed documentation. For the rest of the Group, management is centralized at the level of Christian Dior SE. The risks and their management are presented to Christian Dior’s Performance Audit Committee. The Group has implemented a stringent policy and rigorous management guidelines to measure, manage and monitor these market risks. These activities are organized based on a segregation of duties between risk measurement, hedging (middle and front office), administration (back office), and financial control. The backbone of this organization is an integrated information system that allows transactions to be checked very quickly.

Foreign exchange risks

Risk description	Risk management
Exchange rate fluctuations between the euro (the currency in which most of the Group’s production expenses are denominated) and the main currencies in which the Group’s sales are denominated (in particular the US dollar, pound sterling, Hong Kong dollar, Chinese renminbi and Japanese yen) can significantly impact its revenue and earnings reported in euros. See Note 23.8 to the consolidated financial statements for the analysis of the sensitivity of the Group’s net profit to fluctuations in the main currencies to which the Group is exposed. The Group is exposed to foreign exchange risk with respect to the its net assets, as it owns substantial assets denominated in currencies other than the euro. See the analysis of the Group’s exposure to foreign exchange risk related to its net assets for the main currencies involved in Note 23.8 to the consolidated financial statements.	• Exposure to foreign exchange risk is actively managed in order to reduce sensitivity to unfavorable currency fluctuations by implementing hedges, which primarily comprise options, and in certain cases forward sales. The levels of forecast cash flow hedging for 2025 relating to the main invoicing currencies are disclosed in Note 23.8 to the consolidated financial statements. These levels averaged 73% for the three currencies to which the Group is most exposed: the US dollar, the Chinese renminbi and the Japanese yen. • This foreign exchange risk may be hedged either partially or in full using borrowings or financial futures denominated in the same currency as the underlying asset.

Risks related to liquidity and interest rate fluctuations

Risk description	Risk management
The Group could have difficulty accessing the liquidity it needs to meet its financial obligations; see Note 23.9 to the consolidated financial statements for the breakdown of financial liabilities by contractual maturity. The Group could have to pay higher borrowing costs if interest rates were to rise. See the analyses set out in Notes 19.3 and 19.6, respectively, to the consolidated financial statements presenting (i) borrowings by maturity and type of rate applicable, and (ii) the sensitivity of the cost of net financial debt to changes in interest rates.	• As of December 31, 2024, the amount of short-term borrowings excluding derivatives, i.e. 10.9 billion euros, was lower than the 13.8 billion euro balance of cash and cash equivalents, and current available for sale financial assets. • In addition, the Group has access to undrawn confirmed credit lines totaling 11.0 billion euros. • The Group has access to a diversified investor base (bonds and private short-term investments), long-term financing and strong banking relationships, whether evidenced or not by confirmed credit lines. Lastly, LVMH has a very high level of credit quality, as reflected by its credit ratings (Aa3/P1 by Moody's and AA-/A1+ by Standard & Poor's). • Interest rate risk is managed using swaps or by purchasing options (protection against an increase in interest rates) designed to limit the adverse impact of unfavorable interest rate fluctuations. Contracts for loans and borrowings do not include any specific clauses likely to significantly modify their terms and conditions.

1.3.2 Risks related to tax policy

Risk description	Risk management
Due to its worldwide operations, the Group is subject to a complex and diverse set of tax regulations. As an exporter, it is exposed to the risk of a lack of consensus in the countries where it operates, in particular concerning the definition and location of value creation for the purposes of apportioning the tax base. This may lead to situations of double taxation. The multiplicity, complexity and instability of tax regulations and their interpretation in each country, particularly within the context of international tax competition and the reform of international taxation rules initiated by the OECD, the European Union and national governments, give rise to multiple risk factors faced by the Group.	• The Group's tax policy is in line with the guiding principles described in its Codes of Conduct. The Group undertakes to comply with applicable laws and regulations in the countries where it operates, supported by the Tax Department at the Group level and the finance departments of Group companies, with the assistance of outside consultants when necessary. • The Group's tax policy reflects its real activities and the Group's development, while preserving its competitiveness. Through its activities, the Group plays a key role in local and regional development in the areas where it operates, in particular by means of its tax payments. Apart from corporate income tax, the Group pays and collects a number of other taxes and contributions, including taxes on revenue, customs duties, excise taxes, payroll taxes, land taxes, and other local taxes specific to each country, which are all part of the Group's economic contribution to the regions where it operates. • The Group adopts an attitude of transparency in its relations with tax authorities and undertakes to consistently provide them with relevant information enabling them to successfully carry out their duties. The Group complies with country-by-country reporting obligations and sends the required information to the tax authorities in accordance with applicable provisions. • Since 2022, LVMH has entered into a "tax partnership" with the French tax authorities. This cooperative compliance program demonstrates the Group's long-term commitment to transparency and dialogue with the French tax authorities in exchange for advance certainty on key tax positions.

2. Insurance policy

The Group has a dynamic global risk management policy based primarily on the following:

- systematic identification and documentation of risks;
- risk prevention and mitigation procedures for both human risk and industrial assets;
- implementation of international business continuity and contingency plans;
- a comprehensive risk financing program to limit the consequences of major events on the Group's financial position;
- optimization and coordination of global "master" insurance programs.

The Group's overall approach is primarily based on transferring its risks to the insurance markets at reasonable financial terms, and under conditions available in those markets both in terms of scope of coverage and limits. The extent of insurance coverage is directly related either to a quantification of the maximum possible loss, or to the constraints of the insurance market.

Compared with the Group's financial capacity, its level of self-insurance is not significant. The deductibles payable by Group companies in the event of a claim reflect an optimal balance between coverage and the total cost of risk. Insurance costs borne by Group companies are around 0.15% of consolidated revenue.

Insurance rates continued to stabilize in 2024, with the result that budgeted insurance costs increased by only 2%.

The financial ratings of the Group's main insurance partners are reviewed on a regular basis, and if necessary one insurer may be replaced by another.

The main insurance programs coordinated by the Group are designed to cover losses due to property damage, business interruption, terrorism, political violence, cybercrime, fraud, construction, transportation, credit and third-party liability.

2.1 Property and business interruption insurance

Most of the Group's manufacturing operations are covered under a consolidated international insurance program for property damage and associated operating losses. For economic reasons, Belmond and Tiffany continue to have their own programs.

Property damage insurance limits are in line with the values of assets insured. Business interruption insurance limits reflect gross margin exposures of the Group companies for a period of indemnity extending from 6 to 24 months based on actual risk exposures. The coverage limit of this program is 1.2 billion euros per claim, an amount determined based on an analysis of the Group's maximum possible losses.

Coverage for "natural events" provided under the Group's international property insurance program now totals between 20 and 150 million euros per claim and per year (depending on geographic area and types of event).

Alongside this cover, a dedicated parametric insurance program has also been put in place to cover certain very expensive risks or for which limited cover is available in the traditional insurance market. The risks covered by this program are earthquakes in Japan and California and storms in the United States and the Caribbean. Cover is limited to 260 million US dollars per year.

These coverage levels are in line with Group companies' exposure to such risks.

2.2 Transportation insurance

The Group's operating entities are covered by an international cargo and transportation (goods in transit) insurance contract. The coverage limit of this program is 100 million euros per claim.

2.3 Third-party liability

The Group has established a third-party liability insurance program for all its subsidiaries throughout the world. This program is designed to provide the most comprehensive coverage for the Group's risks, given the insurance capacity and coverage available internationally. Coverage levels are in line with those of companies with comparable business operations.

Accidental and gradual environmental damage (Directive 2004/35/EC) is covered under this program.

Specific insurance policies have been implemented for countries where work-related accidents are not covered by social security systems, such as the United States. Coverage levels are in line with the various legal requirements imposed by the different states. Subject to certain conditions and limitations, the Group covers its senior executives and employees either directly or via an insurance policy for any individually or jointly incurred personal liability to third parties in the event of professional misconduct committed in the course of their duties.

2.4 Coverage for special risks

Insurance coverage for political risks, company officers' liability, fraud and malicious intent, trade credit risk, acts of terrorism and political violence, loss or corruption of computer data and, more broadly, all cyber risks, real estate construction project risks and environmental risks is obtained through specific worldwide or local policies.

3. Assessment and control procedures in place

3.1 Organization

3.1.1 Risk management and control activities within Christian Dior SE

Control environment

Given the fact that it belongs to a group with the necessary administrative skills, Christian Dior uses the specialized services of Agache SCA, which mainly relate to strategic, legal, financial and accounting matters. A service agreement has been entered into with Agache SCA for this purpose.

Regarding the Group's external services, the Shareholders' Meeting of Christian Dior appointed two first-tier accounting firms as Statutory Auditors, which also serve in the same capacity on behalf of LVMH.

Key elements of internal control procedures

Risk management is based first and foremost on a regular review of the risks incurred by the Company so that internal control procedures can be adapted. Given the nature of the Company's activity, the primary objective of internal control systems is to mitigate risks of error and fraud in accounting and finance. The following principles form the basis of the Company's organization:

- very limited, very precise delegations of power, which are known by the counterparties involved, with sub-delegations reduced to a minimum;
- upstream legal control before signing agreements;
- separation of the expense and payment functions;
- secure payments;
- procedural rules known by potential users;
- integrated databases (single entry for all users);
- frequent audits (internal and external).

Internal controls relating to the preparation of the parent company's financial and accounting information

The parent company and consolidated financial statements are subject to a detailed set of instructions and a specially adapted data submission system designed to facilitate complete and accurate data processing within suitable timeframes. The exhaustive controls performed at the LVMH sub-consolidation level ensure that information is integrated.

Legal control

Securities held by the subsidiaries are subject to reconciliation between the Company's Accounting Department and the Legal Department on a regular basis.

3.1.2 Organization of LVMH's risk management and internal control system

LVMH comprises five main business groups: Wines and Spirits, Fashion and Leather Goods, Perfumes and Cosmetics, Watches and Jewelry, and Selective Retailing. "Other activities" mainly consists of the media division, luxury yacht building and marketing, hospitality activities, real estate operations and holding companies. These business groups consist of entities of various sizes that own prestigious brands, established on every continent. The autonomy of the brands, decentralization, and the responsibilities of senior executives are among the fundamental principles underlying the Group's organization.

The risk management and internal control policies applied across the Group are based on the following organizational principles:

- Group companies – including the parent company, LVMH SE – are responsible for their own risk management and internal control systems. LVMH SE also helps lead and coordinate the entire Group in this area by providing standardized guidelines, methods and a risk assessment and internal control application platform. In addition, initiatives to raise awareness of internal control-related matters are held throughout the year;

- each Maison's President is responsible for risk management and internal control at all subsidiaries that contribute to brand development worldwide; each subsidiary's President is similarly responsible for that subsidiary's own operations.

3.1.3 System stakeholders

Stakeholders are presented according to the three lines of defense model explained below, whereby the control and supervision of systems is provided by governing bodies.

Group governing bodies

The **Boards of Directors of Christian Dior and LVMH** contribute to the general control environment through their members' expertise and oversight, their help in clarifying issues and their transparent decision-making processes. The Boards are kept informed on a regular basis of the maturity of the internal control system, and oversee the effective management of major risks, which are disclosed in their Management Reports.

The Boards and their Performance Audit Committees are regularly informed of the results of the operation of these systems, any breaches and the action plans drawn up to address them.

The **Christian Dior and LVMH Performance Audit Committees** ensure in particular that the Group's accounting policies comply with the standards in force, review the parent company and consolidated financial statements, and monitor effective implementation of the Group's internal control and risk management procedures.

The **LVMH Sustainability & Governance Committee** – **made up of Independent Directors**- monitors observance of the individual and collective values on which the Group's actions are based, with the principal duties of assisting LVMH's Board of Directors in defining the Group's broad strategic direction in terms of social, ethical, environmental and climate-related issues, helping to define rules of conduct to inspire the behavior of senior executives and employees, ensuring observance of these rules, and ensuring that the implemented procedures are followed.

The **LVMH Executive Committee**, which consists of the Group's operational and functional executives, lays down strategic objectives within the framework of the direction set by LVMH's Board of Directors, coordinates their implementation, ensures that the organization adapts to changes in the business environment, defines senior executives' responsibilities and delegated authority, and ensures that the latter are properly applied.

First line of defense

All Group employees help enhance and maintain the internal control system.

Operational management: A key aspect of the internal control system applied to business processes is ownership of internal control within each entity by operational managers, who implement appropriate controls on a day-to-day basis for those processes for which they are responsible and pass on appropriate information to the second line of defense.

The **Management Committees of the Maisons and subsidiaries** are responsible for implementing and ensuring the smooth running of internal control systems across all operations within their scope. The Management Committees of the Maisons are also in charge of the system for managing major risks; they review the risk mapping each year and assess the level of control as well as the progress of risk coverage strategies and the associated action plans.

Second line of defense

The second line of defense is provided by LVMH's functional departments.

The **Ethics & Compliance Department** steers and coordinates LVMH's procedures with regard to anti-corruption, anti-money laundering and respecting international sanctions and human rights (see "*Sustainability Report* – Governance", §1). It is part of the Group's General Administration & Legal Affairs Department, which reports directly to the Chairman and Chief Executive Officer and is represented on LVMH's Executive Committee.

It takes part in the updating of the internal control framework for ethics and compliance issues, to make sure that its requirements are met by all entities. It also administers the Group's centralized whistleblowing system and contributes to the identification and assessment of the main risks. The department is supported by representatives from departments across the Group to help it coordinate Group-wide projects for which it is responsible, as well as by a network of 111 Ethics & Compliance Officers and 80 employees who are part of the E&C networks within the Group's Maisons.

The Ethics & Compliance Department reports to LVMH's Sustainability & Governance Committee several times a year on the implementation of its policy.

The **Duty of Vigilance Department** coordinates the Group's vigilance policy, through which LVMH aims to identify, prevent and mitigate risks to human rights and fundamental freedoms, human health and safety, as well as the environment, at every stage in the value chains of Group business activities. This policy is presented in the Vigilance Plan.

Duty of vigilance coordinators have been appointed within each Maison. These coordinators are in direct contact with LVMH's Duty of Vigilance Department and are responsible for rolling out Group initiatives within their Maisons, in coordination with all functions represented on their Duty of Vigilance Committees, of which they are also members.

The Duty of Vigilance Director provides regular updates about the actions of their department to the Sustainability & Governance Committee.

The **Legal Department** helps with the legal aspects of LVMH's activities and development. It conducts negotiations relating to acquisitions, disposals and partnerships. It determines the legal strategy for major disputes in which the Group's companies are involved. It helps to define and implement multi-disciplinary projects concerning the Group as a whole. Through its Intellectual Property team, it helps protect trademarks and patents, which are among the Group's key assets. It handles stock market law and corporate law-related matters. It promotes Group-wide compliance with the laws and regulations applicable to its activities.

In addition, the Legal Department prepares tools for the Maisons to help them comply with various regulations, including in particular the European Union's General Data Protection Regulation (GDPR). It steers and coordinates the Group's procedures with regard to personal data protection. It takes part in the updating of the ERICA internal control framework for personal data protection issues. It leads the Legal & Privacy community to ensure that best practice is shared within the Group. This community has over 170 members (legal specialists, Privacy Leaders and Maison Data Protection Officers [DPOs]).

The Legal Department reports to the Sustainability & Governance Committee on the implementation of its policy.

The role of the **Corporate Affairs Department** is to protect and promote the business model of the Group and its Maisons. With teams based in Paris, Brussels and New York, the department keeps a watchful eye on developments and, where applicable, plays an active role in discussions on any topics that may have an impact on the Group's business priorities and its reputation. To this end, the department analyzes relevant policies and laws, considers the strategic issues at stake, coordinates actions in support of the Group's external positioning, and participates, in conjunction with the Maisons and LVMH's regional divisions, in the decision-making processes of authorities in Europe, the Americas and Asia, directly and/or in collaboration with representative associations. Key fields for its businesses include brand protection, sales policy, distribution and competition, corporate governance, sustainability, as well as the promotion and protection of high-end cultural and creative industries.

The **Environmental Development Department** helps the Group and its Maisons work to achieve excellent environmental performance aligned with the new targets laid down in the LIFE 360 environmental program communicated since 2021, which cover four strategic pillars: circular design, traceability and transparency, climate, and biodiversity. The department's structure and actions, and how these are reflected within the Maisons, can be found in "*Sustainability Report* – Environment".

The **Group Risk Management and Insurance Department**, alongside operational managers responsible for risks inherent in their businesses, is particularly involved at Group level in cataloguing risks, preventing losses, and determining the risk coverage and financing strategy.

The **other functional departments**, presented in the "Financial and accounting information: Organization and parties involved" section below, help manage risks related specifically to financial and accounting information.

The **Internal Control Department**, which reports to the Audit & Internal Control Director, coordinates the implementation of internal control and risk management systems. It monitors and anticipates regulatory changes in order to adapt mechanisms. It coordinates a network of internal controllers responsible, within the Maisons and under the responsibility of their Management Committees, for ensuring compliance with the Group's internal control procedures and preparing controls tailored to their businesses. They also take part in various projects related to the internal control and risk management systems, thereby promoting the dissemination and application of guidelines. The Group's Internal Control Department set up the LVMH Internal Control Academy, the aim of which is to coordinate and develop the entire international network of controllers and internal auditors. Lastly, a briefing and discussion meeting on internal control issues was held in Paris for the audit and internal control teams of the Group's Maisons.

The **Anti-Counterfeiting Department** determines and implements anti-counterfeiting and anti-gray-market policy on behalf of 28 of the Group's Maisons for both offline and online markets. Its worldwide efforts aim to dismantle criminal networks that breach intellectual property rights and damage the reputation of our brands. Efforts to protect these 28 Maisons are continuously coordinated with each Maison's legal department.

Equivalent departments at brand or business group level: The organizational structure described above at Group level is mirrored at the main business groups and brands.

Third line of defense

The **LVMH Audit & Internal Control Department** covers the entire LVMH Group and operates according to an audit plan that is updated annually. The audit plan is used to monitor and reinforce the understanding and correct application of expected control activities. It is prepared on the basis of an analysis of risks, either existing or emerging, by type of business (such as size, contribution to profits, geographical location, quality of local management, etc.) and on the basis of meetings held with the operational managers concerned. The audit plan can thus be adjusted in the course of the year in response to changes in the economic and political environment or internal strategy.

The audit teams conduct internal control assessments covering various operational and financial processes and can also work on assignments covering cross-cutting topics within the same business group. They also conduct audits on the implementation of the Group's ethics and compliance program. Regular follow-ups are run on the internal control recommendations resulting from past audits at subsidiaries with the most significant internal control issues.

The findings of the internal audit work are reported to the management of the entity concerned by way of an audit report detailing its assessment, presenting its recommendations and setting out management's commitment to apply them within a reasonable period of time. A summary of this report is then sent to Group management and the Maison's management.

In addition, Internal Audit periodically meets with the Statutory Auditors to share audit findings and discuss internal control issues. The main features of the audit plan, the primary conclusions of the current year, and the follow-up of the principal recommendations of previous assignments are presented to the Performance Audit Committees of LVMH and Christian Dior.

External stakeholders

The external auditors and the various certifying bodies (RJC, ISO 14001, etc.) help to reinforce the current system through their work and recommendations.

Financial and accounting information: Organization and parties involved

At Christian Dior level

As noted above, Christian Dior is a holding company that directly owns a 42% equity stake in LVMH. LVMH is a listed company with a governance structure that checks the integrity and relevance of its own financial information. Its organization is described in detail below. At the Christian Dior SE level, financial information intended for the financial markets (financial analysts, investors, individual shareholders, market authorities) is provided under the supervision of the Company's Finance Department, which also oversees the production of the parent company and consolidated financial statements as well as the publication of the Annual Report and the Interim Financial Report. This information is strictly defined by current market rules, specifically the principle of equal treatment of investors.

At LVMH level

Risk management and internal controls of accounting and financial information are the responsibility of the following departments, which are all part of LVMH's Finance Department: Accounting & Consolidation, Management Control, Corporate Finance and Treasury, Tax, and Financial Communication. Accounting and financial reporting procedures rely on information systems overseen by LVMH's Executive Management, who take part in ensuring that the risk inherent in this function is managed appropriately.

Accounting & Consolidation is responsible for preparing and producing the individual company accounts of LVMH SE and the holding companies that control LVMH's equity holdings, the consolidated financial statements, and quarterly, half-year and annual results publications, in particular the Interim Financial Report and the Universal Registration Document. To this end, the Accounting Standards & Practices team defines and disseminates the Group's accounting policies, monitors and enforces their application and organizes any necessary training. The Consolidation Department also coordinates LVMH's Statutory Auditors.

Management Control is responsible for coordinating the budget process, updating budget estimates during the year and the five-year strategic plan, as well as impairment testing of fixed assets. Management Control produces the monthly operating report and all reviews required by Executive Management; it also tracks capital expenditures and cash flow, as well as producing statistics and specific operational indicators. By virtue of its responsibilities and the structure of the reports it produces, Management Control plays a key role in internal control and financial risk management.

Corporate Finance & Treasury is responsible for implementing LVMH's financial policy, which includes balance sheet optimization, financing strategy, management of finance costs, investment of cash surpluses, and the management of liquidity risk, market risk (interest rate and foreign exchange risk) and counterparty risk (see *"Business and financial review for the fiscal year* – The Group", §4, "Financial policy", and §1.3.1, "Risks related to foreign exchange, liquidity and interest rate fluctuations" above). In particular, this department coordinates the pooling of surplus cash and meets subsidiaries' short- and medium-term liquidity and financing requirements. It is also responsible for applying a centralized foreign exchange risk management strategy. A specific organization and procedures have been put in place to measure, manage, consolidate and monitor these market risks. Accordingly, the separation of front office, back office and middle office activities, combined with an independent control team reporting to the Controlling, Reporting & Consolidation Director, help ensure proper segregation of duties. The backbone of this organization is an integrated information system that allows hedging transactions to be monitored efficiently. The hedging strategy is presented regularly to LVMH's Executive Committee and LVMH's Performance Audit Committee.

The **Tax Department** ensures compliance with applicable laws and regulations, assists the Group's various business groups and companies, and proposes tax solutions appropriate to their sales transactions and business activity. It organizes relevant training to adapt to major changes in tax law and ensures uniform reporting of tax data.

The **Financial Communications Department** is responsible for coordinating and disseminating LVMH's financial information. In particular, it maintains relationships with the financial community (financial and ESG analysts, institutional and individual investors), with the aim of providing it with a clear, transparent and accurate understanding of LVMH's performance and outlook. It works closely with Executive Management and the business groups to define key messages, and harmonizes and coordinates the dissemination of those messages through various channels (publications such as the annual and interim reports, financial presentations, meetings with shareholders and analysts, the website, Shareholders' Club, etc.). It also provides LVMH's Executive Management and the Audit Committee with the perspectives of the financial community on the Group's strategy and its positioning within its competitive environment.

The **Information Systems Department** designs and implements information systems needed by the Group's central functions. It disseminates the Group's technical standards, which are indispensable given the decentralized structure of the Group's equipment, applications, networks, etc., and identifies any potential synergies between businesses, while respecting brand independence. It develops, operates and maintains global telecommunications networks and systems, IT hosting platforms, and cross-functional applications shared by all entities in the Group. In cooperation with the subsidiaries, it supervises the creation of three-year plans for all information systems by business group and by entity. It defines strategic orientations in the area of cybersecurity, draws up and circulates internal security policies and shared action plans, sets out documented security requirements for all new projects (security "by design"), coordinates awareness campaigns, operates shared cyber defense services by means of security platforms as well as trace processing and security alert detection systems, incident response and crisis management procedures, and audit operations (audits to assess compliance with security policies and penetration testing, for example).

Each of these departments is responsible for ensuring the quality of internal control in its own area of activity via the **finance departments and the Information Systems Department of business groups, Maisons and subsidiaries**, which are in turn responsible for similar functions within their respective entities. In this way, each of the central departments runs its control mechanism through its functional chain of command.

Internal standards and procedures

The Ethics & Compliance Department ensures that compliance rules and policies are available to all Group employees. It shares a range of documents (summary reports, examples of best practice, awareness videos, guides, etc.) with its network of Ethics & Compliance Officers via a dedicated **Ethics** & **Compliance Intranet**.

All rules and procedures concerning accounting and financial information, applicable to all subsidiaries, can be accessed on the Group's dedicated financial reporting Intranet: notably a Group manual on accounting standards, instructions and procedures applying to consolidation, taxation, management control (investments, budget reporting and strategic plans), cash management and financing (cash pooling, foreign exchange and interest rate hedging, etc.); these procedures also specify the format, content and frequency of financial reporting.

Internal control principles and best practice are also shared via IC Base, a core internal control base of 68 controls. IC Base is reviewed and updated annually to include new standards and new regulatory requirements.

The "Internal Control" and "Major Risks" section of the **Finance** Intranet brings together all of the rules, procedures and tools for assessing internal control and preventing and protecting against major risks.

3.2 Information and communication systems

Strategic plans for developing the Group's information and communication systems are coordinated by LVMH's Information Systems Department, which ensures that solutions are implemented consistently across the Group and do not disrupt operations. Aspects of internal control (segregation of duties, access rights, etc.) are integrated when implementing new information systems and then regularly reviewed.

Information and telecommunications systems and their associated risks (physical, technical, internal and external security, etc.) are covered by special procedures: a "Business Continuity Plan" methodology toolkit has been disseminated within the Group to define, for each significant entity, the broad outline of a Business Continuity Plan as well as a Disaster Recovery Plan. A Business Continuity Plan and a Disaster Recovery Plan have been developed and tested at the level of the French holding companies.

Each major entity has a cybersecurity team in place, led by a Chief Information Security Officer (CISO). The Group CISO supervises the policy, monitors projects and shared services, and coordinates the network of CISOs at entities across the Group. The Group CISO also provides cybersecurity support to smaller entities that lack their own cybersecurity teams. CISOs across the Group are responsible for the management of cyber risks. They put procedures in place to provide protection against these risks, based on various approaches to prevention, detection, response and reconstruction, depending on the type of risk, its likelihood and its potential impact.

Audit campaigns, penetration testing and vulnerability audits are performed by entities and by the Group's Information Systems Department. In addition, LVMH has a cyber defense operations center (SOC/CERT/cybersecurity solutions) that serves the Group's Maisons and provides operational functions for monitoring, detection, and security incident response.

3.3 Internal and external accounting control procedures

3.3.1 Accounting and management policies

Subsidiaries apply the accounting and management policies communicated by the Group for the purposes of the published consolidated financial statements and internal reporting; they all use the same framework (the LVMH chart of accounts and manual of accounting policies) and the accounting and management reporting system administered by the Group, thus ensuring consistency between internal and published data.

3.3.2 Consolidation process

The account consolidation process is covered by regular detailed instructions; a specially adapted data submission system facilitates consistent, comprehensive and reliable data processing within the appropriate timeframes. The Chairman and CFO of each company undertake to ensure the quality and completeness of financial information sent to the Group – including off-balance sheet items – in a signed letter of representation which gives added weight to the quality of their financial information.

This letter also includes dedicated sections on non-financial data (notably social and environmental data) to support the quality of data used in the Sustainability Report.

Sub-consolidations are carried out at the level of each Maison and business group, which act as primary control filters and help ensure consistency.

At the level of LVMH, the teams in charge of consolidation are organized by type of business and are in permanent contact with the business groups and companies concerned, thereby enabling them to better understand and validate the reported financial data and anticipate the treatment of complex transactions.

The quality of financial information, and its compliance with standards, are also guaranteed through ongoing exchanges with the Statutory Auditors whenever circumstances are complex and open to interpretation.

3.3.3 Management reporting

Each year, all of the consolidated entities at the LVMH sub-consolidation level produce a strategic plan, a full budget and annual forecasts. Detailed instructions are sent to the companies for each process.

These key steps represent opportunities to perform detailed analyses of actual data compared with budget and prior year data, and to foster ongoing communication between subsidiaries and their parent company – an essential feature of the financial internal control mechanism.

A team of controllers at LVMH, specialized by business, is in permanent contact with the business groups and companies concerned, thus ensuring better knowledge of performance and management decisions, as well as appropriate controls.

Specific meetings to close out the interim and annual financial statements are attended by the Finance Department teams concerned; during those meetings the Statutory Auditors present their conclusions with regard to the quality of financial and accounting information and the internal control environment of the different companies of the Group.

3.4 Formalization and monitoring of risk management and internal control systems

3.4.1 The Enterprise Risk and Internal Control Assessment (ERICA) approach

In line with EU directives, the Group has implemented an approach, at LVMH, known as ERICA (Enterprise Risk and Internal Control Assessment), a comprehensive process for improving and integrating systems for managing major risks and internal control related to its day-to-day activities.

This approach has been rolled out by all of the Group's Maisons. It includes annual mapping of the major risks carried out by each Maison and assessment of certain key controls taken from the internal control framework.

The internal control assessment as of June 30, 2024 covering all Group entities generating over 20 million euros in revenue focused on evaluating the design and effectiveness of 28 controls: ten key back office controls (LVMH 10 IC Essentials), seven operational controls covering inventories and sales, and eleven Ethics & Compliance controls.

The results of the ERICA campaign are shared with the Group's entire network of internal control staff, chief financial officers and Ethics & Compliance Officers.

Recently acquired entities are allowed two years to implement this approach once the integration process has been completed.

The Maisons and business groups acknowledge their responsibility in relation to this process each year by signing two letters of representation:

- an ERICA letter of representation concerning risk management and internal control systems, signed on June 30. By signing this letter, the President, CFO and/or members of the Management Committee at each entity confirm their responsibility for these systems, and give their assessment of them, identifying major weaknesses and the corresponding remediation plans. This letter also includes a dedicated section on cybersecurity and fraud incidents. These letters are presented by each Maison to LVMH's Audit & Internal Control Department;
- the annual letter of representation on financial reporting, which includes a paragraph devoted to internal control.

Depending on the circumstances, Presidents of Maisons are required to present the LVMH Performance Audit Committee with an update on achievements, action plans in progress, and the outlook for their area of responsibility in terms of internal control and risk management.

3.4.2 Monitoring of major risks and internal control

Major risks relating to the Group's brands and businesses are managed at the level of the Maisons.

Once an acceptable risk level has been determined and validated, risks are handled via preventive and protective measures; the latter include, for example, business continuity plans (BCPs) and crisis management plans in order to organize the best response to risks once they have occurred. Lastly, depending on the types of risk to which a particular brand or entity is exposed and the amount of residual risk, the entity may decide, in collaboration with the Group, to use the insurance market to transfer part or all of the residual risk and/or assume this risk.

Ongoing monitoring of the internal control system and periodic reviews of its functioning take place on a number of levels:

- managers and operational staff at the Maisons, with support from internal control staff, are given responsibility for assessing the level of internal control on the basis of key controls, identifying weaknesses, and taking corrective action. Exception reports allow for the enhancement of detective controls in addition to preventive measures;
- a formal annual assessment process, based on a list of key controls taken from the internal control framework, integrated into the ERICA system;
- the Statutory Auditors are kept informed of this approach, as are the LVMH and Christian Dior Performance Audit Committees, by means of regular briefings;
- reviews are carried out by LVMH's Internal Audit Department and the Statutory Auditors, the findings and recommendations of which are passed on to entities' management and LVMH Executive Management;
- a review of the ERICA system and the quality of assessments is an integral part of the work of the Internal Audit team at all audited entities.

3.5 Fraud prevention and detection

Over the past few years, fraud risk has dramatically transformed, particularly as digitalization has advanced, with an upsurge in fraud through identity theft and an increase in attacks using social engineering to gain access and steal data, as well as the use of tactics such as deepfakes and voice cloning.

The Group and its Maisons have stepped up their vigilance, adapting internal procedures, awareness campaigns and training programs to the changing scenarios encountered or that might reasonably be predicted.

Given the large number of controls intended to prevent and detect this risk, the internal control framework is the backbone of the Group's fraud prevention mechanism.

Another essential component of this system is the obligation for each entity to report any instances of actual or attempted fraud to LVMH's Audit & Internal Control Director: as well as supervising actions and decisions in response to each reported case, the Director endeavors to draw lessons from incidents so as to relay them, once anonymized, to the chief financial officers of all the Maisons.

LVMH's Audit & Internal Control Department has therefore introduced a program to raise awareness of the risk of fraud through periodic newsletters identifying scenarios of actual and attempted fraud within the Group. A prevention plan is presented for each scenario. The Maisons and subsidiaries are responsible for verifying whether or not these scenarios apply to their operations. These communiqués are widely circulated within the Group to ensure heightened awareness among staff most exposed to this risk.

Throughout 2024, campaigns were conducted to raise awareness of fraud risk through the continued rollout to the Group's Maisons of a dedicated fraud e-learning module and awareness-raising initiatives.

In addition, the LVMH Internal Control Academy training course entitled "The Fundamentals" includes a specific module on fraud.

Sustainability Report and Vigilance Plan

Sustainability Report and Vigilance Plan

General information

Given the Christian Dior Group's structure and organization, the Group's policy with respect to sustainability is pursued by LVMH and its Maisons, which comprise all of the Group's operating activities and employ its entire workforce.

1. General framework for preparation of the Sustainability Report

1.1 Basis for preparation of the Sustainability Report

The Sustainability Report for fiscal year 2024 has been drawn up in accordance with Directive (EU) 2022/2464 as regards corporate sustainability reporting (CSRD), as transposed into French law in Order No. 2023-1143 of December 6, 2023.

Annual sustainability disclosures present information for the consolidated Group as of December 31, 2024 in accordance with European Sustainability Reporting Standards (hereinafter "ESRS"), Article L. 233-28-4 of the French Commercial Code and the Taxonomy Regulation.

First period of application

The Sustainability Report is based on the Group's understanding of the ESRS and various ESMA and EFRAG recommendations as of the date of preparing the statement. These disclosures have been prepared within the context of first-time application of the ESRS, subject to uncertainties as to how the standards should be interpreted, use of estimates, lack of established practices and an established framework for the double materiality assessment in particular, as well as changing internal control procedures.

In particular, some information is sensitive to methodological choices, assumptions and/or estimates used in their preparation and to the quality of the external data used. This concerns primarily disclosures relating to the value chain and the Climate impact (Scope 3) and Water impact associated with the Group's activities. Such assumptions, estimates or other forms of judgment made on the basis of the information available or the situation prevailing at the date at which the Sustainability Report is prepared may subsequently prove different from actual events. As a result, the targets, objectives, means of action and results set out in the sections relating to the topical ESRSs are based on indicators that depend on assumptions and estimates associated with changes in methodology and the level of scientific knowledge.

Other disclosures cannot be estimated due to the complex nature of EU regulations, the level of scientific understanding and limited access to reliable data from a number of internal and external sources. This is the case for qualitative disclosures concerning substances of concern and releases of pollutants.

As explained below, the scope of consolidation for the sustainability statement is the same as for the Group's consolidated financial statements, with the exception of the fiscal year's acquisitions. The Group is working on expanding this scope to include activities under operational control, as specified in ESRS E1, E2 and E4 (e.g. GHG emissions, quantities of pollutants and sites associated with material biodiversity matters), pending application guidelines from standards-setting bodies and market practices.

Scope of consolidation

The Group's operations covered by this Sustainability Report correspond to the activities of the parent company and fully consolidated subsidiaries, apart from acquisitions carried out in the course of the year, which can take up to 12 months to include in the Group's consolidated sustainability reporting. Acquisitions during the period are presented in the Group's consolidated financial statements (see "Consolidated financial statements", Note 2). The effect of these acquisitions on the Group's 2024 data, calculated on a pro rata basis as of the date of acquisition, is deemed insignificant. Jointly controlled companies and companies where the Group has significant influence but no controlling interest and those accounted for using the equity method are considered part of the Group's value chain.

Certain sections of the Sustainability Report provide more specific details on sustainability information related to the Group's value chains, both upstream (Group suppliers in particular) and downstream with customers (see §4 below, "Method for identifying impacts, risks and opportunities").

In preparing the Sustainability Report, the Group did not use the options provided by ESRS 2 BP-1 §5 d and e.

Group companies that meet the criteria to be required to provide a statement of non-financial performance in 2024 but that do not yet fall within the scope of application of the CSRD are exempt from providing a statement of non-financial performance as they are included in the Group's Sustainability Report.

1.2 Disclosures in relation to specific circumstances

As part of the process of drawing up the Sustainability Report, certain information requires the use of time horizons, assumptions, estimates or other forms of judgment.

Time horizons

In accordance with ESRS 1, the Group applies the following time horizons:

- one year (short-term), in line with the Group's financial statements;
- two to five years (medium-term);
- more than five years (long-term).

Use of transitional provisions

For the initial application of EU sustainability standards, the Group has chosen to adopt the following measures provided for by ESRS 1 in its transitional provisions:

- value chain: The Group has made partial use of the phase-in provisions permitted concerning quantitative and qualitative information about its value chain. However, this sustainability statement may use estimates for information reported concerning the Group's upstream or downstream value chain. These estimates are detailed in the ESRS topic-specific sections with their definition, calculation method, scope, level of accuracy and, where applicable, how they could be improved;
- phased-in disclosure requirements: The Group has adopted all the phase-in provisions linked to the anticipated financial effects from risks and opportunities related to the five ESRS environmental standards (as presented in the table below) as well as those under ESRS S1 – "Own workforce", solely for non-employees and only the information relating to the percentage of employees taking part in career reviews, for all employees (as presented in the table below).

ESRS	Disclosure Requirement	Full name of the Disclosure Requirement
ESRS E1	E1-9	Anticipated financial effects from material physical and transition risks and potential opportunities related to climate change
ESRS E2	E2-6	Anticipated financial effects from risks and opportunities related to pollution
ESRS E3	E3-5	Anticipated financial effects from risks and opportunities related to water and marine resources
ESRS E4	E4-6	Anticipated financial effects from risks and opportunities related to biodiversity and ecosystems
ESRS E5	E5-6	Anticipated financial effects from risks and opportunities related to resource use and circular economy
ESRS S1	S1-7	Characteristics of non-employee workers in the undertaking's own workforce
ESRS S1	S1-8	Collective bargaining coverage and labor relations
ESRS S1	S1-11	Social protection
ESRS S1	S1-13	Training and skills development (including percentage of employees taking part in career reviews)
ESRS S1	S1-14	Health and safety
ESRS S1	S1-15	Work-life balance

Changes in preparation or presentation of sustainability information

As this is the Group's first Sustainability Report, indicators are provided for fiscal year 2024 and the baseline year, where applicable. This information is provided in each topic-specific section concerned, where applicable.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Where applicable, this sustainability statement sets out the recommendations followed under the TCFD (Taskforce on Climate-Related Financial Disclosures) and TNFD (Taskforce on Nature-Related Financial Disclosures) frameworks.

2. Governance

2.1 Role of the administrative, management and supervisory bodies

The Board of Directors is the strategic body of Christian Dior SE. It is primarily responsible for driving its long-term value creation and protecting its corporate interests, focusing in particular on the social, environmental and climate issues facing its business. The members of the Board of Directors and their skills and experience are presented in the *"Board of Directors' report on corporate governance"* section, §1.1.1 and 1.1.2.

Its main assignments are as follows:

- set the Company's and the Group's broad strategic direction and ensure that it is put into practice, in particular, on the recommendation of Executive Management, as regards environmental and social responsibility, taking into account the climate issues faced by their businesses;
- promote a policy of economic development consistent with a corporate social responsibility approach based, in particular, on respect for human rights and protection of the environment in which the Group operates;
- monitor developments in markets, the competitive environment and the key strategic priorities facing the Group;
- ensure that the major risks to which the Company is exposed with regard to its structure and targets are taken into account by management;
- ensure that procedures to prevent corruption, particularly influence-peddling risks, are implemented;
- ensure that a non-discrimination and diversity policy is in place;
- disseminate the shared values that guide the Company and its employees, and govern relationships with consumers as well as with partners and suppliers of the Company and the Group;
- ensure that the Group adapts to changes in the business environment, defines senior executives' responsibilities and delegated authority.

2.2 Information provided to and sustainability matters addressed by the Group's administrative, management and supervisory bodies

At Christian Dior level

The Board of Directors has set up two committees, each specializing in a topic of importance: a committee in charge of performance audit and a committee in charge of governance and compensation.

Each of the Board's committees is involved in the process of drawing up and monitoring the Company's and the Group's non-financial strategy with regard to the topics within its fields of expertise.

The involvement of the administrative and management bodies and their work in relation to these matters are presented in the *"Board of Directors' report on corporate governance"* section, §1.2.2.5.

These two committees may work together on matters concerning corporate social and environmental responsibility.

The committees' main assignments are as follows:

Performance Audit Committee

- monitor the process of preparing and checking sustainability information as well as the process implemented to determine which information to report pursuant to regulations;
- present the Board of Directors with the minutes drafted by the firm tasked with certifying sustainability reporting;
- monitor and ensure the existence, pertinence and application of internal control, risk management (including social and environmental risks) and internal audit procedures, make recommendations to Executive Management on the priorities and general direction of Internal Audit, and analyze the Company's and the Group's exposure to risks, including social and environmental risks;
- verify the independence of the firm tasked with certifying sustainability reporting and monitor the performance of its assignment;
- review the environmental, workforce-related and social information contained in the Management Report of the Board of Directors and submit its opinion on this information to the Board.

Governance & Compensation Committee

- identify, as part of the procedure for selecting Directors and in accordance with its diversity policy, the skills and expertise, particularly financial and non-financial, expected of potential Directors and considered key priorities for the Company;

- make proposals to the Board on the fixed, variable, exceptional, immediate and deferred compensation, benefits in kind, options and bonus shares to be awarded to (i) the Chairman of the Company's Board of Directors, its Chief Executive Officer and its Group Managing Director(s) and (ii) Directors and Advisory Board members who are employees of the Company or any of its subsidiaries by virtue of an employment contract; where applicable, it also issues an opinion on any consulting agreements entered into, either directly or indirectly, with these same individuals;
- discuss all matters related to corporate governance, and issue an opinion on the general policy for the allocation of options and bonus shares within the Group, and on its policy for employee savings and share ownership.

At LVMH level

The Board of Directors has set up several committees, each specializing in a topic of importance: a committee in charge of performance audit, a committee in charge of compensation of company officers, and a committee in charge of sustainability and governance.

Each of the Board's committees is involved in the process of drawing up and monitoring the Company's and the Group's non-financial strategy with regard to the topics within its fields of expertise.

The involvement of the administrative and management bodies and their work in relation to these matters are presented in the *"Board of Directors' report on corporate governance"* section, §1.2.2.5.

These three committees may work together on matters concerning corporate social and environmental responsibility.

The committees' main assignments are as follows:

Performance Audit Committee

- monitor the process of preparing and checking sustainability information as well as the process implemented to determine which information to report pursuant to regulations;
- present the Board of Directors with the minutes drafted by the firm tasked with certifying sustainability reporting;
- monitor and ensure the existence, pertinence and application of internal control, risk management (including social and environmental risks) and internal audit procedures, make recommendations to Executive Management on the priorities and general direction of Internal Audit, and analyze the Company's and the Group's exposure to risks, including social and environmental risks;
- verify the independence of the firm tasked with certifying sustainability reporting and monitor the performance of its assignment.

Compensation Committee

- issue recommendations regarding the qualitative and quantifiable criteria applied to the variable portion of compensation for senior executive officers, which will take account of various aspects of the undertaking's environmental and social responsibility. At least one of these criteria shall be directly related to the Company's climate objectives;
- periodically assess whether these criteria are met: these assessments will then be used to determine to variable portion of compensation paid to senior executives and define the conditions to be met for them to exercise their options to buy shares and vest the bonus shares awarded to them.

Sustainability & Governance Committee

Sustainability

- assist the Board of Directors in defining the Company's and the Group's broad strategic direction with regard to ethical, workforce-related, environmental and climate-related matters, and ensure that it is put into practice;
- assist in defining and ensuring compliance with the rules and values laid down in the LVMH Code of Conduct, which must be followed by senior executives and employees, as well as other codes and charters resulting from that Code;
- review the performance of systems related to (i) the privacy of customers and employees, and (ii) ethics and compliance;
- monitor the functioning of whistleblowing systems put in place within the Group and ensure the implementation and monitoring of systems related to duty of vigilance and respect for human rights;
- review the environmental, workforce-related and social information contained in the Management Report of the Board of Directors and submit its opinion on this information to the Board.

Governance

- identify, as part of the procedure for selecting Directors and in accordance with its diversity policy, the skills and expertise, particularly financial and non-financial, expected of potential Directors and considered key priorities for the Company;
- give its opinion on the diversity policy applicable to members of the Board of Directors, the gender equality policy applicable to the Group's governing bodies, the description of the goals of those policies, the terms of their implementation and the results obtained over the fiscal year covered to prepare the Board of Directors' report on corporate governance;
- discuss all matters related to corporate governance, and issue an opinion on the general policy for the allocation of options and bonus shares within the Group, and on its policy for employee savings and share ownership.

2.3 Integration of sustainability-related performance in incentive schemes

The Company's Governance & Compensation Committee makes a proposal every year regarding the compensation of the Company's senior executive officers. The compensation policy is set out in the *"Board of Directors' report on corporate governance"* section, §4.1.1.

In 2024, the Governance & Compensation Committee met on January 25. The decision was made to not propose the payment of a bonus to Bernard Arnault, Chairman of the Board of Directors, or to Antoine Arnault, Chief Executive Officer.

The Company's Governance & Compensation Committee is also informed of the decisions made by LVMH's Board of Directors regarding the compensation of Bernard Arnault, Delphine Arnault, Antoine Arnault and Nicolas Bazire in respect of their functions at LVMH. This information is reported to the Company's Board of Directors, which takes note of it.

At LVMH, compensation paid to senior executive officers includes, in addition to fixed compensation, a variable annual component based on the achievement of financial (quantifiable), strategic (qualitative) and ESG-related (quantifiable and qualitative) targets.

On the recommendation of the Compensation Committee, LVMH's Board of Directors sets the terms for allocating annual variable compensation for senior executive officers.

For fiscal year 2024 which closed on December 31, 2024, the financial (quantifiable) criteria relate to growth in the Group's revenue, operating profit and cash flow relative to budget for the year in question, with each of these three components accounting for one third of the total determination and making up 50% of total variable compensation for the Chairman and Chief Executive Officer, and 65% for the Group Managing Director whose term ended April 18, 2024.

ESG-related (quantifiable and qualitative) criteria make up 10% of total variable compensation for the Chairman and Chief Executive Officer, and 15% of total variable compensation for the Group Managing Director.

In 2024, these criteria focused on the following:

- continuing and accelerating implementation of each of the four priorities of the LIFE 360 program (see the "Environment" section, §1.2.2) accounting for 50% and on supporting general ethics-related communications for the other 50% for the Chairman and CEO;
- continuing and accelerating implementation of each of the four priorities of the LIFE 360 program preparing the Group for the implementation of CSRD requirements and developing a human rights policy (implementation of a Group-level vigilance policy) for the Group Managing Director.

The method used for assessing performance was reviewed by the Compensation Committee and the Board of Directors. Based on this assessment, the Board of Directors considered that the targets had been met.

The targets are set each year by the Compensation Committee, which is made up entirely of independent members including a Director representing the employees, and published when this compensation is allocated.

In addition, senior executive officers of the Company are eligible for bonus share plans put in place by the Board of Directors for employees of the Company and/or employees and senior executive officers of affiliated companies and are subject to the same rules governing such plans, with the proviso that (i) they may only be awarded bonus shares subject to performance conditions, and (ii) the total number of bonus shares awarded to senior executive officers of the Company over the course of a fiscal year may not exceed 15% of the number of shares granted by the Board of Directors over that fiscal year. Performance criteria for bonus share plans for employees of the Company and/or employees and senior executive officers of affiliated companies are fixed by the Board of Directors and concern the Group as a whole. For the plans in place starting in 2022, these criteria are (i) 85% financial criteria and (ii) 15% non-financial criteria, related to the achievement of the LIFE 360 program adopted by the Group in 2021, which contains specific targets for protecting biodiversity, combating climate change, promoting circular economy practices and ensuring product traceability, to be achieved by 2030, with intermediate milestones to be reached before then (2023, 2026 and 2030) and annual monitoring. For the plan set up on October 28, 2021, under which shares vested on October 28, 2024, the achievement of conditions relating to the LVMH Group's performance concerned (i) the financial condition, for 90% of provisional allocations; and (ii) the non-financial condition, for 10% of provisional allocations.

An ad hoc committee consisting of the chairmen of each of the Board of Directors' three committees meets to assess the Group's specific trajectory and progress toward meeting the targets and, consequently, to determine the percentage of shares to be vested on the basis of non-financial criteria.

2.4 Due diligence statement

Core elements of due diligence	Sections in the Sustainability Report
Embedding due diligence in governance, strategy and business model	**General information** §2.1 Role of the administrative, management and supervisory bodies §2.2 Information provided to and sustainability matters addressed by the Group's administrative, management and supervisory bodies §2.3 Integration of sustainability-related performance in incentive schemes **Environment** §1.1.1 Governance related to environmental strategy §1.1.2 Implementation of the environmental strategy within the Maisons §1.2 The LIFE program §1.2.1 Origin of the approach §2.2.8 Alignment with and embedding in the overall operating strategy and financial planning §2.2.9 Governance and approval process for the transition plan §5.1.1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model §5.1.2 Interaction between biodiversity impacts and the Group's strategy and business model **Social** §1.1.1 Committed to developing talent §1.1.4 Interaction between IROs and the Group's strategy and business model §2.1.1 Strategy and business model §2.1.3 Interaction between IROs and the Group's strategy and business model §3.1.2 Interaction between IROs and the Group's strategy and business model §4.1.2 Interaction between IROs and the Group's strategy and business model
Engaging with affected stakeholders in all key steps of the due diligence process	**General information** §3.2 Involving stakeholders **Environment** §1.2.2 Objectives of LIFE 360 **Social** §1.1.3 Interests and views of stakeholders §1.1.5 Processes to remediate negative impacts and channels for own workers to raise concerns §1.4.4 Promoting social dialogue and ensuring freedom of expression §2.1.2 Interests and views of stakeholders §2.2.2 Description of the process of engagement with value chain workers §2.3.2 Description of the process of engagement with value chain workers §3.1.1 Interests and views of stakeholders §3.2.2 Description of the process of engagement with affected communities §4.1.1 Interests and views of stakeholders §4.2 Product quality and customer safety §4.4.2 Description of the process of engagement with consumers §4.6.2 Description of the process of engagement with consumers
Identifying and assessing adverse impacts	**General information** §3.3.1 Responsible, sustainable model for value creation §3.3.2 Main impacts, risks and opportunities §4.1 Description of the processes to identify and assess material impacts, risks and opportunities §4.1.1 General approach §4.1.2 Assessment of IROs

Core elements of due diligence	Sections in the Sustainability Report
Identifying and assessing adverse impacts (continued)	**Environment** §2.1.1 Methodology for the analysis of impacts, risks and opportunities §2.1.2 Results of the analysis of impacts, risks and opportunities §2.1.3 Overview of the analysis of impacts, risks and opportunities §3.2.1 Policy related to potential soil pollution §3.3.1 Policy related to water pollution §3.4.1 Policy related to substances of concern and very high concern §4.1 Addressing issues related to water §5.1.1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model §6. Resource use and circular economy (LIFE 360 – Circular Design)
Acting on and remediating these negative impacts	**General information** §3.3.3 Policies related to the management of impacts, risks and opportunities **Environment** §1.2.2 Objectives of LIFE 360 §1.3 Training and LIFE Academy §2.2.1 GHG emission reduction targets §2.2.2 Decarbonization initiatives §2.2.3 Investment and funding to implement the transition plan §2.2.4 Assessment of potential locked-in GHG emissions §2.3.1 Policy related to climate §2.3.2 Actions and resources used §3.1 Addressing issues related to pollution §3.2.1 Policy related to potential soil pollution §3.2.2 Actions and resources used §3.3.1 Policy related to water pollution §3.3.2 Actions and resources used §3.4.1 Policy related to substances of concern and very high concern §3.4.2 Actions and resources used §4.1 Addressing issues related to water §4.2.1 Policy related to water §4.2.2 Actions and resources used §5.1.1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model §5.2.1 Policy related to impact on ecosystems and soil §5.2.2 Related actions and resources §6.1.1 Policy related to sustainable design §6.1.2 Actions and resources used §6.2.1 Policy related to extending product longevity §6.2.2 Actions and resources used §6.3.1 Policy related to waste management §6.3.2 Actions and resources used §7. Environmental taxonomy **Social** §1.1.5 Processes to remediate negative impacts and channels for own workers to raise concerns §1.4.1 Respect for human rights §1.4.2 Financial stability and access to employment §1.4.3 Ensuring health and safety for all staff §1.4.4 Promoting social dialogue and ensuring freedom of expression §1.4.5 Work-life balance, well-being at work and the LVMH Heart Fund §1.4.6 Ensuring access to decent housing §1.5.1 Implementing an attractive employer policy §1.5.4 Developing employee agility and employability

Core elements of due diligence	Sections in the Sustainability Report
Acting on and remediating these negative impacts (continued)	§1.6.1 Promoting diversity and inclusion §1.6.2 Embracing the full spectrum of talent §1.6.3 Targeted programs to promote inclusion and representation for all §1.6.4 Steadfast, comprehensive commitment to all talent §2.2.1 Description of the related policy §2.2.2 Description of the process of engagement with value chain workers §2.2.3 Related actions and resources §2.3.1 Description of the related policy §2.3.2 Description of the process of engagement with value chain workers §2.3.3 Related actions and resources §3.2.1 Description of the related policy §3.2.3 Related actions and resources §3.4.1 Description of the policy §3.4.2 Related actions and resources §4.2 Product quality and customer safety §4.3.1 Promoting responsible drinking §4.3.2 Preventing risky behavior §4.4.1 Description of the related policy §4.4.3 Related actions and resources §4.5.1 Policies and actions related to the promotion of wines and spirits §4.6.1 Description of the related policy §4.6.3 Related actions and resources **Governance** §1.6.1 Description of the related policy §1.6.2 Actions and resources used §1.7.1 Description of the related policy §1.7.2 Actions and resources used
Tracking the effectiveness of these efforts and communicating	**General information** §2.2 Information provided to and sustainability matters addressed by the Group's administrative, management and supervisory bodies §2.5 Risk management and internal controls related to the Sustainability Report **Environment** §1.1.1 Governance related to environmental strategy §1.1.2 Implementation of the environmental strategy within the Maisons §1.2.3 LIFE 360 targets: 2024 results §1.4.1 Reporting scope and rules §1.4.2 Reporting methodology §2.2.1 GHG emission reduction targets §2.2.2 Decarbonization initiatives §2.2.5 Environmental Taxonomy-alignment plan §2.2.1 GHG emission reduction targets §2.2.10 Description of progress made §2.3.3 Associated targets §2.3.4 Indicators and results §2.4.3 Associated targets §2.4.4 Indicators and results §3.2.3 Associated targets §3.2.4 Indicators and results §3.3.3 Associated targets §3.3.4 Indicators and results §3.4.3 Associated targets §3.4.4 Indicators and results

Core elements of due diligence	Sections in the Sustainability Report	
Tracking the effectiveness of these efforts and communicating (continued)	§4.2.3	Associated targets
	§4.2.4	Indicators and results
	§5.2.3	Associated targets
	§5.2.4	Related metrics
	§6.1.3	Associated targets
	§6.1.4	Indicators and results
	§6.2.3	Associated targets
	§6.2.4	Indicators and results
	§6.3.3	Associated targets
	§6.3.4	Indicators and results
	§7.	Environmental taxonomy
	§7.1.1	Overview of the analysis with respect to the climate change mitigation objective
	§7.1.2	Details on the analysis carried out for the other environmental objectives
	Social	
	§1.1.2	Organization and quality of workforce-related and CSR reporting
	§1.3	LVMH's objectives regarding its Impacts, Risks and Opportunities
	§1.4.3	Ensuring health and safety for all staff
	§1.4.4	Promoting social dialogue and ensuring freedom of expression
	§1.4.5	Work-life balance, well-being at work and the LVMH Heart Fund
	§1.5.4	Developing employee agility and employability
	§1.6.1	Promoting diversity and inclusion
	§2.2.4	Related targets
	§2.2.5	Related metrics
	§3.2.4	Related targets and metrics
	§3.4.3	Target for 2025
	§3.4.4	Metrics for 2024
	§4.4.4	Related targets
	§4.6.4	Related targets
	§4.6.5	Related metrics
	Governance	
	§1.6.3	Associated targets
	§1.7.3	Associated targets
	§1.7.4	Indicators and results

2.5 Risk management and internal controls over the Sustainability Report

The main risks identified to date by the various LVMH departments involved in relation to sustainability information are the completeness and integrity of data, the accuracy of estimation results, and the availability of data on the upstream and/or downstream value chain.

To ensure the quality of non-financial data, reporting protocols are established by the LVMH departments involved. They are updated annually and communicated to the various contributors at the Maisons at the start of the data collection process. Moreover, the calculation methodology for the different indicators and consolidation rules are defined in advance, thereby ensuring that the reporting processes set by each department and their continuity are applied uniformly. The processing of estimates is also specified in the report. In addition, specific training may be organized for people involved in collecting and/or producing data.

Lastly, controls to detect and resolve any inconsistencies are carried out by each LVMH department involved (Environment, Human Resources, etc.) within the Maisons and at the Group level. These complement those directly integrated into the reporting tools.

Over the next few years, the LVMH Group's Internal Control Department will be mobilized to analyze the maturity of the reporting processes and the associated controls at Group and Maison levels.

3. Strategy

3.1 Strategy, presentation of the Group and its activities

This section sets out the Group's business sectors, values and operating model to give a better understanding of how sustainability is incorporated into its strategy, as well as how it manages the associated impacts, risks and opportunities.

The history of Christian Dior began in 1946, when Monsieur Christian Dior started his own haute couture establishment in a townhouse at 30 Avenue Montaigne in Paris, where the Company still has its headquarters. In 1984, the Boussac group – which owned Christian Dior at the time – was acquired by Bernard Arnault in association with a group of investors. In 1988, through one of its subsidiaries, Christian Dior took a 32% stake in LVMH, an ownership interest that would be gradually increased over the years. The Christian Dior Group was formed through successive alliances among companies that, from generation to generation, have successfully combined traditions of excellence and creative passion with a cosmopolitan flair and a spirit of conquest.

Today, the Christian Dior Group has built its leading position through a unique portfolio of 75 exceptional Maisons, operating in six business segments. Each of them creates products that combine high-level expertise with a strong heritage, drawing their momentum from a spirit of innovation and openness to the world.

The Group helps its Maisons grow over the long term, based on respect for their specific strengths and individuality, underpinned by common values and a shared business model. It provides them with all of the resources they need to grow in terms of designing, manufacturing and selectively retailing their products and services.

Business group overview

The Christian Dior Group is the only group that operates simultaneously, through its Maisons, in all the major luxury sectors:

Wines and Spirits: Based in Champagne, Bordeaux, Cognac and other renowned wine-growing regions, the Group's Maisons – some of which are hundreds of years old – all have their own unique character, backed by a shared culture of excellence. The Group's Wines and Spirits activities are divided into Champagne, Wines and Spirits. This business group focuses on growth in high-end market segments through a powerful, agile international distribution network. The Christian Dior Group is the world leader in cognac with Hennessy, and in champagne with an outstanding portfolio of brands and complementary product ranges. It also produces high-end still and sparkling wines from around the world.

Fashion and Leather Goods: The Group includes established Maisons with their own unique heritage and more recent brands. Whether they are part of haute couture or luxury fashion, the Maisons have based their success on the quality, authenticity and originality of their designs, created by talented, renowned designers. All the Group's Maisons are focused on the creativity of their collections, building on their iconic, timeless lines, achieving excellence in their retail networks and strengthening their online presence, while maintaining their identity.

Perfumes and Cosmetics: The Group is a key player in the perfume, makeup and skincare sector, with a portfolio of world-famous established Maisons as well as younger brands with a promising future. Its Perfumes and Cosmetics business group boasts exceptional momentum, driven by growing and securing the long-term future of its flagship lines as well as boldly developing new products. The Maisons cultivate their individuality, a differentiating factor for their followers in a highly competitive global market. At the same time, they are all driven by the same values: the pursuit of excellence, creativity, innovation and complete control of their brand image.

Watches and Jewelry: The Maisons in Watches and Jewelry – the Group's youngest business group – operate in the high-end watchmaking, jewelry and high jewelry sectors. The Christian Dior Group's brands in this business group are positioned to complement each other's strengths. These Maisons rely on their outstanding expertise, creativity and innovation to surprise their customers all over the world and respond to their aspirations.

Selective Retailing: The Group's Selective Retailing brands all pursue a single objective: transforming shopping into a unique experience. From elegant interior design to a specialist selection of products and services, combined with personalized relationships, customers are the focus of their attention on a daily basis. Operating all over the world, the Maisons are active in two spheres: selective retail and travel retail (selling luxury goods to international travelers).

Other activities: The Maisons in this business group are all ambassadors for culture and an *art de vivre* that is emblematic of the Christian Dior Group. They all prioritize a vertical integration approach in order to offer their customers a range of high-quality products and services. This approach ties in with the quest for excellence pursued by each of the business group's Maisons: from the Les Echos media group, which owns a number of leading business and cultural publications, to Royal Van Lent, which markets custom-designed yachts under the Feadship name, to Cheval Blanc and Belmond, which operate a collection of exceptional hotels.

Key figures

(as of December 31, 2024)

75 Maisons

31 Maisons over 100 years old

81 countries worldwide

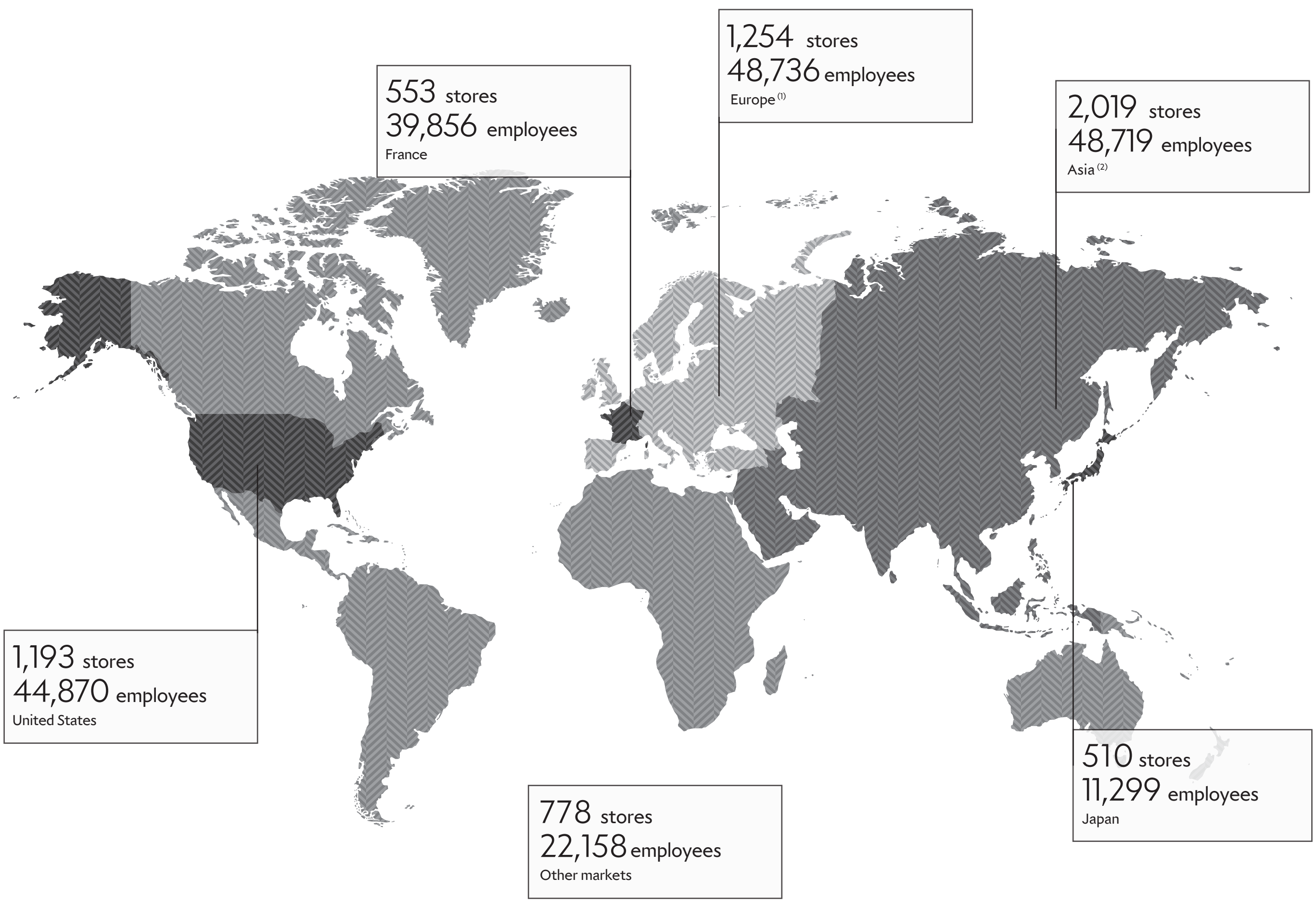
84.7 billion euros in revenue

215,637 employees worldwide

6,307 stores worldwide

Geographic presence

(as of December 31, 2024)



(1) Excluding France.
(2) Excluding Japan.

The values of a deeply committed Group

Driven by the mission of LVMH and its Maisons to craft dreams, the Christian Dior Group puts heart and soul into everything it does. Its core identity is based on the fundamental values that run through it and are shared by all its people.

Being creative and innovative: The fundamental values of creativity and innovation are pursued in tandem by the Maisons as they focus on achieving the ideal balance between continually renewing their offer while resolutely looking to the future, developing within the Group while staying true to their roots and their unique heritage, in order to craft products that will stand the test of time. Throughout the years, the creativity and innovation that are part of the Group's DNA have been the keys to its Maisons' success. They open up an infinite range of possibilities to be explored through new technology, one of the Group's major growth drivers.

Delivering excellence: Within the Group, quality can never be compromised. Because the Maisons embody everything that is most noble and accomplished in the world of fine craftsmanship, they pay extremely close attention to detail and strive for perfection: from products to services, it is in this quest for excellence that the Group differentiates itself.

Cultivating an entrepreneurial spirit: The Group's agile, decentralized structure fosters efficiency and responsiveness. It encourages individuals to take initiative by giving everyone a significant level of responsibility. The entrepreneurial spirit promoted by the Group makes risk-taking easier and encourages perseverance. It requires a pragmatic approach and the ability to motivate staff to achieve ambitious goals.

Taking action to make a difference: Every action taken by the Group and its employees reflects its commitment to ethics, corporate social responsibility and respect for the environment. These commitments drive the Maisons' performance and ensure their longevity. Firmly convinced that truly desirable products can only come from sustainable businesses, the Group is committed to ensuring that its products, and the way they are made, have a positive impact on its entire ecosystem and the places it operates, and that it is actively working to build a better future.

Operating model

The Group has adopted a unique model to ensure the development and autonomy of each of its Maisons in keeping with their identity. The Group makes available to them all the resources required to create, manufacture and distribute products and services that exemplify excellent quality and uphold the highest ethical, social and environmental standards.

Decentralized organization: The structure and operating principles adopted by the Group ensure that Maisons are both autonomous and responsive. As a result, they are able to build close relationships with their customers, make fast, effective and appropriate decisions, and motivate Group employees for the long term by encouraging them to take an entrepreneurial approach.

Internal growth: The Group prioritizes internal growth and is committed to developing its Maisons, and encouraging and protecting their creativity. Staff play a critical role in a model of this kind, so supporting them in their career and encouraging them to exceed their own expectations is essential.

Vertical integration: Designed to cultivate excellence both up- and downstream, vertical integration ensures control of every stage of the value chain, from sourcing to production facilities and selective retailing. It also guarantees strict control of each Maison's brand image.

Creating synergies: Resources are pooled at Group level to create intelligent synergies while respecting each Maison's independence and autonomy. The combined strength of the Group is leveraged to benefit each of its Maisons.

Securing expertise for the long term: The Maisons that make up the Group cultivate a long-term vision. To preserve their distinctive identities and excellence, the Group and its Maisons have developed a range of initiatives to pass down skills and expertise, and promote craft trades and design professions among younger generations.

Balance across business segments and geographies: The Group has the resources to sustain regular growth thanks to the balance across its business activities and a well-distributed geographic footprint. This balance means that it is well-positioned to withstand the impact of shifting economic factors.

Innovation dedicated to excellence: The Group owes its long-term success to its pursuit of excellence. In an ever changing world, innovation is a powerful tool for achieving this, making the Group's products ever more appealing and the experiences it offers its customers ever more unforgettable. Driven by its employees, the Group's innovation is based on several pillars: its in house R&D centers, its network of startups, its partnerships with the world of academia and numerous expert companies.

3.2 Involving stakeholders

Rethinking creation, preservation and the development of expertise, production, use and reuse, in order to bring about positive social and environmental impacts and reduce the Group's negative impacts requires collective action and commitment. In this spirit, by working in synergy with its ecosystem, thanks to the input and buy-in of stakeholders, the Group and its Maisons are taking action to build the luxury industry of tomorrow.

The Christian Dior Group rallies and relies upon all of its internal and external stakeholders, first and foremost of whom are its employees. At every stage of its value chain, the Group cultivates a genuine spirit of partnership. It consults, supports and relies upon its stakeholders in order to implement its action programs, make progress and achieve its strategic objectives. In particular, the Group takes into consideration stakeholders' opinions and feedback to fine-tune the implementation of its environmental and social responsibility programs. Guided by its commitments, LVMH seeks to create a virtuous circle that promotes a dynamic of shared progress and the mutual benefit that comes from each individual's accomplishments, across all of the territories where it is present. That is why, beyond compliance with applicable laws and regulations, the Group promotes high ethical and compliance standards (Code of Conduct, Business Partner & Supplier Code of Conduct, Anti-Corruption Charter, Responsible Lobbying Charter, etc.) in order to maintain the confidence that it has earned from its clients, suppliers, institutions, local governments, international organizations, non-governmental organizations and all of its stakeholders.

LVMH also participates in multilateral discussions and initiatives throughout the year led by national and local governments and other institutions, as well as by various laboratories, universities, schools, foundations and other industry actors. Together, they develop initiatives and action programs centered on shared objectives.

In 2024, LVMH participated in several key international events, including NYC Climate Week, Future Fabrics Expo in London and COP15 focused on fighting desertification. The Group also spearheads coalitions such as the coalition for soil health implemented by Moët Hennessy in October 2024 under the aegis of the World Living Soils Forum. Following the LIFE 360 Summit held at the UNESCO headquarters in December 2023, the Group rolled out its new action program, LIFE 360 Business Partners, meeting with a sample of suppliers to design a customized program to support their environmental transition.

Responsible human resource management is structured around four key priorities identified through stakeholder consultation and a mapping of matters and risks:

- developing diversity by respecting every individual's dignity and uniqueness;
- taking action for employee health, safety and well-being;
- passing on skills and expertise that are an integral part of the world's cultural heritage;
- working to build a better society.

3.3 Impacts, risks and opportunities associated with the business model

3.3.1 Responsible, sustainable model for value creation

Driven by its goal of creating high-quality products and services, LVMH's model draws on human, creative and financial capital, as well as natural materials to create exceptional items that stand the test of time, according to different stages of value creation:

Design: LVMH capitalizes on the creativity of its employees, whether creative directors, cellar managers (Wines and Spirits), fragrance designers (Perfumes and Cosmetics) or architects. These creative visionaries are the guardians of each Maison's heritage. Each of them draws on this heritage to design products and spaces that renew the offer proposed by Maisons while also respecting their heritage, being firmly open to the world, and remaining committed to sustainability, innovation and the passing on of vital skills and knowledge.

Supply chain: LVMH cultivates excellence from the very beginning of its value chains by opting where possible to source raw materials that limit environmental impact and involve local communities. For certain supply chains, LVMH promotes adopting regenerative practices to create a positive impact, helping nature and local communities alike.

Production: LVMH's long-term commitment is also reflected in its safeguarding of skills and expertise to preserve the identities and excellence of its Maisons. A range of initiatives have been developed to promote craft trades and pass on skills and expertise. LVMH and its Maisons prioritize energy efficient production methods, taking care to limit the consumption of natural resources without ever compromising the quality of products.

Transportation and logistics: The Group and its Maisons manufacture products which are produced mainly in France and Italy and then transported to 81 countries throughout the world. Optimizing logistics by geographic region is a constant consideration for LVMH Maisons in order to limit their environmental impact. By the same token, opting for local transportation methods that generate lower greenhouse gas emissions is another way the Group contributes to its continuous improvement approach.

Retail and customer experience: Controlling the distribution of its products is a core strategic priority for LVMH. The Group has a world-leading network of exclusive boutiques under the banner of its brands, with the aim of consistently delivering full satisfaction and excellence in the customer experience. For all its business sectors, LVMH strives to achieve optimal environmental management of its store network, which is also an essential component of its close ties with each customer base and allows it to offer unique shopping experiences.

Circularity: LVMH and its Maisons approach value creation from a circular economy perspective, which is reflected in both widespread adoption of sustainable design and repair, and in the development of synergies. Resources are pooled at Group level to create intelligent synergies while respecting each Maison's autonomy and with the goal of enhancing the sustainability of products and their components. LVMH and its Maisons are also committed to ensuring their activities have a positive impact on local communities, working in collaboration with local stakeholders.

Business model – LVMH Group (75 Maisons, 81 countries) – Figures for 2024

Businesses
(as % of revenue)

Wines and Spirits	7%	Fashion and Leather Goods	48%

Priorities, risks and opportunities

- Climate change adaptation
- Use of natural resources

Capital and resources

Human capital

- **>215,000** employees, **190** nationalities
- **18%** in France, **23%** in Europe (excl. France), **21%** in the United States, **5%** in Japan, **23%** in Asia (excl. Japan), **10%** in other markets
- **33%** of permanent contract positions filled internally
- **71%** women, **65%** women executives & managers, **48%** of key positions held by women, **17** Maisons and divisions headed by women
- Average age: **37**
- **€43 million** invested in employee health and safety

Creative capital and innovation

- **LVMH Prize for Young Fashion Designers**
- **LVMH Open Innovation**
- LVMH Innovation Award
- LVMH Métiers d'Art
- LVMH **Gaïa**, driving the Group's scientific research and innovation

Financial capital

- **€10.5 billion**: Free cash flow
- **€69.3 billion**: Equity
- Stable shareholder base: **49%** held by the Arnault family group

Partners

- See the "General information" section, §3, "Strategy", §3.2, "Involving stakeholders"

Training and passing on skills and expertise

- **€216.3 million** invested in employee training
- Over **280** professions in design, craftsmanship and the customer experience
- **>3,300** apprentices trained by the Institut des Métiers d'Excellence (IME), launched in 2014 and now present in 8 countries (France, Switzerland, Italy, Spain, Japan, Germany, China and the United States)

Natural capital

- **20** strategic natural materials
- **LIFE 360** sustainability program
- Animal-Based Raw Materials Sourcing Charter
- Participation in SBTN and TNFD reporting
- SBTi-validated climate trajectory

Local presence

- Presence in **81** countries
- **119** production facilities and craft workshops in France, **66** in Italy
- **6,307** stores worldwide

Business model geared towards risk management and value creation

- **Talent development roadmap**
- **Fair Wage policy**
- **LIFE 360**

Design

- Recyclability requirements integrated right from the design phase
- Support for an innovative ecosystem (LVMH Maison des Startups)
- Sustainable design training for creative teams
- In-house creative departments

Circularity

- Development of repair skills and services
- Waste management
- Development of innovative processes to reuse and recycle materials as part of LVMH Circularity
- Innovation to create alternative and sustainable materials

THE GROUP'S MISSION: THE ART OF CRAFTING DREAMS

Sales and customer experience

- Implementation of environmental labeling
- Environmental management certification for stores
- Exclusive partnerships with lessors
- Reduced environmental footprint of marketing events and advertising
- Development of in-store repair services
- Responsible, inclusive communications in advertising and events
- Well-being charter for models

Perfumes and Cosmetics	10%	Watches and Jewelry	12%	Selective Retailing and Other Activities	23%

Passing on skills and expertise

Societal changes

- **Diversity & Inclusion policy**
- **Health & Safety Charter**
- **Ethics & Compliance policy**

Sourcing

- Supply chain certification based on the most robust chain-of-custody standards
- Business Partner & Supplier Code of Conduct, audits
- 30% of purchases made in France; 65% in Europe (2023 figures)
- Use of companies employing people with disabilities
- Support for suppliers' environmental transitions
- "One Welfare" approach to local economies
- Development of regenerative agriculture practices
- Animal-Based Raw Materials Sourcing Charter

THROUGH THE EXCEPTIONAL PRODUCTS OF ITS MAISONS

Production

- Passing on and maintaining world-class skills and expertise
- Environmental management certification for Group sites
- LVMH energy conservation plan
- Strict control over the use of hazardous chemicals during processing (Fashion and Leather Goods)
- Job creation and/or retention in local areas

Transportation and logistics

- Optimization of supply chains globally and by geographic region
- Development of low-carbon transportation for local deliveries
- Use of alternative modes of transport that generate the lowest CO_2 emissions
- Reduced use of water, energy and packaging at logistics sites; increased use of renewable energy

WOMEN'S EMPOWERMENT PRINCIPLES

PRINCIPES DIRECTEURS DE L'OCDE À L'INTENTION DES ENTREPRISES MULTINATIONALES

Value creation

Value for employees

- **€14.2 billion** paid: Wages, bonuses, benefit plans
- Discretionary profit-sharing bonus (PPV) of between **€600** and **€1,000** (in France) paid at end of 2024
- Nearly **11,000** applications for LVMH Heart Fund's financial support program received since 2021
- First Group employee share ownership plan launched at the end of 2024: LVMH Shares

Financial value

- **€5.5 billion**: Operating investments
- **€7.3 billion**: Dividends paid
- **13.3%**: Gearing (debt/equity)

Training and passing on skills and expertise

- **>10,000** visitors to the You & ME job fair for professions in design, craftsmanship and the customer experience
- **5,300** middle school students informed about LVMH's professions of excellence *(métiers d'excellence)*
- **>331,000** active members on the Inside LVMH platform, **>125,000** people certified since 2021

Societal value

- **76,604** new hires, including **39,578** under permanent contracts
- **6** campuses for the LIVE training initiative
- **€6 billion**: Corporate tax paid (France's largest taxpayer)
- Over **910** nonprofits and charitable foundations
- **€53.3 million**: Financial donations
- **1.9 million** people helped through partnerships by LVMH and its Maisons

Natural value

- **55.1%** reduction in Scope 1 and 2 emissions (market-based)
- **32.8%** reduction in Scope 3 emissions
- **71%** of energy consumption covered by renewable energies
- **3.8 million** hectares of flora and fauna habitat preserved or restored

Financial data can be found in the *"Financial statements*- Consolidated financial statements" section of this Annual Report.

3.3.2 Main impacts, risks and opportunities

The Group's activities involve exposure to various risks that are the object of regular risk management and identification, notably within the context of regulatory reforms. Each year, they are included in the *"Risk factors and management"* section.

The business model may create impacts, risks and opportunities, which are identified and assessed using a specific methodology and time horizon (see also §4 below), which can be summarized as follows:

- **Impacts, risks and opportunities related to environmental issues:**
  - contribution to climate change related to GHG emissions (ESRS E1);
  - risks associated with pressure on raw materials due to climate change and availability of water (ESRS E1);
  - environmental impacts in terms of water withdrawal, pollution and biodiversity focused on upstream mining and agricultural activities, particularly during the extraction of raw materials (ESRS E2, E3 and E4);
  - management of waste and unsold items (ESRS E5);
  - production of exceptional items that stand the test of time as part of a sustainable design approach resulting in the creation of new circular services (ESRS E5).
- **Impacts, risks and opportunities related to social issues:**
  - impacts in terms of social integration and fulfillment through work (ESRS S1 and S2);
  - protecting and passing on expertise (increasing employability) (ESRS S1 and S2);
  - impacts on working conditions, in particular for the most vulnerable workers (physical risks and safety risks relating to specific activities, seasonal work, etc.) (ESRS S1 and S2);
  - reputational risk in terms of failure to uphold workers' rights (ESRS S1 and S2);
  - risk of loss of expertise and rare skills in traditional crafts (ESRS S1 and S2);
  - opportunity for influence and growth (Group attractiveness) (ESRS S1);
  - contribution to equal opportunity through professional integration and boosting the local economy (creating jobs) (ESRS S3);
  - conflicts of use in upstream agricultural and mining activities (access/water and soil pollution) (ESRS S3);
  - impact in terms of use of elements/cultural codes belonging to communities (ESRS S3);
  - impact in terms of expanding access to culture (ESRS S4);
  - impact on health for Perfumes and Cosmetics and Wines and Spirits activities (ESRS S4);
  - impact by means of marketing and advertising practices (dissemination of stereotypes) (ESRS S4);
  - opportunities to develop products and services taking all singularities into consideration (ESRS S4).
- **Impacts, risks and opportunities related to governance issues:**
  - contribution to protecting animal welfare;
  - risk of sanctions or reputational risk associated with failure to observe the ethical standards promoted by the Group.

3.3.3 Policies related to the management of impacts, risks and opportunities

To manage the impacts, risks and opportunities and increase resilience and competition, LVMH has drawn up specific action plans (LIFE 360, the CSR roadmap and the Convergence program), which are implemented by all the Maisons. A continuous improvement process is defined that aims to cover all its value chains.

Contribution of objectives of the LIFE 360 environmental strategy to material environmental IROs

Material environmental IROs	Objectives of the LIFE 360 environmental strategy in connection with material environmental IROs
ESRS – Climate	
Impacts	
– Greenhouse gas emissions linked to the Group's direct and indirect emissions (Scopes 1, 2 and 3)	**LIFE 360 – Climate** – Reduce energy-related greenhouse gas (GHG) emissions at its directly operated stores and sites by 50% in absolute terms by 2026 (baseline: 2019) thanks to a policy of 100% renewable or low-carbon energy – Reduce or avoid 55% of Scope 3 GHG emissions (raw materials, purchases, transportation, waste, product usage and end-of-life treatment) per unit of added value by 2030 (baseline: 2019)
Risks	
– Pressure on supplies of strategic raw materials (deterioration in quality/quantity) – Decline in commodity yields and pressure on the quantity of available supplies – Decreased or increased yield and change in grape quality	**LIFE 360 – Biodiversity** – Preservation, restoration or regeneration of 5 million hectares of ecosystems in 2030, primarily through regenerative agriculture within supply chains **LIFE 360 – Traceability & Transparency** – Integrate and verify contractual CSR clauses for 100% of strategic suppliers by 2030
– Increase in raw materials, energy and transportation costs – Loss of revenue or increased costs linked to extreme weather events affecting Group sites	/
ESRS – Pollution	
Impacts	
– Water and soil pollution arising from the use of inputs in the production and processing of agricultural commodities, minerals and livestock farming materials	**LIFE 360 – Biodiversity** – Certification for 100% of strategic raw materials in 2026 – Rollout of the ZDHC (Zero Discharge of Hazardous Chemicals) program within Fashion and Leather Goods
– Pollution of ecosystems arising from the use or end-of-life management of substances of concern or very high concern	**LIFE 360 – Biodiversity** – Rollout of the ZDHC program within Fashion and Leather Goods
Risks	
– Reputational risk in the event of a controversy linked to chemical pollution from substances of concern within the Group's own operations or those of its value chain	**LIFE 360 – Biodiversity** – Rollout of the ZDHC program within Fashion and Leather Goods – Halting the use of herbicides in LVMH vineyards – LIFE 360 – Traceability & Transparency – Integrate and verify contractual CSR clauses for 100% of strategic suppliers by 2030
– Sanctions and penalties in the event of non-compliance with regulations relating to substances of concern	/

Material environmental IROs	Objectives of the LIFE 360 environmental strategy in connection with material environmental IROs
ESRS – Water and marine resources	
Impacts	
– Contribution to the depletion of water resources arising from water withdrawal by the Group's operations and supply chain, particularly in areas at water risk	**LIFE 360 – Biodiversity** – 30% reduction by 2030 in water withdrawal by LVMH's operations (baseline: 2019) and its value chain (baseline: 2021)
Risks	
– Decline in agricultural yields affecting supplies of raw materials needed to manufacture the Group's products in the event of a reduction in water resources or restrictions on use	**LIFE 360 – Biodiversity** – Preservation, restoration or regeneration of 5 million hectares of ecosystems in 2030, primarily through regenerative agriculture within supply chains
ESRS – Biodiversity	
Impacts	
– Fragmentation/degradation/loss of terrestrial habitat/deforestation arising from own operations and supply chain operations	**LIFE 360 – Biodiversity** – Zero deforestation and conversion of natural ecosystems within operations and supply chains by 2025 **LIFE 360 – Traceability & Transparency** – 100% of strategic supply chains covered by a dedicated traceability system by 2030 – Integrate and verify contractual CSR clauses for 100% of strategic suppliers by 2030
– Contribution to soil degradation	**LIFE 360 – Biodiversity** – Certification for 100% of strategic raw materials in 2026 – Preservation, restoration or regeneration of 5 million hectares of ecosystems in 2030, primarily through regenerative agriculture within supply chains **LIFE 360 – Traceability & Transparency** – 100% of strategic supply chains covered by a dedicated traceability system by 2030 – Integrate and verify contractual CSR clauses for 100% of strategic suppliers by 2030
– Damage to sensitive ecosystems arising from tourism and the use of boats	**LIFE 360 – Biodiversity** – 100% of industrial and hospitality sites to have certified environmental management systems by 2026

Material environmental IROs	Objectives of the LIFE 360 environmental strategy in connection with material environmental IROs
ESRS – Resource use and circular economy	
Impacts	
– Impact connected with the consumption of raw materials across all value chains (including packaging) – Impact connected with waste production, packaging and point-of-sale advertising throughout the product life cycle (including production, sale and use)	**LIFE 360 – Circular Design** – 100% of products to be covered by a sustainable design process by 2030 – Zero fossil-based virgin plastic in customer packaging by 2026 – 70% recycled raw materials in customer packaging by 2030
– Pressure on rare materials used to create exclusive products	**LIFE 360 – Circular Design** – 100% of products to be covered by a sustainable design process by 2030
– Potential destruction of unsold/obsolete products	**LIFE 360 – Circular Design** – Rollout of new circular services
– Optimizing use of resources by ensuring product longevity (quality, long life cycle, repairability, refill capability, etc.)	**LIFE 360 – Circular Design** – 100% of products to be covered by a sustainable design process by 2030
Opportunities	
– Development of new sustainably designed ranges of products/services and use of more sustainable materials	**LIFE 360 – Circular Design** – 100% of products to be covered by a sustainable design process by 2030 – Innovation program dedicated to the new vision of luxury
– Development of new business models based on reuse, refill, recovery and resale of products	**LIFE 360 – Circular Design** – Rollout of new circular services

Contribution of objectives of the corporate social responsibility strategy to material social IROs

Material social IROs (S1, S2 and S3)	Objectives of the corporate social responsibility strategy in connection with material social IROs
ESRS – Own workforce	
Impacts	
– Financial stability and social integration of employees through employment and payment of an adequate wage	**LVMH 2025 CSR Roadmap** – Fair wage policy – Payment of an adequate wage for 100% of LVMH employees
– Employees' exposure to physical, psychological or safety risks related to the specific features of the sector and its working patterns	**LVMH 2025 CSR Roadmap** – Achieve the five commitments set out in the Health & Safety Charter
– Potential exposure to discrimination and harassment throughout employees' working lives (based on gender, disability, etc.)	**LVMH 2025 CSR Roadmap** – 100% of recruiters trained in non-discrimination practices every three years
– Increasing the employability of LVMH employees in connection with the influence of the luxury sector and traditional craft skills	**LVMH 2025 CSR Roadmap** – 750 new apprentices in 2024 at the LVMH Institut des Métiers d'Excellence (IME) in 8 countries
– Employees' exposure to weather events	**LVMH 2025 CSR Roadmap** – Achieve the commitments set out in the Health & Safety Charter
Risks & Opportunities	
– Reputational risk in the event of failure to respect the rights of workers, or to manage health and safety risks	**LVMH 2025 CSR Roadmap** – Achieve the commitments set out in the Health & Safety Charter
– Risk of loss of expertise and rare skills in traditional crafts	**LVMH 2025 CSR Roadmap** – 750 new apprentices in 2024 at the LVMH Institut des Métiers d'Excellence (IME) in 8 countries
– Opportunity to retain and mobilize talent by developing an inclusive culture	**LVMH 2025 CSR Roadmap** – Attain 50% of women in Group key positions by 2025 – 2% of the workforce to be made up by employees with disabilities by 2025
ESRS – Workers in the value chain	
Impacts	
– Financial stability and social integration for workers in the value chain	**LVMH Responsible Purchasing** – Suppliers sign and comply with the Supplier Code of Conduct
– Potential impact on working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment)	**LVMH Convergence Program** – Gross risk analysis, online audit, on-site audit, remediation plan – Supplier training
– Increasing the employability of workers in the value chain in connection with the influence of the luxury sector and traditional craft skills	**LVMH 2025 CSR Roadmap** – *Métiers d'Excellence* (professions of excellence)

Material social IROs (S1, S2 and S3)	Objectives of the corporate social responsibility strategy in connection with material social IROs
– Working conditions	**LVMH Convergence Program** – On-site audit for suppliers identified as at risk and suppliers in countries at risk
– Decent housing and access to water and sanitation	**LVMH Responsible Purchasing** – Payment of an adequate wage
– Child labor in high-risk countries	**LVMH Convergence Program** – On-site audit for suppliers in countries at risk
Risks & Opportunities	
– Reputational risk in the event of failure to respect the rights of value chain workers or to manage health and safety risks	**LVMH Convergence Program** – Gross risk analysis, online audit, on-site audit, remediation plan
– Risk of loss of expertise in rare artisanal professions	**LVMH 2025 CSR Roadmap** – *Métiers d'Excellence* (professions of excellence)
– Operational continuity by maintaining lasting relationships with key suppliers and improving working conditions	**LVMH Responsible Purchasing**
ESRS – Affected communities	
Impacts	
– Contribution to equal opportunity through the professional integration of young people and disadvantaged groups – Contribution to expanding access to culture	**LVMH 2025 CSR Roadmap** – 100% of employees will have the chance to get involved in a community-oriented initiative

These action plans contribute fully to the Group's vigilance policy through which LVMH identifies, prevent and mitigates risks to human rights and fundamental freedoms, human health and safety, as well as the environment, at every stage in the value chains of Group business activities.

In 2024, LVMH tightened up oversight of its vigilance policy by putting in place a dedicated governance structure involving every level of the LVMH Group, from the Board of Directors right down to operational communities within the Maisons, and creating a new department focused solely on the duty of vigilance, which also regularly reports on its activities to LVMH's Sustainability & Governance Committee and Board of Directors.

The LVMH Group's vigilance policy is described in the "Vigilance Plan" section of this document.

Additionally, concerning business conduct priorities, the Group is implementing compliance policies and systems to prevent the potential impact that the following practices could have on the Company and the Group's stakeholders:

- incidents of corruption;
- money laundering;
- incidents related to observing economic sanctions;
- violations of whistleblower rights.

These policies and systems, which are part of the Group's strategy and business model, also aim to address the material risks that the Group could be exposed to in the event of acts of corruption, anticompetitive practices, practices in breach of international sanctions with regard to financial penalties or practices that violate the Group's image in the event of an unchecked abundance of counterfeit products in the market.

4. Method for identifying impacts, risks and opportunities

4.1 Description of the processes to identify and assess material impacts, risks and opportunities

Dedicated governance arrangements have been put in place under the aegis of LVMH's Executive Committee to oversee and operationally implement the CSRD within the Group, including the creation of specific bodies: a dedicated Management Committee led by the Director of General Administration & Legal Affairs and the Chief Financial Officer who report back to Executive Management and a Steering Committee. These committees consist of representatives from the following departments: Purchasing; Ethics and Compliance; Group Controlling, Reporting & Consolidation; Environmental Development; Social Development; Duty of Vigilance; IT & Technology; Legal; Operations; CSR and Human Resources.

In keeping with the requirements of the Corporate Sustainability Reporting Directive (CSRD), the LVMH Group carried out a double materiality assessment for the first time in 2024, with the help of an external firm. This assessment was led in accordance with the expectations set out in the European Sustainability Reporting Standards (ESRS), a delegated act published in July 2023, and the recommendations laid down in the EFRAG Materiality Assessment Implementation Guidance, the final version of which was published in May 2024.

The purpose of the double materiality assessment – a cornerstone of the CSRD – is to identify sustainability topics reflecting the following:

- existing or potential positive and negative material impacts on people and the environment connected with the business of the Company and its value chain (impact materiality – inside-out perspective);
- material financial impacts – both positive (opportunities) and negative (risks) – connected with sustainability topics that affect or could affect the Group's financial performance (financial materiality – outside-in perspective).

The Group plans to have the materiality assessment reviewed annually by the Steering Committee responsible for sustainability topics and updated every three years, or when a major change of scope occurs.

All the methodologies used are described in the following paragraphs and the results of the analysis confirmed by these bodies.

This process of identifying, assessing and managing impacts, risks and opportunities follows a specific procedure. It is not currently incorporated into the overall risk management process at Group level.

Sustainability risk is treated in the same way as other types of risk.

4.1.1 General approach

Scope, phasing and key assumptions

To cover all of the Group's activities while taking into account their specific characteristics, the double materiality assessment has been undertaken across eleven value chains: "Wines and Spirits," "Fashion," "Leather Goods," "Watches," "Jewelry," "Perfumes and Cosmetics," "Selective Retailing," "Media, Communications, Events and Shows," "Hospitality, Luxury Tourism and Parks," "Restaurants and Patisseries" and "Yacht Building."

The value chain for each of the aforementioned activities has been mapped, creating a global vision for the Group and highlighting the business models, industry sectors, upstream and downstream value chain segments and stakeholders impacted. Impacts connected with the Group's own operations and the value chain, including those connected with business relationships, have been considered across all geographies.

The process of identifying material impacts, risks and opportunities (IROs) was broken down into four key steps:

1. Understanding the context → **2. Identifying IROs** → **3. Assessing IROs** → **4. Setting materiality thresholds**

The first step consisted of identifying sustainability topics based on: (1) topics previously identified by the Group; (2) information specific to the Group's various businesses; (3) the Group's business model and value chain; and (4) ESG topics, sub-topics and sub-subtopics listed in the ESRS.

The identification and assessment of impacts, risks and opportunities is based on the following:

- sources of sector information: studies, peer practices, benchmarks, etc. (e.g. SASB, rating agency questionnaires);
- internal sources of information regarding analyses of the Group's activities and products, including existing impact and risk analyses;
- consolidation of the views and interests of external stakeholders (consumers, local communities, civil society, nature, etc.) through in-depth bibliographical analysis and interviews.

In accordance with the requirements of ESRS, the following choices were made when the list of IROs was drawn up:

- impacts, risks and opportunities identified and assessed are considered at "gross" level, i.e. without taking into account any action plans put in place;
- risks and opportunities often arise from impacts. This means that, for each impact, the "counterparty" in terms of risk or opportunity must be considered.

Lastly, in addition to integrating the results of regular discussions with stakeholders (see §3.2 above) in order to take stakeholders' interests and perspectives into account in evaluating IROs, the Group ran a dedicated interview-based consultation with eight external stakeholders, including (i) representatives from non-governmental organizations (NGOs) with expertise in environmental, social and governance issues and (ii) investors. These stakeholders were identified and ranked on the basis of their expertise and understanding of the impacts of the activities of the Group and its value chain. This targeted consultation aimed to make the double materiality assessment more enforceable by means of qualitative and strategic analysis of the stakeholders/experts involved.

4.1.2 Assessment of IROs

Assessment of impacts

Impact materiality was assessed using four variables required by ESRS, ESRS 1 and ESRS 2: severity (scale, scope and irremediable character) and likelihood. In terms of the potential negative impacts on human rights, severity takes precedence over likelihood. Each severity and likelihood criterion was assessed on the basis of a score from 1 to 4. A number of time horizons were also taken into account: a short-term time horizon corresponding to the accounting reference period (i.e. one year), a medium-term time horizon corresponding to the period between the short-term horizon and five years, and a long-term time horizon corresponding to periods of more than five years. Consideration of the long-term impacts was incorporated by means of the coefficient principle to weight the valuation if the impact was increased in the long term (i.e. in terms of aggravation of a negative impact or reinforcement of a positive impact). These scores and coefficients were combined to give a final score ranging from 1 to 4, which was then used to prioritize impacts.

Assessment of risks and opportunities

Financial materiality was assessed using two variables required by ESRS, ESRS 1 and ESRS 2:

- severity, i.e. potential scale of financial effects;
- likelihood of occurrence.

Severity was assessed on the basis of a score from 1 to 5 and likelihood from 1 to 4. As with impacts, a number of different time horizons were also considered, notably by including a coefficient to reflect the long-term improvement or deterioration in a financial effect. Each variable was either allocated a score or used as a coefficient. These scores and coefficients were combined to give a final score ranging from 1 to 5, which was then used to prioritize risks and opportunities.

Setting and reviewing thresholds

Each score was reviewed and validated by members of the CSRD Steering Committee (see §4.1 above).

Materiality thresholds were determined based on the following criteria and signed off by the Steering Committee:

- alignment and continuity with the Group's strategy and previous impact, risk and opportunity assessments;
- materiality of the information for affected stakeholders and users of sustainability information.

Once the final results had been consolidated, LVMH's Performance Audit Committee and the Sustainability & Governance Committee, as well as Christian Dior's Performance Audit Committee, reviewed on November 26 and December 5, 2024, respectively, the methodology and results of the double materiality assessment.

Positive and negative environmental, social and governance-related impacts, risks and opportunities

Environment

	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other
E1 – Climate change						
Impacts	– Greenhouse gas emissions linked to the Group's direct and indirect emissions (Scopes 1, 2 and 3) (–)					
Risks	– Decreased or increased yield and change in grape quality	– Pressure on supplies of strategic raw materials (deterioration in quality/quantity): leather, wool, cashmere, cotton, gemstones/metals	– Decline in commodity yields and pressure on the quantity of available supplies	– Pressure on supplies of strategic raw materials (deterioration in quality/quantity): leather, wool, cashmere, cotton, gemstones/metals	–	–
	– Increased cost of raw materials – Increase in energy and transportation costs – Loss of revenue or increased costs linked to extreme weather events affecting Group sites					
E2 – Pollution						
Impacts	– Potential water and soil pollution arising from the use of inputs in the production and processing of agricultural commodities and winegrowing materials (–)	– Potential water and soil pollution arising from the use of inputs in the production and processing of agricultural commodities and livestock farming materials (–) – Potential pollution arising from substances of concern or very high concern (–)	– Potential ecosystem pollution arising from substances of concern or very high concern (product use and end-of-life treatment) (–)	– Potential water pollution arising from the extraction and processing of mineral raw materials (–)	–	–
Risks	– Reputational risk in the event of a controversy linked to chemical pollution from substances of concern within the Group's own operations or those of its value chain – Sanctions and penalties in the event of non-compliance with regulations relating to substances of concern					
E3 – Water						
Impacts	– Contribution to the depletion of water resources arising from water withdrawal by the Group's operations and supply chain, particularly in areas at water risk (–)	– Contribution to the depletion of water resources arising from water withdrawal by the Group's supply chain, particularly in areas at water risk (–)	–	–	–	– Contribution to the depletion of water resources arising from water withdrawal by the Group's hospitality activities, particularly in areas at water risk (–)
Risks	– Decline in agricultural yields affecting supplies of raw materials needed to manufacture the Group's products in the event of a reduction in water resources or restrictions on use					
E4 – Biodiversity						
Impacts	– Fragmentation/degradation/loss of terrestrial habitat arising from supply chain operations and the Group's own operations (–) – Contribution to soil degradation across the upstream value chain and the Group's own operations (–)	– Fragmentation/degradation/loss of terrestrial habitat/deforestation arising from supply chain operations (–) – Contribution to soil degradation across the upstream value chain (–)			–	– Hospitality: Contribution to soil degradation (–) – Hospitality & Yachts: Damage to sensitive ecosystems (coral reefs, tropical forests, savannas, mountainous areas, island areas, etc.) arising from tourism and the use of boats in these areas (–) – Direct and indirect impacts of restoration work on the state of ecosystems (–)
E5 – Resource use and circular economy						
Impacts	– Impact related to raw material consumption across all value chains (including packaging) (–) – Impact related to waste production, packaging and point-of-sale advertising throughout the product life cycle (including production, sale and use) (–)					
	–	– Pressure on rare materials used to create exclusive products (–) – Potential destruction of unsold/obsolete products (–) – Optimizing use of resources by ensuring product longevity (quality, long life cycle, repairability, refill capability, etc.) (+)	– Potential destruction of unsold/obsolete products (–)	– Optimizing use of resources by ensuring product longevity (quality, long life cycle, repairability, refill capability, etc.) (+) – Pressure on rare materials used to create exclusive products (–)	–	–
Opportunities	– Development of new sustainably designed ranges of products/services and use of more sustainable materials – Development of new business models based on reuse, refill, recovery and resale of products					

Social

<table>
<tr><th></th><th>Wines and Spirits</th><th>Fashion and Leather Goods</th><th>Perfumes and Cosmetics</th><th>Watches and Jewelry</th><th>Selective Retailing</th><th>Other</th></tr>
<tr><td colspan="7">S1 – Own workforce</td></tr>
<tr><td rowspan="2">Impacts</td><td colspan="6">– Financial stability and social integration of employees through employment and payment of an adequate wage (+)
– Fulfillment through work and contribution to well-being (+)
– Development of employability through career development and mobility (+)
– Worldwide operations requiring attention to compliance with freedom of association and trade union rights (–)
– Employees’ exposure to physical, psychological or safety risks related to the specific features of the sector and its working patterns (–)
– Seasonal activity potentially leading to the use of fixed-term labor (independent contractors, temporary staff and employees on fixed-term contracts) (–)
– Potential exposure to discrimination and harassment throughout employees’ working lives (based on gender, disability, etc.) (–)</td></tr>
<tr><td>– Access to decent housing for temporary/seasonal employees (–)
– Employees’ exposure to weather events (–)</td><td>– Increasing the employability of LVMH employees in connection with the influence of the luxury sector and traditional craft skills (+)</td><td>–</td><td>– Increasing the employability of LVMH employees in connection with the influence of the luxury sector and traditional craft skills (+)</td><td>–</td><td>– Hospitality: Access to decent housing for temporary/seasonal employees) (–)</td></tr>
<tr><td>Risks & Oppor-tunities</td><td colspan="6">– Reputational risk in the event of failure to respect the rights of workers, or to manage health and safety risks
– Risk of loss of expertise and rare skills in traditional crafts
– Opportunity for influence and growth through traditional craft skills and creative talent
– Opportunity to engage all the Group's talent by developing an inclusive culture</td></tr>
<tr><td colspan="7">S2 – Workers in the value chain</td></tr>
<tr><td rowspan="3">Impacts</td><td colspan="6">– Financial stability and social integration for workers in the value chain (+)
– Potential impact on working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment) (–)</td></tr>
<tr><td></td><td>– Increasing the employability of workers in the value chain in connection with the influence of the luxury sector and traditional craft skills (+)</td><td>–</td><td>– Increasing the employability of workers in the value chain in connection with the influence of the luxury sector and traditional craft skills (+)</td><td>–</td><td>–</td></tr>
<tr><td colspan="4">– Working conditions (decent housing and access to water and sanitation, child labor in high-risk countries) (–)</td><td>–</td><td>– Hospitality, Restaurants: Working conditions (–)
– Decent housing and access to water and sanitation
– Child labor in high-risk countries</td></tr>
<tr><td>Risks & Oppor-tunities</td><td colspan="6">– Reputational risk in the event of failure to respect the rights of value chain workers or to manage health and safety risks
– Risk of loss of expertise in rare artisanal professions
– Operational continuity by maintaining lasting relationships with key suppliers and improving working conditions</td></tr>
<tr><td colspan="7">S3 – Affected communities</td></tr>
<tr><td rowspan="4">Impacts</td><td colspan="6">– Boosting the local economy by creating jobs and through the Group’s economic impact (specific to LVMH) (+)
– Contribution to equal opportunity through the professional integration of young people and disadvantaged groups (specific to LVMH) (+)
– Contribution to expanding access to culture (+)</td></tr>
<tr><td>–</td><td>– Preserving expertise and traditional craftsmanship (specific to LVMH) (+)</td><td>–</td><td>– Preserving expertise and traditional craftsmanship (specific to LVMH) (+)</td><td>–</td><td>–</td></tr>
<tr><td colspan="4">– Conflicts of use (access to water and soil) and upstream water and soil pollution in the mining and agriculture value chains (–)</td><td>–</td><td>–</td></tr>
<tr><td>–</td><td colspan="2">– Use of cultural codes/elements belonging to communities (–)</td><td>–</td><td>–</td><td>–</td></tr>
<tr><td>Oppor-tunities</td><td colspan="6">– Improved brand image related to the promotion of traditional craft skills (specific to LVMH)</td></tr>
<tr><td colspan="7">S4 – Customers and end-users</td></tr>
<tr><td rowspan="2">Impacts</td><td colspan="6">– Potential violation of privacy arising from management of customers’ personal data (–)</td></tr>
<tr><td>– Health linked to harmful alcohol use (adults/minors) (–)
– Access by minors to inappropriate products (–)</td><td>–</td><td>– Health of children and adolescents linked to the use of cosmetic products at a young age (–)
– Potential damage to the health of consumers and use of substances of concern or very high concern in cosmetic products (–)</td><td>–</td><td>– Health of children and adolescents linked to the use of cosmetic products at a young age (–)</td><td>– Restaurants, Hospitality: Access by minors to inappropriate content (–)</td></tr>
<tr><td rowspan="2">Risks & Oppor-tunities</td><td>–</td><td colspan="3">– Propagation of stereotypes within society through advertising and communication practices</td><td>–</td><td>–</td></tr>
<tr><td colspan="6">– Development of the Group's brand image and commercial appeal in relation to taking account of the increasing expectations of customers and consumers with regard to sustainability (quality, health and safety, etc.)
– Development of products and services taking every individual's uniqueness into consideration</td></tr>
</table>

Governance

<table>
<tr><th></th><th>Wines and Spirits</th><th>Fashion and Leather Goods</th><th>Perfumes and Cosmetics</th><th>Watches and Jewelry</th><th>Selective Retailing</th><th>Other</th></tr>
<tr><td colspan="7">G1 – Business conduct</td></tr>
<tr><td rowspan="2">Impacts</td><td colspan="6">– Direct or indirect involvement in corrupt practices, money laundering, practices in breach of economic sanctions in force, or any other violations of business ethics (–)
– Direct or indirect involvement in money laundering or incidents related to observance of economic sanctions in force (specific to LVMH) (–)
– Protection of the rights of whistleblowers (–)</td></tr>
<tr><td>–</td><td>– Impact on animal welfare (–)</td><td>–</td><td>–</td><td>–</td><td>– Restaurants: Impact on animal welfare (–)</td></tr>
<tr><td>Risks</td><td colspan="6">– Damage to the Group’s image in the event of a controversy related to livestock farming conditions or mistreatment of animals
– Damage to the Group’s image in the event of a controversy affecting the Group's brand image or protection of intellectual property (uncontained profusion of counterfeit products on the market) (specific to LVMH)
– Sanctions and penalties related to involvement in corrupt practices or any other violations of business ethics, or in practices in breach of economic sanctions in force (specific to LVMH)</td></tr>
</table>

4.2 Disclosure Requirements in ESRS covered by the undertaking’s sustainability statement

Disclosure Requirements (according to the results of the materiality assessment)		Sections	Pages
ESRS 2 – General disclosures			
BP-1	General basis for preparation of sustainability statements	INFO 1.1	48
BP-2	Disclosures in relation to specific circumstances	INFO 1.2	49
GOV-1	The role of the administrative, management and supervisory bodies	INFO 2.1	50
GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	INFO 2.2	50
GOV-3	Integration of sustainability-related performance in incentive schemes	INFO 2.3	52
GOV-4	Due diligence statement	INFO 2.4	53
GOV-5	Risk management and internal controls over sustainability information	INFO 2.5	56
SBM-1	Strategy, business model and value chain	INFO 3.1	57
SBM-2	Interests and views of stakeholders	INFO 3.2	60
SBM-3	Material impacts, risks and opportunities and their relationship to strategy and business model	INFO 3.3	61
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	INFO 4.1	70
IRO-2	Disclosure Requirements in ESRS covered by the undertaking’s sustainability statement	INFO 4.2	74
ESRS E1 – Climate change			
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	INFO 2.3 ENV 2.2.9	52 105
E1-1	Transition plan for climate change mitigation	ENV 2.2	96
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	INFO 3.3 ENV 2.1	61 92
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to climate	ENV 2.1.1	92
E1-2	Policies related to climate change mitigation and adaptation	ENV 2.3.1	107
E1-3	Actions and resources related to climate change policies	ENV 2.3.2	108

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Disclosure Requirements (according to the results of the materiality assessment)		Sections	Pages
E1-4	Targets related to climate change mitigation and adaptation	ENV 2.2.1	96
E1-5	Energy consumption and mix	ENV 2.4.4	117
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	ENV 2.3.4	111
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	ENV 2.3.2	108
E1-8	Internal carbon pricing	ENV 2.2.8	104
E1-9	Anticipated financial effects from material physical and transition risks and potential opportunities related to climate	PIP	-
ESRS E2 – Pollution			
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to pollution	INFO 4.1 ENV 3.1	70 122
E2-1	Policies related to pollution	ENV 3.2.1/ 3.3.1/3.4.1	122/ 125/130
E2-2	Actions and resources related to pollution	ENV 3.2.2/ 3.3.2/3.4.2	123/ 126/131
E2-3	Targets related to pollution	ENV 3.2.3/ 3.3.3/3.4.3	124/ 126/131
E2-4	Air, water and soil pollution	ENV 3.2/3.3	122/125
E2-5	Substances of concern and substances of very high concern	ENV 3.4	130
E2-6	Anticipated financial effects from risks and opportunities related to pollution	PIP	-
ESRS E3 – Water and marine resources			
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to water and marine resources	INFO 4.1	70
E3-1	Water and marine resources policies	ENV 4.1/4.2	133/134
E3-2	Actions and resources related to water and marine resources	ENV 4.2.2	135
E3-3	Targets related to water and marine resources	ENV 4.2.3	135
E3-4	Water consumption	ENV 4.2.4	136
E3-5	Anticipated financial effects from risks and opportunities related to water and marine resources	PIP	-
ESRS E4 – Biodiversity and ecosystems			
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	ENV 5.1.1	137
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	INFO 3.3 ENV 5.1.1	61 137
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to biodiversity and ecosystems	INFO 4.1	70
E4-2	Biodiversity and ecosystems-related policies	ENV 5.2	141
E4-3	Actions and resources related to biodiversity and ecosystems	ENV 5.2	141
E4-4	Targets related to biodiversity and ecosystems	ENV 5.2.3	145
E4-5	Impact indicators related to the deterioration of biodiversity and ecosystems	ENV 5.2.4	147
E4-6	Anticipated financial effects from risks and opportunities related to biodiversity and ecosystems	PIP	-

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Disclosure Requirements (according to the results of the materiality assessment)		Sections	Pages
ESRS E5 – Resource use and circular economy			
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy	INFO 4.1	70
E5-1	Policies related to resource use and circular economy	ENV 6.1.1/ 6.2.1/6.3.1	150/ 155/160
E5-2	Actions and resources related to resource use and circular economy	ENV 6.1.2/ 6.2.2/6.3.2	151/ 156/160
E5-3	Targets related to resource use and circular economy	ENV 6.1.3/ 6.2.3/6.3.3	152/ 158/161
E5-4	Resource inflows	ENV 6.1.4	153
E5-5	Resource outflows	ENV 6.2.4/6.3.4	159/162
E5-6	Anticipated financial effects from risks and opportunities related to resource use and circular economy	PIP	-
ESRS S1 – Own workforce			
ESRS 2 SBM-2	Interests and views of stakeholders	INFO 3.2 SOC 1.1.3	60 176
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	INFO 3.3 SOC 1.1.4	61 177
S1-1	Own workforce policies	SOC 1.1.1	176
S1-2	Process for dialogue with own workforce and employee representatives about impacts	SOC 1.1.5	177
S1-3	Processes to repair negative impacts and channels for own employees to raise concerns	SOC 1.1.5	177
S1-4	Taking action on material impacts on own employees, and approaches to managing material risks and pursuing material opportunities related to own employees, and effectiveness of those actions	SOC 1.3	180
S1-5	Targets related to managing adverse material impacts, advancing positive impacts and managing material risks and opportunities	SOC 1.3	180
S1-6	Characteristics of the undertaking’s employees	SOC 1.2	178
S1-7	Characteristics of non-employee workers similar to own workforce	PIP	-
S1-8	Collective bargaining coverage and labor relations	SOC 1.4.4	186
S1-9	Indicators related to diversity	SOC 1.6	194
S1-10	Living wage	SOC 1.4.6	188
S1-11	Social protection	PIP	-
S1-12	Persons with disabilities	SOC 1.6.3	197
S1-13	Indicators related to training and skills development	SOC 1.5.4	193
S1-14	Indicators related to health and safety	SOC 1.4.3	183
S1-15	Indicators related to work-life balance	SOC 1.4.5	187
S1-16	Indicators related to compensation (pay gap and total compensation)	NM/SOC 1.4.2	181
S1-17	Cases, complaints and serious impacts on human rights	SOC 1.4.1	181

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Disclosure Requirements (according to the results of the materiality assessment)		Sections	Pages
ESRS S2 – Workers in the value chain			
ESRS 2 SBM-2	Interests and views of stakeholders	INFO 3.2 SOC 2.1.2	60 200
ESRS 2 SBM-3	Material impacts, risks and opportunities and interactions with strategy and business model	INFO 3.3 SOC 2.1.3	61 200
S2-1	Policies related to value chain workers	SOC 2.2.1	201
S2-2	Process for dialogue with value chain workers about impacts	SOC 2.2.2	201
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SOC 2.2.3	202
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	SOC 2.2.3	202
S2-5	Targets related to managing adverse material impacts, advancing positive impacts and managing material risks and opportunities	SOC 2.2.4	204
ESRS S3 – Affected communities			
ESRS 2 SBM-2	Interests and views of stakeholders	INFO 3.2 SOC 3.1.1	60 206
ESRS 2 SBM-3	Material impacts, risks and opportunities and interactions with strategy and business model	INFO 3.3 SOC 3.1.2	61 206
S3-1	Policies related to affected communities	SOC 3.2.1/3.3.1/ 3.4.1/3.5.1	207/208/ 209/211
S3-2	Process for dialogue with affected communities about impacts	SOC 3.2.1	207
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	SOC 3.2.1	207
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	SOC 3.2.3/3.3.2/ 3.4.2/3.5.2	208/ 209/211
S3-5	Targets related to managing adverse material impacts, advancing positive impacts and managing material risks and opportunities	SOC 3.2.4/3.3.3/ 3.4.3/3.4.4	208/209/ 210
ESRS S4 – Consumers and end-users			
ESRS 2 SBM-2	Interests and views of stakeholders	INFO 3.2 SOC 4.1.1	60 212
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	INFO 3.3 SOC 4.1.2	61 212
S4-1	Policies related to consumers and end-users	SOC 4.2/4.3.1/ 4.4.1/4.5.1/4.6.1	213/ 214/216/217
S4-2	Process for dialogue with consumers and end-users about impacts	SOC 4.2/4.3.2/ 4.4.2/4.5.1/4.6.2	213/214/ 215/216/218
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	SOC 4.2/4.3.1/4.3.2/ 4.4.3/4.5.1/4.6.3	213/214/ 215/216/218
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	SOC 4.2/4.3.1/4.3.2/ 4.4.3/4.5.1/4.6.3	213/214/ 215/216/218
S4-5	Targets related to managing adverse material impacts, advancing positive impacts and managing material risks and opportunities	SOC 4.2/4.3.2/4.4.4/ 4.4.5/4.6.4/4.6.5	213/214/ 216/218

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Disclosure Requirements (according to the results of the materiality assessment)		Sections	Pages
ESRS G1 – Business conduct			
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	INFO 2.1 GOV 1.1	50 220
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	INFO 4.1 GOV 1.2	70 220
G1-1	Business conduct policies and corporate culture	GOV 1.3	221
G1-2	Management of relationships with suppliers	GOV 1.6	229
G1-3	Prevention and detection of corruption and bribery	GOV 1.4	225
G1-4	Confirmed incident of corruption or bribery	GOV 1.4.3	226
G1-5	Political influence and lobbying activities	NM	-
G1-6	Payment practices	NM	-

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

4.3 Datapoints required by other EU legislative acts

Datapoints		Other EU legislative acts		Sections	Pages
ESRS 2 – General disclosures					
GOV-1 §21 (d)	Board's gender diversity	SFDR	Indicator 13, Table 1, Annex I	INFO 2.1	50
		Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II		
GOV-1 §21 (e)	Percentage of Independent Directors	Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II	INFO 2.1	50
GOV-4 §30	Due diligence statement	SFDR	Indicator 10, Table 3, Annex I	INFO 2.4	53
SBM-1 §40 (d) i.	Involvement in activities related to fossil fuels	SFDR	Indicator 4, Table 1, Annex I	N/A	N/A
		Pillar 3	Article 449a of Regulation (EU) No. 575/2013 Commission Implementing Regulation (EU) 2022/2453, Table 1: "Qualitative information on Environmental risk" and Table 2: "Qualitative information on Social risk"		
		Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II		
SBM-1 §40 (d) ii.	Involvement in activities related to chemical production	SFDR	Indicator 9, Table 2, Annex I	N/A	N/A
		Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II		
SBM-1 §40 (d) iii.	Involvement in activities related to controversial weapons	SFDR	Indicator 14, Table 1, Annex I	N/A	N/A
		Benchmark Regulation	Delegated Regulation (EU) 2020/1818, Appendix II, Delegated Regulation (EU) 2020/1816, Article 12 (1)		
SBM-1 §40 (d) iv.	Involvement in activities related to cultivation and production of tobacco	Benchmark Regulation	Delegated Regulation (EU) 2020/1818, Article 12 (1), Delegated Regulation (EU) 2020/1816, Appendix II	N/A	N/A
ESRS E1 – Climate change					
E1-1 §14	Transition plan to reach climate neutrality by 2050	European Climate Law	Regulation (EU) 2021/1119, Article 2 (1)	ENV 2.2	96
E1-1 §16 (g)	Companies excluded from Paris Agreement Benchmarks	Pillar 3	Article 449a of Regulation (EU) No. 575/2013 Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	ENV 2.2.7	104
		Benchmark Regulation	Delegated Regulation (EU) 2020/1818, Article 12 (1) (d) to (g), and Article 12 (2)		

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Datapoints		Other EU legislative acts		Sections	Pages
E1-4 §34	GHG emission reduction targets	SFDR	Indicator 4, Table 2, Annex I	ENV 2.2.1	96
		Pillar 3	Article 449a of Regulation (EU) No. 575/2013 Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: Alignment indicators		
		Benchmark Regulation	Delegated Regulation (EU) 2020/1818, Article 6		
E1-5 §38	Energy consumption from fossil sources disaggregated by source (only high climate impact sectors)	SFDR	Indicator 5, Table 1 and Indicator 5, Table 2, Annex I	ENV 2.4.4	117
E1-5 §37	Energy consumption and mix	SFDR	Indicator 5, Table 1, Annex I	ENV 2.4.4	117
E1-5 §40-43	Energy intensity associated with activities in high climate impact sectors	SFDR	Indicator 6, Table 1, Annex I	ENV 2.4.4	117
E1-6 §44	Gross Scopes 1, 2, 3 and Total GHG emissions	SFDR	Indicators 1 and 2, Table 1, Annex I	ENV 2.3.4	111
		Pillar 3	Article 449a of Regulation (EU) No. 575/2013 Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity		
		Benchmark Regulation	Delegated Regulation (EU) 2020/1818, Article 5 (1), 6 and 8 (1)		
E1-6 §53-55	Gross GHG emissions intensity	SFDR	Indicator 3, Table 1, Annex I	ENV 2.3.4	111
		Pillar 3	Article 449a of Regulation (EU) No. 575/2013 Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: Alignment indicators		
		Benchmark Regulation	Delegated Regulation (EU) 2020/1818, Article 8 (1)		
E1-7 §56	GHG removals and carbon credits	European Climate Law	Regulation (EU) 2021/1119, Article 2 (1)	ENV 2.3.2	108
E1-9 §66	Exposure of the benchmark portfolio to climate-related physical risks	Benchmark Regulation	Delegated Regulation (EU) 2020/1818, Appendix II Delegated Regulation (EU) 2020/1816, Appendix II	PIP	-

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Datapoints		Other EU legislative acts		Sections	Pages
E1-9 §66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk	Pillar 3	Article 449a of Regulation (EU) No. 575/2013 Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk	PIP	-
E1-9 §66 (c)	Location of significant assets at material physical risk	Pillar 3	Article 449a of Regulation (EU) No. 575/2013 Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk	PIP	-
E1-9 §67	A breakdown of the carrying amount of the undertaking's real estate assets by energy efficiency classes	Pillar 3	Article 449a of Regulation (EU) No. 575/2013 Commission Implementing Regulation (EU) 2022/2453, paragraph 34, Template 2: Banking book – Climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral	PIP	-
E1-9 §69	Degree of exposure of the portfolio to climate-related opportunities	Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1818, Annex II	PIP	-
ESRS E2 – Pollution					
E2-4 §28	Amount of each pollutant listed in Appendix II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	SFDR	Indicator 8, Table 1, Annex I Indicators 1, 2 and 3, Table 2, Annex I	ENV 3.3.4	128
ESRS E3 – Water and marine resources					
E3-1 §9	Water and marine resources	SFDR	Indicator 7, Table 2, Annex I	PIP	133
E3-1 §13	Dedicated policy	SFDR	Indicator 8, Table 2, Annex I	ENV 4.2	134
E3-1 §14	Sustainable practices for oceans and seas	SFDR	Indicator 12, Table 2, Annex I	NM	-
E3-4 §28 (c)	Total percentage of water recycled and reused	SFDR	Indicator 6.2, Table 2, Annex I	ENV 4.2.4	136
E3-4 §29	Total water consumption in m^3 per net revenue on own operations	SFDR	Indicator 6.1, Table 2, Annex I	ENV 4.2.4	136

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Datapoints		Other EU legislative acts		Sections	Pages
ESRS E4 – Biodiversity and ecosystems					
ESRS 2 SBM-3 §16 (a) i.	Biodiversity-sensitive areas	SFDR	Indicator 7, Table 1, Annex I	ENV 5.1.2	139
ESRS 2 SBM-3 §16 (b)	Land degradation, desertification and land artificialization	SFDR	Indicator 10, Table 2, Annex I	ENV 5.2.1/5.2.4	141/147
ESRS 2 SBM-3 §16 (c)	Operations affecting endangered species	SFDR	Indicator 14, Table 2, Annex I	ENV 5.1.2	139
E4-2 §24 (b)	Sustainable land/agriculture practices or policies	SFDR	Indicator 11, Table 2, Annex I	ENV 5.2.1	141
E4-2 §24 (c)	Sustainable oceans/seas practices or policies	SFDR	Indicator 12, Table 2, Annex I	NM	-
E4-2 §24 (d)	Policies to address deforestation	SFDR	Indicator 15, Table 2, Annex I	ENV 5.2.1	141
ESRS E5 – Resource use and circular economy					
E5-5 §37 (d)	Non-recycled waste	SFDR	Indicator 13, Table 2, Annex I	ENV 6.3.4	162
E5-5 §39	Hazardous waste and radioactive waste	SFDR	Indicator 9, Table 1, Annex I	ENV 6.3.4	162
ESRS S1 – Own workforce					
ESRS 2 SBM-3 §14 (f)	Risk of forced labor	SFDR	Indicator 13, Table 3, Annex I	SOC 2.1.3	200
ESRS 2 SBM-3 §14 (g)	Risk of incidents of child labor	SFDR	Indicator 12, Table 3, Annex I	SOC 2.1.3	200
S1-1 §20	Human rights policy commitments	SFDR	Indicator 9, Table 3 and Indicator 11, Table 1 of Annex I	SOC 1.4.1	181
S1-1 §21	Due diligence policy on issues addressed by ILO Fundamental Conventions 1 to 8	Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II	SOC 1.4.1	181
S1-1 §22	Processes and measures for preventing trafficking in human beings	SFDR	Indicator 11, Table 3, Annex I	SOC 1.4.1	181
S1-1 §23	Workplace accident prevention policy or management system	SFDR	Indicator 1, Table 3, Annex I	SOC 1.4.3	183
S1-3 §32 (c)	Grievance or complaint handling mechanisms	SFDR	Indicator 5, Table 3, Annex I	SOC 1.4.1	181

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Datapoints		Other EU legislative acts		Sections	Pages
S1-14 §88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	SFDR	Indicator 2, Table 3, Annex I	SOC 1.4.3	183
		Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II		
S1-14 §88 (e)	Number of days lost to injuries, accidents, fatalities or illness	SFDR	Indicator 3, Table 3, Annex I	SOC 1.4.3	183
S1-16 §97 (a)	Unadjusted gender pay gap	SFDR	Indicator 12, Table 1, Annex I	PIP	-
		Benchmark Regulation	Delegated Regulation (EU) 2020/1816, Appendix II		
S1-16 §97 (b)	CEO pay ratio	SFDR	Indicator 8, Table 1, Annex I	SOC 1.4.2	181
S1-17 §103 (a)	Instances of discrimination	SFDR	Indicator 7, Table 3, Annex I	SOC 1.4.1	181
S1-17 §104 (b)	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR	Indicator 10, Table 1, Annex I Indicator 14, Table 3, Annex I	SOC 1.4.1	181
		Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12 (1)		
ESRS S2 – Workers in the value chain					
ESRS 2 SBM-3 §11 (b)	Significant risk of child labor or forced labor in the value chain	SFDR	Indicators 12 and 13, Table 3, Annex I	INFO 3.3 SOC 2.1.3	61 200
S2-1 §17	Human rights policy commitments	SFDR	Indicator 9, Table 3 and Indicator 11, Table 1 of Annex I	SOC 2.2.1	201
S2-1 §18	Policies related to value chain workers	SFDR	Indicators 11 and 4, Table 3, Annex I	SOC 2.2.1	201
S2-1 §19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR	Indicator 10, Table 1, Annex I	SOC 2.2.1	201
		Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12 (1)		
S2-1 §19	Due diligence policy on issues addressed by ILO Fundamental Conventions 1 to 8	Benchmark Regulation	Delegated Regulation (EU) 2020/1816, Appendix II	SOC 2.2.1	201
S2-4 §36	Human rights issues and incidents connected to the upstream and downstream value chain	SFDR	Indicator 14, Table 3, Annex I	SOC 2.2.3	202

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Datapoints		Other EU legislative acts		Sections	Pages
ESRS S3 – Affected communities					
S3-1 §16	Human rights policy commitments	SFDR	Indicator 9, Table 3, Annex I Indicator 11, Table 1, Annex I	SOC 3.2	207
S3-1 §17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	SFDR	Indicator 10, Table 1, Annex I	SOC 2.2.1	201
		Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12 (1)		
S3-4 §36	Human rights issues and incidents	SFDR	Indicator 14, Table 3, Annex I	SOC 3.2.3	208
ESRS S4 – Consumers and end-users					
S4-1 §16	Policies related to consumers and end-users	SFDR	Indicator 9, Table 3 and Indicator 11, Table 1 of Annex I	SOC 4.2/4.3.1/ 4.3.2/4.4.1/ 4.5.1/4.6.1	213/ 214/ 216/217
S4-1 §17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR	Indicator 10, Table 1, Annex I	SOC 4.1	212
		Benchmark Regulation	Commission Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12 (1)		
S4-4 §35	Human rights issues and incidents	SFDR	Indicator 14, Table 3, Annex I	SOC 2.2.3	202
ESRS G1 – Business conduct					
G1-1 §10 (b)	United Nations Convention against Corruption	SFDR	Indicator 15, Table 3, Annex I	N/A	-
G1-1 §10 (d)	Protection for whistleblowers	SFDR	Indicator 6, Table 1, Annex I	GOV 1.3	221
G1-4 §24 (a)	Fines for violation of anti-corruption and anti-bribery laws	SFDR	Indicator 17, Table 3, Annex I	GOV 1.4.3	226
		Benchmark Regulation	Delegated Regulation (EU) 2020/1816, Appendix II		
G1-4 §24 (b)	Standards of anti-corruption and anti-bribery	SFDR	Indicator 16, Table 3, Annex I	GOV 1.4	225

NM: Non-material.
PIP: Phase-in provisions.
N/A: Not applicable.

Sustainability Report and Vigilance Plan

Environment

The Group's environmental policy is pursued via LVMH and its Maisons, which comprise all of the Group's operating activities.

1. General environmental policy

The LVMH Group environmental policy, which itself dates back to 1992, is designed to fulfill three purposes:

- prevent and/or reduce environmental impacts by precisely measuring the impact of the Group's activities on the climate, biodiversity (in soil and ecosystems) and water resources, covering Scopes 1, 2 and 3;
- strengthen the intrinsic qualities of the Group's products (product sustainability and transmissibility), adopting the circular economy model;
- promote positive impacts on the environment and society using creativity and innovation to change practices, while also encouraging other operators in the luxury sector.

It is based on a regularly updated analysis of the materiality of the environmental matters that it plans to address. In 2024, this analysis was completed using a double materiality assessment, in compliance with CSRD requirements.

Measurement of the Group's Climate, Water and Biodiversity footprints fueled the creation of LIFE 360 (LVMH Initiatives For the Environment – 360), a specific and proactive program of actions. Launched in 2021, this program includes targets to be achieved by 2023, 2026 and 2030 that relate to the climate, biodiversity, circularity and traceability. The aim of this program is to create products that are in harmony with nature, with no negative impacts on resources and the climate. When the 2023 target achievement report was released, these aims were publicly restated at the LIFE 360 Summit at UNESCO on December 14, 2023: "We are introducing a new vision for luxury that combines performance and commitment, while respecting the environmental equilibrium, and continuing to inspire dreams," explained Bernard Arnault, Chairman and Chief Executive Officer of the LVMH Group and Chairman of the Christian Dior Group, in his closing speech.

1.1 Organization of the Group's environmental approach

1.1.1 Governance related to environmental strategy

LVMH actions support the ten principles of the United Nations Global Compact, which the Group joined in 2003, and its Sustainable Development Goals.

At the LVMH level, the Board of Directors – the Company's strategic body – is responsible for implementing the LIFE 360 environmental strategy, based on the opinions of the Sustainability & Governance Committee. The Board of Directors set up this committee, including within its role the provision of support in defining the broad strategic direction of the Company and the LVMH Group with regard to ethical, environmental and workforce-related matters, as described in the "General information" section, §2, "Governance".

LVMH's Board of Directors, pursuant to the recommendations made by the Compensation Committee, sets the conditions for the award of annual variable compensation to the Chairman and Chief Executive Officer and to the Group Managing Director (whose term ended April 18, 2024): the implementation of LIFE 360 commitments is included in the criteria.

The Environmental Development Department – which reports to Antoine Arnault, Head of Image & Environment and a member of LVMH's Board of Directors – is responsible for implementing the LIFE 360 environmental strategy at a Group level and the environmental action plans included in the Sustainability Report. Since 2021, Antoine Arnault has delivered an annual report on the progress of the four LIFE 360 action plans at the annual Shareholders' Meeting.

The Environmental Development Department also has these duties:

- provide reporting on environmental data within a precisely defined scope and based on specific consolidation rules (see §1.4). The reporting system was implemented in 2001 and consists of four questionnaire types that were updated in 2024 to gather new information consistent with CSRD requirements;
- use this reporting to provide updates on the Group's environmental strategy, thus contributing to its non-financial performance. In 2024, the Group was included in the main indices based on responsible investment criteria: FTSE4Good Global 100, Moody's ESG (X/100) and S&P Global ESG (X/100). LVMH was included on CDP's 2024 A List;
- identify world-class measurement tools and methodologies and carry out forward-looking analysis to help the Maisons safeguard against risks and seize opportunities in each main business group, and in hospitality activities;

- train employees and raise environmental awareness at every level of the organization via the LIFE Academy in particular;
- share LVMH's environmental experience at international summits and build proactive partnerships, which may have an influence on other players in the luxury sector.

1.1.2 Implementation of the environmental strategy within the Maisons

LVMH's Environmental Development Department is responsible for implementing the four LIFE 360 program action plans within each of the Group Maisons, and for monitoring these plans using the following methods:

- each Group Maison includes the LIFE 360 program in its strategic plan and reports on its progress within its Management Committee. Some of the Maisons have incorporated LIFE 360 into dedicated processes (with indicators that reflect the specific characteristics of their key issues), such as: "Our Committed Journey" for Louis Vuitton, "Living Soils, Living Together" for Moët Hennessy, "In the Name of Beauty" for Guerlain and "Horizon" for Zenith;
- each Maison relies on the Sustainable Development Departments and internal environmental expertise when implementing their environmental program. The Maisons are responsible for collecting, monitoring and consolidating environmental data within their own scope of activity. By signing a letter of representation, they commit to the quality and completeness of the environmental data sent to the Group annually in preparation for this report;
- the Maisons' variable compensation policies may include performance targets based on sustainable development;
- each year, the Environmental Development Department sends each Maison a table in which to report an overview of the progress made on the LIFE 360 program. This department also organizes a review of the LIFE 360 results based on a random selection of 75 Group Maisons providing a representative sample of its business groups, attended by the Maison President and its Head of Sustainability, as well as the LVMH Group's Head of Image & Environment and Head of Environmental Development.

LVMH's environmental experts (Group and Maisons) make up a network of nearly 200 people, known as the Environment Committee, which meets twice a year, in order to:

- share the analysis of LIFE 360 results for each business group;
- discuss best practices;
- carry out a review of environmental innovations implemented within the Maisons, and identify possible synergies to broaden their scope.

1.2 The LIFE program

1.2.1 Origin of the approach

Signed in 2001 by the LVMH Group's Chairman and Chief Executive Officer, the Environmental Charter (whose principles have now been integrated into the LVMH Code of Conduct) is the founding document for LVMH's five key principles with regard to the environment:

- striving for high environmental performance;
- encouraging collective commitment;
- managing environmental risks;
- designing products that factor in innovation and environmental creativity;
- making a commitment that goes beyond the Company.

Launched in 2011, the LIFE program puts these goals into practice. It was designed to step up environmental integration within the brands' strategy and help develop new coordination tools. Roadmaps were used to implement the program, fixing quantifiable targets shared across the Maisons.

The LIFE 360 roadmap covers the period from 2021 to 2030. With the Maisons' shared desire to further accelerate progress, it was developed in 2020 by assessing previous roadmaps, analyzing the Group's environmental footprints, and completing other preparatory work, including:

- priorities set jointly with the Maisons and via the various consultative bodies: the LVMH Science Committee; the Future of Luxury Commission (established in July 2020 and made up of leading outside figures from various disciplines); and work sessions with students and young employees;
- analyzing the extent to which LVMH's environmental policy has contributed to the achievement of the United Nations Sustainable Development Goals (SDGs), in particular SDG 3 ("Good health and well-being"), SDG 6 ("Clean water and sanitation"), SDG 9 ("Industry, innovation and infrastructure"), SDG 12 ("Responsible consumption and production"), SDG 15 ("Life on land") and SDG 17 ("Partnerships for the goals");
- securing approval for the prioritization of objectives and their terms of implementation at presentations to members of LVMH's Executive Committee and LVMH's Sustainability & Governance Committee.

1.2.2 LIFE 360 objectives

This roadmap, the fruit of the work described above, was unveiled at LVMH's 2021 Shareholders' Meeting. The results for fiscal year 2022 were presented at the Shareholders' Meeting of April 20, 2023, and the results for fiscal year 2023 were presented at the Shareholders' Meeting of April 18, 2024. The LIFE 360 program sets out 2023, 2026 and 2030 targets and charts a course for creating products that embody the Group's environmental ambitions. It is structured around four strategic action plans:

- **Taking action for the climate**: The materiality of the climate issue is twofold for the Group: Its activities emit greenhouse gases (GHGs), and it faces risks in terms of raw material availability and also cost due to increasing temperatures. To confront this risk, the Group has adopted a transition plan, whose carbon trajectory is in line with the Paris Agreement. These were approved by the SBTi (Science-Based Targets initiative) in December 2021. It aims to achieve a 50% reduction in the Group's Scope 1 and 2 energy-related greenhouse gas emissions by 2026 (baseline: 2019) and a 55% reduction in Scope 3 emissions per unit of added value by 2030. Actions are concentrated on reducing Scope 1 and 2 emissions (energy conservation and energy efficiency) and making a positive impact by maximizing the proportion of renewable energy used in the Group's energy mix (target: exclusive use of renewable or low-carbon energy by production sites, logistics centers, administrative sites and stores by 2026). Reduction of Scope 3 emissions (mainly linked to raw material purchases and transportation) involves a number of action plans relating to sustainable product design, regenerative agriculture, responsible marketing and supporting suppliers through their environmental transition (LIFE 360 Business Partners launched at year-end 2023) (ESRS 1).
- **Protecting biodiversity:** As LVMH's activities are intimately linked to nature, the Group regularly measures and assesses its impact and dependencies on natural resources. The targets laid down in this action plan are designed to avoid and reduce impacts (in terms of artificialization, withdrawals and/or pollution of soils, water resources, and ecosystems) and restore to the environment whatever is taken from it: zero deforestation and ecosystem conversion within its operations and supply chains by 2025; 100% of strategic supply chains to be subject to the most rigorous standards by 2026; a regenerative agriculture plan to restore 5 million hectares of flora and fauna habitats between now and 2030. The Group continues to roll out its Animal Welfare Charter published in 2019. The Biodiversity program was supplemented in 2023 by adding a dedicated water resource protection policy aimed at achieving a 30% reduction in the Group's water withdrawal by 2030 (ESRS 2, 3 and 4).
- **Promoting circular design:** Adopting the circular economy model in the production and management process is a way of reducing the consumption of natural resources and the climate impact. The goal of this action plan is to adopt circular economy principles in relation to the products, packaging and waste produced in operations and to contribute to the biodiversity and climate transition plans. In terms of the products, the target is both to implement sustainable design (reaching 100% of new products sustainably designed in 2030, with a reduced environmental footprint from extraction of materials to their processing) and circular services (repair and refills) for all Maisons. This target was achieved at year-end 2023, in line with LIFE 360 expectations. The specific characteristics of LVMH Maison products (intrinsic quality and transmissibility) support the implementation of reuse, repair and recycling processes and over time will enable the launch of new product and service ranges. Packaging strategy will follow this same circularity trajectory, with a target of zero fossil-based virgin plastics by 2026. As regards waste generated in operations, Maisons' production sites are also subject to specific targets, for example to roll out certified environmental management systems across all production and logistics sites by 2026 (ESRS 5).
- **Ensuring traceability and transparency:** The action plan aims to roll out dedicated traceability initiatives covering all strategic raw materials by 2030 and tools for sharing environmental and/or social information at product level. It supports the "Climate", "Biodiversity" and "Circular Economy" action plans by reporting the environmental origin of products and their degree of sustainable design (ESRS 4).

These four action plans are accompanied by targets designed to mobilize stakeholders around the LIFE 360 priorities, in particular:

- **employees**, with the aim of designing environmental training programs tailored to the **specific characteristics of the Group's businesses** and providing training on sustainability matters to 100% of employees by 2026;
- **customers,** with a target of all new products having a dedicated information system by 2026;
- **strategic suppliers**, with CSR clauses to be included in 100% of contracts and subject to verification by 2030, while offering an action program to help them reduce their carbon, water and biodiversity footprints (LIFE 360 Business Partners);
- **researchers**, with a commitment to designing a dedicated sustainable luxury research and innovation program; this commitment was upheld in 2023, with the creation of the scientific innovation and research center LVMH Gaïa. LVMH is also supported by two external scientific research committees that enrich and guide the environmental policy and action plans. The first committee handles the supply of animal-derived raw materials, and the second deals with regenerative agriculture.

1.2.3 LIFE 360 targets: 2024 results

Summary of LIFE 360 "Climate" targets

	2024	2023	Target (year)
GHG emissions – Scopes 1 and 2 (baseline: 2019)	-55.1%	-28.2%	-50% (2026)
GHG emissions – Scope 3 (per unit of added value) (baseline: 2019)	-32.8%	-29.9%	-55% (2030)
Proportion of renewable energy in the Group's energy mix	71%	63%	100% (2026)
Proportion of stores lit entirely by LED lighting	87%	79%	100% (2026)

Summary of LIFE 360 "Biodiversity" targets (including water)

	2024	2023	Target (year)
Intensity of deforestation and ecosystem conversion for the LVMH value chain *(in hectares)*	200	200	0 (2026)
Regenerated, preserved or restored land (including for regenerative agriculture within the supply chains) *(in millions of hectares)*	3.8	3.1	5 (2030)
30% reduction in water withdrawal by LVMH operations (process requirements) (baseline: 2019) *(as %)*	-10%	/	-30% (2030)
30% reduction in water withdrawal by LVMH operations (agricultural requirements) (baseline: 2019) *(as %)*	31%	/	-30% (2030)

The 2024 results for certification of strategic raw materials are provided in §5, "Biodiversity and ecosystems (LIFE 360 – Biodiversity)".

Summary of LIFE 360 "Circular Design" targets

	2024	2023	Target (year)
Quantity of fossil-based virgin plastic in packaging that reaches customers *(in metric tons)*	7,224	7,942	0 (2026)
Percentage of recycled materials in customer packaging for glass and plastic *(as % of weight)*	41%	43%	70% (2030)
Presence of certified environmental management systems (ISO 14001 for production sites and logistics centers, EarthCheck for hospitality sites, etc.) *(as %)*	74%	66%	100% (2026)
New products to be covered by a sustainable design process – Fashion and Leather Goods Compliance with LIFE 360 sustainable design criteria *(as %)*	33% (3,781 products evaluated)	61% (300 products evaluated)	100% (2030)

Summary of LIFE 360 "Traceability and Transparency" targets

(as % of quantities purchased in 2024)	2024	2023	Target
Sheep and cow leather – Country of origin known	97.7%	96%	100%
Exotic leather – Country of slaughter known	99.3%	99.9%	100%
Fur – Country of rearing or trapping known	100%	99.9%	100%
Wools (merino sheep and other breeds, and cashmere) – Country of rearing known	88%	64%	100%
Diamonds – Country of mining and/or mining company known for diamonds of over 0.2 carats certified by a gemological laboratory	99.4%	96%	100%

1.3 Training and LIFE Academy

LVMH's ability to drive continuous improvement in its environmental performance is closely tied to the Group's success at making sure that its more than 215,000 employees understand their role as active participants in achieving this goal. The Group and its Maisons are thus working to train and raise awareness among employees as well as members of the management bodies with regard to the conservation of natural resources, biodiversity and climate change, undertaking to provide training on sustainability matters to 100% of employees by 2026.

Employee training and skills development are essential to implementing LIFE 360 and managing impacts, risks and opportunities linked to environmental matters.

Since 2023, the Group has established an educational body, LIFE Academy, offering a catalog of environmental training designed with input from subject matter experts, with a focus on two key areas:

- "Essentials": Generalist training for all employees aimed at developing an overview of environmental matters (climate, biodiversity, resources, etc.);
- "Expert": Specialized training aimed at specific business lines to boost skills and reinvent professional practices.

In 2024, LVMH strengthened its "Essentials" training by launching a new "Environment Essentials" e-learning module for all Group employees. This training constitutes the core knowledge that all employees must possess and understand.

The "Expert" training program includes courses tailored to specific professions, such as sustainable product design and packaging for stylists, developers and those in marketing roles; responsible sourcing and animal welfare for buyers; managing chemicals for quality and compliance teams; and sustainable store construction for architects.

What is unique about the LIFE Academy approach is that it is not just about learning but about putting that learning into practice. This is reflected in the design of the training programs, in which thinking together about real-life cases, sharing best practice among peers and drawing up action plans all play an important role.

On October 1, 2024, the Group opened the first LIFE Academy training campus on the site of Association de la Vallée de la Millière, founded by Yann Arthus-Bertrand. In opening La Millière, a haven of biodiversity with an educational focus located close to Paris, LVMH stepped up its ambitions in the area of training. The La Millière site will also enable the Group to raise awareness among a broader audience, notably including schools, nonprofits and NGOs. In opening this site, LVMH is reaffirming its desire to share its knowledge and expertise more widely. This is an integral part of the Group's "Joining forces" philosophy, which encourages open and inclusive collaboration with all stakeholders. Passing on environmental knowledge is key to amplifying the collective impact of the Group's actions and building a sustainable future.

Employees having completed environmental training

Indicator	Performance in 2024	Performance in 2023	Target for 2026
Number of people having completed environmental training [(a)]	38%	-	100%
Number of hours of environmental training [(a)]	73,917	68,140	-

(a) Baseline: 2019. Indicator calculated on the basis of all Group employees. The reporting scope does not include employees who have been with the Group for less than one year and takes into account all apprenticeship formats.

1.4 2024 reporting scope and methodology

1.4.1 Reporting scope and rules

Data are collected either by Maison or by site (stores, administrative sites, production sites and logistics centers), according to the following rules:

- Maisons: a Maison is included in environmental reporting if it is included in financial reporting. Following an acquisition, the acquired entity is included in environmental reporting one year after its inclusion in financial reporting;
- sites: the Group's new sites are added to the reporting scope in the year following their acquisition or their opening. Only sites under operational control are included in the environmental reporting. Operational control by the Group is defined as the total authority of at least one subsidiary over implementing operational policy at the site;
- divested entities (Maisons and sites): entities disposed of during the fiscal year (between January 1 and December 31 of Year N) are excluded from the reporting scope for Year N.

The collected data are made up of at least ten months of actual data, with no more than two months of extrapolated data, using, for example, data for the previous year corrected by business activity.

In 2024, reporting for environmental indicators covers the following scope:

Maisons

In 2024, as the scopes of financial and environmental reporting were brought into closer alignment, Maisons covered by environmental reporting accounted for more than 99.5% of Group revenue.

Ace of Spade, Minuty, Joseph Phelps, Patou, Buly, Perfumes Loewe, 24S, Kendo, LVMH Hotel Management and Cova were included in environmental reporting.

Monetary and HR data extracted and used in the Scope 3 greenhouse gas emissions calculations for some GHG Protocol items cover the full scope of consolidation.

Production sites, logistics sites and administrative sites

In 2024, there was a considerable effort to include all sites, particularly in identifying offices and improving data granularity for production and logistics sites.

98% of production and logistical sites are covered.

The sites that are not covered by environmental reporting are essentially offices outside of France, excluded for operational reasons, and their environmental impact is not material.

Production sites, logistics sites, hospitality sites and administrative sites *(number)*	**2024**	**2023**
Sites covered [(a)]	828	402
Sites not covered [(b)]	84	244
Total number of sites	**912**	**646**

(a) Inclusion of sites for Maisons including Minuty, Joseph Phelps, Buly, Perfumes Loewe, 24S and LVMH Hotel Management…
(b) Main components: certain regional administrative sites of Moët Hennessy, Louis Vuitton and Guerlain with fewer than 20 employees.

Total store floor space

In 2024, the total store floor space was included within the reporting; 90% of the store floor space covered in the reporting uses actual energy consumption data:

	% of Group's total store floor space reporting actual energy consumption data [(a)]	
	2024	**2023**
Total: Group	**90**	**83**

(a) The reporting scope does not cover the stores operated under franchise by Fashion and Leather Goods, Perfumes and Cosmetics, and Watches and Jewelry.

Energy consumption, water withdrawal, waste management and calculation of Scope 1 and 2 greenhouse gas emissions for total floor space for stores without actual data are estimated to ensure the scope is exhaustive. For floor areas with no real data, the estimation method is based on coefficients calculated from real data, which is then used to estimate the relevant data for these areas.

1.4.2 Reporting methodology

In 2010, the Group implemented the environmental platform that collects the data required for the calculation of LVMH LIFE 360 environmental strategy performance measures.

The system used for environmental reporting is an SaaS platform made up of four types of questionnaire:

- LIFE 360 questionnaire: Indicators used to monitor the LIFE 360 strategy;
- questionnaire about upstream and downstream transportation;
- questionnaire about raw materials;
- site questionnaire covering site- and store-specific data: water and energy use, refrigerant leaks, waste production (quantity, type and treatment of waste), etc.

In total, 1,614 information types are collected by each Maison.

All of the calculation and consolidation rules and the checks are defined in the LVMH environmental reporting protocol.

To calculate the Group's Scope 3 carbon footprint, the additional data required are sent by the Maisons through the reporting system for financial data (media service purchases, Fixed assets and Investments) and HR data (employee travel).

The collected data are checked, consolidated and validated by the Maisons and then the Group. The checks (units, vs. previous year, by activity, etc.) are enhanced every year to ensure data consistency.

The Maisons can access the dashboards that display the LIFE 360 indicators to make it easier to validate them ahead of Group consolidation.

2. Climate change (LIFE 360 – Climate)

2.1 Addressing issues related to climate

2.1.1 Methodology for the analysis of impacts, risks and opportunities

As part of the process of analyzing impacts, risks and opportunities and assessing their materiality, the whole of LVMH's value chain (upstream, own and downstream) and organizational scope (six business groups covering eleven businesses) was reviewed. The impacts of climate change are covered in the climate transition plan (CTP) (see §2.2 below), through locked-in emissions, identified key sources and the direction of business over the next few years. The risk and opportunity analysis is described below. This assessment is based on the most stringent standards relating to risk and opportunity analysis, such as TCFD.

The Group's risk and opportunity analysis took into account all physical risks (both chronic and extreme), the four categories of transition risk (legal, market, technology and reputation) and four categories of opportunities (circularity, regenerative practices, renewable energy and responsible marketing).

The analysis, launched in 2022, is updated annually. A scoring methodology was used to determine the materiality of risks or opportunity. This involves assessing the materiality of a risk or opportunity based on a number of criteria, the key parameters of which are as follows:

- severity: this parameter represents the degree of vulnerability to a given risk or opportunity, i.e. the impact it could have on revenue;
- probability: this parameter assesses exposure to a given risk or opportunity and serves to determine the degree of certainty as to whether or not that risk or opportunity will materialize in the future;
- aggravation: this parameter measures changes in a given risk or opportunity over time.

To assess each criterion, an analysis is completed by climate scenario, over the medium and long term. It is undertaken based on three main scenarios. These scenarios are underpinned by the work of the IPCC (Intergovernmental Panel on Climate Change) and key agencies such as the IEA (International Energy Agency):

- SSP5 – 8.5 (+4°C): Current growth trends continue and the political, economic and societal environments remain unchanged. Climate change accelerates, triggering conflicts over resource ownership as well as political and social instability;
- SSP1 – 1.9 (+1.5°C) – Energy conservation: The Paris Agreement targets are met, mainly as a result of increased awareness about environmental issues. Respecting the planet's limits becomes a core consideration guiding production value chains and consumer behavior;
- SSP1 – 1.9 (+1.5°C) – Technology: Achievement of the Paris Agreement targets is mainly dependent on technological breakthroughs to remove carbon from production processes. Regulations and drastic tax measures are crucial to a successful outcome, fueling conflict over resources.

Financial effects were described both qualitatively and quantitatively by assessing the increase in costs over time based on the Group's business projections. This analysis involved both specific geospatial data (covering individual sites) and averaged regional data (covering the source region for a given material). Also, there is a plan to include the financial effects of these scenarios in the Group's short-, medium- and long-term financial forecasts.

Discussions were held with all stakeholders involved in the value chain, including representatives of non-governmental organizations (NGOs) with expertise in environmental, social and governance issues, and investors (see the "General information" section, §4.1.2), as well as various Group departments, in order to pre-select risks and opportunities to be analyzed in detail.

2.1.2 Results of the analysis of impacts, risks and opportunities

Risks

For risks on sites operated by LVMH, all chronic and extreme physical risks were analyzed via ECLR, a platform that uses highly accurate geospatial data to perform forward-looking environmental analysis. Each site has been scored based on its exposure to each risk category. The overall level of exposure of Group sites to each risk category is summarized in the table below:

Average exposure of Group sites by risk category

	Temperature-related	Wind-related	Water-related	Solid mass-related
Chronic	Changing temperature	Changing wind patterns	Changing precipitation patterns and types	Coastal erosion
	Heat stress		Precipitation or hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost thawing		Saline intrusion	Solifluction
			Sea level rise	
			Water stress	
Extreme	Heat wave	Cyclones, hurricanes, typhoons	Drought	Avalanche
	Cold wave/frost	Storms	Heavy precipitation	Landslide
	Wildfire	Tornado	Flood	Subsidence
			Glacial lake outburst	

Each climate-related hazard is colored according to the level of exposure, based on a score of 0 to 100:
100-91 | 90-81 | 80-61 | 60-41 | 40-21 | 20-0 | Not exposed | Unavailable

Each category of risk was assessed based on several different time horizons and climate scenarios. To support decisions concerning the Group's investment strategy, the choice of time horizons was coherent with the lifespan of assets for financial purposes.

This analysis covers over 6,479 Group sites and stores, which is over 90% of the total scope, and will be updated regularly. It also meets the needs of the environmental taxonomy by contributing to the alignment assessment (identification and analysis of vulnerability to risks related to climate change).

For risks involving the value chain, and in particular key sources of greenhouse gas emissions (transportation and raw materials), the physical risks (chronic and extreme) and transition risks (legal, market, technology and reputation) included in the detailed analysis are presented below.

Physical and transition risks in the value chain

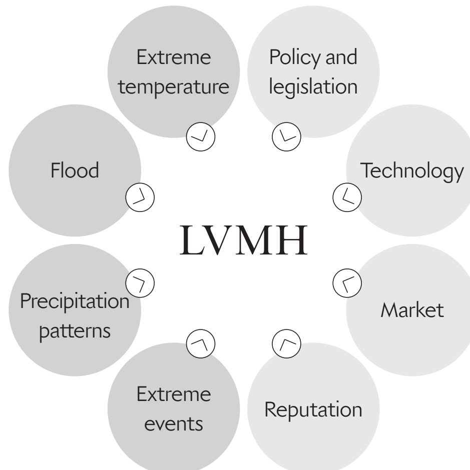
Physical risks
(Increased frequency and intensity of climate-related events)

Extreme temperature
- Heat wave

Flood
- Water stress

Precipitation patterns
- Fluvial flood
- Heavy precipitation

Extreme weather events
- Hurricane/cyclone
- Coastal flood
- Wildfire



Transition risks
(Disruptions caused by transitioning to a low-carbon economy)

Policy and legislation
- Carbon pricing schemes
- Regulations
- Exposure to litigation

Technology
- Product substitution
- Increase in prices of low-carbon technologies

Market
- Change in consumer behavior
- Uncertainty in market signals
- Increased cost of raw materials

Reputation
- Increased pressure from investors
- Stigmatization of activities

The following risks have been identified as material:

Type of risk	Risk description and implications for LVMH
Physical	**Pressure on supplies of strategic raw materials**

This first risk relates to the upstream value chain and is the result of climate-related events disrupting the extraction or production of some raw materials (cotton, wool, cashmere, gemstones and metals, leather, grapes). Climate-related events that may affect both the quality and quantity of available raw materials, and result in higher costs or problems with sourcing the materials concerned.

LVMH has categorized its primary raw materials based on their climate impact and importance to the Group's business and revenue. As a result of this analysis, the following materials have been prioritized:

- leather;
- cashmere and wool;
- cotton;
- silk;
- gems and precious metals;
- grapes;
- cosmetic ingredients;
- glass.

The potential increase in sourcing costs has been modeled over the medium and long term (2030 and 2050) using scenario SSP5-8.5 and based on current and future supply requirements. The Group has categorized the additional costs linked to this risk as major and critical.

Type of risk	Risk description and implications for LVMH
	These results have helped the Group adapt and make decisions about its future business as well as take practical steps to build resilience, such as the following: – increased sourcing of certified materials with full traceability and more sustainable practices; – investment in developing recycled materials to increase the proportion of recycled materials included in products; – investment in research into alternative raw materials and products that are more sustainable and resilient. The financial costs of responding to these risks have been quantified by the Maisons and are built into their budget processes and future investment plan.
	Loss of revenue or increased costs linked to extreme weather events affecting Group sites This risk is linked to damage caused by extreme weather events affecting Group sites, disrupting product manufacturing, storage (warehousing) or sale. This analysis has highlighted sites in high-risk areas and quantified the potential medium- and long-term loss of revenue based on different scenarios for the Group's future business. Adaptation actions at the sites concerned and investment needed to implement these actions are closely linked to Scope 1 and 2 mitigation actions and fully incorporated into the climate transition plan (see §2.3 below). In addition, clear adaptation action plans have been defined for Taxonomy-aligned sites (see §7 below).
Transition	**Increase in the cost of some raw materials due to the adoption of carbon pricing and higher energy prices** The risk identified lies in the potential for a significant increase in the cost of some raw materials that are crucial to the Group's business as a result of the adoption of carbon pricing and increases in energy prices over the medium and long term. These mechanisms are central to strategies for transitioning to a low-carbon economy with the aim of reducing greenhouse gas emissions and promoting the use of renewable energy but could put pressure on the cost of raw materials used in the Group's production processes. The raw materials concerned are those for which production requires a large amount of energy or is closely tied to fossil fuels such as glass, precious metals and agricultural commodities (higher cost of agricultural inputs). All LVMH Group businesses have been identified as being compatible with a future low-carbon economy. To mitigate this risk, the Group is closely monitoring these economic parameters and putting in place sustainable sourcing strategies and initiatives to optimize energy efficiency and diversify supply sources. Through the LIFE 360 Business Partners program, other essential measures to limit the adverse effects of cost increases from the Group's suppliers include entering into long-term contracts with renewable energy suppliers and exploring technologies to reduce the carbon footprint of materials used. The Group is monitoring this risk in conjunction with stakeholders in the value chain and adjusting its supply and innovation strategy to ensure that its operations can weather the economic challenges associated with energy transition.
	Increased energy and transportation costs due to fossil fuel depletion, increased need for cooling systems, pricing of low-carbon technologies, etc. Fossil fuel depletion, combined with growing demand for renewable energy and rapid growth in carbon reduction technologies, is creating an environment in which access to energy could become increasingly uncertain and energy costs increasingly high. Moreover, while the adoption of low-carbon technologies is essential to reducing the Group's carbon footprint, the initial costs – particularly for purchasing and implementing innovative solutions – are higher. In response to this risk, the Group has taken a series of steps to reduce its reliance on fossil fuels and optimize energy costs. This includes developing alternative energy sources such as solar and wind energy as well as improving the energy efficiency of all production and transportation processes. Furthermore, proactively managing the need for cooling systems and investing in more efficient technology should help mitigate the impact of rising energy costs. The Group will continue to keep a close eye on energy prices and low-carbon technologies and will adjust its sourcing and investment strategies to ensure it remains competitive and resilient in the face of these changes.

Opportunities

The study did not highlight any material opportunities.

2.1.3 Results of the analysis of impacts, risks and opportunities

The risk analysis highlighted a number of areas of uncertainty related to the impact of climate scenarios, notably concerning regulatory developments, raw material prices and the ability to adapt infrastructure to cope with extreme weather events. This uncertainty mainly affects assets in high-risk regions and some supply chains that are particularly sensitive to climate-related events. However, these assets are fully integrated into the Group's overall strategy, which includes investment decisions aimed at boosting resilience to the identified risks. Adaptation actions are already in place and incorporated into the climate transition plan as well as at the most vulnerable sites.

In terms of adaptability, the Group is well equipped to adjust its strategy and business model in the short, medium and long term in response to climate-related risks. In the short term (i.e. between now and 2026), immediate steps are being taken to comply with new environmental regulations and reduce carbon emissions, thus ensuring continued access to reasonably priced funding. In the medium term (2030), the Group plans to gradually transition to more sustainable production models while investing in resilient technologies to ensure that its cost of capital remains competitive. Over the long term (2050), the strategy will be focused on renovating and optimizing existing assets, with the option of redeploying resources and dismantling infrastructure that is obsolete or has become too vulnerable. These adjustments will enable the Group to maintain a strong position in the face of the challenges posed by climate change while ensuring a sustainable return on investment.

2.2 Climate transition plan

The reporting scope is described in §1.4.1 above.

The LVMH Group is fully committed to achieving the greenhouse gas emissions reduction targets set out in the Paris Agreement and recognizes the fundamental importance of climate change mitigation, which is the main focus of its climate transition plan.

Climate change adaptation is also recognized as a key priority at Group level. The Group's adaptation policy is described in §2.3.1 below.

The climate transition plan set out below covers the scope of emissions submitted to SBTi in connection with the Group's 2026 and 2030 carbon reduction targets.

The climate transition plan is updated annually.

2.2.1 GHG emission reduction targets

In 2021, LVMH committed to an ambitious carbon reduction trajectory compatible with the Paris Agreement.

Methodology for calculating the carbon footprint and emissions trajectory

LVMH's GHG emissions reduction target was submitted to and approved by the Science-Based Targets initiative (SBTi) in 2021. The baseline year is 2019, considered as representative of the Group's business and sales.

The SBTi methodology for calculating carbon emissions reduction trajectories is aligned with science, ensuring that the approach chosen by LVMH is methodologically robust.

Every year, LVMH publishes its Scope 1, 2 and 3 carbon footprint in accordance with the methodology laid down in the GHG Protocol and updates the calculated footprint for its baseline year (2019) to reflect changes in both carbon accounting methodology and operational scope (resulting, for example, from the acquisition or disposal of entities or the opening or closing of sites or stores). By annually updating its baseline year carbon footprint, the Group is able to track its progress on carbon reduction relative to the target trajectory, in accordance with the GHG Protocol and SBTi rules. The carbon footprint is published both in absolute terms in year N and relative to the updated baseline year.

Thanks to its "Cascade" reporting platform, the Group has been collecting and centrally managing environmental data for over 20 years. The emissions factors used in calculating the Group's carbon footprint are taken from recognized sources: The ADEME carbon footprint database, the IEA, Ecoinvent, DEFRA and specific life cycle analyses. These emissions factors are regularly updated as knowledge advances and databases are updated. Calculating a carbon footprint involves a degree of uncertainty associated with the relevance of the data gathered and the emissions factors used.

Out of a desire for continuous improvement, LVMH is taking the following steps to improve the understanding and accuracy of its carbon footprint and more accurately measure the impact of actions implemented:

- rolling out a dedicated carbon platform to measure the carbon footprint and manage the action plan (rollout in progress);
- regularly updating the calculation methodology;

- observing a protocol aimed at collecting physical rather than monetary or estimated data;
- building a database of emissions factors that also incorporates life cycle analyses carried out by suppliers and Maisons to model efforts undertaken across the value chain.

With effect from 2030, LVMH plans to update its baseline year and target year footprints every five years, in accordance with ESRS requirements.

Similarly, LVMH is committed to updating its commitments as new scientific recommendations emerge and reference agencies update their methodologies.

Short-term science-aligned carbon reduction targets

In 2021, LVMH submitted the following commitments to SBTi for approval:

- 50% reduction in energy-related GHG emissions (in absolute value) for the Group (Scopes 1 and 2) between 2019 and 2026. The Group submitted new goals to SBTi in July 2024 including a 2030 target covering Scopes 1 and 2;
- 100% of electricity from renewable sources or low-carbon sources by 2026 at production sites, logistics centers, administrative sites and stores;
- 55% reduction in Scope 3 GHG emissions (excluding fixed assets and investments) per unit of added value between 2019 and 2030.

These are gross targets, which means GHG removals, carbon credits and avoided emissions are not counted as means of achieving them. The GHG emissions targets used are expressed using the market-based methodology. Targets are aligned with the level of ambition the sector is expected to achieve under SBTi to limit global warming to 1.5°C.

Long-term carbon reduction targets: The path to net-zero

In July 2022, LVMH pledged to SBTi that it would strengthen its commitment by submitting a long-term net-zero carbon reduction target within the following 24 months. In July 2024, LVMH submitted these new goals to SBTi.

2.2.2 Decarbonization initiatives

To achieve its carbon reduction targets, the Group has worked closely with each of the Maisons to draw up a climate policy with different priorities that will influence emissions sources across the entire scope of the Group's SBTi targets. This policy covers key products and businesses, suppliers, logistics sites and stores that form part of the Group's upstream and downstream value chain:

Scopes 1 & 2:

1. energy conservation;
2. energy efficiency;
3. renewable energy.

Scope 3:

4. circularity and certified materials;
5. sustainable transport;
6. regenerative agriculture;
7. responsible marketing and Green IT;
8. LIFE 360 Business Partners.

The climate policy forms part of the Group's broader "LIFE 360" environmental strategy, which covers all environmental matters over the period 2021-2030.

Calculating reductions in carbon emissions involves a degree of uncertainty because of the variability of data and assumptions used in calculations and economic forecasts. To mitigate these uncertainties, the Group has developed a detailed carbon accounting methodology aligned with the GHG Protocol. This methodology follows a continuous improvement approach under which values and methodologies are updated as and when new, more accurate information becomes available.

The action plan set out below covers the scope of emissions submitted to SBTi in connection with the Group's carbon reduction targets.

Scopes 1 & 2

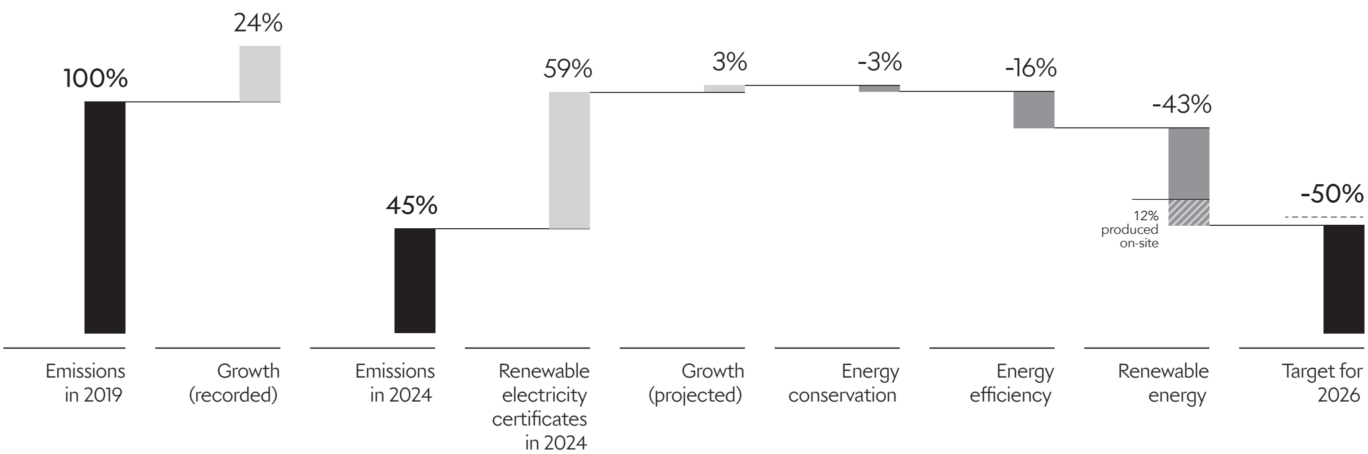
Scope 1 emissions are those generated mainly through the combustion of fuel oil and natural gas, as well as the leaking of refrigerant fluids. Scope 2 emissions are those generated indirectly from energy use, mainly electricity used in stores and at the Group's production sites.

Actions to reduce Scope 1 and 2 emissions are concentrated in three main areas:

- **energy conservation**, which means reducing consumption through awareness-raising and training for site and store managers, disseminating best practice among Group employees and putting in place smart monitoring systems;
- **energy efficiency and energy transition**, in particular through improvements to the environmental profile of stores, the main source of energy consumption, and sites;
- **use and production of renewable energies** at production and logistics sites, administrative sites and stores.

The waterfall chart below shows identified carbon reduction levers and actions and their contribution to achieving the 2026 SBTi targets.

2026 Scope 1 and 2 carbon reduction levers (base: 100)



Having achieved the target of reducing Scope 1 and 2 GHG emissions by 50% by 2026 in 2024, the Group is now aiming to reduce the proportion of renewable energies from renewable energy certificates and increase the proportion of renewable energy generated on site, and continuing with its actions in relation to energy conservation and energy efficiency.

The table below details planned actions to achieve the target.

Priorities	Actions	Description and assumptions	Reduction targeted relative to baseline year 2019 *(as %)*	Implementation timeline
Energy conservation	Reduction in lighting	– Turning off lights in all stores operated by the Group's Maisons between 10 p.m. and 7 a.m. and those at administrative sites at 9 p.m.	-3%	10% reduction in energy consumption achieved in 2023, to be continued until the end of 2026 and beyond. For stores, contributes to the "energy efficiency per square meter" target: – 500 kWh/m² by 2023; – 400 kWh/m² by 2026; 300 kWh/m² by 2030.
	Monitoring of and reduction in energy consumption	– Installing systems to measure and manage energy consumption in retail outlets		
	Temperature adjustment	– Changing thermostat temperatures for all industrial sites, administrative sites and stores: -1°C in the winter (with respect to current temperature settings) and +1°C in the summer (with respect to the current temperature at which air conditioning turns on)		
	Training and recruitment	– Rolling out a training policy and coordinating energy/climate networks and officers within the Maisons		
Energy efficiency and energy transition	LED store lighting	– Phased installation of LED lighting at 100% of stores	-16%	By 2026: 100% of stores equipped with LED lighting.
	Heat efficiency renovation works	– Thermal renovation works in stores, in particular highlighting innovative materials, specific technologies, designers and architects committed to sustainable design		Gradual until 2030. For stores, contributes to the "energy efficiency per square meter" target: – 500 kWh/m² by 2023; – 400 kWh/m² by 2026; – 300 kWh/m² by 2030.
	Industrial equipment	– Replacing production equipment, with a preference for more energy-efficient equipment (distillation columns, production lines, etc.)		
	Heating/air conditioning equipment (HVAC)	– Optimizing choice and sizing of equipment and refrigerants; renewing existing equipment		
Use and production of renewable energy	Biogas	– Framework agreements signed with energy suppliers in different regions for biogas	-43%	By 2026: 100% renewable or low-carbon energy.
	Low-carbon electricity	– On-site production of renewable electricity using solar panels – Annual purchases of renewable electricity certificates		

Scope 3

Scope 3 covers emissions indirectly generated by the Group. These mainly arise from purchases of goods and services from suppliers (notably of raw materials), transportation, waste, and the use and end-of-life treatment of sold products.

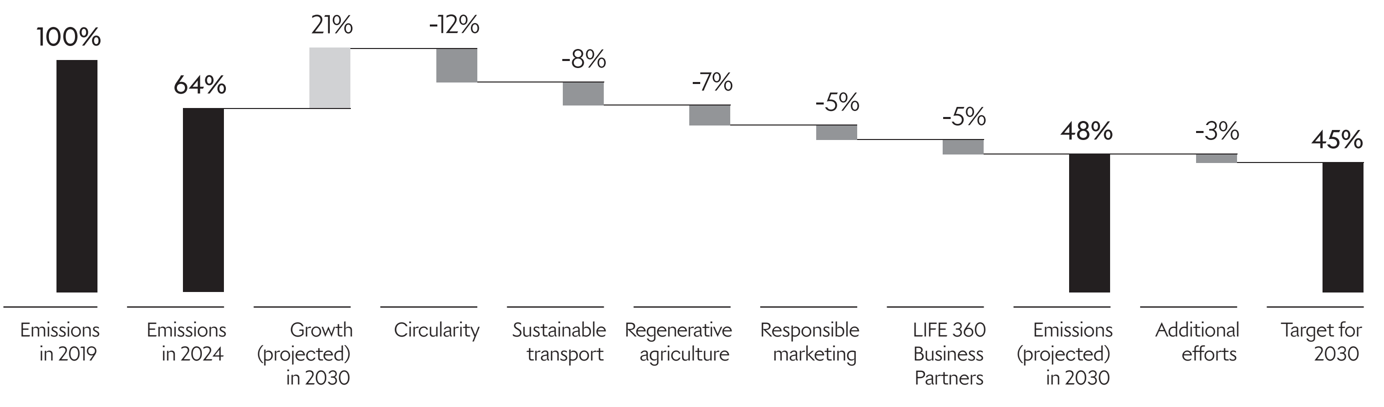
The action plan for reducing Scope 3 emissions covers five key areas:

- **Circularity**: Sustainable by nature, luxury goods step up their circularity approach to achieve environmental excellence: sustainable design, responsible and certified materials, and new circular services such as repairs and upcycling;
- **Sustainable transport**: Modal shift, optimization of logistical flows and electrification all contribute to reducing the Group's emissions from transporting goods;
- **Regenerative agriculture**: A broad range of practices have been put in place with the Group's suppliers to reduce the carbon footprint of agricultural commodities;
- **Responsible marketing and Green IT**: Creating content that is energy-efficient and uses materials sparingly and prioritizing environmentally responsible formats when disseminating content;
- **LIFE 360 Business Partners**: Comprehensive program engaging suppliers throughout the value chain to help them navigate the green transition. This program is described in the "Governance" section under §1.6, "Supplier assessment and support".

Focusing on these areas will enable the Group to transform its portfolio of products and services and develop low-carbon products by using less carbon-intensive materials and developing circularity from the design phase onwards.

The waterfall chart below shows identified carbon reduction priorities and their contribution to achieving the 2030 SBTi targets. The following projections are based on growth and scope assumptions that may change over time.

2030 Scope 3 carbon reduction levers (base: 100)



The table below details planned actions to achieve the 2030 Scope 3 target:

Priorities	Actions	Description and assumptions	Reduction targeted relative to baseline year 2019 *(as %)*	Implementation timeline
Circular design	Sustainably designed products and packaging: Reduce quantities used and opt for certified materials	– Prioritize certified materials or lower-carbon alternatives, reduce the amount of material used and optimize material cutting and packaging sizes	-12%	2026: 100% certified materials 2030: 100% of products covered by a sustainable design approach.
	Source recycled materials	– Increase sourcing of recycled materials for products and packing		2026: Zero fossil-based virgin plastic 2030: 70% (by weight) recycled raw materials in customer packaging and 100% recyclable, compostable or reusable.
	Bio-waste recovery	– Recycle bio-waste generated by certain activities such as silk and wine production		By 2030
	New circular services	– Roll out circular services (repair, reuse and recycling, refills, etc.)		By 2030
Sustainable transportation	Modal shift	– Prioritize transport by rail and boat rather than by air or road depending on product type – Last-mile management	-8%	By 2030
	Local sourcing	– Prioritize locally sourced raw materials to reduce distances traveled		By 2030
	Use biofuel for air freight	– Giving preference to air carriers that use sustainable aviation fuel		By 2030
	Use electric vehicles for last-mile deliveries	– Use low-carbon transport providers to deliver products from stores		By 2030
	Electric or biofuel-powered trucks	– Use electric or biofuel-powered trucks for inland freight		By 2030
	Decarbonization of service providers	– Part of the expected reduction in freight-related emissions depends on the sector and its constituent providers maintaining their carbon reduction trend		By 2030
Regenerative agriculture	Promote regenerative agriculture practices among suppliers	– Implementation of regenerative agriculture practices across the chain on the basis of the certifications and metrics used by the Group	-7%	By 2030
	Zero deforestation across the value chain	– Zero deforestation across the value chain		By 2030

Priorities	Actions	Description and assumptions	Reduction targeted relative to baseline year 2019 *(as %)*	Implementation timeline
Responsible marketing	Content creation	– Prioritize energy-efficient photo shoots that minimize transport and materials		By 2030
	Purchasing advertising space	– Prioritize formats that make little use of online data and advertising networks that use servers powered by renewable energy	-5%	By 2030
	Green IT	– Roll out a Green IT Charter aimed at lengthening the life span of equipment, reducing the number of purchases and optimizing energy consumption		20% reduction in IT-related emissions by 2026 (baseline: 2021)
LIFE 360 Business Partners	Use of low-carbon energy by suppliers	– Use of renewable electricity, use of electric machines and production facilities, use of biofuels	-5%	By 2030

Priorities for 2040 and 2050

Actions to be implemented over the medium term (2030-2040) and the long term (2040-2050) inevitably involve a high degree of uncertainty. Their contribution to achieving the Group's long-term targets depends on a number of factors such as technological advances and the rollout of new technology (renewable energy, energy retrofits, energy conservation, electric modes of transport, availability of biofuels, recycling capability, etc.) and progress achieved by suppliers throughout the value chain on reducing carbon emissions. However, the Group endeavors to take a long-term view by mapping out a credible path towards a contribution to net-zero emissions. This quantified path is underpinned by the priorities laid down in the LIFE 360 program and includes estimates of expected contributions to achieve the target.

- **Circularity**: From 2030, all Group products will be covered by a sustainable design approach, resulting in substantial reductions in CO_2 emissions. Responsible and innovative materials should be more widely available. The Maisons will roll out new circular services, while recovering unused materials (through reuse, upcycling and recycling) will become standard practice in the sector. Trials in progress within the Group are highlighting new opportunities. The CEDRE dismantling platform, created by the environmental depackaging and ecological recycling center, and startups Nona Source and Weturn help recycle and recover fabrics, while bio-sourced materials like polyethylene furanoate (PEF) could change the game in the medium term. The Group also supports research projects focused on developing sustainable solutions. One example is a project run by Eastman to develop packaging using molecular recycling technology. The Group continues to monitor developments in this area to ensure that its strategy remains up to date. For example, in its 2024 progress report on the circular economy, the European Environment Agency (EEA) describes both the challenges and the key factors involved in rolling out the circular economy on the scale needed to achieve the required level of carbon reduction. The Group's medium- and long-term strategy is informed by these publications.
- **Sustainable transport**: Technological advances in transport (electric vehicles, biofuels) are set to be rolled out on a larger scale from 2030, generating significant further reductions in emissions from freight transport. The Group is also exploring innovative sustainable modes of transportation such as cargo sailing ships, which Hennessy is trialing with Nantes-based shipping company Neoline. In drawing up its medium- and long-term action plan, the Group draws on leading scientific publications, including in particular the ICCT net-zero roadmap (Vision 2050, International Council on Clean Transportation, 2023 – https://theicct.org/vision-2050/).
- **Regenerative agriculture**: Between now and 2040, the Group intends to promote regenerative farming practices among all its agricultural suppliers, generating further reductions in CO_2 emissions. Forecasts of the uptake of regenerative farming practices are informed by leading scientific publications, including in particular the FAO roadmap published in 2023 ("Achieving SDG 2 without breaching the 1.5°C threshold: A global roadmap", FAO, 2023 – https://www.fao.org/interactive/sdg2-roadmap/en/).
- **LIFE 360 Business Partners**: By 2040, the Group plans to commit all suppliers participating in the LIFE 360 Business Partners program to adopting a plan to reduce their carbon, water and biodiversity impact.

Despite these highly ambitious priorities, additional efforts will need to be identified if the Group is to achieve its 2050 targets. As part of a continuous improvement process, teams with responsibility for the Group's environmental strategy are working to identify and anticipate the additional efforts required.

2.2.3 Investment and funding to implement the transition plan

The climate transition plan is designed to improve the Group's resilience and business performance by reducing certain energy costs through energy conservation, energy efficiency gains and the transition to renewable energy. However, the plan also carries additional costs in the form of both operating and capital expenditure.

The processes in place to ensure the plan is funded and aligned with the Group's financial planning are set out in §2.2.8, "Alignment with and embedding in the overall operating strategy and financial planning". While implementation of the transition plan is not dependent on public funding or subsidies, it may be re-evaluated based on the performance of the market or the Group.

In 2024, as part of the LIFE 360 strategy, LVMH estimated part of the future cost of implementing the climate transition plan, in particular for short-term Scope 1 and 2 carbon reduction initiatives. The table below summarizes significant future amounts of additional operating expenses and capital expenditure (OpEx and CapEx) related to the climate transition plan over the life span of the relevant commitments, i.e. out to 2026. Operating expenses are cumulative for 2025 and 2026; capital expenditure is the planned total over the period.

Priority	OpEx and CapEx 2025, 2026 *(EUR millions)*	Comments
Energy savings	10 to 20	Installation of measurement and monitoring instruments combined with staff awareness-raising and training and recruitment of energy officers
Energy efficiency	40 to 60	Switch to LED lighting, replacement of technical equipment, HVAC
Renewable energy	30 to 40	Installation of solar panels, purchase of RECs and other GOs
Total	**80 to 120**	

For Scope 3, the LVMH Group is developing a methodology for quantifying investments based on collecting data from pilot Maisons, which will then be extrapolated to the entire Group. Given the complexity and diversity of this process of quantifying investments, the methodology will be continuously improved over time. The methodology for quantifying investments takes into account the following:

- increase in predicted volumes;
- changes in prices (e.g. of certified or recycled materials);
- external factors (availability of industrial capacity, technological innovation, etc.);
- each action's contribution to the potential reduction.

Investments in the main Scope 3 carbon reduction initiatives are in the process of being quantified using this methodology. For example, one Maison has estimated expenditure related to the certification of cashmere used in accessories. The total cost of transitioning from conventional cashmere to 100% SFA-certified cashmere by 2030, taking into account assumptions relating to supply growth and changes in material prices, is around 400,000 euros a year between 2024 and 2030. This cost was measured on the basis of growth and price assumptions that may change over time.

2.2.4 Assessment of potential locked-in GHG emissions

Locked-in emissions correspond to potential future emissions from the operation of assets or the use of products sold by LVMH. LVMH has undertaken an initial analysis to estimate these emissions.

Locked-in emissions from assets are measured across the entire operating life span of existing and planned assets owned or controlled by LVMH that represent significant sources of emissions. When calculating locked-in emissions, LVMH includes energy consumption at its stores, production sites, logistics centers and office buildings. Locked-in emissions from sold products relate to products with a life span of over three years where emissions from use are significant.

The analysis shows that, thanks to planned carbon reduction actions, locked-in emissions from assets and sold products are unlikely to compromise the Group's carbon reduction trajectory. For assets, energy efficiency improvements, process electrification at new production facilities, energy conservation and the transition to 100% renewably sourced electricity will help mitigate these emissions. Locked-in emissions from sold products are likely to be mitigated by improvements in the energy and electricity mix in countries where those products are used.

Furthermore, transition risks related to assets and products with locked-in emissions are considered limited. For assets, the risk of increases in production costs as a result of higher prices is mitigated by the energy conservation plan and energy efficiency improvements to real estate assets.

2.2.5 Environmental Taxonomy-alignment plan

In view of the activities concerned by the Taxonomy Regulation at this stage, only operating expenditures – in particular in relation to real estate – are analyzed for the purposes of the LVMH Group's reporting (see §7, "Environmental taxonomy" below).

In 2024, 11.4% of the LVMH Group's eligible CapEx was taxonomy-eligible, 2.6 percentage points higher than in 2023. The Group is working on setting an alignment target. The Group is pursuing a number of initiatives in connection with its energy conservation and efficiency goals through real estate purchases.

The transition funding plan includes spending to reduce carbon from buildings owned by LVMH (Scopes 1 and 2: renovation and energy efficiency improvements to buildings), which also contribute to alignment according to the Environment taxonomy.

2.2.6 Significant CapEx related to fossil fuels

LVMH has not made no significant investments in activities related to coal, oil or gas production and has no plans to make any such investments in the coming years.

2.2.7 Exclusion from Paris-aligned Benchmarks

The Group is included in responsible finance benchmarks, including in particular Paris-aligned Benchmarks (PABs). LVMH is not involved in any activities that meet the exclusion criteria set out in Articles 12.1 [1] and 12.2 [2] of Commission Delegated Regulation (EU) 2020/1818 of July 17, 2020.

2.2.8 Alignment with and embedding in the overall operating strategy and financial planning

The climate transition plan is embedded in the operating and financial strategy as well as the Group's operating processes.

At the LIFE 360 Summit in December 2023, the Group Chairman and Chief Executive Officer set out his vision of what a luxury goods company must become in light of the green transition: "While not relinquishing either our DNA – creative excellence – or the need to protect the planet, we are nurturing a new vision for luxury that combines performance and engagement. In this new vision, luxury will continue to inspire dreams while respecting the environmental equilibrium."

From this perspective, business strategy and environmental strategy are two sides of the same coin. In the words of the Head of Environmental Development, the Group's LIFE 360 environmental strategy is "fully embedded into our overall strategy and the strategies of all our Maisons, with this program at the heart of the Group's creative approach, production and logistical systems." The "Crafting a New Luxury" white paper sets out the Group's vision and strategy for developing a business model that will enable it to achieve the most ambitious Paris-aligned carbon reduction objective: contributing to net-zero (see §2.2.1 above).

Embedding the transition plan into the operating strategy

Environmental issues are fully incorporated into the Group's strategic plan. The latter is the product of strategic plans drawn up by the various Maisons, which include an environmental dimension. In their strategic plans, the Maisons set out objectives for business development objectives consistent with environmental and carbon reduction targets.

The Group's environmental targets are directly shared by the Group's Environmental Development Department with the relevant teams and departments, depending on the topic in question (operations, marketing, etc.).

(1) Article 12.1 exclusion criteria: (a) companies involved in any activities related to controversial weapons; (b) companies involved in the cultivation and production of tobacco; (c) companies that have violated the United Nations Global Compact principles or the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct; (d) companies that derive 1% or more of their revenues from exploration, mining, extraction, distribution or refining of hard coal and lignite; (e) companies that derive 10% or more of their revenues from the exploration, extraction, distribution or refining of oil fuels; (f) companies that derive 50% or more of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels; and (g) companies that derive 50% or more of their revenues from electricity generation with a GHG intensity of more than 100 g CO_2 e/kWh.

(2) Article 12.2 exclusion criteria: companies that significantly harm one or more of the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852 of the European Parliament and of the Council.

Aligning the transition plan with financial strategy

The transition plan is aligned with the Group's financial strategy in three ways.

- **Carbon Fund**: This mechanism enables the Group to set Scope 1 and 2 carbon reduction expenditure targets for the Maisons in line with their Scope 1 and 2 emissions. Each Maison is required to spend a minimum amount on carbon reduction initiatives. This amount is equal to each Maison's Scope 1 and 2 emissions multiplied by a unit price per metric ton of carbon (set in 2024 at 60 euros per metric ton of CO_2 equivalent [tCO_2e]). Since 2016, the Group has invested around 106 million euros in 866 projects. Over the course of 2024, LVMH invested around 25 million euros in 158 innovation projects avoiding 222,679 tCO_2e for an estimated theoretical expenditure of 18 million euros (2024 emissions x 60 euros per metric ton).
- **Budget process**: In 2024, the Group's Finance Department launched a new process for collecting budget requests associated with the Maisons' climate plans, which will be adjusted in 2025 to establish a long-term process.
- **CapEx consultation**: CapEx requests with a potential environmental impact are submitted by financial controllers to the Environment Department for an advisory opinion. This ensures that significant capital expenditure is consistent with the transition plan.

2.2.9 Governance and transition plan approval process

The Board of Directors is the strategic body of the Company. It is primarily responsible for driving long-term value creation and protecting its corporate interests, focusing in particular on the social, environmental and climate issues facing its business.

As part of this approach, the Board of Directors ensures that the Group's transition plan is implemented and works with Executive Management to guide its development.

Approval process

The approval process is described in §1.1.1, "Governance related to environmental strategy" above.

Implementation of the Transition Plan

The processes to implement the transition plan are described in §1.1, "Organization of the Group's environmental approach" above.

Skills and training in climate issues for members of the management team

The skills and training of management team members are described in the "General information" section, §2.1, "Role of the administrative, management and supervisory bodies".

Climate-related compensation

The proportion of variable compensation paid to senior executive officers is based on achievement of targets related to corporate social responsibility and sustainability as shown in the "*Board of Directors' report on corporate governance*" section, §1.1.1.1.

In addition to policies for company officers, the Maisons have their own policies on financial incentives, which increasingly incorporate issues related to corporate social responsibility and sustainability, and climate-related issues in particular. By way of illustration:

- Hennessy: Incentives are calculated on the basis of four indicators – financial results, operational excellence, workplace safety and sustainability. The sustainability indicator includes two sub-targets, one being reducing total energy consumption (corrected for weather conditions). In addition, the incentive agreement includes an additional social bonus to support the Maison's efforts to reduce its carbon footprint, calculated on the basis of Scope 1 and 2 GHG emissions per standard case, including one quantitative target;
- Sephora: The target of reducing greenhouse gas emissions by 7% between 2024 and 2026 has been set by the Chief Marketing Officer, a member of the Executive Committee;
- a number of Maisons have also incorporated criteria related to environmental training (including climate-related issues) into their incentive agreements, such as Parfums Christian Dior, Berluti, Maison Francis Kurkdjian, Le Bon Marché and LVMH Fragrance Brands.

2.2.10 Description of progress made

The initiatives implemented by LVMH as part of its LIFE 360 program, as detailed in §1.2, have proved their effectiveness, yielding significant reductions in GHG emissions and notable progress toward achieving objectives in relation to energy, circularity and certified materials. In 2024, LVMH was on track with its carbon trajectory targets, as approved by the SBTi.

Results achieved in 2024 in connection with the Group's carbon reduction targets are as follows:

Objective	Target	Results in 2024	Sections in the Sustainability Report
Reduction in GHG emissions – Scopes 1 and 2	-50% (by 2026)	-55.1%	§2.3.4
Proportion of renewable energy in the Group's energy mix	100% (by 2026)	71.1%	§2.3.4
Reduction in GHG emissions (Scope 3) per unit of added value [a]	-55% (by 2030)	-32.8%	§2.3.4

(a) The 2024 results are calculated on the basis of all Scope 3 emissions, including emissions from fixed assets and investments.

The change in the indicators associated with the main means of achieving these climate objectives is shown below.

Priority	Priorities	Indicators	Target	Baseline year	Results in 2024	Sections in the Sustainability Report
Energy conservation	Reduction in energy consumption	Average store consumption	300 kWh/m² (by 2030)	366 kWh/m² (2019)	334 kWh/m²	§2.4.4
Energy efficiency	Reduction in energy consumption	100% LED lighting in all stores	100% (by 2026)	60% (2019)	87%	§2.4.4
Renewable energy	Use and production of renewable energy	Proportion of renewable energy in the Group's energy mix	100% (by 2026)	36% (2019)	71%	§2.3.4
Circularity and certified materials	Sustainable product design (Fashion and Leather Goods)	Product compliance with LIFE 360 sustainable design criteria	100% (by 2030)	New	33%	§6.1.4
Circularity and certified materials	Recycled materials	Customer packaging	70% (by 2030)	41% (2021)	41%	§6.1.4
Circularity and certified materials	Certified materials	LWG certification of tanneries for sheep/cow leather	100% (by 2026)	66% (2019)	98%	§5.2.4
Circularity and certified materials	Certified materials	Certified cotton (GOTS, Better Cotton, GRS, OCS and Supima)	100% (by 2026)	54% (2019)	76%	§5.2.4
Circularity and certified materials	Certified materials	Certified sheep's wool and cashmere (RWS, ZQ, Authentico, New Merino, SustainaWOOL, Nativa, SFA)	100% (by 2026)	24% (2021)	56%	§5.2.4

Changes in the Group's Scope 1, 2 and 3 emissions are audited.

2.3 Climate change mitigation and adaptation

2.3.1 Climate policy

Combating climate change is a major focus of LVMH's environmental policy. It constitutes one of the four pillars of the LIFE 360 strategy described in §1.2, "The LIFE program". The Group's "Climate Change Mitigation and Adaptation Policy" applies to all Group businesses and geographies and covers the entire value chain.

Mitigation policy

The mitigation policy corresponds to the climate transition plan (see §2.2 above).

The Group has often played a pioneering role in this area. In the early 2000s, for example, it took part in testing the carbon assessment method that would later become the Bilan Carbone®. In 2015 it was also the first luxury company to set up an internal carbon fund. The carbon fund helps the Group fund its Scope 1 & 2 emissions reduction policy, which includes energy conservation, energy efficiency and greater use of renewable energies at production and logistics sites, administrative sites and stores. Over the past two years, LVMH has helped develop the sector-specific "ACT Fashion" methodology, which was finalized in November 2024.

Based on its overall carbon footprint updated annually with the assistance of an outside firm, LVMH mapped out a carbon trajectory in line with the Paris Agreement. This carbon trajectory was approved in December 2021 by leading international third-party organization the Science-Based Targets initiative (SBTi), a coalition that brings together the Carbon Disclosure Project (CDP), the United Nations Global Compact (UNGC), the World Resources Institute (WRI) and the World Wildlife Fund (WWF). In July 2024, LVMH submitted its net-zero pathway for approval by the SBTi, as well as its targets in relation to the FLAG Guidance and the GHG Protocol's Land Sector and Removals Guidance on forests, agriculture and ecosystems.

Over and above the Group's overall commitment, seven of its Maisons – Louis Vuitton, Moët Hennessy, Parfums Christian Dior, Guerlain, Make Up For Ever, Tiffany & Co. and Stella McCartney – have now secured approval from the SBTi for their carbon trajectories across their own scopes, confirming their goals built into each Maison's strategy: "Our Committed Journey" for Louis Vuitton, "Living Soils" for Moët Hennessy, "Beauty as a Legacy" for Parfums Christian Dior and "In the Name of Beauty" for Guerlain. For its part, Tiffany & Co. has pledged to reach net-zero by 2050, in particular by procuring 100% of electricity for its own operational requirements from renewable sources and removing commodity-driven deforestation from all its supply chains.

Adaptation policy

The Group's adaptation policy is based on taking a practical and evolving view of the main climate-related risks across its value chain in order to define its priorities. In 2022, the Group carried out an overall analysis of climate-related risks to identify priorities across its value chain, from sourcing of raw materials through to product distribution. A total of 21 major physical and transition risks were identified, 10 of which have already been analyzed in depth based on Maisons' material and asset flows, their location and the extent to which their financial implications have been taken into account, so as to draw up associated adaptation plans.

The adaptation policy is closely linked to the mitigation policy and uses the same segmented approach:

Real estate assets

Every year, the Group updates its analysis of physical risks linked to the geographical location of around 6,000 sites using the ECLR system. Based on this analysis, sites are classified by exposure and investments are allocated to improve their resilience.

Circularity and responsible sourcing

The sourcing policy (see §5.2.1 below) takes into account high-risk geographic regions identified through in-depth analysis with the aim of diversifying sourcing regions.

LVMH Circularity (see §6.2 below) is another key element of the Group's adaptation policy, whereby materials are reincorporated into the production process via a closed-loop recycling approach to limit the use of natural resources.

Sustainable transport

As a result of measures to reduce the carbon impact of transportation described in the climate transition plan in §2.2.2, limiting reliance on fossil fuels and forms of transport with the highest emissions, the Group has become more resilient to the associated transition risk. In particular, a policy of managing the air/sea ratio has been put in place in the perfumes and cosmetics sector.

Regenerative agriculture

The regenerative agriculture practices the Group has implemented (see §5.2 below) help improve soil resilience, particularly as regards water retention in light of the risk of drought.

2.3.2 Actions and resources used

Implemented and planned actions and their impacts, costs and timelines are set out in the climate transition plan (see §2.2 above).

Mitigation

To achieve the require carbon reductions across Scopes 1, 2 and 3, LVMH has set up taskforces run by its business areas to address key sources of emissions. For example, the Energy and Sustainable Store Planning taskforces are focused on Scope 1 and 2 reductions, while the strategic materials (cotton, leather, wool, cashmere) taskforces and the Transportation, Media and Green IT taskforces are working to improve measurement and implement actions specific to their targets.

Scopes 1 & 2

Concerning Scopes 1 & 2, the Group's actions to mitigate the impact of its activities on energy consumption are concentrated in three key areas as set out in the climate transition plan:

- energy conservation;
- energy efficiency and energy transition;
- use and production of renewable energy.

In 2024, the Sustainable Store Planning (SSP) team also strengthened the approach to change management by rolling out a policy underpinned by five pillars:

- managing the network of buyers, including in particular by holding two coordination events (in Florence in March and the Stores Awards in December);
- training: A total of 1,000 hours of training were delivered in 2024 and a new program was developed for "Partners";
- managing the network of partners by rolling out framework agreements and recognizing Labeled Partners;
- managing Maisons' Store Planning Purchases data;
- innovation: In collaboration with LVMH Gaïa.

To reduce the carbon footprint of its operations, and particularly its stores, LVMH continues to enter into partnerships with leading international shopping mall operators. Following an initial partnership between LVMH and an owner of top-tier shopping malls in China, Hang Lung Properties, the Group entered into a new partnership with Swire Properties on November 6, 2024, during the China International Import Expo (CIIE). The consortium created in December 2023 during the COP28 summit, called "Unity for Change", brings together Chalhoub Group, EMAAR Malls Management (LLC), Majid Al Futtaim Properties LLC and Aldar Properties PJSC.

The fifth Stores Awards were held on 12 December 2024. Held every two years, the LIFE 360 Stores Awards are an intra-Group competition open to the Group's Maisons to recognize their most exemplary stores in terms of environmental excellence. The various in-store projects and initiatives are assessed on the basis of around 50 specific criteria by an independent external auditor, TERAO.

To mark this occasion, the "LIFE in Architecture" guide dedicated to sustainable building construction and operation is now available as an open source document on the lvmh.com website. The guide, which has been continuously updated since 2015, serves as the basis for developing and assessing real estate projects. By making this guide accessible to all, including those outside the Group, LVMH has adopted an approach of sharing best practices, with the aim of inspiring and uniting the industry as a whole, including its competitors, to create sustainably designed buildings and stores. This initiative fits in with the "Joining Forces" strategy.

Scope 3

The Group's efforts to reduce Scope 3 emissions are structured around five key areas, as described in §2.2.2, "Decarbonization initiatives" above:

- circularity (see §6.2, "Management of resource outflows" below);
- regenerative agriculture (see §5, "Biodiversity and ecosystems (LIFE 360 – Biodiversity)" below);
- sustainable transport;
- responsible marketing and Green IT;
- LIFE 360 Business Partners (see "Governance" section, §1.6, "Supplier assessment and support").

In addition to the actions described above, the Transportation taskforce was launched in October 2024 during a one-day seminar attended by 92 people including the Group Operations Director and the Group Environment Development Director. This taskforce involves the Environment and Supply Chain departments of 20 Maisons, with the aim of mobilizing and supporting the Maisons in their efforts to reduce their carbon footprint. It will focus in particular on identifying and managing ways of reducing GHG emissions, as well as issues related to governance, data and involvement of external partners (carriers), in addition to raising awareness and fostering a company-wide culture concerning sustainable transport.

This taskforce also aspires to encourage the sharing of experience within the Group, with a number of initiatives already in place within the Maisons. In 2024, these included:

- Hennessy: In 2024, Hennessy rolled out actions concerning each form of transport, continuing with the wind-powered shipping project with Neoline, maximizing use of rail transport to deliver to the shipping terminals of Le Havre and Fos-sur-Mer, increased use of biofuels for road transport, and rigorous management of use of air transport, with the aim of limiting use of this means of transport (which accounted for just 0.37% of the Maison's t.km in 2024).

- Christian Dior Couture: In 2024, electric vehicles were used for 100% of the Maison's last-mile distribution in China and a number of cities in its other markets, including eight cities in Europe, three in Japan and three in the United States. The Maison also added a clause to its contracts with its carriers in 2024, defining the applicable environmental requirements, in particular the type of road vehicles that can be used (no diesel vehicles to be used in Europe from 2026), prioritizing aircraft with the lowest emissions and using only cargo ships powered by liquefied natural gas (LNG), as well as requirements in terms of packaging and environmental certification (ISO 14001).

To reduce the carbon footprint of marketing-related activities, the Group took action in 2024 by organizing two key events on strategic positioning, communications and the media:

- the "Sustainable Communication for Desirable Brands in Positioning, Creative Content & Production, and Media" global conference in March, which highlighted the role of the Maisons in their strategic positioning, creating positive stereotypes in relation to the green transition, and implementing measures to reduce the carbon footprint of their advertising campaigns in terms of both production and distribution, without compromising on creativity, effectiveness or efficiency. The conference was followed by concrete measures to support the Group's Maisons and its external partners with the transition:
  - publication of the Sustainable Production Guidelines, to identify potential ways of reducing the carbon footprint during audiovisual production,
  - publication of a Group Partners Book – Production, Postproduction & Production Consulting, to identify partners developing sustainability best practices,
  - creation and development of a proprietary solution: "MIKE" – Media Investments Key Emissions, with the aim of calculating the carbon footprint of all advertising campaigns of the LVMH Group's Maisons;
- a second conference entitled "Working together for a sustainable planet" was held in May, with the aim of raising awareness and involving all the LVMH Group's key media partners in its strategy of reducing the carbon footprint of its media campaigns, enabling LVMH Group to act as an innovator and pioneer for the most influential market operators.

Due to their position in the Group's value chain, some of the actions to reduce Scope 3 emissions are not under the direct control of the Group but depend on third parties such as direct and indirect suppliers. In addition to existing methods such as codes of conduct and training, helping these third parties to reduce their carbon emissions is the very object of the LIFE 360 Business Partners program.

Adaptation

In 2022, LVMH began carrying out a double materiality assessment of climate-related impacts, risks and opportunities for the Group so as to refine the identification of key environmental matters (see §2.1.1 above).

Thanks to its analysis of climate-related risks and its work on the environmental taxonomy, the Group is able to identify exposed sites and draw up adaptation plans. More generally, the Group is also conducting an analysis of the various issues involved in adapting to climate change. Winegrowing activities are notably included in the review. In the medium term, changing winegrowing practices is the main component of the Group's adaptation strategy.

Several solutions are available for European vineyards depending on the climate scenario, from altering harvest dates to developing different methods of vineyard management (such as widening rows, increasing the size of grapevine stocks and employing irrigation in certain countries) and testing new grape varieties. For vineyards in Argentina and California, the main issue is the availability of water (see §4 below).

More broadly, innovation – a key component of the Group's mitigation policy – also plays a part in LVMH's adaptation policy: new regenerative farming practices (see §5.2 below), the switch to new materials derived from biotechnologies and the use of biomimetics provide opportunities for reducing greenhouse gas emissions while simultaneously diversifying procurement sources and reducing the Group's exposure to climate change. The *Matières à Penser* (Food for Thought) materials library and the Maison/0 partnership with Central Saint Martins dedicated to innovation and sustainable creativity will help drive new solutions at the Group's Maisons.

LVMH does not make use of carbon offsetting (i.e. buying carbon credits linked to projects to avoid or sequester emissions to offset those emissions still produced by the Group). However, the goal of achieving global net-zero emissions by 2050 raises the question of the role of carbon credits, which the SBTi Net Zero standard proposes should be used once reduction targets have been met. Against this backdrop, the Maisons are trialing various types of offsetting.

2.3.3 Associated targets

Climate change mitigation targets

The climate change mitigation targets are described in the climate transition plan (see §2.2.1, "GHG emission reduction targets"). These are summarized below:

Criteria	Reduction in GHG emissions in operations (Scopes 1 and 2)	Reduction in GHG emissions in the value chain (Scope 3) in economic intensity	Proportion of renewable energy used in operations
Target	-50%	-55% (a)	100%
Scope	Scopes 1 and 2 (market-based)	Scope 3	Scopes 1 and 2
Baseline value (b)	441,819 tCO_2e	132 tCO_2e/€m	36%
Baseline year	2019	2019	2019
Target year	2026	2030	2026
Aligned with the Paris Agreement	Yes	Yes	Yes
Background	Trajectories validated by the SBTi in 2021.		
Scientific proof	Science-based trajectory, reduction greater than the minimum required under the 1.5°C scenario	Science-based intensity trajectory proposed by the SBTi	Additional science-based trajectory proposed by the SBTi
Stakeholders	Suppliers, employees		
Change to target or change in methodology	No changes to targets		
Associated performance indicators	GHG emissions (tCO_2e) – Scopes 1 and 2 (full-year basis)	– GHG emissions (tCO_2e) – Scope 3 (full-year basis) per unit of added value (€m of revenue) – Air/sea transport ratio – Proportion of recyclable materials in products	Renewable energy used in operations (MWh)

(a) The target to reduce Scope 3 GHG emissions by 55% (in terms of economic intensity) by 2030, validated by the SBTi, is reflected in a 23% reduction in GHG emissions (in absolute value) in tCO_2e.
(b) The baseline year is representative of LVMH's current business. Every year, LVMH updates the calculated footprint for its baseline year (2019) to reflect changes in both carbon accounting methodology and operational scope (see the description of the methodology for calculating the carbon footprint in the climate transition plan, §2.2.1).

Climate change adaptation targets

Because of regulatory uncertainty and technological challenges that need to be overcome, the Group's climate adaptation strategy does not yet include measurable targets focused on specific outcomes. However, these targets are expected to be set within a year to provide a more structured approach aligned with the Group's long-term commitments.

Pending the establishment of these measurable targets, the Group is proactively monitoring the effectiveness of its policies and initiatives with regard to impacts, risks and opportunities related to the climate and the environment more generally. A process has been put in place to regularly monitor greenhouse gas emissions reduction initiatives and energy efficiency across the Group's operations. This process includes carrying out annual audits, analyzing energy consumption and reviewing identified climate-related risks within the various business groups of LVMH. For example, the Group aims to improve energy efficiency in its stores in anticipation of rising energy costs, particularly for electricity. The target is to halve consumption to 300 kWh/m² by 2030 (relative to a 2021 baseline).

2.3.4 Indicators and results

Indicators

The indicators associated with each objective are defined as follows:

Criteria	Indicators		
Name and description of indicator	**Scope 1 and 2 GHG emissions**	**GHG emissions – Scope 3 (per unit of added value)**	**Proportion of renewable energy used in operations**
Methodology used	GHG Protocol, operational control. All greenhouse gases are taken into account. The GWPs (Global Warming Potential) used are the most recent ones issued by the IPCC.		Renewable energy used in operations (MWh) divided by total energy used in operations (MWh).
Assumptions	– Calculations are based on actual measurements, where available. – Where this is not possible, data is extrapolated to the scope of the business and associated targets. – Updated emissions factors are obtained from recognized scientific databases (e.g. ADEME, DEFRA). – While biogenic GHG emissions are calculated, they are not reported separately since they are not relevant.		Calculations are based on actual energy consumption measurements at Group sites and stores.
Limitations	Some data has been extrapolated where actual data is not available (e.g. energy consumption at some sites, transportation flows).		–
Unit of measurement	tCO_2e	tCO_2e/€m	%
External validation	– Energy and Scope 1 and 2 GHG emissions data validated by a certified external auditor, according to ISAE 3000, reasonable assurance. – Scope 3 GHG emissions data validated by a certified external auditor, according to ISAE 3000, limited assurance. – Trajectories validated by the SBTi in 2021.		
Associated performance target	Reduction in operational emissions (Scopes 1 & 2)	Reduction in emissions in the value chain (Scope 3)	Proportion of renewable energy used in operations
Monitoring and validation process	– Scope 1 and 2 carbon emissions and energy consumption have had to obtain reasonable assurance from an independent third party since 2008. – Scope 3 carbon emissions have had to obtain limited assurance from an independent third party since 2022. – The reporting period for 2024 is the same as that used for financial reporting (January 1 to December 31, 2024).		
Updates and adjustments	Updates and adjustments are made every year: – Emissions factors are updated as knowledge of materials and other products advances. – Baseline year values are recalculated annually to reflect changes in scope and corrections resulting from improvements in data reliability. – Progress reports are produced annually to monitor changes.		–
Update frequency	The Group's carbon footprint across all three scopes is updated annually, at which time baseline values are always updated.		–

GHG emissions – Scopes 1 and 2

Scope 1 emissions are those generated mainly through the combustion of fuel oil and natural gas, as well as the leaking of refrigerant fluids. Scope 2 emissions are those generated indirectly from energy use, mainly electricity used in stores and at the Group's production sites.

Change in GHG emissions (Scopes 1 and 2) between 2019 and 2024 (market-based)

	Performance			Target year		
	Baseline year 2019	2024	Change 2024-2019 *(as %)*	2026	2030	% reduction per year
Scope 1 GHG emissions						
GHG emissions – Scope 1 *(in tCO_2e)*	151,846	117,510	-22.6%	N/A	N/A	N/A
Percentage of Scope 1 GHG emissions related to a regulated emissions trading system *(%)*	9.3%	10.1%	N/A	N/A	N/A	N/A
Scope 2 GHG emissions						
GHG emissions – Scope 2 (market-based) *(in tCO_2e)*	289,973	80,858	-72.1%	N/A	N/A	N/A
GHG emissions – Scopes 1 and 2						
GHG emissions – Scopes 1 and 2 (market-based) *(in tCO_2e)*	441,819	198,367	-55.1%	-50% *(220,910)*	-79% *(94,676)*	7%

Change in GHG emissions (Scopes 1 and 2) between 2019 and 2024 (location-based)

	Baseline year 2019	2024	Change 2024-2019
GHG emissions – Scopes 1 and 2 (location-based) *(in tCO_2e)*	559,738	535,700	-4.3%
Of which: Scope 2 emissions (location-based) *(in tCO_2e)*	407,892	418,190	2.5%

Change in GHG emissions (Scopes 1 and 2) between 2019 and 2024 by business group

(in tCO_2e)	GHG emissions – Scopes 1 and 2 in 2024	***Of which:*** Direct GHG emissions (Scope 1)	Indirect GHG emissions (Scope 2 – market-based)	GHG emissions in 2019	Change 2024-2019 *(as %)*
Wines and Spirits	15,292	*14,907*	*385*	45,423	-66%
Fashion and Leather Goods	73,336	*41,597*	*31,739*	188,694	-61%
Perfumes and Cosmetics	13,501	*4,637*	*8,864*	38,071	-65%
Watches and Jewelry	18,263	*7,607*	*10,656*	39,164	-53%
Selective Retailing	36,732	*16,713*	*20,019*	90,864	-60%
Other activities	41,243	*32,048*	*9,195*	39,604	4%
Total	**198,367**	***117,510***	***80,858***	**441,819**	**-55%**

With LIFE 360, the target reduction in greenhouse gas emissions of operations (Scopes 1 & 2) is measured relative to the baseline year 2019. The baseline value is recalculated as necessary to take account of changes in the carbon accounting methodology and changes in the operating scope (see §2.2.1 above).

Between 2019 and 2024, Scope 1 and 2 emissions declined by 55.1% and the proportion of renewable energies rose from 36% to 71%. The reduction in greenhouse gas emissions was mainly the result of an energy conservation plan (applied at all production sites, logistics centers, administrative sites and stores), the stores' energy efficiency and increased share of renewable energy.

Energy efficiency at the Group's stores has been steadily improving since 2013 thanks to a specific lighting policy, audits of the least energy-efficient stores and a sustainable design policy. To perpetuate strong performance, the LIFE 360 program has endeavored to set more ambitious targets, such as having LED lighting make up 100% of lighting for the Group's retail floor space.

Scope 3 GHG emissions

Change in GHG emissions (Scope 3) between 2019 and 2024

		Baseline year 2019	2024	Change 2024-2019 *(as %)*	Methodology: Share of calculated emissions from supplier/value chain data *(as %)*
1	Purchased goods and services	4,545,565	3,744,590	-18%	100%: This category consists of purchases of raw materials (products and packaging), purchases of services (advertising, IT services) and other purchases included in LVMH's income statement (equipment for stores, merchandising and fashion shows, and intangible services). Physical consumption data submitted by production departments (values in kg, m², liters) is used for purchases of materials (raw materials, products, packaging) and IT services. Monetary data consolidated by LVMH's Finance Department is used for purchases of services (advertising and merchandising).
2	Fixed assets	1,219,646	1,476,234	21%	0%: This category consists of purchases of buildings, storage and production equipment, IT equipment and furniture. Monetary data consolidated by LVMH's Finance Department is used for building-related expenditure. Physical data from the IT Department is used for IT equipment.
3	Energy-related activities not included in Scope 1 or Scope 2	106,817	109,934	3%	93%: This category consists of upstream emissions from fuel and energy consumed in the course of business. Real energy consumption data communicated by the Maisons is used. When actual consumption figures are not available, they are estimated.
4	Upstream transportation	625,301	825,647	32%	100%: This category consists of transportation of raw materials (from Tier 1 suppliers) to manufacturing sites, transportation of finished products from factories/workshops/subcontractors to warehouses, and distribution of finished products from warehouses to points of sale (when paid for by LVMH Maisons). Physical transportation data (t.km) is supplied by purchasing departments.
5	Waste generated in operations	7,112	5,879	-17%	80%: This category consists of processing of all waste generated in operations. Data on physical waste production by waste type and processing method (in kg) is supplied by production departments. Quantities are estimated when actual figures are not available.
6	Business travel	337,721	415,039	23%	100%: This category consists of flights, road and rail journeys, and overnight hotel stays. Physical data (distance traveled per person, number of overnight hotel stays) is supplied by accounts departments and travel agencies.
7	Employee commuting	209,370	188,620	-10%	0%: This category includes emissions from employee commuting. Physical data (number of employees and work days) is supplied by LVMH's Human Resources Department and used in combination with survey data and available statistics on the respective shares of each mode of transportation.

		Baseline year 2019	2024	Change 2024-2019 *(as %)*	Methodology: Share of calculated emissions from supplier/value chain data *(as %)*
8	Upstream leased assets	-	-	-	0%: LVMH has no significant upstream leased assets and does not consider this source of Scope 3 CO_2 emissions to be relevant. Energy consumption from leased stores is included in Scope 1 and 2 emissions.
9	Upstream transportation and distribution	41,131	45,206	10%	100%: This category includes emissions from goods transportation not paid for by LVMH.
10	Treatment of products sold	3,019	1,360	-55%	100%: This category includes processing of semi-finished products sold by Tiffany (polishing of rough diamonds sold). Monetary data (sales of rough diamonds) is supplied by Tiffany. In addition, emissions from the processing of some raw wools sold by Loro Piana are also included.
11	Use of products sold	348,732	580,791	67%	100%: This category consists of refrigeration of wines and spirits, electricity for smartwatches and electronic beauty appliances, cotton and water for makeup removal, and fuel consumption from Royal Van Lent yachts.
12	End-of-life of products sold	57,715	59,254	3%	100%: This category includes end-of-life processing of customer packaging and finished products sold. Physical data (number of products sold, amount of packaging in kg) is used.
13	Downstream leased assets	1,804	-	-100%	0%: LVMH has no significant downstream leased assets. Consequently, this source of Scope 3 GHG emissions is not considered relevant.
14	Franchises	-	-	-	0%: LVMH's distribution model is mainly based on stores owned and operated by the Group. The franchising model is not relevant to LVMH's business model. Consequently, this source of Scope 3 GHG emissions is not considered relevant.
15	Investments	46,288	70,063	51%	100%: This category includes investments made by LVMH. Monetary data consolidated by LVMH's Finance Department is used. Emissions factors are based on emissions intensity by economic sector available in public reports (CDP).
Scope 3 GHG emissions		7,550,219	7,522,618	-0.4%	Corresponding to a 32.8% intensity reduction in Scope 3 emissions, in view of the 50% increase in revenue between 2019 and 2024.

GHG emissions (Scope 3) – Absolute value and per unit of added value (carbon intensity)

	2024	2019
Revenue *(EUR millions)*		
Reported revenue	84,683	53,670
Revenue taken into account in calculating economic intensity of Scope 3 GHG emissions (a)	84,523	57,017
GHG emissions – Scope 3 *(in tCO_2e)*	**7,522,618**	**7,550,219**
Carbon intensity – Scope 3 *(in tCO_2e/€m)*	**89.0**	**132.4**

(a) Reported revenue adjusted for changes in the operational scope (acquisitions, disposals) between 2019 and 2024.

Reduction in GHG emissions (Scope 3) per unit of added value in 2023 and 2024

	2024	2023	Target for 2030
Reduction relative to baseline year 2019 *(as %)*	-32.8%	-29.9%	-55%

Breakdown of Scope 3 GHG emissions in 2024 by business group

(as %)	2024
Wines and Spirits	6%
Fashion and Leather Goods	51%
Perfumes and Cosmetics	10%
Watches and Jewelry	9%
Selective Retailing	18%
Other activities and eliminations	7%
Total	**100%**

The table below shows the detailed 2024 results by upstream transportation category (transport of raw materials and components toward production sites; only the main components and raw materials are taken into account), downstream transportation and distribution (transport of finished products from production sites to distribution centers and points of sale):

GHG emissions from upstream and downstream transportation by mode of transport in 2024

(in tCO_2e)	Road	Air	Ship	Rail	Waterways	Total
Wines and Spirits	55,142	20,503	16,076	487	38	92,246
Fashion and Leather Goods	21,467	282,506	5,615	101	0	309,689
Perfumes and Cosmetics	7,287	165,310	3,183	-	-	175,780
Watches and Jewelry	455	22,040	238	1	-	22,734
Selective Retailing	75,195	206,173	5,462	65	-	286,896
Other activities	663	-	7	-	-	670
Eliminations [(a)]	(3,494)	(13,667)	-	-	-	(17,161)
Total	**156,715**	**682,865**	**30,580**	**655**	**38**	**870,853**

(a) Eliminations represent GHG emissions associated with transportation flows between the Maisons. For transportation in particular, eliminations relate to transportation between the Maisons of different business groups and Selective Retailing (Sephora, DFS).

Exclusions: Buly, Repossi, Patou and Colgin Cellars are excluded from the 2024 carbon footprint calculation for the upstream and downstream transportation categories.

Overview of GHG emissions

Total change in GHG emissions (Scopes 1, 2 and 3) – Absolute value and economic intensity

	2024	Baseline year 2019	Change 2024-2019 *(as %)*
GHG emissions – Absolute value *(in tCO_2e)*			
Total GHG emissions – Scopes 1, 2 and 3 (location-based)	8,058,318	8,109,958	-0.6%
Total GHG emissions – Scopes 1, 2 and 3 (market-based)	7,720,985	7,992,038	-3.4%
Carbon intensity *(in tCO_2e/€m)*			
Carbon intensity – Scopes 1, 2 and 3 (location-based)	95	142	-33.0%
Carbon intensity – Scopes 1, 2 and 3 (market-based)	91	140	-34.8%

LIFE 360 targets

Indicators	2024	2023	Targets
GHG emissions – Scopes 1 and 2	-55.1%	-28.2%	-50% (by 2026)
GHG emissions – Scope 3 (per unit of added value)	-32.8%	-29.9%	-55% (by 2030)
Proportion of renewable energy used in operations	71%	63%	100% (by 2026)
Proportion of stores lit entirely by LED lighting	87%	79%	100% (by 2026)

2.4 Energy

2.4.1 Energy policy

The energy policy falls under the climate policy and is presented in §2.3.1 above.

2.4.2 Actions and resources used

Energy-related actions and resources fall under the climate policy and are presented in §2.3.2 above.

2.4.3 Associated targets

Energy-related objectives are summarized in the table below.

Criteria	Proportion of renewable energy used in operations	Proportion of stores able to report their energy consumption	Proportion of stores lit entirely by LED lighting	Store consumption
Target	100%	100%	100%	300 kWh/m²
Scope	Scopes 1 and 2 (sites and stores operated by the Group)		Stores	
Baseline value (a)	36%	65%	60%	366 kWh/m²
Baseline year	2019	2019	2019	2019
Target year	2026	2023	2026	2030
Aligned with the Paris Agreement	Yes			
Background	Trajectories validated by the SBTi in 2021			
Scientific proof	Additional science-based trajectory proposed by the SBTi			
Stakeholders	Suppliers, employees			
Change to target or change in methodology	No changes to targets			
Associated performance indicators	– Renewable energy used in operations (MWh) – Total energy consumption in operations (MWh)		Number of stores equipped with LED lighting	Stores' energy consumption (MWh) Store floor space (m²)

(a) The baseline year is representative of LVMH's current business. Every year, LVMH updates the calculated footprint for its baseline year (2019) to reflect changes in both carbon accounting methodology and its operational scope (see CTP methodology).

2.4.4 Indicators and results

Indicators

The indicators associated with each objective are defined as follows:

Criteria	Indicators				
Name and description of indicator	**Energy consumption by energy source in operations**	**Proportion of renewable energy used in operations**	**Proportion of stores able to report their energy consumption**	**Proportion of stores lit entirely by LED lighting**	**Average store consumption**
Methodology used	Actual data collected from energy invoices and usage records. Data is extrapolated in the absence of real data in line with the scope of the business and associated targets. The scope corresponds to Scope 1 and 2 under the GHG Protocol and the calculation of greenhouse gas emissions.	Renewable energy used in operations (MWh) divided by total energy used in operations (MWh).	Total floor space of stores able to report their energy consumption divided by the total floor space of the Group's sites and stores.	Number of stores lit by LED lighting divided by the total number of Group stores.	Average store consumption per m² (total store consumption divided by total store floor space).
Assumptions	– Assumption of consistent conversion of units of energy assumed (e.g. invoices measured in kWh or GJ); – Assumptions based on the conversion factors published by the International Energy Agency (IEA) and the CDP.	Calculations are based on actual energy consumption measurements at Group sites and stores.		Calculations are based on actual measurements provided by the Group's stores.	
Limitations	Consumption includes: – direct energy consumption at company facilities (fossil fuels, biomass, etc.); – indirect energy consumption (purchased electricity, heat and steam); – facilities and equipment that lie outside the Group's operational control are excluded.				
Unit of measurement	MWh	%	%	%	kWh/m²
External validation	Energy data validated by a certified external auditor according to ISAE 3000, limited/reasonable assurance.				
Associated performance target	– Reduction in GHG emissions in operations (Scopes 1 and 2). – Reduction in value chain emissions by economic intensity (Scope 3). – Proportion of renewable energy used in operations (Scopes 1 and 2).				
Monitoring and validation process	– Annual data collection from the Maisons via integrated energy management tools. – Data validated by the Environment Department and verified by third-party certifiers. – Comparison with the objectives set in the internal energy and environmental strategy.				
Updates and adjustments	Annual adjustments to incorporate new regulatory requirements, methods and technologies. Updates may occur if the assumptions are adjusted significantly.				
Update frequency	The data are updated annually, being consolidated and validated for the non-financial reporting.				

Results

Consumption and proportion of fossil, nuclear and renewable energies

	2024
Consumption of fossil fuel *(in MWh)*	**506,971**
Proportion of fossil fuel in total consumption	29%
Consumption of electricity from national power grids *(in MWh)*	**192,196**
Proportion of nuclear power in total electricity consumption from national power grids *(as %)*	13%
Consumption of renewable energy *(in MWh)*	**1,226,896**
Consumption of fuel from renewable sources, including biomass *(in MWh)*	112,420
Consumption of electricity (excluding self-consumption), steam, heat/cold from renewable sources *(in MWh)*	1,097,956
Consumption of energy produced and self-consumed *(in MWh)*	16,521
Proportion of renewable energy in consumption *(as %)*	71%
Total energy consumption *(in MWh)*	**1,759,210**

Energy consumption by business group in 2023 and 2024

(in MWh)	2024	2024 pro forma (a)	2023 (b)	Change 2024-2023 (a) *(as %)*
Wines and Spirits	233,779	233,496	234,371	0%
Fashion and Leather Goods	577,731	548,510	537,789	2%
Perfumes and Cosmetics	135,119	123,848	139,597	-11%
Watches and Jewelry	182,112	178,405	156,765	14%
Selective Retailing	409,498	396,522	396,357	0%
Other activities	220,970	221,771	123,690	79%
Total	**1,759,210**	**1,702,551**	**1,588,570**	**7%**

(a) Value and change at constant scope.
(b) Data for "Other activities" in 2023 has been adjusted to reflect actual consumption.

Energy consumption by business group and by energy source in 2024

(in MWh)	Electricity (Non-renewable sources)	Electricity (renewable sources)	Heating and cooling networks	Non-renewable fuels	Renewable fuels	Renewable energy produced on-site	Total
Wines and Spirits	2,102	93,540	-	61,336	73,395	3,406	233,779
Fashion and Leather Goods	84,715	340,679	15,059	121,151	7,686	8,442	577,731
Perfumes and Cosmetics	20,467	76,004	696	14,294	23,571	87	135,119
Watches and Jewelry	20,211	122,127	11,116	25,950	270	2,438	182,112
Selective Retailing	41,144	329,185	13,680	25,487	-	3	409,498
Other activities	23,557	74,022	11,288	102,461	7,498	2,145	220,970
Total	**192,196**	**1,035,556**	**51,840**	**350,678**	**112,419**	**16,521**	**1,759,210**

Proportion of renewable energy and renewable electricity by business group in 2024

(as %)	**Proportion of renewable energy**	**Proportion of renewable electricity**
Wines and Spirits	73%	98%
Fashion and Leather Goods	67%	90%
Perfumes and Cosmetics	98%	100%
Watches and Jewelry	74%	74%
Selective Retailing	84%	84%
Other activities	39%	39%
Total	**71%**	**93%**

LVMH does not have any activities in high climate impact sectors. As such, it does not publish energy intensity data.

Energy consumption in 2024 was estimated at 146,357 MWh, or 8% of the Group's total energy consumption.

Energy efficiency for stores in 2024

	2024	**2023**
Average store consumption *(in kW/m²)*	334	349
Proportion of stores able to report their energy consumption	90%	83%
Proportion stores equipped with LED lighting	87%	79%

2.5 Supporting the principles of the Task Force on Climate-Related Financial Disclosures (TCFD)

In June 2017, the Financial Stability Board, established by the G20, published recommendations issued by the Task Force on Climate-Related Financial Disclosures (TCFD) aimed at providing a clear, comparable and consistent framework for the assessment and disclosure of climate-related information while enabling companies to disclose more information to stakeholders. Understanding that inadequate information can lead to assets and capital allocation being incorrectly assessed, financial decision-makers are increasingly asking companies to (i) manage their exposure to climate-related risks and (ii) reduce their contribution to climate change.

In 2019, as part of its previous LIFE 2020 program, LVMH commissioned a survey to establish how closely the Group's practices were aligned with the TCFD recommendations. This survey highlighted both the robustness of the targets that had been set and how much progress remained to be made on incorporating climate-related issues into governance, corporate strategy and risk management. These conclusions were taken into account when the LIFE 360 action plan was drawn up.

At the end of 2020, LVMH committed to support the TCFD principles and embarked on a process of continuous improvement to implement its recommendations. In 2022, LVMH updated its analysis of physical and transition risks relating to climate change by applying the scenario analysis method and studying the related financial consequences. The disclosures resulting from this update are provided in this report, in the public response to the CDP Climate Change 2023 questionnaire, for which LVMH earned an A score (https://www.cdp.net/en/responses), and in the Group's most recent CSR report, available on LVMH's website.

A breakdown of the corresponding information is set out in the following table:

Category	TCFD recommended disclosures	References in the Sustainability Report (SR) and response to CDP 2023 questionnaire
Governance Describe the organization's governance around climate-related risks and opportunities	a) Describe the board's oversight of climate-related risks and opportunities	– SR: "Organization of the Group's environmental approach", "Environment", §1.1; "Information provided to and sustainability matters addressed by the Group's administrative, management and supervisory bodies", "General information", §2.2 – CDP: 4.1.2 "Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues"
	b) Describe management's role in assessing and managing climate-related risks	– SR: "The role of administrative, management and supervisory bodies", "General information", §2.1; "Information provided to and sustainability matters addressed by the Group's administrative, management and supervisory bodies", "General information", §2.2; – CDP: 2.2 "Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?"
Strategy Describe the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is pertinent	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	– SR: "Main impacts, risks and opportunities", "General information", §3.3.2; "Assessment of IROs", summary table on "Positive and negative environmental, social and governance-related impacts, risks and opportunities", "General information", §4.1.2 – CDP: 3.1.1 "Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future"; 3.6.1 "Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future"
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	– SR: "Assessment of IROs", summary table on "Positive and negative environmental, social and governance-related impacts, risks and opportunities", "General information", §4.1.2; "Results of the analysis of impacts, risks and opportunities", "Environment", §2.1.2; "Alignment with and embedding in the overall operating strategy and financial planning", "Environment", §2.2.8 – CDP: 3.1.2 "Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks"; 3.6.2 "Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities"; 5.3 "Have environmental risks and opportunities affected your strategy and/or financial planning?"
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	– SR: "Addressing issues related to climate", "Environment", §2.1 – CDP: 3.1.1 "Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future"

Category	TCFD recommended disclosures	References in the Sustainability Report (SR) and response to CDP 2023 questionnaire
Risk management Disclose how the organization identifies, assesses, and manages climate-related risks	a) Describe the organization's processes for identifying and assessing climate-related risks	– SR: "Description of the processes to identify and assess material impacts, risks and opportunities", "General information", §4.1, "Methodology for the analysis of impacts, risks and opportunities", "Environment", §2.1.1 – CDP: 2.2 "Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?"
	b) Describe the organization's processes for managing climate-related risks	– SR: "Policies related to the management of impacts, risks and opportunities", "General information", §3.3.3 – CDP: 2.2 "Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?"
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	– SR: "Policies related to the management of impacts, risks and opportunities", "General information", §3.3.3 – CDP: 2.2 "Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?"
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	– URD: "Methodology for the analysis of impacts, risks and opportunities", "Environment", §2.1.1 – CDP: 3.1.1 "Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future"; 3.6.1 "Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future"
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	– SR: "LIFE 360 targets", "Environment", §1.2.2; "GHG emission reduction targets", "Environment", §2.2.1; "Associated targets", "Environment", §2.3.3; "Indicators and results", "Environment", §2.3.4 – CDP: 7.5 to 7.8 "Provide your base year and base year emissions. Emissions for scope 1, scope 2 and scope 3"; 7.53 "Did you have an emissions target that was active in the reporting year?"; 7.54 "Did you have any other climate-related targets that were active in the reporting year?"
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	– SR: "Climate change mitigation and adaptation", "Environment", §2.3; "Management of the impact on ecosystems, soil, and plant and animal species", "Environment", §5.2 – CDP: 5.3.1 "Describe where and how environmental risks and opportunities have affected your strategy."

3. Pollution

3.1 Addressing issues related to pollution

LVMH is implementing a strategy to fight water and soil pollution, created in collaboration with the Kunming-Montreal Global Biodiversity Framework, the European Union action plan "Moving towards zero pollution in Europe", the REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulations and the cosmetic products directive. LVMH has also followed the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). The environmental impacts and risks linked to water and soil pollutants and to the use of substances of concern and of very high concern are assessed using:

- water and biodiversity footprints, which include an ecotoxicology indicator;
- indicators of water pollution: organic, nitrogen and phosphorus;
- continuous monitoring of the substances used to manufacture products.

This information covers LVMH operations and certain of its supply chains and is consolidated annually.

As part of the double materiality assessment, two material risks of the Group's activities have been recognized:

- reputational risk in the event of a controversy linked to chemical pollution from substances of concern within its own operations or those of its value chain;
- sanctions and penalties in the event of non-compliance with regulations relating to substances of concern.

The Group is working on reducing or prohibiting the use of the substances that present the highest risks to human health, as well as to water and soil pollution, within its operations and value chain, and reducing as far as possible organic and inorganic sources of pollution. The Group is specifically targeting the following potential impacts:

- Soil pollution:
  - own operations: Pollution arising from the use of inputs in the production and processing of raw winegrowing materials (vineyards in the Wines and Spirits business group);
  - supply chain: Pollution arising from the use of inputs in the production and processing of agricultural, winegrowing or livestock farming commodities (raw materials from the Wines and Spirits and Fashion and Leather Goods business groups).
- Water pollution:
  - own operations: Pollution arising from the use of inputs in the production and processing of raw winegrowing and livestock farming materials (vineyards, direct distillation and winemaking operations for the Wines and Spirits business group, and tanneries, textile manufacturing and finishing and crocodilian farms for the Fashion and Leather Goods business group);
  - supply chain:
    - pollution arising from the use of inputs in the production and processing of agricultural, winegrowing and livestock farming commodities (raw materials for the Wines and Spirits and Fashion and Leather Goods business groups),
    - water pollution associated with the extraction and processing of mineral raw materials (raw materials for the Watches and Jewelry business group).
- Substances of concern and very high concern: Ecosystem pollution risk arising from the use or end-of-life management of substances of concern or very high concern (Fashion and Leather Goods, Perfumes and Cosmetics).

3.2 Preventing soil pollution

3.2.1 Policy related to potential soil pollution

As part of the Group's operations, the following activities are considered material to soil pollution:

- own operations: Production of grapes for the Wines and Spirits business group with the use of fertilizers and plant protection products;
- supply chain: Production of raw materials for the Wines and Spirits (grapes, barley, etc.) and Fashion and Leather Goods (cotton, wool, etc.) business groups with use of fertilizers and plant protection products.

For over twenty years, Moët Hennessy has been committed to a policy of reducing and optimizing the use of chemicals at its vineyards (pesticides, herbicides and fertilizers), in conjunction with its vineyard certification program and now supported by its "Living Soils, Living Together" program. LVMH, Moët Hennessy and the Maisons are working together to manage these topics: implementing the best technologies to reduce usage, selecting the least harmful substances, monitoring and consolidating the quantities in use, and setting objectives.

- herbicides: Moët Hennessy is rolling out a policy that aims to totally eradicate the use of herbicides in its vineyards;
- pesticides: Moët Hennessy is implementing a policy to reduce the use of other pesticides (insecticides and fungicides), in particular by using biocontrol agents, which stimulate plants' natural defense mechanisms through microorganisms, chemical mediators (including pheromones) or natural substances;
- fertilizers: Moët Hennessy prioritizes the use of organic rather than synthetic fertilizers, as doing so offers benefits for soil structure as well as water quality.

Moët Hennessy has rolled out consultation processes with local residents, which are presented in the "Social" section, §3.2, "Rights of local communities".

Pollution linked to the production and processing of raw materials in the supply chain for the Wines and Spirits and Fashion and Leather Goods business groups is also covered by a specific action plan for certification and implementation of regenerative agriculture practices, presented in §5, "Biodiversity and ecosystems (LIFE 360 – Biodiversity)", ensuring that the use of plant protection products is reduced.

In compliance with regulatory requirements, plant protection products and fertilizers are stored in such a way that any accidental leaks are contained. Emergency procedures are defined within the environmental management systems implemented at LVMH sites and suppliers for the Group.

3.2.2 Actions and resources used

In 2024, Moët Hennessy has continued to implement the environmental certification for vineyards to guarantee the reduction or elimination of chemical inputs. In 2024, 96% of LVMH vineyards had already been certified. The 78-hectare Chandon China vineyard received European and Chinese organic certification in August 2024. Château Galoupet started moving toward organic status in 2020, receiving official certification in both 2023 and 2024. Consequently, its vineyards have already been free of chemical inputs for four years.

The Wines and Spirits business group also keeps a detailed inventory of plant protection products that are still in use. Each substance is assessed based on the following metrics:

- TOA: Acute toxicity (acute health risk indicator);
- TOC: Chronic toxicity (chronic health risk indicator);
- TERRA: Impact on biodiversity;
- AQUA: Impact on water.

The substances are then ranked using the overall score, which identifies those to prioritize for eradication. A pilot project has been launched with the vineyards in Argentina to further analyze the inputs used in the Group's vineyards, each of which has been assessed in terms of its impact on human health, biodiversity and water quality.

The Maisons monitor progress calculating the Treatment Frequency Indicator for both conventional products and biocontrol agents which simulate plants' natural defense mechanisms. There are also opportunities to make progress by improving plant protection treatment equipment. For example, confined sprayers with recovery panels can reduce the amount of product used by 30-40% while allowing for much more targeted treatment.

Concerning fertilizers, the number of units of nitrogen used at the Maison's vineyards is also monitored. Nitrogen is applied taking into account weather conditions so as to minimize runoff into the soil and the water table. Measures to promote the use of organic rather than synthetic fertilizers have been put in place, as doing so offers benefits for soil structure as well as water quality.

The human resources allocated to these actions are equivalent to 20 full-time equivalent staff members. In 2024, the financial resources dedicated to funding this transition in vineyards totaled 33 million euros.

The Fashion and Leather Goods Maisons are rolling out programs for raw material certification and for the transition to regenerative agriculture, particularly for cotton, which is well-known for its consumption of plant protection products. The results are presented in §5.2.4, "Related metrics".

3.2.3 Associated targets

The Group has set the following voluntary targets regarding soil pollution:

Potential soil pollution related to the Wines and Spirits businesses

	Zero herbicides
Type of target	Contribution to reducing soil pollution for the Wines and Spirits businesses
Target	Zero synthetic herbicides used in vineyards owned by the Group in Champagne and Cognac
Target year	2024
Scope	Cognac and Champagne vineyards owned by the Group
Baseline year	2018
Scientific method and proof	Alignment with the Ecophyto plan
Stakeholders	Residents, suppliers of plant protection products
Change to target or change in methodology	No
Associated performance indicators	Quantity of herbicides used in vineyards owned by the Group

The sustainable winegrowing certification targets, which include the topic of soil pollution, also cover grape suppliers and are presented in §5.2.4, "Related metrics".

Potential soil pollution related to the Fashion and Leather Goods businesses

The contribution to reducing soil pollution for the Fashion and Leather Goods businesses stems from the certified raw materials purchasing program and the transition to regenerative agriculture presented in §5.2, "Management of the impact on ecosystems, soil, and plant and animal species".

3.2.4 Indicators and results

Management of metrics related to soil pollution

	Definition
Name and description of metrics	– Halting the use of synthetic herbicides: Quantity of synthetic herbicides used in LVMH vineyards – Pesticides (quantity of copper): Quantity of copper used as a plant protection agent as part of the green transition – Pesticides (all substances): Quantity of pesticides used as plant protection agents, including all types of substances (synthetic, natural, biocontrol, etc.)
Methodology used	Herbicides, copper and pesticides: Data collected from LVMH vineyards during each application and spraying operation
Limitations	/
Unit of measurement	Quantity in metric tons
Monitoring and external validation process	– Annual data collection from the Maisons via Group reporting tools – Data validated by the Environment Department
Updates and adjustments	/
Update frequency	Annual

None of the pollutants listed in Annex II of Regulation (EC) No. 166/2006 of the European Parliament and of the Council emitted to soil are used above the thresholds set with the exception of copper for the following Maisons (total of 9.1 metric tons of copper): Hennessy, Château d'Yquem, the champagne houses, Chandon Argentina, Chandon do Brasil, Domaine Chandon Australia, Domaine Chandon Ningxia China, Château d'Esclans, Château Galoupet, Joseph Phelps and Clos des Lambrays. Copper is used as a plant protection agent as part of the green transition and the gradual reduction of synthetic pesticides.

In 2024, the results were as follows:

Wines and Spirits

Indicators	2024	2023	Target (year)
Quantity of synthetic herbicides used *(in metric tons)*	0.3 Champagne (a) 0 Cognac	/	0% (2024)
Total quantity of pesticides used in LVMH vineyards, including biocontrol agents *(in metric tons)*	14,410		

(a) Exceptional use due to heavy rainfall in Champagne in 2024.

Fashion and Leather Goods

See the table entitled "Certification of strategic supply chains: Results in 2024" in the "Governance" section, §1.7, "Animal welfare".

3.3 Preventing water pollution

3.3.1 Policy related to water pollution

LVMH has rolled out an overall strategy for water pollution prevention. It includes the following topics, which are considered material:

- LVMH Group operations: Discharge of effluent containing organic pollutants from winemaking and distillation processes, and crocodilian farms (risk of eutrophication); discharge of effluent containing organic and mineral pollutants from tanneries;
- supply chain: Extraction and processing of mineral raw materials for the Watches and Jewelry business group; discharge of effluent containing organic pollutants (risk of eutrophication) and mineral pollutants during processing (tanneries, textile manufacturing and finishing, metalwork, etc.).

The Group's other activities do not have a material impact on water pollution.

Eutrophication is the excessive buildup of algae and aquatic plants caused by excess nutrients in the water (particularly phosphorus), which reduces water oxygenation and adversely affects the environment. The parameter used is the Chemical Oxygen Demand (COD) calculated after treatment of effluents from the Group's own plants or external plants with which the Group has agreements, as well as indicators of nitrogen and phosphorus pollution. The following operations are considered treatment: city and county wastewater collection and treatment, independent collection and treatment (aeration basin), and land application. All of LVMH's operations that generate the highest COD are equipped with facilities for treating and minimizing organic pollution. LVMH also ensures that the relevant industrial plants treat their organic nitrogen and phosphorus loading.

LVMH is a member of the ZDHC (Zero Discharge of Hazardous Chemicals) trade association, which aims to promote best practices concerning the use of dangerous substances and the quality of discharged wastewater at textile and leather manufacturing sites, in particular for dyes. LVMH has drawn up a detailed roadmap that encompasses LVMH's production sites as well as key suppliers of Maisons in the Fashion and Leather Goods business group. All concerned production sites (tanneries and Loro Piana production sites) must test the quality of their wastewater discharge and share a "ClearStream" report in order to monitor their performance. If a production site is non-compliant, it must share a corrective action plan, including a specific timeline.

The Maisons in the Wines and Spirits business group implement the policy described in the previous section to manage the risks of soil and water pollution with regard to winegrowing. In addition, the Maisons also implement an effluent treatment policy for all facilities concerned, in particular the distilleries, with the exception of the Ardbeg distillery, which discharges its effluent untreated in accordance with local regulations. The aim is to reduce the load of organic pollution as far as possible.

The Watches and Jewelry Maisons work in partnership with their suppliers to reduce water pollution, both from mines and metalworking activities, notably by implementing RJC certification, which incorporates several criteria on water management and the use of polluting substances.

Lastly, in compliance with regulatory requirements, hazardous products are stored in such a way that any accidental leaks are contained. Emergency procedures are defined within the environmental management systems implemented at LVMH sites and suppliers for the Group.

3.3.2 Actions and resources used

The Loro Piana production site at Quarona is a textile production and finishing facility that is strategic at a Group level in terms of water pollution management. The site has longstanding practices for treating polluted effluents, and in 2024 it installed new technologies to further improve effluent treatment and to recycle part of its effluent. A wastewater treatment plant was constructed in 1987, and an ozonation system was set up in 2008 to remove dye residue from wastewater and reduce pollutants, like phenols, halogens and COD. In 2019, a membrane bioreactor was installed at this plant, which has reduced organic pollution by 98%. Lastly, by introducing two reverse osmosis systems – one in 2020 and the other in 2024 – the wastewater is purified to a very high degree. This enables around 25% of the water to be recycled through reintroduction into the production cycle.

The Cypress Creek crocodilian farm, already equipped with an effluent treatment unit since 2010, installed a belt press in 2024, enabling the residues to be reused agriculturally as soil fertilizer in partnership with local farmers. This new facility required an investment of 320,000 euros. In addition, optimized effluent treatment has made it possible to test water recycling in the farm's facilities.

Lastly, coverage for environmental risks amounted to 3 million euros as of December 31, 2024. This amount corresponds to the financial guarantees required by law for Seveso upper-tier establishments.

3.3.3 Associated targets

LVMH has set a number of voluntary targets as part of its strategy to reduce water pollution.

	ZDHC Program (Fashion and Leather Goods)	**Raw materials certification (Watches and Jewelry)**
Type of target	Contribution to reducing water pollution for the Fashion and Leather Goods businesses	Contribution to reducing water pollution for the supply chains of Watches and Jewelry businesses
Target	Control on wastewater quality at targeted sites (sites that use water as part of their processes, such as tanneries or textile production and finishing sites) operated by the Group's suppliers, with at least one ZDHC ClearStream Report per year. The aim is to cover at least 65% by volume of leather and textiles purchased by the Group's Maisons, with a minimum MRSL (Manufacturing Restricted Substances List) compliance rate of 85% (percentage of substances present at concentrations below set thresholds) by 2026.	100% of gold and diamonds purchased to have RJC certification by 2026
Target year	2026	2026
Scope	Leather and textile suppliers for the Group (including production sites operated by the Group)	Group gold and diamond supplier
Method	Production of a ZDHC ClearStream Report	Monitoring the RJC certification of relevant suppliers
Scientific proof	Study by the European Environment Agency on the environmental impact of textiles	Study by the WWF on the impact of mining activities
Stakeholders	/	/
Change to target or change in methodology	No	No
Associated performance indicators	– Proportion of leather produced covered by a wastewater report *(as %)*[(a)] – Proportion of textile produced covered by a wastewater report *(as %)*[(a)] – MRSL compliance rate (Leather) – MRSL compliance rate (Textile)	Quantity of raw materials purchased with RJC certification

(a) The following are included in the scope: Tanneries Roux, Heng Long for leather and Loro Piana for textile.

The ZDHC program's Manufacturing Restricted Substances List (MRSL) is more restrictive than EU regulations. The substances covered are as follows:

Chemical family on the MRSL	Number of substances on the MRSL	Number of substances included in Annex II of Regulation (EC) No. 166/2006
Alkylphenols and Alkylphenol etoxylated including all isomers	4	4
Anti-Microbials & Biocides	3	-
Chlorinated Paraffins	2	1
Chlorobenzenes and Chlorotoluenes	12	-
Chlorophenols	19	-
Dimethyl Formamide (DMFa)	1	-
Dyes – Carcinogenic or Equivalent Concern	15	-
Dyes – Disperse (Allergenic)	19	-
Dyes – Navy Blue Colourant	2	-
Flame Retardants	30	-
Glycols/Glycol Ethers	8	-
Halogenated Solvents	4	4
Organotin Compounds	10	10
Other/Miscellaneous Chemicals	6	-
Perfluorinated and Polyfluorinated Chemicals (PFCs)	2	-
Phthalates – including all other esters of ortho-phthalic acid	18	1
Polycyclic Aromatic Hydrocarbons (PAHs)	18	18
Restricted Aromatic Amines (Cleavable from Azo-colourants)	28	-
UV Absorbers	4	-
Volatile Organic Compounds (VOC)	6	3
Heavy Metal	15	8
Conventional Parameters	18	3
Anions	5	2

The contribution to reducing water pollution related to plant protection products in the vineyards for the Wines and Spirits businesses is linked to the contribution to reducing soil pollution presented in the previous section.

3.3.4 Indicators and results

Management of metrics related to the use of substances of concern

	Definition
Name and description of metrics	Fashion and Leather Goods: – mineral pollution: Proportion of textile and leather purchases with verification of the presence and concentration of substances listed in the MRSL, along with the related compliance rate; – organic pollution: Quantity of organic pollutants (total, nitrogen and phosphorus). Watches and Jewelry: Proportion of RJC-certified gold and diamond purchases Wines and Spirits (LVMH sites): Quantity of organic pollutants (total, nitrogen and phosphorus)
Methodology used	Fashion and Leather Goods: Analysis of discharge from wet processing Watches and Jewelry: RJC certification of gold and diamond supply chains Wines and Spirits (LVMH sites): Analysis of discharge
Limitations	/
Unit of measurement	Fashion and Leather Goods: Proportion of guaranteed purchases (in metric tons) and percentage that comply with the relevant MRSL Watches and Jewelry: Proportion of purchases (metric tons) Organic pollution (all LVMH sites): Quantity of organic pollution (COD, N or P) in metric tons
Monitoring and validation process	Fashion and Leather Goods: – effluent from LVMH and supplier sites analyzed by ZDHC-accredited laboratories – annual data collection from the Maisons via Group reporting tools – verification of documents held on the ZDHC (Gateway) website, including the ClearStream Report – data validated by the Environment Department Watches and Jewelry: – supplier RJC certification by accredited auditors – annual data collection from the Maisons via Group reporting tools – data validated by the Environment Department Wines and Spirits: – analysis of effluents from distilleries – annual data collection from the Maisons via Group reporting tools – data validated by the Environment Department
Updates and adjustments	/
Update frequency	Annual

The following Maisons reject some of the substances listed in Annex II of Regulation (EC) No. 166/2006 of the European Parliament and of the Council above the thresholds set:

- COD (Chemical Oxygen Demand, a parameter representative of organic pollution) totaling 2,177 metric tons: Domaine Chandon California, Domaine Chandon Argentina, Glenmorangie (Tain distillery), Ardbeg, Château Cheval Blanc, Château Quinault L'Enclos, Château d'Esclans, Minuty, Joseph Phelps;
- Total P (total phosphorus), 15.8 metric tons: Glenmorangie (Tain distillery) and Ardbeg;
- Phenols for a total of 0.1 metric tons: Loro Piana (Quarona production site).

In 2024, the Fashion and Leather Goods Maisons continued the voluntarily roll out the ZDHC program, including with their suppliers, in particular as regards monitoring wastewater quality in operations using wet processes (tanneries, textile manufacturing and finishing). Five of the seven targets set for 2026 were achieved by 2024, with the following results:

	2024	2023	Target (year)
Group operations			
Proportion of leather produced covered by a wastewater report *(as %)*[(a)]	89%	91%	100% (2026)
Proportion of textile produced covered by a wastewater report *(as %)*[(a)]	100%	100%	100% (2026)
MRSL compliance rate (Leather)	94%	98%	85% (2026)
MRSL compliance rate (Textile)	99.5%	100%	85% (2026)
Suppliers			
Proportion of leather produced covered by a wastewater report *(as %)*[(a)]	45%	42%	100% (2026)
Proportion of textile produced covered by a wastewater report *(as %)*[(a)]	33%	27%	100% (2026)
MRSL compliance rate (Leather)	98%	98%	85% (2026)
MRSL compliance rate (Textile)	98%	94%	85% (2026)

(a) The following are included in the scope: Tanneries Roux, Heng Long for leather and Loro Piana for textile.

In 2024, the Watches and Jewelry Maisons rolled out RJC certification to their gold supply chain; the results are presented in the table entitled "Certification of strategic supply chains: Results in 2024" in the "Governance" section, §1.7, "Animal welfare".

Tables summarizing organic pollution in effluent for LVMH operations in 2024:

(in metric tons/year)	2024	2024 pro forma[(a)]	2023	Change[(a)] *(as %)*
COD after treatment				
Wines and Spirits	2,275	1,843	2,160	(15)
Fashion and Leather Goods	20	14	26	(46)
Perfumes and Cosmetics	38	38	23	65
Watches and Jewelry	3	/	/	
Other activities	39	/	/	
Total	**2,375**	**1,895**	**2,209**	**(14)**
Total N (total nitrogen) after treatment				
Wines and Spirits	87			
Fashion and Leather Goods	21			
Perfumes and Cosmetics	6			
Watches and Jewelry	1			
Other activities	15			
Total	**131**			
Total P (total phosphorus) after treatment				
Wines and Spirits	29			
Fashion and Leather Goods	2			
Perfumes and Cosmetics	2			
Watches and Jewelry	0.3			
Other activities	5			
Total	**39**			
Phenols				
Fashion and Leather Goods	0.1			
Total	**0.1**			

(a) Value and change at constant scope.

3.4 Avoiding substances of concern and substances of very high concern

3.4.1 Policy related to substances of concern and very high concern

At the Group level, substances of concern and very high concern are considered material with regard to potential ecosystem pollution (product use and end-of-life treatment for the Perfumes and Cosmetics and Fashion and Leather Goods business groups) and their potential impact on consumer health in cosmetic products. LVMH is motivated by a constant desire to protect the health and safety of its stakeholders as well as to preserve ecosystems by avoiding or reducing the use of chemicals of concern and of very high concern. To achieve this, the Group pursues a proactive policy and is continuously looking to offer products of the highest quality, through research and innovation and high standards, in the selection of materials and through the implementation of expertise in its activities.

The Perfumes and Cosmetics business group and its suppliers comply with international regulations in terms of safety and ecotoxicology, in particular Regulation (EC) No. 1223/2009, relating to cosmetic products, and Regulation (EC) No. 1907/2006 (REACH). These regulations must be applied before using any raw material in a cosmetic product. The Maisons' products must meet rigorous internal requirements covering development, quality, traceability and safety for consumers.

By adopting a proactive risk prevention process, the Perfumes and Cosmetics business group remains ready for changes in international regulations that maintain consumer safety and protect the environment. This process relies on opinions issued by international scientific committees and industry group recommendations. Industry developments are monitored on an ongoing basis to ensure that LVMH's charters (for ingredients used in cosmetics and perfume making) are kept up to date, listing substances that are banned or subject to restrictions in the formulation of cosmetic products and fragrances.

The Group's holistic, rigorous approach to ensuring that ingredients are safe, healthy and sustainable also extends to its packaging, taking into account the circular economy and end-of-life treatment of its products. This approach aims to eliminate the use of packaging containing substances that are hazardous, controversial or of concern through a dedicated LVMH packaging charter covering the entire life cycle of perfume and cosmetics packaging.

The Perfumes and Cosmetics business group's Maisons may be concerned by the following substances of very high concern, which are monitored in-house for their harmful effects on the environment on the basis of a classification as PBT (persistent, bioaccumulative and toxic) or vPvB (very persistent and very bioaccumulative):

3.4.1.1 Cyclic silicones

- D5: Decamethylcyclopentasiloxane PBT (Article 57d)/vPvB (Article 57e) of the REACH regulation;
- D6: Dodecamethylcyclohexasiloxane PBT (Article 57d)/vPvB (Article 57e) of the REACH regulation.

These substances were banned in the LVMH cosmetic ingredients sourcing charter in January 2019. Reformulation of existing products for all types of applications (leave-on and rinse-off) is in progress.

The LVMH Group's position enabled anticipation of the ban on D5 in rinse-off products in January 2020. Similarly, the EU regulation published on May 17, 2024 will ban the use of D5 and D6 silicones in leave-on products as of June 2027.

3.4.1.2 PFAS

Due to their toxic effects on human health and the environment, halogenated products – which include PFAS – have been banned in formulations since 2009 under the LVMH cosmetic ingredients and packaging sourcing charters.

Maisons in the Fashion and Leather Goods and Watches and Jewelry business groups abide by in-house standards that prohibit or restrict the use of certain substances in products placed on the market, as well as their use by suppliers. These documents are shared with all suppliers and subcontractors in the form of a letter of undertaking. They are committed to their implementation:

- LVMH Product Restricted Substances List: this standard, which applies to all raw materials used by the Maisons, goes beyond global regulatory requirements (such as those of the EU's REACH regulation, including the list of substances classified as carcinogenic, mutagenic or reprotoxic, Category 1A or 1B – Annex XVII). It is regularly updated in response to ongoing monitoring of scientific developments;
- Manufacturer Restricted Substances List (MRSL): Compiled and updated by ZDHC, this list aims to ensure upstream compliance of chemicals purchased. In 2019, LVMH joined the ZDHC (Zero Discharge of Hazardous Chemicals) trade association, which aims to promote best practices concerning the use of dangerous substances and the quality of discharged wastewater at textile and leather manufacturing sites, in particular at tanneries and facilities that use wet processing for textile production.

In accordance with these documents and the associated protocols, textile and leather manufacturers undertake to:

- implement sustainable management of chemicals with the aim of gradually reducing and eventually eliminating the use of the riskiest substances;
- optimize production processes to reduce the risks associated with the use of chemicals;

- check the efficacy of management and procedures in place by means of routine analysis of hazardous substances in discharges.

In collaboration with other luxury goods brands, LVMH is working to develop a method for verifying the sustainable management of chemicals in galvanizing processes involved in the production of metal parts for leather goods and jewelry products.

3.4.2 Actions and resources used

In 2024, LVMH Perfumes and Cosmetics' research team introduced an IT tool for managing reformulations as part of plans to stop using certain substances of very high concern. The disengagement plan therefore significantly reduced the quantities of cyclic silicones (D5 and D6) used in 2024.

In 2024, the LVMH Perfumes and Cosmetics research team also introduced the IPC *(Interaction Packaging Contenu)* certification system, which allows for systematic checks to be performed on the basis of supplier documentation and certificates as well as tests by in-house labs on substances contained in packaging materials that are in permanent contact with the cosmetic product (such as SVHCs under the REACH framework, the Proposition 65 list, heavy metals, CMR chemicals, endocrine disruptors and PFAS). If the packaging materials used pose no risk to consumer safety, this is recorded by a toxicologist in the in-house systems by granting an IPC certificate.

The Group operations concerned, including the tanneries and suppliers of the Fashion and Leather Goods Maisons, continue to roll out the ZDHC program. LVMH supports its partners by offering training and by covering the costs of the first year of certification, which came to 40,000 euros in 2024.

3.4.3 Associated targets

LVMH has set the following voluntary targets as part of its policy to control use of substances of concern and of very high concern:

Overview of targets related to the use of substances of concern

	ZDHC Program (Fashion and Leather Goods – LVMH operations)	**ZDHC program (Fashion and Leather Goods – Suppliers)**
Type of target	Contribution to reducing the use of substances of concern for the Fashion and Leather Goods businesses	Contribution to reducing the use of substances of concern for the Fashion and Leather Goods businesses
Target	LVMH operations: – 100% of leather and textiles purchased from ZDHC Level 1-certified suppliers – Verification of compliance of 100% of chemical formulations with ZDHC MRSL, with a recommended compliance rate of 60%	Suppliers: – 65% of leather and textiles purchased from ZDHC Level 1-certified suppliers – Verification of compliance of 65% of chemical formulations with ZDHC MRSL, with a recommended compliance rate of 60%
Target year	2026	2026
Scope	Tanneries and textile production sites operated by LVMH	Supplier tanneries and textile production sites
Method	Document analysis of substances used	Document analysis of substances used
Scientific proof	Study by the European Environment Agency on the environmental impact of textiles	Study by the European Environment Agency on the environmental impact of textiles
Stakeholders	/	/
Change to target or change in methodology	/	/

	ZDHC Program (Fashion and Leather Goods – LVMH operations)	ZDHC program (Fashion and Leather Goods – Suppliers)
Associated performance indicators	– Proportion of leather produced at ZDHC Level 1-certified LVMH sites *(as %)*(a) – Proportion of textile produced at ZDHC Level 1-certified LVMH sites *(as %)*(a) – Proportion of leather produced for which an analysis of chemicals on the ZDHC MRSL has been carried out *(as %)* – Associated compliance rate – Proportion of textile produced for which an analysis of chemicals on the ZDHC MRSL has been carried out *(as %)* – Associated compliance rate	– Proportion of leather produced at ZDHC Level 1-certified supplier sites *(as %)*(a) – Proportion of textile produced at ZDHC Level 1-certified supplier sites *(as %)*(a) – Proportion of leather produced for which an analysis of chemicals on the ZDHC MRSL has been carried out *(as %)* – Associated compliance rate – Proportion of textile produced for which an analysis of chemicals on the ZDHC MRSL has been carried out *(as %)* – Associated compliance rate

(a) The following are included in the scope: Tanneries Roux, Heng Long for leather and Loro Piana for textile.

As part of the policy for controlling the use of substances of very high concern (SVHCs), the Perfumes and Cosmetics business group has set the target of including these substances in its cosmetic ingredients and packaging sourcing charters once they are added to the candidate list. This also enables the Maisons to comply with REACH requirements and prepare for and anticipate future inclusions of substances in the authorization list by no longer using them in their products.

3.4.4 Indicators and results

In accordance with Article 57 of Regulation (EC) No 1907/2006 of the European Parliament and of the Council (REACH) and with Appendix VI, Part 3 of Regulation (EC) No 1272/2008 of the European Parliament and of the Council, the Perfumes and Cosmetics Maisons only use D5 and D6 cyclic silicones.

	Definition
Name and description of metrics	Fashion and Leather Goods: – proportion of textiles and leather purchased from ZDHC Level 1-certified sites – verification of compliance of chemical formulations with ZDHC MRSL Perfumes and Cosmetics: Monitoring of substances used in formulations
Methodology used	Fashion and Leather Goods: – monitoring the ZDHC certification of production sites – document analysis of substance information sheets Perfumes and Cosmetics (monitoring of substances used in formulations): – document analysis of ingredient information sheets – analysis of formulations
Limitations	/
Unit of measurement	Fashion and Leather Goods: Proportion of purchases (in metric tons) from ZDHC Level 1-certified sites Perfumes and Cosmetics: Concentration of the ingredients used in the formulations
Monitoring and validation process	Fashion and Leather Goods: – annual data collection from the Maisons via Group reporting tools – verification of documentation available on the ZDHC website (Gateway) – data validated by the Environment Department Perfumes and Cosmetics: – data collected from the Group's ingredients suppliers – analysis of ingredients and formulations purchased – data validated by the Environment Department
Updates and adjustments	/
Update frequency	Fashion and Leather Goods: Annually Perfumes and Cosmetics: Ongoing

In 2024, the Fashion and Leather Goods Maisons continued to proactively roll out the ZDHC program, in particular as regards monitoring substances used in wet processes (tanneries, textile manufacturing and finishing) with the following results:

	Performance in 2024	Performance in 2023	Target (year)
ZDHC program – Group operations			
Proportion of leather produced at ZDHC Level 1-certified LVMH sites *(as %)* (a)	89% (b)	91%	100% (2026)
Proportion of textile produced at ZDHC Level 1-certified LVMH sites *(as %)* (a)	100%	100%	100% (2026)
Proportion of leather produced for which an analysis of chemicals on the ZDHC MRSL has been carried out *(as %)*	89% (b)	91%	100% (2026)
Associated compliance rate	68%	60%	60% (2026)
Proportion of textile produced for which an analysis of chemicals on the ZDHC MRSL has been carried out *(as %)*	100%	100%	100% (2026)
Associated compliance rate	97%	91%	60% (2026)
ZDHC program – Suppliers			
Proportion of leather produced at ZDHC Level 1-certified supplier sites *(as %)* (a)	64%	55%	65% (2026)
Proportion of textile produced at ZDHC Level 1-certified supplier sites *(as %)* (a)	31%	31%	65% (2026)
Proportion of leather produced for which an analysis of chemicals on the ZDHC MRSL has been carried out *(as %)*	51%	36%	65% (2026)
Associated compliance rate	61%	59%	60% (2026)
Proportion of textile produced for which an analysis of chemicals on the ZDHC MRSL has been carried out *(as %)*	39%	27%	65% (2026)
Associated compliance rate	61%	62%	60% (2026)
Formulation of Perfumes and Cosmetics			
Number of leave-on product formulas using cyclic silicones (D5, D6)	148	545	
Quantity of raw materials containing cyclic silicones (D5, D6) *(in kg)*	96	15,521	
Number of formulas intentionally using PFAs	0		

(a) The following are included in the scope: Tanneries Roux, Heng Long for leather and Loro Piana for textile.
(b) Decrease linked to the change in business activity of a certified site.

4. Water and marine resources (LIFE 360 – Water)

4.1 Addressing issues related to water

Under pressure from both population growth and the consequences of global warming, water is a resource in high demand. Restrictions on its use mean specific action plans are needed. It is an essential component of the Group's activities. This makes it a strategic resource that contributes directly to the quality of products developed by LVMH, and the Group has a responsibility to take action to preserve it. In 2024, LVMH updated its water footprint using specific, recognized pressure and sensitivity indicators such as the EF 3.0.2 and IMPACT 2002+ databases and the Aqueduct, WWF Water Risk Filter, Plasteax (Mismanaged Waste Index) and AWARE methodologies. The input data used for the most recent footprint covers the year 2023 for both raw materials (including quantities of raw materials, origin and potential certification) and LVMH operations. By calculating its water footprint in this way, the Group is able to identify which sites and raw materials are associated with the highest impact and highest risk, and/or are located in areas of high water stress, both within LVMH's operations and across the Group's value chain. Discussions with local communities and administrations are systematic at all of these sites.

The following risks and impacts are considered material:

- own activities: Contribution to the depletion of water resources arising from water withdrawal by the Group's operations, particularly in areas at water risk (Wines and Spirits, mainly vineyard irrigation in LVMH owned vineyards, especially in Argentina and California);
- sourcing raw material: Contribution to the depletion of water resources arising from water withdrawal by the Group's operations and supply chain, particularly in areas at water risk (Wines and Spirits and Fashion and Leather Goods);
- risk of decline in agricultural yields affecting supplies of raw materials needed to manufacture the Group's products in the event of a reduction in water resources or restrictions on use (all business groups).

Areas of high water stress are identified using the WWF's Water Risk Filter. Water consumption at these sites is presented in §1.2.4.

LVMH is always working to improve measurement of water consumption across the Group's value chain using constantly refined pressure indicators and increasingly accurate location methods to plan its operations and supply chains.

4.2 Management of issues related to water

4.2.1 Policy related to water

With respect to material impacts and risks and the Group's LIFE 360 environmental strategy, LVMH implements a policy and action plans to reduce specific water withdrawals for the most water-intensive activities within its operations (irrigation of the Group's vineyards, hospitality sites, tanneries, etc.) and in the upstream value chain (production and processing of raw materials), particularly in areas of high water stress. The downstream value chain does not contribute significantly to the Group's water footprint.

LVMH Group operations

The Group's environmental policy, which aims to reduce water withdrawals, covers the following topics:

- reducing irrigation requirements by rolling out best practices and technologies, particularly in Argentina and California vineyards, and continuing to roll out the regenerative agriculture program, launched in 2021, across the Group's vineyards, with the aim of improving the quality of soil and thereby its ability to capture and retain water;
- reducing water withdrawal, particularly at sites located in areas of high water stress, by implementing more efficient technologies and practices at the Group's hospitality sites (water savers, water efficient washing equipment, etc.). LVMH is also working on reducing water withdrawal by its operations located in areas of lower water stress, such as by rolling out water recycling systems at distilleries and Loro Piana workshops, as well as more efficient technologies at tanneries and farms.

Supply chains

In addition, the Group's value chain, which accounts for 95% of its water footprint, is also covered by a policy and action plans aimed at the following:

- helping to deploy more efficient technologies to reuse treated wastewater and recover rainwater within the value chain;
- continuing with the Group's raw materials certification and regenerative agriculture program, launched in 2021, across the cotton, wool, leather and beet supply chains;
- raising awareness among customers through environmental labeling, which is in the process of being rolled out across the Group's products.

Lastly, LVMH joined the CEO Water Mandate in 2023, a United Nations organization aimed at sharing and implementing best practice in water management. As it did for biodiversity, LVMH took part in official testing of the SBTN approach, which includes defining specific targets for some watersheds, in particular for grape production in the Cognac region and cashmere production in Mongolia.

The risk of decline in agricultural yields affecting supplies of raw materials needed to manufacture the Group's products in the event of a reduction in water resources or restrictions on use is managed by regularly evaluating the stress level using the Water Risk Filter for each supply region and identifying the most exposed regions.

4.2.2 Actions and resources used

Chandon Argentina, which accounts for more than 46% of the Group's water withdrawal, carried out a study with the WWF in 2024 to look into new ways of reducing water withdrawal related to irrigation requirements. Vineyard irrigation requires authorization and is regulated in California and Argentina due to the climate. Such irrigation is necessary for winegrowing. Nevertheless, the Group has taken the following measures to limit water withdrawal: harvesting rainwater; implementing protocols to measure and specify water requirements; standardizing drip irrigation practices; using weather forecasts to optimize irrigation; and adopting the "regulated deficit irrigation" technique, which reduces water consumption and improves grape quality and grapevine size, yielding an enhanced concentration of aroma and color.

Hennessy, which has finalized its water footprint, is working on making data more reliable as well as reducing water withdrawal. In 2024, the Maison introduced a tool for collecting water withdrawal data from its distillery and packaging manufacturer partners, which are the two main sources of its Scope 3 water consumption. The Maison, which has already reduced its water withdrawal by 43% since 2003 and represents about 1% of the Group's water withdrawal process, continued in 2024 with the rollout of leading technologies, such as recycling certain types of cleaning water and water from osmosis processes.

Belvedere, which reduced its water withdrawal by 4% since 2019, rolled out a new purification process in 2024 to recycle wastewater and residual water from rectification processes. It represents an investment of 60,000 euros.

4.2.3 Associated targets

The voluntary targets set by the Group are directly linked to the policy of reducing water withdrawals and material impacts, in particular by integrating the Wines and Spirits and Fashion and Leather Goods business activities and supply chains.

	Reduction in withdrawals – LVMH operations	**Reduction in withdrawals – supply chain**
Type of target	Contribution to reducing water dependence	Contribution to reducing water dependence
Target	30% reduction in the Group's water withdrawal (Scope 1)	30% reduction in the Group's water withdrawal (Scope 3)
Target year	2030	2030
Scope	Scope 1 (excluding stores)	Scope 3
Baseline value	12,100,000	285,000,000 (value from the Group's water footprint)
Unit	m^3	m^3
Baseline year	2019	2021
Method	EU vision for water for 2050	EU vision for water for 2050
Scientific proof	– Corporate manual for setting science-based – Targets for nature	– Corporate manual for setting science-based – Targets for nature
Stakeholders	Water-related NGOs and local authorities	Water-related NGOs and local authorities
Change to target or change in methodology	No	No
Associated performance indicators	Performance measures for water withdrawal in agricultural and process requirements in LVMH operations	Indicators of water withdrawal for process and agricultural requirements in LVMH supply chains, assessed on the basis of the quantities of raw materials purchased, their origin and potential certification, and life cycle inventory databases

4.2.4 Indicators and results

Management of metrics related to water use

	Definition
Name and description of metrics	– Water withdrawal: Quantity of water taken from the natural environment excluding recycled or reused water. – Water consumption: Quantity of water taken and used (incorporated into products, for example) or absorbed (vineyards, etc.) that cannot be returned directly to the natural environment after use. – Water stored: Quantity of water stored in reservoirs (such as rainwater stored for irrigation purposes). – Water recycled or reused: Quantity of water reintroduced into production processes after initial use. – Water intensity: Quantity of water consumed per € million of Group revenue.
Methodology used	– Water withdrawal and amount of recycled water are calculated primarily using meters at each point of withdrawal or use. – Areas of high water stress are identified using the WWF Water Risk Filter (score over 4).
Limitations	Calculation of water consumption: Quantity of water absorbed by vines during irrigation estimated on the basis of scientific literature (Irrigation Efficiency, Terry A. Howell – United States Department of Agriculture, USDA)
Unit of measurement	– m^3 – m^3 consumed per million in revenue (water intensity)
External validation	Validation of certain water withdrawal data via external certifications such as LWG for tanneries or EarthCheck for hospitality sites.
Monitoring and validation process	– Annual data collection from the Maisons via Group reporting tools. – Data validated by the Environment Department.
Updates and adjustments	Integration of estimated values for stores and sites not included in the consolidation.
Update frequency	Annual

Metrics and targets related to water withdrawal and consumption:

(in m^3)	**2024**	**2024 pro forma** [(a)]	**2023**	**Change** [(a)] *(as %)*	**Target value for 2030**
Water consumption (process and agricultural requirements)	5,807,830	/	/	/	/
Total water consumption in areas at water risk	465,237	/	/	/	/
Total quantity of water recycled or reused	736,871	/	/	/	/
Quantity of water stored	619,350	/	/	/	/
Water intensity *(in m^3 per million in revenue)*	68.6	/	/	/	/
Water withdrawal for process requirements [(b)]	7,443,114	4,244,877	4,676,915	(9)	
Water withdrawal for agricultural requirements (vineyard irrigation)	9,737,026	9,384,952	8,873,236	6	
30% reduction in water withdrawal by LVMH operations (process requirements) [(c)] – Baseline: 2019	(10)	/	/	/	(30)
30% reduction in water withdrawal by LVMH operations (agricultural requirements) [(c)] – Baseline: 2019	31 [(d)]	/	/	/	(30)

(a) Value and change at constant scope.
(b) The increase in 2024 is mainly due to the integration of estimated values of 29% (2,143,550 m^3) for certain stores and administrative sites.
(c) Volumes of recycled or reused water are not included.
(d) Increase linked to insufficient rainfall at vineyards in Argentina.

Water withdrawal for process requirements broken down as follows by business group:

(process requirements, in m³)	**2024** (a)	**2024 pro forma** (b)	**2023**	**Change** (b) *(as %)*
Wines and Spirits	1,484,630	1,440,849	1,509,318	(5)
Fashion and Leather Goods	2,213,665	1,181,213	1,431,552	(17)
Perfumes and Cosmetics	231,285	164,822	205,933	(20)
Watches and Jewelry	525,453	175,459	139,654	26
Selective Retailing	1,212,699	7,795	18,045	(57)
Other activities	1,775,382	1,274,739	1,372,413	(7)
Total	**7,443,114**	**4,244,877**	**4,676,915**	**(9)**

(a) The 2024 values include estimates of 29% (2,143,550 m^3) for certain stores and administrative sites.
(b) Value and change at constant scope.

5. Biodiversity and ecosystems (LIFE 360 – Biodiversity)

5.1 Addressing issues related to biodiversity

5.1.1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Protecting natural ecosystems is of vital importance to LVMH, whose business is heavily dependent on natural raw materials (such as flowers, grapes, cotton, leather and gems). LVMH has implemented a biodiversity strategy and a corresponding biodiversity transition plan drawn up in accordance with the Kunming-Montreal Global Biodiversity Framework and the EU Biodiversity Strategy for 2030. LVMH has also followed the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). LVMH is an active member of the TNFD forum, which developed a specific risk management framework to be used by its members to better map positive and negative actions relating to nature to help guide their strategic planning and asset allocation decisions. As a member of the TNFD Forum, LVMH takes part in the development of standards, including in particular the one for the “Consumer Goods” category, with a focus on textiles. LVMH has undertaken to have its disclosures in respect of fiscal year 2024, for the first time, aligned with TNFD recommendations. LVMH also draws on the Science-Based Targets for Nature process, which provides standards to set science-based targets that are measurable, actionable and time-bound.

The Group’s biodiversity strategy is aligned with material impacts presented in the next section and is based on three core principles:

- **Measuring and assessing the impact and dependencies on nature**: Measuring impacts can serve as a powerful lever for identifying priorities, targets and actions; measuring impacts on biodiversity remains a complex issue. LVMH updates its indicators used to track progress annually and uses specific, recognized pressure and sensitivity indicators such as the EF 3.0.2 and IMPACT 2002+ databases (surface area used and/or converted) and tools provided by Trase and Global Forest Watch (surface area deforested), IBAT (exposure of businesses related to protected areas, rich in biodiversity and endangered species of fauna and flora) and ENCORE (identification of businesses’ dependencies on nature). The input data used for the most recent footprint covers the year 2023 for both raw materials (including quantities of raw materials, origin and potential certification) and LVMH operations. This step to identify and assess nature-related risks and impacts is based on the TNFD’s LEAP approach (Locate, Evaluate, Assess and Prepare), as well as Steps 1 (Screening and Value Chain Assessment) and 2 (Prioritization) of the SBTN framework. The results of this first step have fed into the Group’s double materiality assessment and validation of the material impacts and risks set out in §5.1.2, “Interaction between biodiversity impacts and the Group’s strategy and business model”.

- **Avoiding and reducing impacts on biodiversity**: After measurement, impact avoidance and reduction constitute the second step of the Group's biodiversity strategy. This strategy is based on two main objectives: obtaining environmental certification and reducing the intensity of deforestation and conversion of natural ecosystems for the Group's operations and supply chains. The program to obtain environmental certification for operations and raw materials (FSC for wood and wood derivatives or RSPO for palm oil derivatives) helps reduce the environmental impact on ecosystems, particularly in terms of pollution, water consumption, effluent discharges and waste production. The following certification programs have been rolled out:
  - operations:
    - production and hospitality sites: LVMH uses certified environmental management systems, such as ISO 14001 certification, for the Group's production and logistics sites and EarthCheck certification for hospitality sites,
    - vineyards: All Group vineyards are undergoing environmental certification according to the standards detailed in §5.1.2, "Interaction between biodiversity impacts and the Group's strategy and business model";
  - supply chains:
    - supplier industrial sites: LVMH has rolled out certification programs for the production sites of certain suppliers, such as tanners and fabric makers, which have to have LWG or ZDHC certification,
    - production and/or extraction of raw materials: LVMH has rolled out a raw materials certification program, presented in §5.2.1, "Policy related to impact on ecosystems and soil".

  Concerning reducing the intensity of deforestation and conversion of natural ecosystems for the Group's operations and supply chains, LVMH has set itself the target of zero deforestation and conversion of natural ecosystems within operations and supply chains by the end of 2025. In particular, LVMH and its Maisons have banned certain regions for the supply of leather (South America), wood and wood derivatives.
- **Regenerating and preserving ecosystems**: The Group is committed to restoring, protecting or regenerating the equivalent of five million hectares of flora and fauna habitat by 2030, either within its supply chains by rolling out regenerative agriculture programs for strategic agricultural commodities like grapes, cotton, wool and leather, or by contributing to collective efforts to regenerate and preserve ecosystems and protect particularly endangered plants and animals.

In addition to these three strategic priorities, LVMH has begun setting nature-related targets based on the international Science-Based Targets for Nature for specific natural environments, in connection with some of the Group's material impacts and risks: the LVMH vineyards in a French winegrowing region and production of cashmere in Mongolia. The Group is currently analyzing the possibility of extending this approach to other ecosystems.

In addition, the dependency on nature of LVMH's activities was assessed using the ENCORE tool, which identifies potential high dependencies on nature for each Group activity:

- dependency on nature-related cultural services for hospitality activities;
- dependency on soil quality to ensure the production of the plant and animal fibers needed by the Fashion and Leather Goods Maisons (supply chain), and the production of grapes needed by the Wines and Spirits Maisons;
- dependency on pollination services for certain ingredients used by Perfumes and Cosmetics Maisons;
- dependency on the capacity of ecosystems to purify surface and ground water to ensure the production of the plant and animal fibers needed by the Fashion and Leather Goods Maisons (supply chain), the production of grapes needed by the Wines and Spirits Maisons and the hospitality activities.

The Group's activities exposed to high water stress and the adaptation measures taken are set out in §4.2.1 and §4.2.4.

Lastly, LVMH Recherche has introduced comprehensive processes to actively monitor changes in the international and national legislation arising from the Nagoya Protocol on Access and Benefit Sharing in relation to genetic resources. Its focus has been on the production and utilization of certain perfume ingredients and cosmetics. LVMH assesses their applicability to its operations and rolls out action plans to achieve full compliance. This framework calls for systematic assessments when new raw materials are utilized, encompassing both raw materials developed internally and those offered by suppliers, as well as patent applications and commercial claims. LVMH takes any remedial action required to avoid non-compliance incidents. It may, for example, request information from national authorities or ask suppliers to evaluate whether they can obtain permits for or halt the sourcing of non-compliant raw materials.

Local and indigenous communities are also consulted through the processes described in the "Social" section, §3, "Affected communities". The consultations address land use and certain practices such as the use of plant protection products.

5.1.2 Interaction between biodiversity impacts and the Group's strategy and business model

The processes used to identify and assess impacts and risks and opportunities outlined in the previous section have highlighted the activities shown in the following table as being the most crucial for biodiversity purposes.

Material impacts on biodiversity

Impacts	Own operations	Value chain: Upstream (supply chains, etc.) and downstream (use of products, etc.)
Contribution to soil degradation	Wines and Spirits: grape production, breaking down as follows: – France (Champagne, Cognac, Provence, Bordeaux region and Burgundy): 64.9% – Argentina (Mendoza region): 12.8% – New Zealand: 9.4% – United States (California): 5.5% – Australia: 3.5% – China: 1.7% – Brazil: 1.6% – Spain: 0.6% – India: < 0.1% Hospitality activities	– Wines and Spirits: production of grapes, barley and rye – Fashion and Leather Goods: production of cotton, leather, wool and other fibers – Perfumes and Cosmetics: production of various plant-based raw materials (flowers, beet, etc.) – Watches and Jewelry: mining of metals, precious metals and gemstones
Damage to sensitive ecosystems (coral reefs, tropical forests, savannas, mountainous areas, island areas, etc.) Detailed results are presented in the table below	Hospitality activities, including: – Central America and South America: - Brazil (State of Paraná) - Mexico (State of Quintana Roo) - Peru (Cuzco) – Africa: - Botswana – Asia: - Cambodia - Indonesia (Bali) - Laos - Thailand – Europe - Spain - Italy	Navigation activities
Deforestation and fragmentation, degradation, loss of terrestrial habitat	Wines and Spirits: grape production	Certain supply chains of the Fashion and Leather Goods, Perfumes and Cosmetics, Watches and Jewelry and Wines and Spirits business groups with a high risk linked to the sourcing of wood and wood derivatives (paper, cardboard and viscose), leather and palm oil derivatives used in cosmetic products.
Direct and indirect impacts of restoration work on the state of ecosystems		Conservation activities

In addition, LVMH assessed its operations' exposure to protected natural sites, to biodiversity areas of strategic importance and to fauna and flora on the IUCN Red List of Threatened Species. All in all, 218 protected areas, 48 biodiversity areas of strategic importance and 2,936 species of fauna and flora, including 397 classified as CR (critically endangered), 1,011 as EN (endangered) and 1,529 as VU (vulnerable) on the IUCN Red List, lie within a radius of 1 km of Group sites. The LVMH sites located less than 1km from a protected area span 2,897 hectares. The five sites with the greatest exposure to sensitive ecosystems (number of protected sites, biodiversity areas of strategic importance, and number of endangered fauna and flora species within a 1 km radius) are shown in the table below.

Table showing the exposure of LVMH's own operations to sensitive ecosystems

	Continent	Number of protected areas within a 1-km radius of LVMH operations	Environmental impact on biodiversity areas and mitigation actions
Protected areas	Africa (1 site)	– National park: 1 – Ramsar and World Heritage sites: 1 – Communal conservancies: 5 – Forestry reserve: 4	– The Group's business activities have no direct or significant impact on biodiversity areas. – Environmental management systems are in use at hospitality, production and logistics sites in line with recognized international standards, such as ISO 14001 certification for the Group's production and logistics sites and EarthCheck certification for hospitality sites.
	Europe (3 sites)	– Federal Inventory of Bogs of Raised National Importance: 3 – Federal Inventory of Wetlands Raised of National Importance: 2 – Emerald Network: 1 – Marine protected area: 1 – Regional natural park: 1 – Natural marine area of international interest: 1 – National park: 1 – Coastal conservancy: 1 – Ramsar site: 1 – Sanctuary for marine mammals: 1 – Protected area of Mediterranean importance (Barcelona Convention): 1 – Special conservation area (habitat directive): 4 – Special bird protection area: 2	
	North America (1 site)	– Biotope protection decree: 1 – Ramsar site: 1 – Specially Protected Area (Cartagena Convention): 1 – Coastal conservancy: 1	

	Continent	Number of biodiversity areas of strategic importance within a 1-km radius of LVMH operations	Environmental impact on biodiversity areas and mitigation actions
Biodiversity areas of strategic importance	South America (3 sites)	– National nature reserve: 1 – National park: 3 – Other biodiversity areas: 8	– The Group's business activities have no direct impact on biodiversity areas. – Environmental management systems are in use at hospitality, production and logistics sites in line with recognized international standards, such as ISO 14001 certification for the Group's production and logistics sites and EarthCheck certification for hospitality sites.
	Africa (1 site)	– Biodiversity areas: 1	
	Asia (1 site)	– Biodiversity areas: 2	

	Continent	Number of critically endangered, endangered and vulnerable species on the IUCN Red List present within a 1-km radius of LVMH operations	Environmental impact on biodiversity areas and mitigation actions
Exposure to endangered fauna and flora species	Asia (5 sites)	– CR: 41 – EN: 99 – VU: 293	These sites are located in an urban area close to biodiversity-rich equatorial forests. Operations do not directly affect any of these species.

5.2 Management of the impact on ecosystems, soils, and plant and animal species

5.2.1 Policy related to impact on ecosystems and soil

As part of its LIFE 360 environmental strategy, LVMH implements a biodiversity policy and action plans directly linked to material impacts such as the contribution to soil degradation, the degradation of sensitive ecosystems, the direct and indirect impacts of restoration work on the state of ecosystems, as well as deforestation and the fragmentation, degradation and loss of terrestrial habitats.

Contribution to soil degradation

1) Certification of strategic raw materials

The LVMH Group has put in place a strategy for responsible sourcing, covered by LIFE 360 targets. These targets commit the Maisons to ensuring that, by 2026, 100% of the strategic raw materials they purchase and produce are certified as complying with the environmental standards held by the Group and presented in the 2024 results table, covering both the materials themselves and production sites. These standards guarantee that ecosystems, including soil, are properly protected by limiting the use of plant protection products. The list of strategic raw materials comprises the following:

- grapes, rye and barley;
- sheep and cow leathers, raw lamb and calf skins, exotic leathers and furs;
- cotton;
- wool;
- down and feathers;
- viscose;
- silk;
- wood, paper and cardboard;
- gems and precious metals;
- palm oil and its derivatives;
- soya and its derivatives for cosmetic use;
- alcohol;
- iconic ingredients used by Maisons in the Perfumes and Cosmetics business group.

The other raw materials used by the Group (which represent about 33% of total raw materials) are monitored individually and sourced using responsible procurement practices, without any certification being targeted.

The certification standards recommended by the LVMH Group must cover all the points stated below:

- separation of material flows across the supply chain;
- deployment of robust, neutral quality assurance and verification systems, through wholesale introduction of audits across the supply chain focused on social and environmental issues, such as reducing the use of plant protection products, which have a direct impact on biodiversity conservation.

Where a certification provides insufficient assurance, the Group backs up its approach with specialized audits or seeks additional certification. Lastly, LVMH proactively supports certification programs not only by purchasing certified materials but also by sitting on expert committees, in partnership with other stakeholders.

Governance of the responsible sourcing policy relies on the implementation of sourcing committees with experts from the related Maisons overseeing the following raw materials: leather, exotic leather, fur, wool and cashmere, textiles (cotton, silk, viscose and other textiles), metals, wood and wood derivatives, cosmetic ingredients, diamonds, gold and colored gemstones (ruby, sapphire and emerald). These committees meet twice a year, review the list of standards adopted by LVMH, provide oversight and pursue targets with the active collaboration of the Maisons. They are also a body enabling the various LVMH Group departments to relay key messages to operational teams in the Maisons, such as the update to the Business Partner & Supplier Code of Conduct.

Supply chain traceability

A purpose-built action plan is drafted for supply chain traceability and mapping – a strategic dimension of the responsible sourcing policy with its own LIFE 360 target. By making it easier to trace supply chains back to the field or the mine, this action plan enables more effective targeting of land conservation initiatives. The Group's commitment to transparent raw material supply chains is organized into several implementation stages, such as identifying the country of origin for strategic raw materials and implementing sector-specific supplier mapping tools reflecting the degree of maturity of the relevant segments.

2) Introduction of regenerative agriculture

To achieve its goal of restoring, protecting or regenerating the equivalent of five million hectares of flora and fauna habitat by 2030, the Group is rolling out regenerative agriculture programs for strategic agricultural commodities. Regenerative agriculture aims to revitalize soil health, restore ecosystem functions (biodiversity/water cycle) and ensure socioeconomic stability for those involved (farmers and communities), while yielding high-quality raw materials. LVMH's commitment is reflected in specific actions (no-till farming, soil cover, crop rotation, use of organic fertilizers, etc.) and the rollout of regenerative agriculture programs in the supply chains for strategic raw materials. These include grapes for Wines and Spirits, cotton, wool and leather for Fashion and Leather Goods, and palm, beet and iconic ingredients for Perfumes and Cosmetics.

Since 2022, LVMH has been a member of One Planet Business for Biodiversity (OP2B), a business coalition focused on scaling up regenerative agriculture and protecting high-value ecosystems. LVMH has developed practical guides on how to put regenerative agriculture into practice and surrounded itself with a network of experts such as Biosphères, Earthworm, Circular Bioeconomy Alliance, Pour une Agriculture du Vivant and Hectar. The overall approach and individual projects are signed off by a Science Committee, made up of independent outside experts, which meets annually. Practice and performance indicators have been put in place for each raw material. Soil health is monitored to track progress made, including through analyses and satellite images. Lastly, suppliers are beginning to roll out certifications such as RegenAgri and ROC.

Deforestation and fragmentation, degradation, loss of terrestrial habitat

The Group has set itself the target of zero deforestation and conversion of natural ecosystems within operations and supply chains by 2025. Among the raw materials considered at risk in terms of deforestation, LVMH makes use of wood and wood derivatives (paper, cardboard and viscose), palm oil derivatives and leather. These materials were identified using environmental footprint measurements of LVMH's value chain. LVMH quantified the potential deforestation intensity of its supply chains for these three materials in relation to their countries of origin and production methods: the result was 200 hectares per year (including animal feed). This intensity is calculated on the basis of raw materials data for 2023 (quantity, origin and certification). This analysis helps the Group prioritize remedial actions and measure the progress it makes.

In addition, LVMH is continuing to roll out the following policy:

- LVMH is working to achieve full traceability in its supply chains. Doing so makes it possible to accurately assess the intensity of potential deforestation for each plot of land (see the "Business conduct" section, §1.6.2);
- LVMH has implemented a number of partnerships;
- in spring 2021, the Group entered into a partnership with Canopy, an NGO whose program aims to avoid deforestation in the wood, cardboard and viscose sectors;
- like many of the Group's Maisons, LVMH is a member of FSC France, whose strategy is aimed at certifying sustainably managed forests, transforming markets and acting as a catalyst for change;
- LVMH and its Maisons ask their partner tanneries not to accept any hides sourced from the Amazon basin;
- LVMH is pursuing agroforestry programs in high-risk regions. As an example, the Group pursued its agroforestry projects in the Indonesian palm oil sector with other industrial partners. Over 400,000 hectares of forest are protected.

Damage to sensitive ecosystems

To minimize the impact of its operations most exposed to protected biodiversity zones, such as its hospitality activities, to biodiversity areas of strategic importance and to endangered species of fauna and flora (see table in §5.1.2), the Group has put the following policy in place:

- use of environmental management systems at hospitality, production and logistics sites in line with recognized international standards, such as ISO 14001 certification for the Group's production and logistics sites and EarthCheck certification for hospitality sites. The standards include criteria reflecting local biodiversity and the site's impact on ecosystems into consideration. LVMH also systematically seeks to obtain certification to recognized standards, such as HQE, BREEAM and LEED, for new buildings and renovation projects. These standards incorporate criteria such as landscape integration and conservation of local ecosystems;
- program to conserve ecosystems within and close to LVMH's operations, such as planting shrubs within vineyards.

Direct and indirect impacts of restoration work on the state of ecosystems

A policy and associated action plan for the Group's restoration work will be presented in 2025.

Furthermore, the Maisons have implemented procedures to ensure that all of their products comply with CITES, a convention on international trade in endangered species. Through a system of import-export permits, this convention was set up to prevent overexploitation of certain species of endangered fauna and flora.

Ecosystem conservation programs

The Group is committed to restoring, protecting or regenerating the equivalent of five million hectares of flora and fauna habitat by 2030, either within its supply chains by rolling out the regenerative agriculture programs set out in §5.2.1, "Policy related to impact on ecosystems and soil" and in connection with its material matters, or by contributing to collective efforts to regenerate and preserve ecosystems and protect particularly endangered plants and animals outside the Group's value chains.

5.2.2 Related actions and resources

In 2024, LVMH rolled out action plans encompassing the Group's LIFE 360 strategic priorities and the framework of measures to mitigate biodiversity impacts:

- measuring and assessing the impact and dependencies on nature: update of the biodiversity footprint and assessment of biodiversity risks;
- avoiding and mitigating biodiversity impacts: production and purchases of certified raw materials, training of purchasing teams in how to combat deforestation, supply chain tracking;
- regenerating and conserving ecosystems: production and purchases of raw materials sourced from regenerative agriculture, plans to restore ecosystems located close to the operations of the Group's Maisons.

These action plans relate to the Group's material impacts and risks, and will help it to achieve the targets presented in §4.3.3. LVMH does not use any biodiversity offsets, but is monitoring the ongoing work by the International Advisory Panel on Biodiversity Credits (IAPB) in this field.

Raw materials traceability and supply chain mapping play an essential role in the deployment of all biodiversity action plans. In the face of the constant changes to the legislation on human rights, environmental protection and the due diligence obligations of contracting companies, the Group launched a project during 2020 to enhance the traceability of strategic raw materials in these supply chains. The Map & Trace project that took shape in 2022 is pursuing an approach tailored to the Group's sector of activity: Fashion and Leather Goods, Perfumes and Cosmetics, Watches and Jewelry. In 2024, the measures taken by LVMH include the following:

- for Perfumes and Cosmetics materials, the Traceability Alliance for Sustainable Cosmetics (TRASCE) consortium aims to improve the traceability of key components used in cosmetic formulas and packaging. The French federation of beauty firms, FEBEA (Fédération des Entreprises de la Beauté), is also supporting the project. The founding members have committed to work together to map their supply chains using a shared digital platform, Transparency-One. Ultimately, the consortium aims to come up with a shared approach to analyzing associated corporate social responsibility risks so as to draw up shared improvement plans;
- for Fashion and Leather Goods materials, software companies are currently conducting tests ahead of the rollout to the LVMH Group's Maisons of a tool that enables their supply chains to be mapped out in a more automated, systematic way.

As part of its target of restoring, protecting or regenerating 5 million hectares, LVMH is implementing action plans in its three business groups affected: Fashion and Leather Goods, Perfumes and Cosmetics, and Wines and Spirits. The surface area affected continued to grow in 2024 to reach 3.8 million hectares (including 38,000 hectares of regenerative agriculture within LVMH supply chains). It has established partnerships with industry players and suppliers to speed up the agricultural transition:

- **Perfumes and Cosmetics**: In 2024, Parfums Christian Dior, Givenchy and Kenzo launched a joint program aimed at reducing the environmental impact of the beet crops in France that are used to produce alcohol for perfume-making. The three Maisons are supporting the transition to regenerative farming of 380 hectares of crops in France's Grand Est region, to produce the equivalent of 45% of their requirements in alcohol. The initiative has taken the form of a partnership with Cristal Union, a farming cooperative consisting of over 11,000 beet industry professionals, ranging from those involved in upstream production to downstream participants marketing beet as sugar, alcohol or bioethanol. This project draws on the Regeneration Index, a tool developed and verified by Pour une Agriculture du Vivant, a nonprofit organization that can assess the agroecological score of farms and support farmers with their improvement drive. In addition, LVMH is funding a five-year research and development program with Cristal Union at 12 farms to trial new agronomic practices, specifically aimed at:
  - reducing the nitrogen content of beet crops by optimizing the plant cover;
  - restricting the mineral fertilizer content through greater use of organic materials.

As part of this testing, the three Maisons are working with Genesis, a company selected by the LVMH Maison des Startups that won a prize at VivaTech for its soil health and quality measurement system. Genesis will handle the regular collection of accurate, geolocalized soil data to assess the impact of farming practices on soil health and the contribution that soil quality makes to the ecosystem's performance.

- **Fashion and Leather Goods**: Projects have been set up in Turkey and Chad to promote responsible cotton sourcing: A partner of the Circular Bioeconomy Alliance, established in 2020 by His Majesty King Charles III when he was Prince of Wales, LVMH supports a regenerative agroforestry and cotton production program around Lake Chad. The project, launched in late 2022, made significant progress in 2024, training over 500 farmers in two regions of Lake Chad and setting up a 12-hectare nursery to supply farmers with the plants they need to restore 300 hectares. In the United States, a new project is expanding Maisons' access to cotton from biological and certified-regenerative agriculture. LVMH is also rolling out regenerative farming programs with its wool suppliers in Australia, with 100,000 euros each year put toward helping local farmers adapt their production practices (reducing fertilizers, optimizing water use, etc.).
- **Wines and Spirits**: All Moët Hennessy vineyards have launched regenerative agriculture programs to expand the practice of cover cropping, for example. Having partnered with the non-profit organization Pour une Agriculture du Vivant, some wines Maisons are testing its regeneration indicator, designed to measure soil regeneration and biodiversity and guide the development of actions. Domaine Chandon Australia is leading on a project to restore a wetland ecosystem rich in plant and animal biodiversity located alongside the Maison's vineyards. Under the Greening Australia initiative in partnership with the City of Melbourne, the Maison is restoring the ponds and habitats of endangered species. In 2024, one million trees (local species) were planted, 64 hectares restored and 300,000 euros invested. The project will run until 2029, with an annual investment of around 500,000 euros.

As responsible corporate citizens, LVMH and its Maisons are committed to funding projects that help preserve or restore ecosystems that fall outside their supply chains. In this context, LVMH and UNESCO have launched a program with 5 million euros of funding over five years to combat causes of deforestation in the Amazon. The program aims to attack the root causes of deforestation and water pollution in the Amazon basin by working with eight biosphere reserves in Bolivia (Pilón-Lajas and Beni), Ecuador (Yasuní, Sumaco and Podocarpus-El Cóndor), Brazil (Central Amazon) and Peru (Manu and Oxapampa-Asháninka-Yanesha). LVMH has also rolled out another project in the Amazon basin with the Foundation for Amazon Sustainability (FAS), which works to combat deforestation in the Amazon. LVMH committed 1 million euros over two years to the FAS partnership to help protect the environment while also pursuing sustainable development and respecting the local cultural context. The project has three key priorities: to conserve biodiversity and the ecosystem; to educate and build capacity; and to build sustainable supply chains across the region.

In 2024, LVMH joined the WWF's program to conserve forest areas in the Congo Basin. The project aims to implement innovative steps to support sustainable agroforestry practices. That includes forestry and agroforestry certification projects. In Africa, LVMH is also a member of the "Corridors of Biodiversity in Africa" International Coalition led by Climate Chance.

Moët Hennessy upheld its partnership with Reforest'Action to launch reforestation programs in Kenya, China, the United States and South Africa as well as on its own vineyards. Louis Vuitton contributed to protecting natural resources by entering into a five-year partnership with nonprofit People For Wildlife as well as local communities to maintain and regenerate biodiversity in a 400,000-hectare natural area of Australia.

5.2.3 Associated targets

The Group has set the following voluntary targets regarding biodiversity conservation:

	Zero Deforestation	**Certification of strategic raw materials**	**Preserve, regenerate or restore 5 million hectares**	**Tracking supply chains**	**Implementing environmental management systems**
Type of target	Contribution to reducing the risk of deforestation, fragmentation, habitat loss, and ecosystem conversion across all the Group's operations	Contribution to reducing land use and soil degradation for agricultural production and mining operations	Contribution to reducing soil use and soil degradation for agricultural production and mining operations	Contribution to reducing soil use and soil degradation for agricultural production and mining operations	Contribution to reducing exposure to sensitive ecosystems, in particular for hospitality activities
Target	Zero deforestation and conversion of natural ecosystems within the Group's operations and supply chains	100% of sourcing volumes of strategic raw materials to be certified	Regeneration, preservation or restoration of five million hectares of flora and fauna habitat	Implementation of a dedicated traceability system to ensure the traceability of components and raw materials for 100% of strategic supply chains	100% of hospitality, production and logistics sites to have certified environmental management systems by 2026
Target year	2025	2026	2030	2030	2026
Scope	Group operations and supply chains	Strategic supply chains	Strategic supply chains	Strategic supply chains	Group hospitality, production and logistics sites
Baseline value	220 hectares	0%	Variable (comprehensive table)	Variable (comprehensive table)	43%
Baseline year	2021	2013 to 2021 by raw material	2021	2021	2013
Method	Alignment with the EU Deforestation-free Regulation (EUDR) and Science-Based Targets for Nature	Alignment with Targets 10 and 15 of the Global Biodiversity Framework	Alignment with Targets 10 and 15 of the Global Biodiversity Framework	Alignment with Targets 10 and 15 of the Global Biodiversity Framework	Alignment with Target 15 of the Global Biodiversity Framework
Scientific proof	Annual purchasing data for raw materials (quantity, origin, certification)	Certification of raw materials by accredited third parties	Certification of raw materials by accredited third parties, analysis of soil health	/	Certification of management systems by accredited third parties
Stakeholders	Downstream value chain (direct suppliers, farmers, etc.)	Downstream value chain (direct suppliers, farmers, etc.)	Downstream value chain (direct suppliers, farmers, etc.)	Downstream value chain (direct suppliers, farmers, etc.)	/
Change to target or change in methodology	/	/	/	/	/
Associated performance indicators	Intensity of deforestation and ecosystem conversion *(in hectares)*	Proportion of strategic raw materials certified *(as %)*	Agricultural land related to purchases of strategic raw materials sourced from regenerative agriculture: Consolidation of purchases of strategic raw materials that are certified according to regenerative agriculture standards or produced in line with the regenerative agriculture criteria set by LVMH	Proportion of strategic raw materials whose origin is known (country of origin, etc.) *(as %)*	Percentage of hospitality, production and logistics sites with a certified environmental management system

Details on raw materials certification targets by business group

Wines and Spirits

The Wines and Spirits business group is actively committed to sustainable, organic and/or regenerative winegrowing, which are helping to considerably reduce its environmental impact, in particular by limiting the use of plant protection products and, consequently, soil degradation and impact on ecosystems.

Stepping up the roll-out of sustainable, organic and/or regenerative winegrowing at the Maisons' vineyards and among independent grape suppliers has thus been adopted as a LIFE 360 target. Various certification systems have been established across winegrowing regions: *Viticulture Durable en Champagne* for champagne houses, environmental certification for cognac *(Haute Valeur Environnementale)*, organic farming for certain vineyards, Napa Green in California, etc. LIFE 360 targets are as follows:

- for vineyards owned by the Group: 100% of grapes to be from sustainable, organic or regenerative winegrowing by 2026;
- for partner/supplier vineyards (champagne, cognac, wines): 50% of grapes to be from sustainable, organic or regenerative winegrowing by 2026.

Fashion and Leather Goods

The Fashion and Leather Goods business group has adopted nine major targets for 2026:

- 90% by volume of supplies of cow, sheep and exotic leathers to be purchased from Tier 1 LWG-certified tanneries, with 50% to be purchased from Tier 2 and above LWG- or ISO 14001-certified tanneries. LWG certification is a standard created by the Leather Working Group to improve the environmental performance of tanneries (energy, water, waste, traceability) and reduce their impact on ecosystems;
- supplies of exotic leather to be purchased from abattoirs and/or farms certified in accordance with standards covering animal and human welfare and care for the environment, such as the LVMH Standard for Responsible Crocodilian Production, the International Crocodilian Farmers Association (ICFA), the South African Business Chamber of Ostriches (SAOBC) and the forthcoming standard to be issued by the South East Asian Reptile Conservation Alliance (SARCA). The Group is also seeking SRCP certification for all crocodile farms supplying the Group's tannery;
- 100% of supplies of pelts to be purchased from certified fur farms, notably by rolling out certifications recognized under the Furmark program;
- 100% of supplies of cotton to be purchased from sustainable sources. Organic, regenerative and recycled cottons are preferred. These options help reduce land use and soil degradation;
- 100% of supplies of wool to be purchased from sustainable sources. Sustainable wool is either recycled or sourced from farms certified as complying with animal welfare and environmental protection standards such as the Responsible Wool Standard (RWS), the Responsible Mohair Standard (RMS), the Code of Practice of the Sustainable Fibre Alliance (SFA) and the Global Recycled Standard (GRS). These options help reduce land use and soil degradation;
- 100% of supplies of viscose to be sustainable, whether recycled or purchased from suppliers with a Canopy "green shirt" rating. These options help address deforestation in particular;
- 100% of supplies of silk to be purchased from sustainable sources (certified GOTS or a mix of GOTS and GRS);
- 100% of supplies of feathers and down to be either recycled or purchased from suppliers certified in accordance with the Responsible Down Standard (RDS);
- Animal-Based Raw Materials Sourcing Charter to be incorporated into supplier relationships.

Perfumes and Cosmetics

The Perfumes and Cosmetics business group has set itself three key LIFE 360 targets in relation to its supply chain to be achieved by 2026:

- 100% of supplies of palm oil to be purchased from sustainable sources, including RSPO-certified palm oil and palm oil from regenerative agriculture. This certification supports efforts to address deforestation;
- 100% of supplies of alcohol to be purchased from sustainable sources, including organic beet and regenerative agriculture as well as alternative and innovative solutions;
- 100% of iconic ingredients used by the Maisons to be UEBT-certified. This certification, which includes environmental criteria, helps reduce environmental impacts on ecosystems.

The business group also takes part in specific initiatives related to the sourcing of mica (RMI). The Group's Research & Development Department and Maisons have been carrying out ethnobotanical studies for a number of years. They seek to identify plant species with a particular interest as components of cosmetic products while contributing to the preservation of these species and to local economic development. This partnership can take a variety of forms such as financial support, technical or scientific assistance, or skills sponsorship, sharing the expertise of LVMH's staff with its partners.

Watches and Jewelry

The Watches and Jewelry business group has set itself three key LIFE 360 targets in relation to its supply chain to be achieved by 2026:

- 100% of supplies of gold to be purchased from sustainable sources, including Responsible Jewellery Council (RJC) certification for suppliers (RJC Code of Practices at minimum) and refiners (RJC Chain of Custody) for all gold used by the Maisons. The Group is currently working to recognize other standards for future adoption, particularly those covering mining activities, such as the World Gold Council's Responsible Mining principles, the Initiative for Responsible Mining Assurance (IRMA), Fairmined, Fairtrade and the CRAFT and Swiss Better Gold Association (SBGA) initiatives;
- 100% of supplies of diamonds to be purchased from RJC CoP-certified suppliers;
- 100% of supplies of colored gemstones to be purchased from suppliers certified RJC CoP or equivalent or verified via the Gemstones and Jewellery Community Platform (GJCP). All of the Watches and Jewelry Maisons have received certification under the Responsible Jewellery Council's Code of Practices standard, known as RJC CoP. As part of the LIFE 360 targets, and in line with this certification, which applies to their gold and diamond supply chains, they expanded their responsible sourcing efforts. Bulgari is particularly committed and has prioritized rolling out RJC CoC certification to all its jewelry and refining partners. The Group and its Maisons are also involved in the Coloured Gemstones Working Group (CGWG) with other sector stakeholders. The CGWG aims to roll out environmental and social best practice across the colored gemstone sector by making all tools developed by the initiative available to the industry on an open-source basis and allowing industry players to assess the maturity of their practices.

5.2.4 Related metrics

Management of metrics related to biodiversity

	Definition
Name and description of metrics	– All Group activities: Intensity of deforestation and ecosystem conversion. – All Group activities: Share of certified strategic raw materials purchases. – All Group activities: Agricultural land related to purchases of strategic raw materials sourced from regenerative agriculture. – All Group activities: Percentage of hospitality, production and logistics sites with a certified environmental management system.
Methodology used	– Intensity of deforestation and ecosystem conversion: Calculation of the deforestation intensity and ecosystem conversion using annual purchasing data for raw materials (quantity, origin, certification) based on year N-1 data due to the time necessary for calculating data. – Proportion of strategic raw materials purchases with certification: Consolidation of purchases of strategic raw materials that are certified according to standards selected by the Group (see detail below). – Agricultural land related to purchases of strategic raw materials sourced from regenerative agriculture: Consolidation of purchases of strategic raw materials that are certified according to regenerative agriculture standards or produced in line with the regenerative agriculture criteria set by LVMH. – Percentage of hospitality, production and logistics sites with a certified environmental management system: Annual consolidation of certifications of hospitality, production and logistics sites according to standards recognized by the Group.
Limitations	/
Unit of measurement	– Intensity of deforestation and ecosystem conversion: Hectares. – Share of certified strategic raw materials purchases: Percentage of total quantities purchased. – Agricultural land related to purchases of strategic raw materials sourced from regenerative agriculture: Hectares. – Percentage of hospitality, production and logistics sites with a certified environmental management system: Percentage of total number of hospitality, production sites and logistics sites.

	Definition
Monitoring and validation process	Intensity of deforestation and ecosystem conversion: – Group biodiversity footprint resulting from annual data collection from the Maisons via Group reporting tools – Data validated by the Environment Department Share of certified strategic raw materials purchases: – Supplier certification by accredited auditors – Annual data collection from the Maisons via Group reporting tools – Data validated by the Environment Department Agricultural land related to purchases of strategic raw materials sourced from regenerative agriculture: – Supplier certification by accredited auditors and soil health monitoring using specific tools – Annual data collection from the Maisons via Group reporting tools – Data validated by the Environment Department Percentage of hospitality, production and logistics sites with a certified environmental management system: – Site certification by accredited auditors – Annual data collection from the Maisons via Group reporting tools – Data validated by the Environment Department
Updates and adjustments	/
Update frequency	Annual

Biodiversity indicators: Results in 2024

	2024	2023	Baseline value (year)	Target (year)
Habitat connectivity *(in km of hedges on LVMH sites)*	166	/	/	/
Surface area of LVMH operations *(in hectares, production sites, logistics centers, hospitality sites, farms and vineyards)*	7,060	/	/	/
Surface area of LVMH operations located near a biodiversity-sensitive area *(in hectares, production sites, logistics centers, hospitality sites, farms and vineyards, located less than 1km from a protected area)*	2,898	/	/	/
Intensity of deforestation and ecosystem conversion for the LVMH value chain *(in hectares, land use change indicator)*	200	200	220 (2021)	0 (2026)
Regenerated, preserved or restored land (including for regenerative agriculture within the supply chains) *(in millions of hectares)*	3.8	3.1	0 (2020)	5 (2030)
Presence of certified environmental management systems ISO 14001 (production sites and logistics centers)[(a)], EarthCheck (hospitality sites)[(b)] *(as %)*	74%	66%[(c)]	43% (2013)	100% (2026)

(a) Sites eligible for ISO 14001 certification are production and logistics sites larger than 1,000 m^2.
(b) Data includes hospitality sites operated by Belmond and LVMH Hotel Management.
(c) In 2023, the result did not take into account EarthCheck certification.

Certification of strategic supply chains: Results in 2024

Indicators	2024	2023	Baseline value (year)	Target for 2026
Group				
Certified paper, cardboard and wood *(% FSC- or PEFC-certified paper, cardboard and wood by weight)*	78%	80%	77% (2021)	100%
Wines and Spirits				
Certified grapes *(% certified grapes by weight: Organic Farming, Sustainable Viticulture, Sustainable Winegrowing New Zealand, High Environmental Value level 3, EU Organic farming standard. Figures include still wines and eaux-de-vie)*	LVMH vineyards: 96% French vineyards: 100% Rest of the world: 92% Independent grape suppliers: 32%	LVMH vineyards: 96% French vineyards: 100% Rest of the world: 89% Independent grape suppliers: 26%	LVMH vineyards: 92% French vineyards: 100% Rest of the world: 90% Independent grape suppliers: 4% (2020)	LVMH vineyards: 100% Independent grape suppliers: 50%
Fashion and Leather Goods				
LWG certification of tanneries for sheep and cow leather *(leather from certified tanneries by weight, as %)*	98%	96%	25% (2013)	100%
LWG certification of tanneries for crocodilian skin leather *(crocodilian skin leather from certified tanneries by weight, as %)*	96%	89%	70% (2021)	100%
Certified cotton *(GOTS, Better Cotton, GRS, OCS and Supima-certified cotton by weight, as %)*	76%	75%	2% (2013)	100%
Certified fur (mink/fox) *(pelts from farms certified as complying with one of the standards recognized by the Furmark program, as %)*	99.97%	99.5%	87% (2020)	100%
Certified sheep's wool (merino sheep and other breeds) and cashmere *(wool from farms certified RWS, ZQ, Authentico, New Merino, SustainaWOOL, Nativa or SFA, as %)*	56%	32%	24% (2021)	100%
Certification for all crocodilian farms supplying the Group's tannery *(crocodilian skins from farms certified SRCP or ICFA, as %)*	100%	100%	86% (2020)	100%
Perfumes and Cosmetics				
Palm oil derivatives *(RSPO-certified Mass Balance or Segregated palm oil derivatives by weight, as %)*	98%	95%	0% (2013)	100%
Watches and Jewelry				
Diamonds: RJC COP certification *(carats of diamonds from COP-certified direct suppliers, as %)*	99.7%	99.6%	90% (2013)	100%
Gold: RJC COP certification	98%	95%	79% (2013)	100%
RJC CoC certification	96%	92%	77% (2013)	100%

Traceability: Results in 2024

Traceability indicators [a] *(as % of quantities purchased in 2023)*	**2024**	**2023**
Sheep and cow leather – Country of origin known	97.7%	96%
Exotic leather – Country of slaughter known	99.3%	99.9%
Fur – Country of rearing or trapping known	100%	99.9%
Wools (merino sheep and other breeds), and cashmere – Country of rearing known	88%	88%
Diamonds – Country of mining and/or mining company known for diamonds of over 0.2 carats certified by a gemological laboratory	99.4%	96%

(a) Data declared by suppliers.

6. Resource use and circular economy (LIFE 360 – Circular Design)

LVMH's Maisons work to limit the impact of their products and services on the natural environment by considering each one's entire life cycle. The Group's strategy was developed in line with the recommendations and requirements of the European Union's Circular Economy Action Plan and Waste Framework Directive.

Based on the double materiality assessment, the following impacts and opportunities are considered material:

- impact connected with the consumption of raw materials across all value chains, including packaging (all business groups);
- impact connected with waste production, packaging and point-of-sale advertising throughout the product life cycle, including the production, sale and use stages (all business groups);
- impact connected with pressures on rare materials used to create exclusive products (Fashion and Leather Goods and Watches and Jewelry);
- impact connected with the potential destruction of unsold/obsolete products (Fashion and Leather Goods and Perfumes and Cosmetics);
- impact connected with optimizing use of resources by ensuring product longevity (quality, long life cycle, repairability, refill capability, etc.) for products from the Fashion and Leather Goods and Watches and Jewelry business groups;
- opportunity to develop new sustainably designed ranges of products/services and use of more sustainable materials (all business groups);
- opportunity to develop new business models based on reuse, recharging, recovery and resale of products (all business groups).

The responsible sourcing policy is presented in §5, "Biodiversity and ecosystems (LIFE 360 – Biodiversity)".

6.1 Management of resource inflows

6.1.1 Policy related to sustainable design

As part of its LIFE 360 strategy, LVMH follows a sustainable design policy to anticipate and limit the environmental impacts linked both to the consumption of raw materials on all incoming chains and to the production of products, waste, packaging and point-of-sale advertising, as well as to reduce tension regarding the rare materials used to create exclusive products.

This is underpinned by the four convictions of the LVMH circular design policy:

- **inventiveness**: Selecting innovative new materials such as those that are recycled, bio-sourced, certified and/or sourced from regenerative agriculture;
- **energy conservation**: Selecting the most exacting transformation and manufacturing processes at Maisons' and suppliers' sites to reduce environmental impacts;
- **eternity**: Guaranteeing long product life and ensuring high quality thanks to expertise in areas like repairs and the art of patina, new technologies such as product recharges, refills and refurbishment, and the promotion of new services;
- **rebirth**: Helping give materials and products a new lease of life through reuse, repurposing, recycling and upcycling.

The Group and its Maisons have worked together to draw up specific sustainable design criteria for each business sector. These criteria cover at least the following topics:

- use of raw materials that are certified, recycled or sourced from regenerative agriculture;
- traceability: knowing the supplier and the country of origin for each primary raw material;
- product life span and end-of-life treatment.

Each business group has tailored these sustainable design criteria to its own specific environmental priorities; tools are currently being rolled out to monitor performance against these criteria and assess the environmental footprint of each product and its packaging.

LVMH also aims to have stopped using fossil-based virgin plastic in customer packaging by 2026. To achieve this target, the Maisons are working on an action plan that aims to:

- use recycled plastics;
- use bio-sourced plastics;
- replace plastics with other materials.

With regard to the recycled plastics market, this target requires continual adjustments to the action plan (collaboration and partnership with suppliers, training teams, etc.). LVMH has also set the following targets for 2030: 70% of packaging materials used by the Maisons (in customer packaging) is to be recycled, and all customer packaging is to be recyclable, compostable or reusable. This action plan applies to all Maisons, but it is particularly strategic for the Perfumes and Cosmetics Maisons, which are the primary users of plastic in customer packaging.

Regarding the risk of pressure on rare materials used to create exclusive products in the Fashion and Leather Goods and Watches and Jewelry business groups, LVMH is rolling out:

- a Research and Development policy led by LVMH Gaïa, driver of the Group's scientific research and innovation, and dedicated to environmental issues and technological innovation in the luxury industry. Moët Hennessy's Robert-Jean de Vogüé research center and the LVMH Perfumes and Cosmetics Hélios research center also participate in these efforts. Projects are already underway to develop synthetic proteins and gemstones;
- sustainable design approaches that include indicators on the origin and certification of the materials used.

6.1.2 Actions and resources used

LVMH and the Group's Maisons employ the following tools, representing annual expenditure of around 500,000 euros, to manage sustainable design initiatives and targets, and to reduce the use of resource inflows:

- **Perfumes and Cosmetics**: The Maisons have implemented the EFI (Eco-Formulation Index) and the EPI (Environmental Performance Index for packaging). The EFI score spans seven dimensions: natural origin, assessed in accordance with an internationally recognized method (ISO 16128); traceability, knowledge of the ingredient value chain; clean beauty, taking consumer expectations into account and anticipating potential regulatory restrictions; smart formulation, a calculation methodology for minimizing the number of ingredients used in a formula; environment score, categorizing impacts using the European PEF (Product Environmental Footprint) methodology; social score, assessing the social impact of operations using a methodology developed by the United Nations Environment Programme; environmental impact, assessment of the biodegradability and ecotoxicity of ingredients at the end of their lifetime using a methodology based on the European Ecolabel and REACH regulation. The EPI score takes into account a number of criteria including packaging weight and volume, recycled and bio-sourced raw material content, recyclability and refill capability. The EPI calculation methodology has been updated to bring it into line with the LIFE 360 targets and various regulations.
- **Fashion and Leather Goods**: Maisons in this business group are required to follow sustainable design criteria structured around three pillars: raw materials, traceability and end of life. The first pillar requires that a minimum of 50% of raw materials used must be certified, recycled or sourced from regenerative agriculture. The second pillar, traceability, aims to ensure that all suppliers in the value chain are identified. Tier 1 and 2 suppliers must be known for a product's main ingredient and the country of origin must be known for plant- and animal-based materials. Lastly, the third pillar, end of life, is about verifying and monitoring services offered by Maisons to customers designed to lengthen their products' life spans (including a repairability index). A dedicated tool for monitoring these indicators and criteria has been developed in conjunction with an expert partner. It also ensures compliance with the requirements of France's new anti-waste law for a circular economy, known as the AGEC law, and specifically its Article 13 relating to the sharing of environmental and traceability information at the time of purchase, as well as calculating the environmental impact of a product for environmental labeling in France (Climate and Resilience law) and in Europe (Product Environmental Footprint).
- **Wines and Spirits and Watches and Jewelry**: After being defined, sustainable design criteria are tested by the Maisons. The Wines and Spirits business group updated its method for calculating its EPI in 2023 and is testing a tool to assess the environmental footprint of packaging.

These tools are used to measure and reduce the impact of products and services right from the design stage, and to promote and manage the development of new sustainably designed product and service ranges. With its zero-waste strategy, Louis Vuitton is making every effort to reduce as far as possible the volume of material waste, right from the design phase and throughout the whole manufacturing process. This approach applies to all leather goods collections, and is gradually being extended to other categories such as footwear and ready-to-wear. The *Zippy Wallet*, made entirely of supple *Monogram Empreinte* leather, is a good illustration of this strategy in 2024. Offcuts from the cutting process are used to strengthen the product. This recycling approach, which also prioritizes the use of a single material for the product's design, helps to improve the product's environmental profile. More generally, the Louis Vuitton Maison is committed to a sustainable product design approach, including the use of certified materials such as leather certified by the Leather Working Group (LWG). Louis Vuitton also trains its teams in sustainable design, from design to production to marketing, thereby encouraging innovative, cross-functional creative loops. Today, as part of the LVMH Group's sustainable design target, 15% of Louis Vuitton ready-to-wear products have already been assessed as compliant and over 80% of product categories are covered by a life-cycle assessment, the foundation for continuous improvement in sustainable design. The Perfumes and Cosmetics Maisons are working to reduce packaging weight and volume, for example in 2024, Bulgari reduced the weight of its *Le Gemme* fragrance by 20% and incorporated 25% recycled glass. The share of recycled materials used in packaging for the *Bulgari Man* fragrance also rose in 2024, going from 5% in 2019 to 16% in 2024.

6.1.3 Associated targets

LVMH has set the following voluntary targets as part of its sustainable design policy:

	Sustainable design for all products and packaging	**Zero plastic from fossil-based plastic in customer packaging**	**Packaging made from recycled customer packaging**
Type of target	To help reduce the environmental impacts linked both to the consumption of raw materials on all incoming chains and to the production of products, waste, packaging and point-of-sale advertising, as well as to reduce tension regarding the rare materials used to create exclusive products Opportunity to develop new sustainably designed ranges of products/services	To help reduce the environmental impacts linked both to the consumption of raw materials on all incoming chains and to the production of packaging	To help reduce the environmental impacts linked both to the consumption of raw materials on all incoming chains and to the production of packaging
Target	100% of new products sustainably designed by 2030	Zero fossil-based plastic in customer packaging	70% recycled raw materials in customer packaging
Target year	2030	2026	2030
Scope	All products and/or packaging from the Fashion and Leather Goods, Perfumes and Cosmetics, Wines and Spirits and Watches and Jewelry business groups	All the Group's customer packaging	All the Group's glass and plastic customer packaging
Baseline value	0	8,632	38
Unit	As % of product baseline	Metric tons	As %
Baseline year	2019	2021	2021
Method	EU Circular Economy Action Plan	EU Circular Economy Action Plan	EU Circular Economy Action Plan
Stakeholders	Group suppliers	Group suppliers	Group suppliers

	Sustainable design for all products and packaging	Zero plastic from fossil-based plastic in customer packaging	Packaging made from recycled customer packaging
Change to target or change in methodology	No	Update of actual data by including new Maisons in environmental reporting	No
Associated performance indicators	Number of products meeting the LIFE 360 sustainable design criteria	Quantity of plastic from virgin fossil oil used in customer packaging	Quantity of recycled raw materials used in customer packaging

6.1.4 Indicators and results

Management of metrics related to sustainable design and resources inflows

	Definition
Name and description of metrics	– Main materials used to make products or packaging: quantity in metric tons of virgin or recycled raw materials required to make products and packaging. – Organic materials: wood, paper, cardboard, leathers and exotic skins, plant, animal and artificial textile fibers, fur, grapes, plant-origin cosmetic ingredients including beet, palm oil derivatives, etc., sugars, plant-origin raw materials for Wines and Spirits (excluding grapes). – Technical materials: glass, plastic, gold, diamond, metals and precious metals, colored gemstones, synthetic textile fibers. – Zero fossil-based virgin plastic in customer packaging: quantity of virgin fossil plastic present in customer packaging and mineral-based cosmetic ingredients. – 70% recycled materials in customer packaging: quantity of recycled plastic and glass present in customer packaging.
Methodology used	– Raw materials quantities are consolidated by the Group using the Cascade reporting tool (direct measurement, invoices, etc.). – Tracking progress on the sustainable design of products and packaging is managed using specific tools dedicated to each business group (Fairly Made tool for the Fashion and Leather Goods Maisons, EDIBOX for the Perfumes and Cosmetics Maisons and EPI for the Wines and Spirits Maisons). – Customer packaging is defined as follows (transport packaging is excluded from this definition): - Wines and Spirits: bottles, boxes, caps, etc. - Fashion and Leather Goods: boutique bags, pouches, cases, etc. - Perfumes and Cosmetics: bottles, cases, tubes, etc. - Watches and Jewelry: cases, boxes, etc. - Selective Retailing: boutique bags, pouches, cases, etc.
Limitations	The Fashion and Leather Goods Maisons cover part of their catalog of products themselves
Unit of measurement	– Quantity of raw materials: metric tons. – Tracking progress on sustainable design for Fashion and Leather Goods products: percentage of products complying with the defined criteria. – EPI for Perfumes and Cosmetics and Wines and Spirits packaging: score out of 100.
External validation	Validation of certain data on recycled content and certified via external certifications.
Monitoring and validation process	– Annual data collection from the Maisons via Group reporting tools. – Data validated by the Environment Department.
Updates and adjustments	/
Update frequency	Annual

Inflows of biological and technical resources used by LVMH in 2024, of which recycled and certified resources

(in metric tons)	**2024**	**Recycled origin** *(as %)*	**Certified** *(as %)*
Organic materials	698,336	40 (a)	45
Technical materials	303,662	28	/
Total	**1,001,998**	**33 (a)**	**/**

(a) The values do not include the raw materials used for Wines and Spirits (grapes, etc.) and Perfumes and Cosmetics (beet, flowers, etc.) products, which cannot be of recycled origin, i.e. 84% of the total value of organic materials and 59% of the total value of organic and technical materials.

Main materials used to make packaging (resource inflows)

The weight of customer packaging changed as follows between 2023 and 2024:

(in metric tons)	**2024**	**2024 pro forma (a)**	**2023**	**Change (b)** *(as %)*
Wines and Spirits	186,971	171,995	159,914	8
Fashion and Leather Goods	23,606	23,602	20,904	13
Perfumes and Cosmetics	34,695	31,360	32,424	(3)
Watches and Jewelry	2,905	2,111	4,462	(53)
Selective Retailing	13,769	3,921	4,270	(8)
Other activities	-	-	-	-
Total	**261,946**	**232,990**	**221,975**	**5**

(a) Value and change at constant scope.
(b) Change related to business activity and sustainable design initiatives.

The total weight of customer packaging, by type of material, broke down as follows in 2024:

(in metric tons)	**Glass**	**Paper/ Cardboard**	**Plastic**	**Metal**	**Textile**	**Wood**	**Other packaging materials (a)**
Wines and Spirits	166,086	15,867	1,201	1,254	201	2,354	8
Fashion and Leather Goods	387	19,865	132	189	2,852	179	2
Perfumes and Cosmetics	15,466	10,365	6,668	1,843	231	63	59
Watches and Jewelry	857	1,395	397	84	50	122	-
Selective Retailing	409	11,993	1,285	81	1	-	-
Other activities	-	-		-	-	-	-
Total	**183,205**	**59,485**	**9,683**	**3,451**	**3,335**	**2,718**	**69**
Of which: Recycled *(as %)*	43%	63%	13%	7%	27%	-	-

(e) Other packaging materials notably include ceramic and leather.

Overview of sustainable design targets

Objectives	2024	2024 pro forma [b]	2023	Target
Zero plastic from fossil-based virgin plastic in customer packaging				
Quantity of fossil-based virgin plastic in customer packaging *(in metric tons)* [a]	8,326	7,224	7,942	0 (2026)
70% recycled materials in customer packaging				
Percentage of recycled materials in customer packaging for glass and plastic *(by weight)* [a]	41%	42%	43%	70% (2030)
Sustainable product design				
Fashion and Leather Goods *(% compliance with LIFE 360 sustainable design criteria)* [a]	33% (3,781 products evaluated)	/	61% (300 products evaluated)	100% (2030)

(a) Integration of Kendo, Maison Francis Kurkdjian, Perfumes Loewe, Sephora North America, Sephora North Asia and DFS.
(b) Value and change at constant scope.

Perfumes and Cosmetics and Wines and Spirits business groups – EPI scores

Indicators	Baseline: 2023	Performance in 2024	Performance in 2023	Coverage rate *(as % of total number of products)*
EPI score for Perfumes and Cosmetics packaging (Scores out of 100) [a]	39.9	41.1	39.9	66%
EPI score for Wines and Spirits packaging (Scores out of 100)	80	77.7	80	98%

(a) Maisons included: Guerlain, Parfums Christian Dior and LVMH Fragrance Brands.

6.2 Management of resource outflows

6.2.1 Policy related to extending product longevity

The LVMH Group implements a circular design policy through its LIFE 360 environmental strategy. This helps limit the impact of the products and services of the Group's Maisons on the natural environment by taking each one's entire life cycle into account. The policy applies to all of the Group's Maisons in the Fashion and Leather Goods, Perfumes and Cosmetics, Watches and Jewelry, Selective Retailing, and Hospitality and Other activities business groups.

Optimizing resources via product and material longevity is a goal shared by LVMH and its Maisons through two convictions of the "Circular Design" strategic priority (among the four cited in §6.1.1) of the LIFE 360 strategy:

- **eternity**: Guaranteeing long product life and ensuring high quality thanks to expertise in areas like repairs and restoration, new technologies such as product recharges and makeovers, and the promotion of new services (repairs, restoration, recharges, reuse).
- **rebirth**: Helping give materials and products a new lease of life through reuse, repurposing, recycling and upcycling. This principle aligns with the LVMH Circularity approach, announced during the LIFE 360 Summit held at the UNESCO headquarters in December 2023. It supports the development of special expertise to find new uses for unsold and defective products and their components in order to bring them back into the different value chains.

These convictions underpin the development of new business models:

- Rimowa has launched Re-Crafted, a unique service for taking back customers' suitcases, restoring them to their former glory and selling them;
- Nona Source, the platform developed by the Group to facilitate the resale of unused textiles by its Maisons, confirmed its status as a circularity accelerator in the fashion industry and as an effective means to support young designers by reselling over 290,230 linear meters of high-quality fabrics at very competitive prices;
- by reusing and recycling the Group's unsold products and strategic materials, LVMH Circularity is able to recreate the materials used in a closed loop in several of the Maisons, such as Christian Dior Couture, which in 2024 launched a Denim piece made from the closed-loop recycling of its unused materials, in partnership with Weturn.

Unsold products are all products that have not been sold during the Maisons' sales cycle. They are managed in accordance with the Group's circular design policy, with the aim of identifying and implementing donation, reuse or recycling solutions for each of the business groups concerned in the countries where the Group operates.

In accordance with the Group's sustainable design policy, the Maisons are working to determine the repairability and recyclability of their products and packaging. Each business group is working to define indicators that will enable it to assess all of its products and packaging right from the design phase. The LVMH Group is working on a consolidated methodology in order to develop a joint strategy with its Maisons to improve reparability and recyclability:

- In terms of reparability, the Fashion and Leather Goods, Watches and Jewelry and Selective Retailing Maisons are working to introduce reparability criteria for their products and packaging. Louis Vuitton has defined reparability criteria for all of its leather goods in its sustainable design policy. 100% of its leather goods are assessed as reparable. Right from the design phase, the evaluation criteria make it possible to define three distinct levels of repair complexity for these products: A (easy), B (intermediate) and C (difficult).
- In terms of recyclability, the Wines and Spirits and Perfumes and Cosmetics Maisons use recyclable glass packaging for their products. The cardboard cases and bags are also recyclable in all business groups. Recycling ready-to-wear products from the Group's Maisons is somewhat complex due to the variety of materials, components, treatments and finishes used to create the products. These criteria also apply to the Watches and Jewelry products.

The Fashion and Leather Goods and Watches and Jewelry Maisons are equipped with advanced repair services, able to restore old products or to adapt their form to ensure their transmissibility.

6.2.2 Actions and resources used

The LVMH Group and its Maisons are working to implement a range of action plans for extending product longevity. These actions revolve around providing new circular services for sustainability, reuse and recycling, and involve 100% of the Maisons. Actions related to sourcing sustainably designed materials to enhance the quality and longevity of the Group's products are described in §6.1, "Management of resource inflows".

1) Extended product longevity solutions

First, product longevity is bolstered by services for product repair and care, refills and the collection of end-of-life products offered by the Fashion and Leather Goods, Watches and Jewelry, Perfumes and Cosmetics and Selective Retailing Maisons.

The Group and its Maisons provide the following services:

a) Product repair, care and restoration workshops: In stores, at dedicated workshops and regional centers, or at Maison- or Group-level centers.

Fashion and Leather Goods, Watches and Jewelry, Selective Retailing:

The Fashion and Leather Goods and Watches and Jewelry Maisons have their own repair and care centers to bolster the product longevity promise to customers. Providing these new services requires developing new infrastructure, hiring and training staff with unique skills, communicating and marketing to inform customers and build loyalty, and implementing an assessment and continuous improvement process. In 2024, the creation of 14 repair centers around the world for a Maison in the Fashion and Leather Goods business group required an investment and operating expenses of 107.7 million euros. In 2025, based on the growth forecasts, these expenses are estimated to be an additional 114 million euros.

In Selective Retailing, Le Bon Marché launched its alterations workshop in 2023, which immediately received Refashion certification. The workshop makes it easier for customers to mend their textile products and benefit from a rebate program established by the French government in November 2023 to reduce the costs of repairs. In 2024, the workshop made more than 400 repairs, all eligible for the official rebate.

To support the Maisons in continuously improving and assessing of their practices, the Group also set up a Repair and Care working group. Its goal is to support ten Fashion and Leather Goods Maisons, seven Watches and Jewelry Maisons, and one Selective Retailing Maison, and bring them together twice a year as they roll out their repair and care workshops and set standards for the services they provide.

b) Services to collect end-of-life products:

Fashion and Leather Goods:

Increasing product longevity also takes place through takeback services where customers can dispose of obsolete or damaged products. Rimowa offers its customers a lifetime guarantee on its products as well as a product takeback program, Re-Crafted, available internationally (Japan, Germany, United States and South Korea).

Perfumes and Cosmetics, Selective Retailing:

For products such as perfumes and cosmetics, the Maisons in the Perfumes and Cosmetics and Selective Retailing business groups offer customers takeback programs.

Since 2009, a Maison from Selective Retailing has run a program in Europe and the United States that has led to more than six million perfume bottles being collected. In 2024, expenses linked to managing these collection services and to studying their roll out in new international markets were in the region of 520,000 euros. In 2025, these expenses are estimated at 150,000 euros.

2) Reuse and recycling solutions

LVMH Circularity gives all unsold and defective products and the materials used in these products a second life through the Group's value chain.

LVMH Circularity amplifies the desire of the Group and its Maisons to develop new expertise in reuse and recycling and to give a second life to products (unsold or defective) and product components from the various business groups. This enables it to link the reuse and recycling of materials and products with sustainable design.

In the Fashion and Leather Goods businesses, the closed-loop approach focuses on developing new materials and yarns from recycled natural fibers, made from unused items. The partnership with Weturn, a startup honored with the LVMH Innovation Award, enabled these 100% traceable, European recycled materials to be developed with two of the Group's Maisons in 2024. In 2024, estimated spending and investment for the Fashion and Leather Goods Maisons to develop closed-loop activities was 200,000 euros. This is planned to increase to 300,000 euros in 2025.

LVMH Circularity is extending the closed loop to the reuse of components for the fashion industry. Thanks to Nona Source, an in-house Group startup, 290,230 linear meters of fabric and 4,500 square meters of leather have been reused, a new offer launched in May 2024. It makes quality materials from the production of the Maisons' ready-to-wear collections available to communities of young designers and brands committed to circular fashion. In 2024, Monoprix joined forces with Nona Source for the sourcing of its first *Atelier* line. The 11 pieces were made entirely from rolls supplied by Nona Source.

The closed loop also applies to the Perfumes and Cosmetics and Selective Retailing businesses. Two Maisons and the LVMH Group invested 100,000 euros to develop automated machines for dismantling unsold products. This innovation helps organize product and component reuse and recycling processes and facilitate the reintroduction of recycled materials into production processes so as to reduce the Group's environmental impact. This is the case for glass, which can be more easily redirected to material recycling facilities and recycled to produce new products.

6.2.3 Associated targets

	Contribution to implementing new circular services
Target	100% of the Group's Maisons put in place new circular services.
Target year	2023
Scope	New services may relate to products, as in Fashion and Leather Goods and Watches and Jewelry, or to packaging in Perfumes and Cosmetics. Products: A circular service means any practice that gives a new life to a product and its components, including repair, rental, reuse, donation and repurposing. The service must have been introduced after 2019 (baseline year) and before the end of 2023. This means that Maisons that have already introduced repairs for a given product category will not be able to count this as a new service (unless it is introduced for additional product categories). Packaging: A circular service is any practice that extends the life span of packaging and its components, including refills, deposit-refund systems, reuse, packaging-free products (for Wines and Spirits and Perfumes and Cosmetics, where packaging represents a significant proportion of the overall footprint) and recycling. The service must have been introduced after 2019 (baseline year) and before the end of 2023. This means that brands that have already introduced refills for a given range will not be able to count this as a new service (unless it is introduced for additional ranges).
Baseline value	Zero circular services as defined above.
Unit	Percentage of Maisons that have introduced a new circular service for their products (repair, reuse, repurposing, donation, rental, second life, recycling, etc.) or for their packaging (refills, deposit-refund systems, reuse, packaging-free products, recycling, etc.) after 2019.
Baseline year	2019
Method	EU Circular Economy Action Plan.
Stakeholders	Group Maisons
Change to target or change in methodology	Tracking rollout of new services from 2024.
Associated performance indicators	The target for implementing new circular services was achieved in 2023. The associated performance tracking indicator now focuses on the number of products affected by the implementation of certain circular services (repair, refills, product takeback).

The LIFE 360 circular design policy includes a number of management targets for handling unsold items, one of which is to ensure that 100% of unsold items are donated, reused or recycled by 2030 in the countries in which the Group operates. The tracking indicators associated with this target will be consolidated over the coming months.

Efforts are underway to set targets and associated indicators for the recyclability and repairability of products and packaging for all of the Maisons.

6.2.4 Indicators and results

The target for implementing new circular services was achieved in 2023. The Group is now focusing on tracking the circular services it has implemented.

Management of metrics related to extending product longevity

	Definition
Name and description of metrics	Tracking the development of circular services.
Methodology used	Data relating to the implementation of circular services are tracked by the Group using the Cascade reporting tool.
Limitations	The data do not include repairability and recyclability. The related methodology is currently being developed for consolidated use at Group level.
Unit of measurement	– Repairs: number of products repaired (actual data) – Refills: number of in-store or purchased refills (actual data) – Takebacks: number of end-of-life products collected from in-store customers (actual data)
External validation	/
Monitoring and validation process	– Annual data collection from the Maisons via Group reporting tools – Data validated by the Environment Department
Updates and adjustments	/
Update frequency	Annual

Monitoring of the development of circular services related to product longevity

In line with the achieved target of implementing new circular services, LVMH and the Group's Maisons are working to develop and track these services as part of a continuous improvement process. The business groups under consideration are the Fashion and Leather Goods, Watches and Jewelry, Selective Retailing, Perfumes and Cosmetics and Wines and Spirits Maisons. Three circular services related to product longevity include the following:

- managing reparability and the number of products repaired;
- product refill services;
- takeback services to collect end-of-life products.

The results for circular services, which ensure product longevity across the Group, are as follows:

(number)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Total
Repairs	-	1,117,907	-	959,266	12,311	2,089,484
Refills	1,550	210,000	2,433,618	-	2,459,823	5,104,991
Takeback	2,180	2,617	-	12,857	3,700,228	3,717,882
Total	**3,730**	**1,330,524**	**2,433,618**	**972,123**	**6,172,632**	**10,912,357**

6.3 Waste management

6.3.1 Policy related to waste management

The Group's waste management policy is an integral part of the "Circular Design" pillar of the LIFE 360 environmental strategy.

LVMH's waste management policy supports:

- waste reduction at source;
- optimized collection services;
- ISO 14001 certification and audits of operational waste management at production sites and logistics centers;
- the implementation of sophisticated sorting systems to maximize the recovery of its materials and products;
- improving the reuse and recycling methods used (advanced recycling practices and reuse in new resources);
- waste management training with the LIFE Academy.

LVMH and its Maisons have set a target for reusing and recycling operational waste by 2030. This target draws on the LVMH Circularity ecosystem, described in §6.2.1, "Policy related to extending product longevity", to develop and improve the Group's waste management sorting systems and reuse and recycling methods. In addition, it accelerates the transition to advanced recycling and repurposing practices and allows the Group's Maisons to collaborate with specialized partners in order to transform waste into new resources.

The waste management program is currently being updated in collaboration with all of the Group's Maisons, in order to further structure the approach and, in particular, to set new targets for reducing production waste.

The Group's waste management policy covers production and household waste from production, logistics and administrative sites and stores. Unsold items are not included within waste. A specific section dedicated to their second life can be found in §6.2, "Management of resource outflows".

6.3.2 Actions and resources used

The LVMH Group and its Maisons are working to implement a range of action plans to reduce, reuse and recycle their waste.

In terms of waste management, LVMH Circularity serves as a catalyst for the various types of expertise used to reuse and recycle waste from the Group's production processes (non-hazardous and hazardous). It also facilitates its reintegration into production lines to maximize the environmental impact reduction. An ecosystem for managing waste was created and made available to all of the Maisons in the Fashion and Leather Goods, Perfumes and Cosmetics, Wines and Spirits, Watches and Jewelry, Selective Retailing, Hospitality and Other activities business groups.

In France, the CEDRE sorting and dismantling platform is one of the services used by the Maisons. It handles all the materials and products generated by the manufacturing, packaging, distribution and sale of Group products:

- manufacturing materials such as textiles and leather from the sites of the Fashion and Leather Goods Maisons;
- manufacturing materials such as glass, alcohol and plastic from the sites of the Perfumes and Cosmetics Maisons;
- obsolete packaging, point-of-sale advertising materials, and packaging returned to stores by customers for Fashion and Leather Goods, Selective Retailing, Perfumes and Cosmetics and Watches and Jewelry Maisons.

Maisons from the Perfumes and Cosmetics and Selective Retailing business groups use this platform to recover products to reduce their environmental impact. The existing sorting and dismantling expertise enables the Maisons' waste to be directed to the most appropriate recycling facilities. The various materials (glass, cardboard, wood, metal, plastic, alcohol and cellophane) are sorted and sent to a network of specialized recyclers. This process enabled a Selective Retailing Maison to launch a closed-loop recycling program for its visual merchandising elements in stores. This program was first tested in 2022 in 37 stores, before being rolled out to all stores in France in 2023. This circular solution is directly in line with the policy of recycling 100% of waste collected from point-of-sale advertising materials (i.e. recycling product display modules and store advertising modules). The investments to install new collection and sorting containers for visual merchandising elements amounted to around 240,000 euros in 2024. The program's goal is to expand across Europe in 2025.

The Fashion and Leather Goods Maisons also use the CEDRE platform for reuse and recycling of their textiles, leather, and components sourced from production. The platform is the epicenter of the partnerships established by LVMH and redirects the Maisons to the various closed- or open-loop recycling facilities. For textiles, by partnering with L'Agence du Don en Nature and taking on and training people from companies specifically employing people with disabilities in the couture sector, the Maisons have been able to gradually add donation, repurposing and recycling services, in line with developments in technology, as well as new partners to handle larger volumes of material and to be able to use the upcycled and recycled materials to create new products. In Europe, the costs from collection, sorting and processing services for production waste for a Maison from Fashion and Leather Goods are estimated at 1.5 million euros for 2024. This expenditure is estimated at 1.6 million euros for 2025, given the Maison's growth estimates.

The Fashion and Leather Goods and Perfumes and Cosmetics sectors have a variety of products and materials, enabling the Watches and Jewelry, Selective Retailing and Hospitality Maisons, as well as Other activities, to benefit from the same reuse and recycling ecosystem.

LVMH has set up a new logistics platform in Italy: Circular'ITALIE, in partnership with Lindbergh, an MRO company (maintenance, repair and operations). It is dedicated to the reuse and recycling of the Maisons' waste, as part of the Group's commitment to the circular economy in Italy. The policy also applies to all business groups operating in Italy such as Maisons from Fashion and Leather Goods, Perfumes and Cosmetics, Watches and Jewelry, Selective Retailing, and Other activities.

For the implementation of environmental management systems, expenses from Group production sites, logistics centers and administrative sites were recognized in accordance with the recommendations of the Autorité des Normes Comptables, France's accounting standards authority. Operating expenses and capital expenditure are recognized against each of the following items:

- air and climate protection;
- wastewater management;
- waste management;
- soil protection and purification;
- noise and vibration reduction;
- conservation of biodiversity and other environmental protection measures;
- research and development.

In 2024, expenses related to environmental protection broke down as follows:

- operating expenses: 55 million euros;
- capital expenditure: 28 million euros.

6.3.3 Associated targets

Type of target	Contribution to certification of hospitality, production and logistics sites	Contribution to reuse and recycling of operational waste
Target	100% of hospitality, production and logistics sites to have certified environmental management systems by 2026.	100% of operational waste from production, logistics and administrative sites to be reused or recycled.
Target year	2026	2030
Scope	Group hospitality, production and logistics sites	Production, logistics and administrative sites and stores
Baseline value	43%	-
Unit	% of sites certified	% of waste reused or recycled
Baseline year	2013	-
Method	-	-
Stakeholders	-	-
Change to target or change in methodology	No	No
Associated performance indicators	% of hospitality, production and logistics sites with certified environmental management systems	Quantity of non-hazardous and hazardous operational waste (in metric tons) produced by site

These are voluntary means-based targets.

Some Maisons have waste reduction targets, such as Louis Vuitton, whose zero-waste strategy has fixed a three-year waste reduction target of 25% for its leather workshops.

To date, the waste reduction targets have not been consolidated at Group level, but the Group is currently conducting an analysis with the Maisons from the various business groups to establish a consolidated target for the coming year.

6.3.4 Indicators and results

Management of metrics related to waste management

	Definition
Name and description of metrics	– Operational waste from production, logistics and administrative sites and from stores – Reuse and recycling methods for operational waste – Operational waste processed by the CEDRE platform – Production and logistics site certifications
Methodology used	– The Group uses the Cascade reporting tool to consolidate the quantities of waste – The Group uses the Cascade reporting tool to consolidate the number of production and logistics site certifications
Limitations	The non-reported quantities of operational waste from production sites, logistics centers, administrative sites and stores are estimated
Unit of measurement	– Quantity of operational waste: metric tons – Reuse and recycling methods: % of materials recovered – Production and logistics site certifications: number of certifications
External validation	Site certifications validated by external certifiers
Monitoring and validation process	– Annual data collection from the Maisons via Group reporting tools – Data validated by the Environment Department
Updates and adjustments	/
Update frequency	Annual

With respect to its waste management policy, LVMH Group and its Maisons collect data on all waste produced at the sites they operate. In 2024, operational waste reporting was extensively overhauled to cover the entire scope of the sites and stores operated. The Maisons have considerably improved the scope and the granularity of the data reported. The Group has also implemented an extrapolation method to include all sites not covered. The 2024 reporting therefore includes 100% of sites, encompassing not only administrative, production and logistics sites, but also stores. In 2023, administrative, production and logistics sites were only included if they reported actual data. The data is therefore significantly larger due to these changes in absolute value.

Non-hazardous waste includes biological waste, empty packaging, product components, sludge and liquids, and mixed solid waste. The main materials are wood, metals, paper, cardboard, plastic and glass. Hazardous waste includes soiled empty packaging, electrical and electronic waste, batteries, sludge and various liquids used in production.

Quantity of waste produced in operations in 2024

(in metric tons)	Waste produced in 2024 [(a)]	*Of which: Non-hazardous waste produced in 2024*	*Of which: Hazardous waste produced in 2024*	Waste produced in 2024 pro forma [(b)]	Waste produced in 2023 [(c)]	Change in waste produced [(b)] *(as %)*
Production, logistics and administrative sites						
Wines and Spirits	70,832	*70,570*	*262*	69,294	86,904	-20
Fashion and Leather Goods	25,126	*20,717*	*4,408*	19,485	18,136	7
Perfumes and Cosmetics	16,899	*11,984*	*4,915*	10,734	12,114	-11
Watches and Jewelry	598	*564*	*34*	176	265	-34
Selective Retailing	2,659	*2,196*	*463*	1,664	1,604	4
Other activities	11,736	*11,469*	*267*	7,427	6,070	-22
All sites	**127,849**	***117,500***	***10,349***	**108,780**	**125,094**	**-13**
Stores	29,932	*29,489*	*442*	-	-	-
Total	**157,780**	***146,989***	***10,791***	**108,780**	**125,094**	**-13**

(a) 2024 figures include all data – actual and simulated – from production, logistics and administrative sites as well as stores.
(b) Value and change at constant scope.
(c) 2023 figures include actual data from production, logistics and administrative sites.

In line with ESRS, non-eliminated waste is waste that is being prepared for reuse or recycling.

Reuse and recycling of non-hazardous waste produced in operations in 2024

(as %)	Waste not eliminated in 2024	Reuse	Recycling	Waste eliminated in 2024	Incineration with energy recovery	Incineration without energy recovery	Landfill and other
Wines and Spirits	93	37	56	7	4	-	2
Fashion and Leather Goods	60	3	57	40	30	5	6
Perfumes and Cosmetics	75	1	74	25	21	3	1
Watches and Jewelry	42	-	42	58	10	16	32
Selective Retailing	58	1	57	42	20	13	9
Other activities	49	8	41	51	10	14	27
Total	**76**	**19**	**57**	**24**	**14**	**4**	**6**

In accordance with European regulations, hazardous waste refers to waste with hazardous properties as defined in the Waste Framework Directive 2008/98/EC. Each Maison complies with these requirements when processing, reusing and recycling its hazardous operational waste.

Reuse and recycling of hazardous waste produced in operations in 2024

(as %)	Waste not eliminated in 2024	Reuse	Recycling	Waste eliminated in 2024	Incineration with energy recovery	Incineration without energy recovery	Landfill and other
Wines and Spirits	60	-	60	40	18	13	9
Fashion and Leather Goods	80	1	79	20	18	1	-
Perfumes and Cosmetics	83	2	81	17	14	2	-
Watches and Jewelry	64	-	64	36	9	19	7
Selective Retailing	19	-	19	81	80	-	-
Other activities	72	1	71	28	13	13	2
Total	**77**	**1**	**76**	**23**	**19**	**3**	**1**

The Maisons are working to reduce, reuse and recycle production waste at all of their sites and stores. In 2024, 76% of waste was recovered (reused or recycled).

To illustrate the action plan to develop the LVMH Circularity ecosystem, LVMH and its Maisons collect and publish data on the CEDRE sorting and dismantling platform, which is located in France. In 2024, around 3,799 metric tons of materials and products were reused or recycled (3,751 metric tons in 2023) by CEDRE.

Quantities of waste and materials reused or recycled via the CEDRE platform in France in 2024

(in metric tons)	**Amount recycled in 2024**	**Amount recycled in 2023**
Fashion and Leather Goods	969	792
Perfumes and Cosmetics	2,253	2,266
Selective Retailing	577	693
Total	**3,799**	**3,751**

In 2024, the Group continued to roll out certified environmental management systems across its production sites and logistics centers. These certifications contribute to the control of waste management at audited sites.

The certification performance of production sites and logistics centers has been measured in terms of their deployment of ISO 14001 certification and EarthCheck for hospitality sites.

Presence of certified environmental management systems in 2024

	Performance in 2024	**Performance in 2023**	**Target for 2026**
Percentage of certified environmental management systems			
ISO 14001 (production sites and logistics centers)[a], EarthCheck (hospitality sites)[b]	74%	66%[c]	100%

(a) Sites eligible for ISO 14001 certification are production and logistics sites larger than 1,000 m².
(b) Data includes hospitality sites operated by Belmond and LVMH Hotel Management.
(c) In 2023, the result did not take into account EarthCheck certification.

7. Environmental taxonomy

In accordance with green Taxonomy regulations which determine whether an economic activity qualifies as environmentally sustainable (“the Regulation”), LVMH has:

(i) identified those of its activities that qualify under the six environmental objectives (the “Environmental Objectives”/“Objectives”);

(ii) analyzed the contribution made by eligible activities to the Environmental Objectives, while ensuring that this contribution does not cause significant harm to any of the other Objectives (“DNSH”) and that the activity complies with the minimum safeguards outlined below, thus permitting the validation of the activity’s “alignment”.

Activities considered as eligible in relation to the Environmental Objectives established by the Regulation are in particular those having the greatest impact on climate change, thus offering the greatest potential for reducing greenhouse gas emissions. Given the activities targeted at present in relation to these objectives, only LVMH’s operating investments in the real estate sector have been analyzed for the purposes of this reporting as of December 31, 2024. In accordance with the Regulation, they correspond to the total of:

- acquisitions of property, plant and equipment and intangible assets;
- capitalized fixed lease payments; and
- property, plant and equipment and intangible assets as well as capitalized fixed lease payments relating to changes in the scope of consolidation (excluding goodwill).

The Regulation calls for the disclosure of two key performance indicators (KPIs) determined in relation to financial items and defined as follows:

- KPI 1: CapEx relating to eligible activities (“Eligible CapEx” or “Real estate CapEx”);
- KPI 2: Eligible CapEx meeting the criteria for substantial contribution to an Environmental Objective without causing significant harm to any other Objectives and while complying with the minimum safeguards (“Aligned CapEx”).

Climate change mitigation is the main environmental objective on which the Group has focused when analyzing the eligibility and alignment of its operational objectives. For activities covered by more than one objective, the Group has also carried out its analysis from the perspective of the "Climate change adaptation" and "Transition to a circular economy" objectives (see §1.1.2 below).

Eligible CapEx and aligned CapEx are presented below, as amounts and percentages of total CapEx and, for aligned CapEx, as a percentage of eligible CapEx.

LVMH's environmental actions are only reflected to a limited extent in the Group's business activities and the indicators to be disclosed at this stage under the Regulation, which are presented below (further information on LVMH's actions to promote biodiversity and the circularity of its products is presented in §5, "Biodiversity and ecosystems (LIFE 360 – Biodiversity)" and §6, "Resource use and circular economy (LIFE 360 – Circular Design)", respectively).

7.1 KPIs relating to operating investments (CapEx)

In completing the exercise required by the Regulation, LVMH adopted a cautious approach so as to abide by both the spirit and the stipulations of the text as closely as possible.

Real estate CapEx amounts were determined and alignment analyzed at the level of each individual item of eligible capital expenditure. The alignment analysis consisted of systematically reviewing compliance with the substantial contribution criteria and the DNSH criteria. No conclusions reached for a given item of capital expenditure were extrapolated to any other item of real estate CapEx.

7.1.1 Overview of the analysis with the respect to the climate change mitigation objective

In accordance with the criteria set out in the Regulation, the contribution to climate change mitigation of activities corresponding to real estate CapEx was evaluated on the basis of the energy efficiency of buildings involved in purchases, leases and renovation projects during the fiscal year. For buildings whose building permits were issued prior to December 31, 2020, only the premises purchased, leased or built whose energy efficiency is at least equivalent to that of 15% of the most energy-efficient buildings in the countries where they are located and those with proof of a top energy efficiency assessment score for premises in France are included in KPI 2. For buildings where the building permit was issued on or after January 1, 2021, only buildings with "Net Zero Buildings – 10%" certification are included in KPI 2. For renovations, the criteria is considered to be met for all projects which fulfill the definition of a renovation according to local regulations, or if a 30% improvement in energy consumption is demonstrated. The thresholds applicable in France were used to evaluate the energy efficiency of buildings located in countries that lack data relating to the energy efficiency of their buildings as a whole.

The figures presented below in the "Real estate CapEx deemed energy-efficient" columns correspond to aligned capex, i.e. meeting all of the criteria. In the absence of documentary evidence demonstrating that the technical criteria ("substantial contribution" or "DNSH") have been met, the item of real estate CapEx is considered non-aligned.

KPI 1 and KPI 2 relating to real estate CapEx break down as follows for fiscal year 2024:

(EUR millions or as %)	2024						2023					
	Total CapEx	**Real estate CapEx (KPI 1 – Eligible CapEx)** (a)		**KPI 2 – Real estate CapEx deemed energy-efficient (KPI 2 – Aligned CapEx)** (a) (b) (c)			**Total CapEx**	**Real estate CapEx (KPI 1 – Eligible CapEx)** (a)		**KPI 2 – Real estate CapEx deemed energy-efficient (KPI 2 – Aligned CapEx)** (a) (b) (c)		
	Amount	*Amount*	*as % of total CapEx*	*Amount*	*as % of total CapEx*	*as % of eligible CapEx*	*Amount*	*Amount*	*as % of total CapEx*	*Amount*	*as % of total CapEx*	*as % of eligible CapEx*
Purchases relating to the real estate sector, of which:	3,531	3,531	39%	402	4.5%	11.4%	4,638	4,638	39%	408	3.4%	8.8%
– Purchases of buildings (d)	44	44	0%	3	0.0%	0.1%	345	345	3%	61	0.5%	1.3%
– Capitalized fixed lease payments	2,931	2,931	33%	57	0.6%	1.6%	3,763	3,763	32%	202	1.7%	4.4%
– Buildings	133	133	1%	105	1.2%	3.0%	99	99	1%	59	0.5%	1.3%
– Renovations and green initiatives	422	422	5%	237	2.6%	6.7%	430	430	4%	87	0.7%	1.9%
Other acquisitions of property, plant and equipment and intangible assets	4,954	-	0%	-	0.0%	-	6,950	-	0%	-	0.0%	-
Purchases of assets and capitalized fixed lease payments	**8,484**	**3,531**	**39%**	**402**	**4.5%**	**11.4%**	**11,588**	**4,638**	**39%**	**408**	**3.4%**	**8.8%**
Changes in the scope of consolidation	465	-	-	-	-	-	358	-	0%	-	-	-
Total (e)	**8,949**	**3,531**	**39%**	**402**	**4.5%**	**11.4%**	**11,945**	**4,638**	**39%**	**408**	**3.4%**	**8.8%**

(a) Since a breakdown of acquisitions of property, plant and equipment in respect of Taxonomy-eligible activities is not available within the Group's financial reporting, this information has only been collected for those Maisons contributing significantly to purchases during the period; these Maisons accounted for 88% of the Group's "Total CapEx" in 2024, in line with the coverage rate in 2023 and 2022. Maisons not included in the Taxonomy are reviewed centrally to ensure that all material building purchases are considered eligible. No extrapolations were performed for the other Maisons, whose acquired fixed assets were considered "ineligible" for the requirements of this reporting.

(b) The analysis of "Real estate CapEx" taken into account for KPI 2 confirmed that, in addition to compliance with an energy consumption threshold, the corresponding activities:
- meet the DNSH criteria applicable to each eligible activity;
- comply with the minimum safeguards stipulated in the Regulation in the areas of human rights (including labor and consumer rights), bribery and corruption, fair competition and taxation. The measures implemented within the Group to assess the associated risks, to prevent and detect any situation likely to constitute a breach of the commitments made, or to remedy any proven breach, are described in the "Social" section, §2, "Value chain workers", and the "Governance – Business conduct" section of this Sustainability Report; the tax policy is in line with the guiding principles described in its Code of Conduct.

(c) The analysis of the energy efficiency of leased premises for the fiscal year was only carried out for the Maisons contributing significantly to capitalized fixed lease payments, corresponding to 91% of the Group's capitalized fixed lease payments in 2024 (compared with 91% in 2023). The capitalized fixed lease payments of the remaining Maisons were deemed as eligible and not aligned for the purposes of this reporting.

(d) When a building is acquired, the land is considered ineligible. Its acquisition cost is included in "Total CapEx".

(e) See Notes 3, 6 and 7 to the consolidated financial statements.

Most of LVMH's purchases or leases involve its network of stores, which are generally situated in buildings in historic city centers. However, the building standards in force when they were constructed made little or no mention of energy efficiency and they have for the most part not recently undergone thermal renovation work, which results in a low rate of compliance with the energy efficiency levels stipulated by the Regulation. For this reason, KPI 2 for purchases and leases of buildings respectively stood at 0% and 0.6% of "Total CapEx" (compared with 0.5% and 1.7% in 2023), and 0.1% and 1.6% of "Real estate CapEx" (compared with 1.3% and 4.4% in 2023).

Nevertheless, whenever buildings with inadequate energy efficiency are purchased or leased, LVMH aims to include energy efficiency improvement as part of the renovation projects for these buildings to the extent possible. This applies in particular to production sites, recent out-of-town offices and, in a few rare cases, completely renovated city-center complexes. These efforts should be reflected in the improvement in KPI 2 relating to building renovation and construction. In 2024, construction and renovation projects complying with the thresholds for energy efficiency set out in the Regulation together accounted for 3.8% of "Total CapEx" and 9.7% of "Eligible CapEx" (compared with 1.2% and 3.1%, respectively, in 2023).

7.1.2 Details on the analysis carried out for the other environmental objectives

Climate change adaptation objective

To carry out the multi-objective analysis required by the Regulation, LVMH considered the following as being eligible: operational investments housed in buildings whose building permits were issued after December 31, 2020 (including acquisitions, new buildings and leases), major renovations in the European Union and energy efficiency equipment. Other investments were considered "ineligible" for the requirements of this reporting.

For each item of "Real estate CapEx", analysis of alignment for the purposes of the climate change adaptation objective begins with an analysis of physical climate-related risks and the means implemented to reduce its vulnerability, followed by an energy efficiency analysis. Analysis of other DNSH criteria is similar to that set out above for the climate change mitigation objective.

Circular economy objective

Operational investments in renovation considered eligible for the climate change mitigation objective were also considered eligible for analysis in respect of the "Transition to a circular economy" objective.

The alignment analysis of a Renovation under this Objective, mandatory for the first time from 2024, aims to ensure that each technical criterion imposed by the Regulation is met. Checks on compliance with other DNSH criteria include an analysis of exposure to climate-related risks similar to that detailed above for the Climate Objectives, on limited water flow and the absence of hazardous substances.

7.2 Indicators relating to turnover and maintenance, R&D and rental expenses (OpEx)

Since LVMH's main activities are not at this stage covered in the Regulation in relation to the achievement of the Environmental Objectives, the turnover indicators are presented as nil for LVMH in respect of fiscal years 2024 and 2023.

Maintenance of real estate assets, R&D and rental expenses (in respect of short-term leases) represent a non-material proportion of the Group's total operating expenditure. That being the case, LVMH has applied the materiality exemption to OpEx.

The tables required by the Regulation are set out in the Appendices below.

Table 1 – Revenue

Proportion of revenue from products or services associated with Taxonomy-aligned economic activities – Disclosure for 2024

				Substantial contribution criteria					
Economic activities	**Code(s)**	**Revenue**	**Proportion of revenue: 2024**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**
		in EUR m	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
		-	-						
Revenue from environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**-**						
- Of which: Enabling		-	-						
- Of which: Transitional		-	-						
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
		-	-						
Revenue from Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**-**	**-**						
Total revenue from Taxonomy-eligible activities (A.1 + A.2) (A)		**-**	**-**						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Revenue from Taxonomy-non-eligible activities (B)		**84,683**	**100%**						
Total (A + B)		**84,683**	**100%**						

Do No Significant Harm criteria (DNSH)									
Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) revenue: 2023	Category Enabling activity	Category Transitional activity
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
							-	-	

Table 2 – CapEx

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – Disclosure for 2024

Economic activities	Code(s)	CapEx	Proportion of CapEx (2024)	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
		in EUR m	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Renovation of existing buildings	CCM 7.2 CCA 7.2 CE 3.2	209	2%	Y	Y	N/EL	N/EL	N	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 CCA 7.3	21	0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles	CCM 7.4 CCA 7.4	-	0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5 CCA 7.5	2	0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 CCA 7.6	5	0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7 CCA 7.7	162	2%	Y	Y	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	3	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**402**	**4%**	**4%**	**-**	**-**	**-**	**-**	**-**
- Of which: Enabling		28	0%	0%	-%	-	-	-	-
- Of which: Transitional		209	2%	2%	-	-	-	-	-
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Renovation of existing buildings	CCM 7.2 CCA 7.2 CE 3.2	123	1%	EL	EL	N/EL	N/EL	EL	N/EL
Renovation of existing buildings	CCM 7.2 CE 3.2	35	0%	EL	N/EL	N/EL	N/EL	EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 CCA 7.3	28	0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	2,777	31%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7 CCA 7.7	166	2%	EL	EL	N/EL	N/EL	N/EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,129**	**35%**	**5%**	**0%**				
Total CapEx of Taxonomy-eligible activities (A.1 + A.2) (A)		**3,531**	**39%**	**10%**	**0%**				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities (B)		**5,418**	**61%**						
Total (A + B)		**8,949**	**100%**						

Do No Significant Harm criteria (DNSH)									
Climate change mitigation	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx (2023)**	**Category Enabling activity**	**Category Transitional activity**
Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
Y	Y	Y	Y	Y	Y	Y	0%		T
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	3%		
Y	Y	Y	Y	Y	Y	Y	0%		
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**4%**		
Y	Y	Y	Y	Y	Y	Y		E	
Y	Y	Y	Y	Y	Y	Y			T
							4%		
							4%		
							0%		
							42%		
							0%		
							46%		
							50%	**-**	

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned CapEx per objective	**Taxonomy-eligible CapEx per objective**
CCM	**4%**	**39%**
– Renovation of existing buildings	2%	4%
– Installation, maintenance and repair of energy efficiency equipment	0%	1%
– Installation, maintenance and repair of charging stations for electric vehicles	0%	0%
– Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	0%	0%
– Installation, maintenance and repair of renewable energy technologies	0%	0%
– Acquisition and ownership of buildings	2%	35%
CCA	**4%**	**8%**
– Renovation of existing buildings	2%	4%
– Installation, maintenance and repair of energy efficiency equipment	0%	1%
– Installation, maintenance and repair of charging stations for electric vehicles	0%	0%
– Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	0%	0%
– Installation, maintenance and repair of renewable energy technologies	0%	0%
– Acquisition and ownership of buildings	2%	4%
WTR	**N/A**	**N/A**
CE	**0%**	**4%**
Renovation of existing buildings	**0%**	**4%**
PPC	**N/A**	**N/A**
BIO	**N/A**	**N/A**

Table 3 – OpEx

Proportion of OpEx for products or services associated with Taxonomy-aligned economic activities – Disclosure for 2024

				Substantial contribution criteria					
Economic activities	**Code(s)**	**OpEx**	**Proportion of OpEx (2024)**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**
		in EUR m	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)									
- Of which: Enabling									
- Of which: Transitional									
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)									
Total OpEx of Taxonomy-eligible activities (A.1 + A.2) (A)									
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OpEx of Taxonomy-non-eligible activities (B)									
Total (A + B)		**1,390**	**100%**						

Do No Significant Harm criteria (DNSH)									
Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx (2023)	Category Enabling activity	Category Transitional activity
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

Since data related to regular asset maintenance expenses is not available within the Group's financial reporting, it has been extrapolated based on the 2021 analysis undertaken on a sample of the main Maisons. Data on non-capitalized R&D expenditure and short-term leases are taken from the 2024 financial reporting.

Table 4 – Activities related to nuclear energy and fossil gas

Line	Activities related to nuclear energy	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Line	**Fossil gas related activities**	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Sustainability Report and Vigilance Plan

Social

The Group's approach to workforce-related responsibility is managed at the level of LVMH and its subsidiaries, which employ the entire workforce of the Christian Dior Group.

1. Own workforce

1.1 Strategy and business model

1.1.1 Committed to developing talent

Our people's talent drives strong performance and helps secure the Group's long-term future. Responsible people management is structured around four key priorities identified through stakeholder consultation and validated by the double materiality assessment:

- employees' terms and conditions of employment;
- employee health, safety and well-being;
- passing on and developing skills and expertise;
- diversity, inclusion and equal opportunity.

Within this shared social responsibility program, each of the Maisons implements its own action plan.

LVMH maintained its strategy of attracting talented people and supporting them on every continent. This policy is underpinned by commitments made by the Group and its Maisons to step up efforts with a focus on diversity and inclusion, talent recognition and rewards, the development of expertise and knowledge-sharing, health, safety, work-life balance and well-being at work initiatives.

The LVMH Corporate Social Responsibility Department reports to Maud Alvarez-Pereyre, who is the Group's Director of Human Resources and a member of LVMH's Executive Committee. This department is responsible for the Group's global commitments detailed in this section, as well as Group initiatives and partnerships. It is also rolling out the global corporate social responsibility process. As part of the CSR network, this department's team of officers coordinate the action taken by the Maisons. The "corporate social responsibility" officer at each Maison coordinates the Maison's approach under the direction of its Human Resources Department and ensures that its initiatives are consistent with the Group's approach.

The efficacy of the Group's and the Maisons' key policies is measured through the LVMH CSR Track Record. This CSR reporting procedure summarizes the progress made by all of the Maisons on the LVMH CSR Roadmap. It is sent to the Human Resources Directors and to the Presidents of each Maison.

Later in this section, current and future investment and financial resource spending on action plans is indicated when the data is available and significant.

Likewise, a note has been added when the measurement used to calculate the indicator has been validated by an external body other than Deloitte.

1.1.2 Organization and quality of workforce-related and CSR reporting

Workforce-related information is collected via a three-part reporting system: workforce-related data reporting, workforce-related policy reporting and reporting on the achievement of objectives.

Everyone involved in reporting is provided with an instructional guide. This guide sets out the aims and requirements both for the approach as a whole and for each indicator: its relevance, how the associated data is defined, how the information is to be gathered, the calculation method if applicable, and checks to be carried out when data is reported. Manual checks on the reliability and consistency of the data input are backed up by automated checks throughout the procedure. All Human Resources Departments at the Maisons are responsible for the data entered. Data entry is completed by organizational entity. An organizational entity is an internal organization within LVMH that is defined by its functions, responsibilities and employment relationships. These entities are modified to meet the needs of the organization and do not necessarily have an independent legal status.

The reconciliation of organizational and legal entities ensures consistency between the workforce and financial scopes. Accordingly, the scope of reporting on employee-related issues covers all staff employed by fully consolidated Group companies, but does not include equity-accounted associates.

The workforce figures set out below are based on organizational entities and concern all consolidated companies as of December 31, 2024, including LVMH's share in joint ventures, with the exception of certain companies that have been part of the Group for less than one year. These are generally added to workforce-related reporting data the year after the Group acquires control. The other employee-related indicators were calculated over a scope of 1,017 legal entities covering more than 99% of the global workforce and include employees who were present during the fiscal year, including at joint ventures, fully accounted for in these indicators.

1.1.3 Interests and views of stakeholders

Employees are involved in developing the Group's strategy in two ways. Firstly, through the participation of employee Directors on the Board of Directors since 2020. Secondly, via an engagement survey sent to all employees and integrated into the strategic plans. The survey is managed by the Director of Human Resources, who is also a member of LVMH's Executive

Committee. Employee representatives receive an annual update on the Group's situation via the Group Works Council and the SE Works Council (see §1.4.4).

To prepare for future challenges and opportunities, human resources staff, working closely with the Group's senior executives and managers, have put the Organization and Management Review (OMR) at the cornerstone of the human resources strategy (see §1.5.1, "Action related to talent development").

1.1.4 Interaction between IROs and the Group's strategy and business model

The double materiality assessment identified the following impacts and opportunities, which are directly related to the LVMH business model:

- positive impact related to financial stability and social integration of employees through employment and payment of an adequate wage;
- positive impact related to fulfillment through work and contribution to well-being;
- positive impact related to development of employability through careers and transfer opportunities;
- positive impact related to increasing the employability of LVMH employees in connection with the influence of the luxury sector and traditional craft skills (Fashion and Leather Goods and Watches and Jewelry);
- negative impact due to worldwide operations, the Group must take care to comply with freedom of association and trade union rights;
- negative impact related to employees' exposure to physical, psychological or safety risks related to the specific features of the sector and its working patterns;
- negative impact related to seasonal activity, potentially leading to the use of fixed-term labor (sole proprietors, temporary staff, employees on fixed-term contracts, etc.);
- negative impact related to potential exposure to discrimination and harassment throughout employees' working lives (based on gender, disability, etc.);
- negative impact related to access to decent housing for temporary/seasonal employees (Wines and Spirits and Hospitality-Restaurants);
- negative impact related to employees' exposure to weather events (Wines and Spirits);
- reputational risk in the event of failure to respect the rights of workers or to manage health and safety risks;
- risk of loss of expertise and rare skills in traditional crafts;
- opportunity for influence and growth through traditional craft skills and creative talent;
- opportunity to mobilize talent by developing an inclusive culture.

The IROs stem from the business model analysis and will have an effect on the future business model as the 2026-2030 CSR roadmap is developed.

1.1.5 Processes to remediate negative impacts and channels for own workers to raise concerns

LVMH encourages a culture of dialogue and communication within the Group. Any employees and external stakeholders who have questions about how to interpret internal regulations or have any ethical concerns are invited to make this known or ask for advice. The Group sends employee engagement and working conditions surveys, the "LVMH Global Pulse Survey", to its staff. By conducting this survey, the Group can gauge how employees feel about their quality of life at work, inclusion in their team and the organization, and their development. The Group has also implemented a whistleblowing system to collect and examine reports of illicit behavior or behavior contrary to its internal principles of conduct, which aims to protect whistleblowers and prevent any potential negative impact on the Company (see the "Governance" section, §1.2).

LVMH Alert Line

See §1.3.1, "Governance".

LVMH Global Pulse Survey

In 2020, LVMH conducted an unprecedentedly large-scale survey, covering all of its employees worldwide. The "LVMH Global Pulse Survey" aimed to "take its employees' pulse". LVMH wanted to know their state of mind, their opinion of the Group, but also their vision of the future in terms of developing customer relations, work culture and the essential elements of leadership.

Over 78,000 employees participated in the survey, sharing more than 180,000 comments. In order to better interpret and enrich the quantitative feedback from the survey, the Group conducted 77 additional interviews with young talent, high-potential employees and Chairmen and Chief Executive Officers.

The presentation of the results provided an opportunity for discussions between LVMH Group managers and employees from the Maisons. 56% of participants confirmed that they were motivated and confident. They were proud to be part of the Group (93%) and to work for their Maison (91%).

The Pulse survey was relaunched in October 2024, once again targeting all of the Group's employees. It was prepared in 18 languages, covering 95% of the languages spoken within the Group. There is a strong emphasis on their career progression, their development, their engagement, their well-being and the working environment. More than 145,000 employees, covering 76% of the workforce, responded. The responses are currently being processed. In 2025, the results will be presented to the Group Executive Committee and relayed to employees. If required, action plans will be created in response to these results.

1.2 Key data on the Group's workforce

The period-end headcount presented in the tables below is the headcount as of December 31, 2024, calculated by adding up the headcount at that date of all entities in the scope of the consolidated Group as of December 31, 2024. On a like-for-like basis, the headcount trend is stable compared with the previous year. This trend reflects LVMH's impact on financial and job stability for its employees.

The headcount includes permanent contracts, fixed-term contracts and non-guaranteed hours contracts (NGHCs).

Those on a non-guaranteed hours contract (NGHC) are employed by the Group with a contract that does not specify a minimum or fixed number of hours.

Unlike previous years, in 2024, French apprenticeship and vocational training contracts are included in the headcount tables. Total workforce as of December 31, 2024, was therefore 218,150 employees.

This includes 185,008 people on a permanent contract, 19,806 on a fixed-term contract, 10,823 on a non-guaranteed hours contract (NGHC), and 2,513 on apprenticeship and vocational training contracts. Staff outside France represented 82% of the global workforce.

Excluding apprenticeships and vocational training, total headcount stood at 215,637 employees, an increase of 1% compared with the 213,268 total headcount published at December 31, 2023.

In workforce performance measures, headcount for LVMH's employees in China and its regions have, in accordance with Chinese business legislation, a contract with a legal duration that cannot be made permanent until after several years. Though they previously were included in the number of staff working under permanent contracts (8,721 as of December 31, 2024) starting from 2024, they are counted in fixed-term contract headcount. No other indicators have been restated.

French apprenticeship and vocational training contracts are not included in all indicators. Where they have been excluded from the figures, a note has been added beneath the table. International apprenticeship and vocational training contracts were not reported in 2024. HRIS adaptations are planned for 2025 in order to include these contracts in all necessary indicators.

The Group's average total full-time equivalent (FTE) workforce (excluding apprenticeships and vocational training) in 2024 comprised 200,518 employees, up 4% compared with 2023 (see "*Financial statements*- Consolidated financial statements", Note 25.2). The average workforce is calculated by dividing the total end-of-month FTE workforce, from January to December 2024, by 12.

Excluding Group external transfers, 48,238 employees left the Group in 2024, of which 37,092 were permanent contracts. The figures for non-guaranteed hours contracts (NGHC) and fixed-term contracts only include non-natural departures.

Given the volume of short-term seasonal fixed-term contracts recruited each year, it seems more appropriate to continue to analyze and monitor the Group's employee turnover rate solely on the basis of the permanent contract population. This rate was 19.3% in 2024, down 2.8 points from 2023. It is calculated by dividing the total number of permanent contract departures for the year by the total number of permanent contracts in place as of December 31. To obtain a more representative view of the volume of contracts, departures other than those linked to the end of a contract for fixed-term contracts and NGHCs are included in this calculation. This figure is then divided by the total number of permanent contracts at December 31 and fixed-term contracts and NGHCs in place as of December 31 of the previous year, to which we add the year's arrivals for these contracts. Thus, the employee turnover rate would be 19.6%.

Workforce breakdown by business group

Total workforce as of December 31 (a)	2024	%
Wines and Spirits	8,880	4
Fashion and Leather Goods	74,401	35
Perfumes and Cosmetics	33,189	15
Watches and Jewelry	28,072	13
Selective Retailing	60,648	28
Other activities	10,447	5
Total	**215,637**	**100**

(a) Total permanent and fixed-term contracts, and NGHCs, not including apprenticeships and vocational training.

Workforce breakdown by job category

Total workforce as of December 31 (a)	2024	%
Executives and managers	49,357	23
Technicians and supervisors	17,133	8
Administrative and sales staff	114,576	53
Production workers	34,571	16
Total	**215,637**	**100**

(a) Total permanent and fixed-term contracts, and NGHCs, not including apprenticeships and vocational training.

Workforce breakdown by gender

Total workforce as of December 31 (a)	2024
Men	28.2%
Women	71.4%
Other	0.4%
Unspecified	0%
Total employees	**100%**

(a) Total permanent and fixed-term contracts, and NGHCs, not including apprenticeships and vocational training.

Headcount data collected as part of workforce-related reporting is broken down into three categories: "Men", "Women" and "Other". An "Unspecified" category exists in the Group's Core HR system, but the total number of employees who have selected this option is not significant.

Workforce breakdown in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees

Total workforce as of December 31 (a)	2024
France	18%
United States	21%

(a) Total permanent and fixed-term contracts, and NGHCs, not including apprenticeships and vocational training.

Workforce breakdown (a) by contract type and gender

	Women	Men	Other	Not disclosed	Total
Number of employees	154,209	60,508	920	0	215,637
Number of permanent employees	129,800	54,587	621	0	185,008
Number of temporary employee	14,571	5,166	69	0	19,806
Number of non-guaranteed hours employees	9,838	755	230	0	10,823
Number of full-time employees			See table in § 1.4.5		
Number of part-time employees			See table in § 1.4.5		

(a) Total permanent and fixed-term contracts, and NGHCs, not including apprenticeships and vocational training.

Workforce breakdown [(a)] by contract type and geographic region

	France	Europe (excl. France)	United States	Japan	Asia (excl. Japan)	Other markets	Total
Number of employees	39,856	48,736	44,870	11,299	48,719	22,158	215,637
Number of permanent employees	37,806	43,921	34,121	10,574	38,058	20,529	185,008
Number of temporary employee	2,050	4,502	1,234	633	9,908	1,479	19,806
Number of non-guaranteed hours employees	0	313	9,515	92	753	150	10,823
Number of full-time employees	See table in § 1.4.5						
Number of part-time employees	See table in § 1.4.5						

(a) Total permanent and fixed-term contracts, and NGHCs, not including apprenticeships and vocational training.

1.3 LVMH's objectives regarding its impacts, risks and opportunities

	Targets for 2021-2025	FY 2024
LVMH priorities: Employees' terms and conditions of employment		
CSR roadmap		
– Adequate wage	100%	100%
LVMH priorities: Diversity, inclusion and equal opportunity		
CSR roadmap: Valuing difference		
– Women in key positions	50%	48%
– Employees with disabilities	2%	1.9%
– Recruiters trained in non-discrimination practices, every 3 years	100%	72%
LVMH priorities: Employee health, safety and well-being		
CSR roadmap: Employee health, safety and well-being		
– Identify health and safety priorities	100%	92%
– Draw up a health and safety action plan	100%	97%
– Roll out and manage the health and safety approach	100%	96%
– Involving all employees in the health and safety approach	100%	62%
– Maintain a virtuous culture for a safe working environment	100%	100%
LVMH priorities: Passing on and developing skills and expertise		
CSR roadmap: Expertise in excellence		
– Integrate talented individuals within the Maisons	750 [(a)]	500

(a) Target revised to 500 in 2024.

The objectives and ensuing initiatives were drafted by the Human Resources Department, based on regular exchanges with employee representatives and the "LVMH Pulse Survey" engagement surveys.

1.4 Employee-focused work environment

Employees' working conditions are a key priority for LVMH. This commitment is reflected in the LVMH Code of Conduct (see the "Governance" section, §1). From employee well-being and safety to human rights, the Group is committed to guaranteeing its employees a healthy working environment that is attentive to their needs.

The "LVMH Track Record" process is used to monitor all policies relating to employee working conditions (see §1.1.1).

1.4.1 Respect for Human Rights

Policy related to respect for human rights

Through their Codes of Conduct, renewed in 2024, Christian Dior and LVMH ensure that each employee's rights are upheld, regardless of their ethnic, national, social, or cultural origins, gender identity, sexual orientation, disability, age, family status, religion, political convictions or trade union membership.

Christian Dior's and LVMH's Codes of Conduct are designed to provide a common ethical foundation for the Group and all its Maisons, outlining the rules to be followed by all employees as they go about their work. The Codes are specifically aimed at employees to foster accountability for the rules each individual is required to adhere to in performing their duties. LVMH's Code is signed by the members of the LVMH Executive Committee and spearheaded by the Presidents of the Group's Maisons. The Code of Conduct is available in 25 languages and is widely disseminated across the Group, in particular as part of the onboarding training for new hires.

The Group's Codes of Conduct translate its commitment to ensure that all of its employees, in all of its Maisons and in all of the territories in which they operate, enjoy a working environment that respects the dignity of every individual. In particular, this involves ensuring a living wage (see §1.4.2), health and safety at work (see §1.4.3), diversity and inclusion (see §1.6), and combating all forms of discrimination (see §1.6.3).

Within its sphere of influence, LVMH follows and promotes the principles, freedoms and fundamental rights adopted by the international community, in particular the Universal Declaration of Human Rights; the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights; the United Nations (UN) Guiding Principles on Business and Human Rights; the International Labour Organization's Fundamental Conventions; and the OECD Guidelines for Multinational Enterprises, in particular Chapter IV.

The Group takes great care, within the framework set by the law, to identify any direct or indirect negative impacts of its operations on society in order to prevent and, where applicable, correct them. LVMH has adopted a vigilance plan (see the Vigilance Plan later in this document) that ensures its business model is compatible with the priority need to respect human rights and fundamental freedoms, individuals' health and safety, and the environment.

Through this policy, LVMH guards against its impacts by putting in place tracking and mitigation mechanisms, such as access to a support hotline: the LVMH Alert Line (see §1.1.5). This whistleblowing channel allows employees to swiftly report any human rights violations or inappropriate working conditions.

Indicators relating to respect for human rights

In 2024, 806 reports were received via the LVMH Alert Line: 60% of these reports related to human resources issues. Specifically, 38.4% of reports received in 2024 (i.e. 309) related to allegations of discrimination or harassment.

In addition, 938 reports (including incidents and complaints) were received in 2024 through other whistleblowing channels specific to the Maisons and Group entities: 66% of reports (i.e. 619) concerned allegations of discrimination or harassment, or other HR-related matters. The Group paid 2.3 million euros in 2024.

None of the available information feedback tools received any information regarding Group employees that related to a serious violation of human rights. There is nothing to report in terms of fines, penalties or compensation payouts due to any serious violation of human rights relating to Group employees.

1.4.2 Financial stability and access to employment

Attractive, fair compensation policy

The LVMH Group's compensation policy aims to make its overall compensation packages a driver for attractiveness, competitiveness and long-term employee retention. It also aims to promote a culture of performance, excellence and talent development.

Through a consistent compensation policy, LVMH Group works to ensure equity across the business, and in particular to promote and optimize the development and mobility of talented employees within a highly diversified, international ecosystem of Maisons.

Group-wide consistency and equity are achieved, among other approaches, through a granular knowledge of professions and responsibilities at all levels of the organizations. The Group also ensures that it is competitive externally within the various professions and markets by using information from third-party benchmarking exercises.

The compensation strategy is drawn up at the level of the Group Human Resources Department and implemented jointly by each Maison's Human Resources Director and Head of Compensation & Benefits, in order to take into account their specific features and priorities. The Group's compensation strategy promotes a holistic approach which encompasses more than just traditional financial compensation and includes a full suite of employee benefits such as social protection (health and provident insurance), to support employees' well-being and quality of life.

By incorporating both a measure of collective performance through the financial results of each Maison and individual performance, the LVMH Group seeks to use its compensation policy to acknowledge and reflect the worth of each person's contribution to the organization's overall performance. This principle is directly integrated into the variable compensation programs decided within the Maisons. Certain profit-sharing systems (such as incentive agreements, mandatory profit-sharing plans and the employee share ownership plan) have also been put in place within the Maisons, supporting this desire to give staff a stake in the Group's long-term performance.

The compensation policy is inclusive and care is taken that it complies with the principle of equity in respect of all forms of diversity. The Group is constantly adapting to ensure it always remains compliant as rules evolve to promote more transparency regarding compensation and to support the Group's corporate social responsibility goals.

The annual median compensation is 51,128 euros gross, calculated across 95% of the Group workforce on a permanent contract. This high number reflects the Group's attractive compensation policy and demonstrates the importance the Group attaches to its employees. Excluding share plans (see "*Corporate governance*", §2), the ratio between the compensation of the Chairman and Chief Executive Officer and the median compensation is 67.57.

Policy ensuring a living wage

To ensure that employees are paid a living wage enabling them to achieve financial and job stability, LVMH operates a compensation policy that compares advantageously with employee expectations and market norms and includes a living wage policy.

In 2021, LVMH set up a team to develop a fair wage policy, including a living wage, applicable to all its employees and suppliers. The policy's objectives are to ensure fair and equitable compensation conditions that are easily understood by the employee. In 2022, the Human Resources Department adopted the fair wage principles established with the support of the Fair Wage Network's expertise. All of the Group's Maisons were asked to verify that these principles had been implemented, and the network of Human Resources, Compensation & Employee Benefits and CSR Officers is responsible for their coordination.

Actions

The Group conducts salary benchmarking annually, which takes into account the specific characteristics of business lines and segments, to ensure that the Maisons are positioned appropriately, both in France and abroad.

Actions are also in place to ensure the payment of a living wage. Starting in late 2023, a first series of internal audits was launched with the Maisons covering almost a quarter of the workforce to check compliance with the LVMH Group Fair Wage policy, and the results are expected in early 2025.

In addition, the Group and its Maisons are careful to ensure that Group employees are able to hold a stake in the organization's growth and success. In France, alongside mandatory profit-sharing plans (based on mandatory profit-sharing agreements), the Group and its Maisons have chosen to offer additional discretionary measures: the "discretionary profit-sharing bonus" (PPA) following the "purchasing power bonus" (PEPA), paid each year since 2019; incentive agreements (which cover 98% of employees); plans that offer matching employer contributions; the opportunity to make voluntary contributions to a company savings plan (available at 100% of Maisons in France); and additional contributions to incentive and mandatory profit-sharing plans. At the international level, the Group encourages its Maisons around the world to offer incentive plans for employees outside France.

In addition, in 2024 LVMH launched an international employee shareholding plan covering 70% of its global workforce (more than 135,000 employees) in 11 countries and regions in Europe, North America and Asia. Thanks to the preferential share subscription conditions it offers, this plan is an opportunity to enable employees to hold a stake in the Group's growth and success. It is also a mark of appreciation for their ongoing work and commitment. The shareholding plan is available to all employees regardless of their level of seniority and reflects the Group's desire to unite all its people around a shared long-term vision. This plan proved very popular among eligible employees, and all available shares were allocated. Consequently, the Group decided to release additional shares to fulfil all subscriptions.

Through all of these actions, LVMH seeks to reduce the negative impacts that the variations in standards of living in different regions could have on its employees.

In 2024, every employee was paid at or above adequate wage. As the CSRD stipulates, adequate wage is calculated based on the minimum wage required by law, where applicable, or by following the method defined by the CSRD where there is no minimum wage regulation.

1.4.3 Ensuring health and safety for all staff

Policy and actions relating to health and safety

The Group's ambition of excellence is reflected in its management of health and safety across all the Group's locations, with the same desire to support employees' health, safety and well-being. The objective is to guard against the risk of accidents and occupational diseases, whether physical or psychological. Particular attention is paid to the safety of individuals because of the hand-made craft sectors in which the Group's Maisons operate and the attractiveness and value of the products.

LVMH has expanded its action plan to protect all of its employees. In 2020, a dedicated working group was formed, comprised of health and safety experts as well as human resources managers. It assessed the situation and proposed an action plan including the creation of a health and safety charter.

In 2021, the LVMH Health & Safety Charter, signed by LVMH's Executive Committee and all the Maisons' Presidents, sparked a comprehensive and ambitious drive to develop a "zero accident" culture across all its operations.

The Maisons undertake to protect employee health and safety through five pillars of action:

- identifying their priorities in order to structure their approach;
- drawing up and periodically reviewing an action plan;
- reporting on progress made using the approach by submitting their results to each Maison's Management Committee;
- engaging every employee in the approach, notably by raising awareness about first aid measures;
- maintaining a virtuous culture through collaboration between the Group and the Maisons.

Each commitment is associated with a performance indicator and target to be met by 2025. As part of a focus on continuous improvement, LVMH's Executive Committee regularly monitors progress, through the annual CSR report, of the status of the commitments in the Health & Safety Charter (see §1.1.1).

Each Maison having signed the charter has appointed a Health and Safety Ambassador who reports to the Group. These Ambassadors form the Health and Safety Community, which meets on a regular basis to discuss and raise awareness of the tools needed to implement a "zero accident" culture. It met four times in 2024.

LVMH and its Ambassador network provide all employees with a health and safety toolbox on the Group's Intranet. It holds all the information for deploying policies and positive action, including the catalog of best practices from the Maisons.

The Group has also focused on creating a first aid awareness module for employees that includes mental health issues. This program is divided into three sections (risk prevention, dealing with accidents and preventing psychosocial risks), is available in 14 languages and aims to reinforce the health and safety culture across all working environments.

Group employees and service providers working in Wines and Spirits are particularly exposed to weather events. To reduce the negative impact of daily or seasonal work in the vineyards, the winegrowing Maisons have put in place specific policies and actions tailored to their sector in partnership with local authorities and professional organizations.

Moët Hennessy launched a survey in all its Maisons to establish the existence and type of impact reduction measures to deal with extreme heat. The results of the survey were used to develop Moët Hennessy Safety Guidelines entitled "Work at Heat", a new framework to protect workers and improve their working conditions when faced with these hazards. The action plan is based on seven key pillars: working methods, reducing physical impacts, access to water, access to shade, personal protective equipment, training and information, and emergency response.

In 2017, the LVMH Group drew up a Charter on Working Relations with Fashion Models in consultation with the Kering group and sector professionals motivated by a shared desire to promote dignity, health and well-being among fashion models. The Charter, which applies to all Maisons, aims to root out certain behaviors and practices not in keeping with the Group's values and raising awareness among fashion models that they are full-fledged stakeholders in these changes. To help spread the principles laid down in the Charter, the LVMH and Kering groups have set up a dedicated website, wecareformodels.com. The site provides fashion models with best practice and advice from independent nutritionists and coaches. In addition, LVMH has established a mental health support system for models. Throughout the fashion show season, models can call on a psychologist trained in mental health issues, addictions and eating disorders, and she provides support on an anonymous and confidential basis.

In 2024, LVMH invested over 43 million euros in health and safety. These investments were allocated to occupational health, protective equipment, and continuous improvement programs covering compliance for new equipment, signage, replacement of protective equipment, fire prevention training and noise reduction. More generally, the total amount spent on and invested in improving working conditions came to more than 268 million euros, or 2.4% of the Group's gross payroll worldwide. The Group does not yet have visibility of the budgets to be allocated to this policy in the future.

In 2024, 97% of LVMH's employees were covered by the undertaking's health and safety management system based on legal requirements and/or recognized standards or guidelines.

LVMH also maintained its initiatives for awareness-raising and training in workplace safety and risk prevention. As a result, in 2024, 93,318 Group employees received training in these areas.

Policy and actions relating to safety and security

Safety and security are priorities for the LVMH Group, which is committed to taking a consistent, group-wide approach to tackling the associated challenges (armed robbery, social unrest, terrorism, etc.). Through their respective Codes of Conduct, Christian Dior and LVMH encourage continuous improvements in working, social and public health conditions, all of which are essential to the development and protection of individuals. LVMH considers that as an employer, it has a responsibility to provide a safe, fulfilling work environment to its employees, as well as to all people working at a Group site or for the Group. The Group cares about the health and safety of its employees, makes sure that all its activities respect current health and safety legislation and regulations in force in all the countries where it operates and pays particular attention to implement best practice with regard to safety in the workplace.

Indicators and targets relating to health and safety

Performance indicators and targets associated with the five commitments of the new LVMH Health & Safety Charter

		2024 Results (a)	**Target for 2025**
Commitment 1	Each Maison structures its own approach to employee health and safety.	92%	
Commitment 2	Each Maison reviews its health and safety approach on a regular basis.	97%	
Commitment 3	Each Maison's Management Committee reviews the past year's health and safety results, in particular the change in the accident frequency rate.	96%	100%
Commitment 4	All employees are engaged in prevention and trained in first aid measures.	62%	
Commitment 5	The Group dedicates a day each year to the promotion of health, safety and quality of life at work.	100%	

(a) Employee coverage rate (Number of employees covered by the commitment/Total number of LVMH employees).

Absence rate (a) by geographic region and by reason

(as %)	**Global workforce**	**France**	**Europe (excl. France)**	**United States**	**Japan**	**Asia (excl. Japan)**	**Other markets**
Illness	2.8%	4.2%	4.2%	2.6%	0.6%	1.4%	2.1%
Work-related illness	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%	0.2%
Work/commuting accidents	0.1%	0.4%	0.1%	0.1%	0.0%	0.0%	0.1%
Maternity leave	1.2%	1.1%	1.9%	0.7%	1.2%	1.4%	0.8%
Paternity leave	0.1%	0.1%	0.1%	0.1%	0.2%	0.0%	0.1%
Paid leave (personal leave and other paid leave)	0.9%	0.4%	0.9%	0.8%	0.6%	1.4%	0.4%
Unpaid leave	0.5%	0.4%	0.4%	0.5%	0.3%	0.6%	0.5%
Overall absence rate	5.6%	6.8%	7.7%	4.9%	3.0%	4.8%	4.2%
Overall absence rate (excluding parental leave)	4.3%	5.5%	5.7%	4.1%	1.6%	3.4%	3.2%

(a) Number of days' absence divided by theoretical number of days worked.

For permanent, fixed-term and NGHC contracts, the number of days' absence, for each reason for absence, is collected in working days across all Group entities as part of annual HR reporting, and then consolidated at Group level.

The absence rate is calculated as follows: number of days' absence or working days actually lost divided by the total theoretical number of days worked by the workforce over the same period, multiplied by 100.

The rate calculated using this method was 5.6% in 2024, compared with 5.1% in 2023. Excluding parental leave, the absence rate was 4.3% in 2024, compared with 3.8% in 2023.

The total number of calendar days lost to work-related accidents, and health issues associated with work-related accidents stood at 60,894 in 2024. This is an estimate based on days' absence in working days collected, using the following method:

1. estimate of the average number of working days lost per accident: Total number of working days lost in the year / Total number of accidents in the year;
2. estimate of the average number of weeks lost per accident: Number of working days lost per accident / 5 working days;
3. conversion of the average number of working days lost into the average number of calendar days lost per accident: Number of weeks lost per accident x 7 calendar days;
4. calculation of the total number of calendar days lost = Average number of calendar days lost x Number of accidents in the year.

Accident indicators by business group and by geographic region

	Number of accidents	Frequency rate (a) (b)	Severity rate (b) (c)
Breakdown by business group			
Wines and Spirits	127	8.35	0.20
Fashion and Leather Goods	417	3.33	0.09
Perfumes and Cosmetics	154	2.83	0.09
Watches and Jewelry	98	1.94	0.04
Selective Retailing	401	4.26	0.18
Other activities	255	14.02	0.34
Breakdown by geographic region			
France	606	10.10	0.39
Europe (excl. France)	345	4.55	0.08
United States	160	2.36	0.11
Japan	32	1.80	0.01
Asia (excl. Japan)	134	1.43	0.04
Other markets	175	4.10	0.08
Group 2024	**1,452**	**4.06**	**0.12**
2023	1,362	3.77	0.13
2022	1,384	4.08	0.14

(a) The frequency rate is equal to the number of work-related accidents resulting in leaves of absence, multiplied by 1,000,000 and divided by the total number of hours worked. Accidents during travel are not included.
(b) The calculation of hours worked is based on actual data for France; for other countries, it is based on the number of full-time equivalent (FTE) employees employed within the Group as of December 31 of the fiscal year and a ratio of hours worked per FTE employee per country taken from OECD knowledge bases.
(c) The severity rate is equal to the number of workdays lost as a result of a work-related accident, multiplied by 1,000 and divided by the total number of hours worked. Accidents during travel are not included.

Since 2024, the frequency and severity measures have included accidents involving grape-pickers.

One death occurred in 2024. Its classification as work-related ill health is currently being disputed.

1.4.4 Fostering constructive labor relations and ensuring freedom of expression

Labor relations

The Group promotes and encourages continuous and constructive labor relations.

It ensures that the legal requirements related to labor relations are met across all the regions where it operates. In 2025, a more precise monitoring process will be implemented for operations outside the European Union.

At the European level, the SE Works Council is an employee representative body consisting of 29 members from the 22 European countries in which the Group's Maisons operate. The rules governing this body are laid down in an agreement that was unanimously approved by employee representatives from those 22 countries and by LVMH SE and Christian Dior SE Group management on July 7, 2014. The SE Works Council deals with transnational issues at the European level. It held one plenary meeting in 2024, on June 13. Its members were reappointed in January 2024 for another five-year term.

France is covered by the Group Works Council. This body, which currently has 29 members, holds one plenary meeting each year. Through this representative body, delegates meet with the heads of all of the Group's business areas. They exchange information on strategic direction, business and financial issues, employment trends within the Group, material ESG matters and prospects for the current year. The Group Works Council met on October 9, 2024, and its members were reappointed in 2022 for another four-year term.

In keeping with the Group's decentralized approach, representatives at each Maison deal with workforce-related issues specific to their entity.

In France, the Maisons have employee representative bodies known as CSEs *(Comités Sociaux et Économiques)*. Each CSE's remit depends on the size of the Company's workforce. In companies with fewer than 50 employees, they present the employer with employees' individual or collective claims in relation to pay, compliance with the French Labor Code, and so on. In entities with 50 or more employees, CSEs ensure that employees' collective interests are taken into account in decisions relating to the Company's management, business development and financial performance, as well as work organization, professional training and production techniques.

In 2024, Group companies allocated a budget totaling over 40.1 million euros (1.5% of total payroll) to social and cultural activities in France via contributions to CSEs.

In 2024, employee representatives attended 1,151 meetings in France:

Type of meeting	Number
CSE: 50 or more employees	925
CSE: Fewer than 50 employees	226
Total	**1,151**

As a result of these meetings, 232 company-wide agreements were signed in France.

Freedom of expression and association

The Group defends fundamental freedom of expression for all its employees, as laid down in the Christian Dior and LVMH Codes of Conduct.

The Codes of Conduct specifically protect freedom of association and recognize the right to collective bargaining.

Employee representatives play a key role in guiding productive employment relationships within the Maisons. Employee representatives, Group Executive Management and the Maisons are in continuous dialogue with the aim of improving working conditions for employees while maintaining the operations of the business. As the Group is decentralized, dialogue takes place at the level of the Maisons, which have their own trade unions and employee representation bodies.

The Maisons provide them with resources and tools to help employee representatives exercise their rights: specific training; dedicated channels (email addresses); Intranet; the companies, employment and environment database (BDESE); space; and information-sharing meetings. The Group Human Resources Department oversees the implementation of this policy and tracks its effectiveness. In France, trade unions are protected by the principle of non-discrimination. Next year, efforts will be made by the Group to collect information about other countries.

Indicators relating to labor relations and employee engagement

Table 1: Reporting template for collective bargaining coverage and social dialogue

Coverage rate	Collective bargaining coverage		Labor relations	
	Employees – EEA (a)	Employees – Non-EEA (b)	Workplace representation (EEA only)	
	France	United States	France	Europe (excl. France)
0 – 19%		X		
20 – 39%				
40 – 59%				
60 – 79%	X			
80 – 100%			X	X

(a) For countries with > 50 employees representing > 10% total employees (permanent, fixed-term contracts, and NGHCs, not including apprenticeships and vocational training).
(b) Estimate for regions with > 50 employees representing > 10% total employees (total permanent, fixed-term contract, and NGHC workforce, not including apprenticeships and vocational training).

Depending on the country and the configurations of the Maisons in question, local regulations may differ significantly from one location to another. The Maisons are nevertheless very careful to ensure that they comply with the legal provisions in place, and employees are given the opportunity to provide their feedback directly, for example via in-house surveys and/or through their employee representatives.

1.4.5 Work-life balance, well-being at work and the LVMH Heart Fund

Policy related to work-life balance and well-being at work

Through its Code of Conduct, LVMH seeks to promote well-being at work for its employees. LVMH creates conditions that enable all its employees to flourish as they carry out their duties and to realize their full potential. LVMH encourages managers to foster the development of collaborative and agile working methods, and to give members of their teams the opportunity to exercise their initiative, skills and professional responsibilities. Managers are particularly careful to ensure they create an environment of trust with constructive dialogue where each person's contributions are recognized. The Group listens actively to feedback from its employees and labor and management representatives.

LVMH is attentive to the work-life balance of its staff, because it is conscious that this is an essential factor in well-being and quality of life at work for each and every one of them. The Group is particularly attentive to the right to disconnect from work through specific charters tailored to each Maison. Where the operational context permits, the Group favors flexible working methods for its employees.

LVMH Heart Fund

LVMH launched the LVMH Heart Fund to help Group employees faced with challenging circumstances. Launched on June 8, 2021, it illustrates LVMH's commitment to reaching out and offering support to all its employees and communities, regardless of length of service. It was initially allocated funds of 30 million euros.

This Group program includes two types of free, anonymous and confidential services to contribute to employee physical and mental health. The first is social and psychological support open to all employees (not subject to any eligibility criteria) to help them deal with all sorts of day-to-day issues. The second is rapid, exceptional financial support (subject to eligibility criteria) to aid employees faced with an exceptional, unforeseeable, urgent and serious personal situation.

Since its launch, the LVMH Heart Fund has been particularly active, mostly in the aftermath of the natural disasters that have struck in recent years. It provided financial aid as well as social and individual/group psychological support.

Any employee worldwide can reach out to the LVMH Heart Fund by calling the hotline for their country, available in the local language. This free, anonymous and confidential hotline is available to all, 24/7. Both services may also be accessed by visiting the website managed by the Group's external partner WPO or by downloading the free mobile app iConnectYou.

Information about the LVMH Heart Fund was circulated in several newsletters to all the Group's employees and in regular updates from the human resources teams in each of the Maisons.

Since its launch, the LVMH Heart Fund has received over 9,300 requests for psychological, social or financial support across five continents, of which 2,800 occurred in 2024.

Indicators relating to work-life balance

Worldwide, 15% of employees have variable or adjusted working hours, and 53% have shift work or alternating working hours.

Global workforce affected by various forms of working time adjustments: Breakdown by geographic region

Employees concerned [(a)] *(as %)*	**Global workforce**	**France**	**Europe (excl. France)**	**United States**	**Japan**	**Asia (excl. Japan)**	**Other markets**
Variable or adjusted working hours	15%	29%	22%	2%	18%	13%	8%
Part-time	16%	7%	17%	35%	5%	5%	18%
Shift work or alternating hours	53%	22%	34%	80%	72%	67%	58%

(a) Percentages calculated based on total workforce (permanent and fixed-term contracts, and NGHCs, not including apprenticeships and vocational training).

1.4.6 Ensuring access to decent housing

In its Code of Conduct, LVMH encourages continuous improvements in working, social and public health conditions, all of which are essential to the development and protection of individuals.

LVMH considers that as an employer, it has a responsibility to provide a safe, fulfilling work environment to its employees, as well as to all people working at a Group site or for the Group. LVMH cares about the health and safety of its employees, makes sure that all its activities respect current health and safety legislation and regulations in force in all the countries where it operates and pays particular attention to implement best practice with regard to safety in the workplace.

In the hospitality and restaurant sector, employees may need to be provided with accommodation for the following reasons: the geographical location of some properties, the seasonal nature of some roles, the high cost or scarcity of rental property, or the need to rest during travel by train or boat. The sector has created demanding standards for its accommodation, highlighting the need for safety, comfort, well-being and employee privacy, all in a clean and pleasant environment. For example, at Belmond, the technical standards for the accommodation are detailed in the technical design instructions, and responsibilities regarding the upkeep of this accommodation are defined in the "Human Resources Foundations" document. Cheval Blanc guarantees all employees of its seasonal Maisons (on permanent and fixed-term seasonal contracts) decent accommodation through its accommodation allocation policy or payment of an accommodation allowance, where required. Although it is not a seasonal business, the Parisian Maison has been operating an innovative accommodation solution since 2023. For four months, the Maison pays a proportion of accommodation costs for employees from other countries or outside Paris.

The Wines and Spirits division has also implemented actions to guarantee decent accommodation for all people working during the grape harvest (at vineyards and production sites). To respond to these needs, Moët & Chandon implemented a 15-million euro investment program between 2014 and 2024, opening nine new accommodation sites. Under this program, accommodation was constructed and renovated in compliance with the standards. The Moët & Chandon Maison aims to continue this investment from now until 2033 to accommodate 60% of staff harvesting for the Moët & Chandon Maison, with the remaining 40% living locally or housed by suppliers. Moët Hennessy is working on a daily basis with its stakeholders to improve practices and guarantee human rights are respected at harvest time and throughout the year. As part of its verification and continuous improvement process, Moët Hennessy is working on quality, personal safety and environmental protection with specialist external auditors, as well as a dozen internal auditors from different departments.

1.5 Talent development

1.5.1 Implementing an attractive employer policy

Policy related to recruitment and talent development

The Group's long-term success depends on its ability to attract, select and recruit talent who share its values of creativity and innovation, excellence, entrepreneurship and commitment to a positive impact. As each Maison's specificities make it unique, the Group has expressed its commitments to all its employees through its recruitment guidelines, giving the Maisons the opportunity to tailor their recruitment policies to their needs. Moreover, all employees involved in recruitment actively promote the distinctive LVMH ecosystem, its social and environmental commitments, the unique expertise of its Maisons and the diverse career opportunities it offers. The policies of the Maisons will be implemented by their respective Human Resources Departments. To ensure continuous improvement and equality amongst all its staff, the Group's Human Resources Department closely monitors the rollout and effectiveness of these policies.

In an increasingly strained economic environment, maintaining an agile and inclusive recruitment philosophy is a fundamental component of the Group's global HR strategy, and enables the Group to have a positive impact on employee career development and mobility.

The Group emphasizes mobility for talent in order to offer them the best opportunities for development. The Group's internal platform, Voices, which is available to every employee, serves as the initial platform for posting vacant positions to give priority to current staff. Afterwards, positions are published externally through Talent Connect Attract, the Group's applicant tracking system, or are recruited more directly.

To leverage the strength of its ecosystem, the Group created more opportunities for synergies and conversations with Maisons' recruitment teams. The Group also bolstered its vocational training opportunities, shared documentation resources and common guidelines, and its ongoing surveillance of the competitive landscape.

The Group's Human Resources Department outlined an ambitious roadmap that puts talent at the center of the organization:

- **learning and development**: Promote a skills-based approach, support orientation for new employees and pursue a leadership program based on personal development;
- **career mobility as a core component of the employee experience**: Offer career development opportunities to all employees, understand employee expectations and promote internal recruitment;
- **culture of responsibility**: Stand out as responsible corporate citizens (CSR, D&I, commitments);
- **strengthen the Group's appeal**: Use the Employer Value Proposition and the Institut des Métiers d'Excellence to promote expert talent pipelines;
- **continue fostering leadership skills.**

The goal is to capitalize on the Group's portfolio of 75 Maisons in 81 countries, in different business sectors, to offer diverse and personalized careers. To achieve this, the Group overhauled its HR practices to ensure that the pledges it makes externally are consistent with the experience of its employees internally. Each employee is encouraged to play an active role in their own career development.

Actions related to LVMH's appeal

In 2024, LVMH launched a new employer brand campaign in all its Maisons and operating areas: "Where Dreams Become Careers." The campaign features 12 employee testimonials, reaffirming the Group's commitment to providing an environment conducive to career development for its employees. Present in key areas of the luxury industry, LVMH makes the diversity of its Maisons and its ecosystem a strategic asset for attracting, retaining and developing talent.

In 2024, LVMH continued to train and equip thousands of internal ambassadors via the Craft the Future Ambassador Program online course. Its goal is to raise awareness of the LVMH employer brand, by showcasing opportunities and prospects unlocked by the Group for its talent.

Action related to talent development: OMR

Jobs and skills are experiencing relentless change, and that has direct implications for our organization. To safeguard the Group's longevity, it is crucial to keep spotting, nurturing and retaining talent. As a result, human capital, and particularly talent development, plays a crucial role in the Human Resources strategy.

Individual support, organizational reviews, and the transformation of managerial culture are all elements that are essential to the Group's growth and the development of its employees.

To prepare for future challenges and opportunities, human resources staff, working closely with the Group's senior executives and managers, have put the Organization and Management Review (OMR) at the cornerstone of the human resources strategy. For more than 10 years, this review has built on the Maisons' strategic plans. It considers the required organizational changes and talent required in view of the strategic development priorities of the Group's operations.

The Organization and Management Review evolves every year as a function of external business trends and human resources practices. The OMR helps shape the strategic human resources plan.

This plan lays out the Group's vision, goals and commitments with respect to its human resources, as described in the human resources action plan (see §1.5.1, "Policy related to recruitment and talent development"). It is based around the Group's organizational structures, existing and future key positions, competency development initiatives and key talent pathways.

The data analyzed also shed light on the dynamic management of talent across the Group. During the most recent OMR campaign, nearly 80% of key positions [(1)] within the Group were covered by a succession plan and 76% of the most strategic roles were filled internally.

Performance measures related to LVMH's appeal

Number of new hires by business group

(number) [(a)]	**2024**
Wines and Spirits	2,992
Fashion and Leather Goods	14,907
Perfumes and Cosmetics	8,185
Watches and Jewelry	5,925
Selective Retailing	37,839
Other activities	6,756
Total	**76,604**

(a) Permanent and fixed-term contracts and NGHCs, not including apprenticeships and vocational training.

In 2024, the Group hired more than 28,430 young people under 30 worldwide, including 16,009 permanent contracts. An additional 11,234 internship or apprenticeship contracts were signed this year.

1.5.2 Raising awareness of the Group's professions among students and developing academic relations

The Group continues to actively engage with young people and expand initiatives aimed at them under its HR and CSR policies, especially in the areas of training and job opportunities.

In 2024, LVMH reinforced its relationships with academic institutions by increasing its presence at various events. In this vein, the Group participated in more than 537 events and took part in multiple collaborations to create both content and opportunities to speak with senior executives from the Group.

Additionally, in 2024, LVMH launched the first "Clash of Titans" academic competition between teams of students from ESSEC business school and Bocconi University, with the aim of giving students exposure to the world of work, introducing them to a range of different careers and giving them an opportunity to showcase their skills by solving a real-world business case. This first edition of "Clash of Titans" was organized in collaboration with the teams at Moët & Chandon. Following the success of the 2024 competition, the Group plans to make it an annual event. Furthermore, in 2025, "Clash of Titans" will include two additional schools – one French and one English.

Thanks to these initiatives, the Universum 2024 survey results show that the Group has held on to its ranking as the most popular employer among business school students in France, and maintained its place in the top 20 for engineering school students, for an additional year. Worldwide, LVMH remains one of the most attractive employers for business school students, placing 26th in the Universum "World's Most Attractive Employers" report.

1.5.3 Passing on key skills and expertise with the Métiers d'Excellence

The LVMH Group has identified over 280 expert professions essential to the Maisons' value chain in the fields of design, craftsmanship and the customer experience. The Métiers d'Excellence Department was created in 2014 with the founding of the Institut des Métiers d'Excellence. It is overseen by the Human Resources Department as part of its policy of passing on and developing expertise. The Human Resources Director is responsible for its operations and monitoring its effectiveness. For ten years now, LVMH has been committed to building an ecosystem of initiatives aimed at attracting younger generations to these professions. LVMH recruits, trains, and continues to support its expert métier employees throughout their careers, preserving the skills of these rare artisanal and luxury professions.

(1) Key positions: These roles are those deemed essential to the Group's success. They have implications for LVMH's long-term development and success. These positions are key to driving forward the Group's goals and leading organizational change in response to a rapidly changing environment.

Preserving and passing on exceptional expertise

One of the key objectives of LVMH is ensuring the continuity and development of the exceptional expertise and techniques of its Maisons. Not only must it be preserved, it must also adapt to contemporary challenges in all regions of the world. Thanks to the initiatives of Métiers d'Excellence, LVMH is thereby committing to recruiting and training tomorrow's talent, reinforcing the skills of its staff and encouraging a culture of skill sharing throughout the entire Group.

Preserving and passing on professions in design and craftsmanship

The Institut des Métiers d'Excellence celebrated its ten-year anniversary in October 2024 by welcoming a new class of more than 500 students and officially announcing the opening of its institute in China. The Institut des Métiers d'Excellence now has a presence in eight countries (France, Switzerland, Italy, Spain, Japan, Germany, the United States and China).

This intake reflects the diverse nature of career paths and profiles in these professions. Students were aged between 16 and 56 years old, and one third of them were retraining. Since 2014, through its 60 programs, of which 48 were bespoke programs, the IME has trained more than 3,300 apprentices in 30 professions. In 2024, 93% of participants earned an LVMH *Brevet d'Excellence* vocational diploma. Their job placement rate at LVMH's Maisons and their partners was 73%.

Employees continuously hone and refine their skills within the Académie des Métiers d'Excellence and the Maisons' 22 training schools. The Académie des Métiers d'Excellence (AME) training program was established and certified by Qualiopi in July 2024 to expand the range of professional training activities leading to qualifications or certification and help our Maisons develop the skills they need for professions experiencing labor shortages.

Established in 2021, the LVMH Virtuosos community has grown each year and in 2024 comprised 259 virtuosos across the globe. Each Virtuoso personifies the excellence of their expertise and an exemplary career within the Group's Maisons. They have access to personal development programs, as well as the chance to share their passion and their expertise, especially with younger generations. In so doing, they close the virtuous circle of passing on skills inherent to LVMH's *métiers d'excellence* (professions of excellence). At the “Show ME” events in Paris, Milan and Shanghai, celebrating the 10th anniversary of the Métiers d'Excellence (ME) initiative, Virtuosos were invited on stage and officially honored with a brooch.

By measuring the impact of these initiatives with precise metrics, mentioned below, LVMH ensures the efficiency of its policies of passing on and developing expertise, and of its contribution to a sustainable future for the luxury sector. Refining these metrics will enable us to continually adapt and improve our programs and initiatives.

LVMH's Institut des Métiers d'Excellence (IME)

LVMH expects to bring more than 500 young people per year (see §1.3) into the Maisons through apprenticeship and work-linked training programs. The number of apprentices in the expert professions should remain stable at 500 in 2025, thanks in particular to the expansion of LVMH's IME training programs in the eight countries where it is present.

LVMH's Académie des Métiers d'Excellence (AME)

The training program established in July 2024 will set clear objectives after one full year of activity to meet LVMH's goal of becoming a learning company and developing lifelong education.

Virtuosos

This program highlights the Group's exceptional talent pool and showcases its expertise to the greater public. Every year, the Group welcomes around 60 new virtuosos into the community. As the indicators mentioned were introduced in 2024, their results will be published starting in 2025.

Supporting people who want to discover the luxury industry: Inside LVMH

The LVMH Group affirms its continued support for younger generations and for all those who want to discover the luxury industry and LVMH itself through Inside LVMH – an educational website open to the general public.

This platform, available at www.insidelvmh.com, offers a deep dive into the luxury business, and in particular into LVMH through its 75 Maisons, its businesses and careers. Available in French and English, Inside LVMH enables any user to browse its more than 100 videos, articles and podcasts regardless of academic background.

Thanks to the efforts of the LVMH's teams, the Group's advice is reaching young people. An array of leaders and senior executives, as well as young talent and managers, share insights from behind the scenes at the Group.

At year-end 2024, the website had more than 331,000 people with active accounts, from more than 2,900 schools around the world.

Twice a year, active members are invited to the site to join classes focused on teaching them the fundamentals of the luxury industry and about LVMH. This learning experience features over 30 hours of content delivered by academic professors from renowned schools and staff at the LVMH Group and its Maisons, as well as practical case studies. Upon completion, learners obtain an Inside LVMH certificate. This certificate is an opportunity for young people to prepare for the business world by developing their CV's appeal and enhancing their preparedness for job interviews.

Since its launch in May 2021, more than 125,000 people have earned their Inside LVMH certificate.

Accelerating the integration, development and retention of younger generations

LVMH has continued to expand its diverse range of programs aimed at engaging this community of talent, which will play a strategic role in the Group's development.

The Group has expanded its ecosystem of Spring graduate programs, which exemplify its policy of engaging with young talent. Spring now welcomes a class of 90 high-potential young people and offers seven different career tracks, both general and specialized (retail, HR, etc.). These professional tracks offer varied and high-stake assignments, carried out within several of the Group's Maisons in France and abroad. They enable this pool of future leaders to discover the Group's business sectors, helping boost career mobility.

The second component of the Spring program is made up of eight pilot learning modules totaling over 350 hours of leadership training. These modules are now accessible to more than 65,000 young talent under 30 at the Group's Maisons.

As a testing ground for best practices in the integration and development of emerging talent, Spring initiatives are delivering on their promise to roll out a retention-based approach for this growing community of early-career employees.

Likewise, in 2024, 124 young people from 30 different Maisons and from all regions where the Group is based participated in the first edition of the Spring Retail Games: this original challenge, organized by the Group, tackled a business case addressing various aspects of retail transformation at Loewe.

Ten multicultural teams from a wide range of professions were able to express their creativity and propose innovative solutions to a key issue on the Maisons' roadmaps. Through this program, the Group reaffirmed its commitment to showcasing younger generations within the Group's talent community.

The Spring initiative also aims to familiarize talent with current and future priorities for retail – an essential part of the Group's business – through masterclasses featuring inspiring testimonials from leaders of the Maisons and divisions, including Sephora, Givenchy, Tiffany & Co., Fendi and Fashion Group.

These initiatives reflect the LVMH Group's commitment to intergenerational knowledge sharing.

LVMH House – Promoting employee skill development and training

In 2024, LVMH House, the Group's internal training organization, strengthened its commitment to developing leadership skills by adapting its training programs for all levels of the organization and diversifying them to meet the constantly evolving needs of LVMH employees. As part of its focus on broadening its impact to reach a wider audience, LVMH House rolled out a wider range of initiatives meant for middle management, senior managers and high-potential talent across all geographic locations. This year's priority aimed to bolster LVMH's strategic objectives through a comprehensive leadership training program. The program's objective was to prepare the Group's teams to navigate in today's complex economic environment. In 2024, a total of 12,000 employees received training at LVMH House, virtually or onsite in London and at its regional locations. Of these employees, 6,000 benefited from specific actions taken which expanded access to LVMH House integration programs, both online and at more than 20 sites worldwide. Management and leadership (M&L) programs for LVMH House middle management achieved a new milestone, with 62 sessions organized throughout the world, reaching more than 1,000 participants. This strong growth reflects LVMH's ongoing commitment to developing leadership within the organization to increase opportunities available to managers. LVMH strives to promote leadership at all levels of the organization by increasing the number of sessions as well as the geographic availability of these programs.

Additionally, LVMH maintained its commitment to developing leadership by expanding its flagship program: Leading for the Future. Launched in 2022, this initiative offers senior managers and high-potential talent from all Maisons and geographical regions personal coaching accompanied by leadership development support. This program prepares them for management positions in today's dynamic economic context. This year, nearly 550 leaders participated in 20 programs organized at main sites: London (15 programs), New York (2), Hong Kong (2) and Singapore (1). More than 1,100 LVMH senior executives worldwide have participated in Leading for the Future since it was launched.

To further improve its offerings, LVMH partnered with Harvard Business Publishing to make an online platform available to all its employees. Since November 2024, all Group employees have received access to 41 online leadership courses via Harvard ManageMentor, offered in 5 languages (English, French, Spanish, Chinese and Portuguese) and covering today's most sought-after skills. Since this date, over 1,000 hours of training have been recorded. In addition, employees have access to Harvard Business Review's online library, which is available in eight languages.

In addition, learning initiatives, predominantly led by the Maisons, remain vitally important in the Retail segment. In particular, the Brand Education Community aims to provide a hub for the various training initiatives related to products, services, customer experience and brand appeal. It encompasses leaders and managers in the domain across the various Maisons.

1.5.4 Improving agility and employability

Policies related to employee agility and employability

The LVMH Group brings together 75 Maisons in the major luxury business sectors and is present in more than 80 countries, offering employees the resources to improve their agility and employability every day. It is able to offer multiple career paths and many opportunities for job mobility across its different geographic regions, professions and business areas.

To encourage all its employees to shape their own career paths within this ecosystem, LVMH implemented a well-established mobility policy and related processes across the Group via the OMR (see §1.5.1). In addition, careers committees operate at several levels (Maison, division, global, regional, functional) under the aegis of the heads of talent management and chief human resources officers.

Actions related to employee agility and employability

In March 2024, the Group's Human Resources Department created a career development program, which empowers employees to take charge of and shape their career at LVMH. The Group's entire human resources community (4,000 people) received training on this new program through hands-on workshops all across the world. This program is fundamentally based on transparent communication of job vacancies and career opportunities across different professions and Group Maisons, easier ways to gain access to career mobility, an increased people development role for Managers, with expertise placed right at the heart of this plan. It will be launched to managers in 2025, and then rolled out to all Group talent in 2026.

LVMH also has Voices, an internal platform, and has undertaken to step up in-house listings of job offers and career mobility opportunities over the coming years.

In January 2024, LVMH Group's Human Resources Department announced its ambition to publish at least 75% of open positions (excluding confidential positions) in 2025. This objective has sped up the move to increased transparency about career opportunities and flexibility.

This year, the Group's human resources leaders came together to jointly draw up succession plans for strategic positions and discuss mobility profiles. Employees also have career development interviews, including in countries where this is not required by law.

In 2024, close to 19,000 permanent contract employees took advantage of an internal mobility opportunity, and 84% of the organization's key employees had a career development interview.

Rise – the Group's performance management and career development experience – champions three core values: empowerment, cooperation and agility. It gives employees the opportunity to offer their own suggestions about how they would like their career to develop and evolve and also leads to more regular conversations about their performance and their accomplishments.

This performance management and development system champions a culture of leadership based on continuous feedback and collaboration. Thanks to this approach, employees can take the initiative by having a discussion with their manager as and when their needs and professional imperatives arise, without having to wait for the next yearly meeting.

The new performance management program has now been extended to more than 190,000 employees and will continue to expand across the entire Group.

Indicators relating to training and skills development

In 2024, training expenses incurred by Group companies throughout the world represented a total of 216.3 million euros, or 1.9% of total payroll. On top of this investment and everyday workplace training, LVMH continues to develop new forms of learning. With approaches like digital learning, webinars, peer-to-peer learning and learning community workshops all being pursued within the Group, these new, faster and more collaborative forms of learning are so diverse that it is not possible to list them all here. However, LVMH is convinced of their impact and relevance.

Training investment

	2024
Training investment *(EUR millions)*	216.3
Proportion of total payroll *(as %)*	1.9
Number of days of training per employee	2.2
Average cost of training per employee *(EUR)*	1,007.0
Employees trained during the year *(as %)*	82.2

Note: Indicators are calculated based on the total number of employees under permanent, fixed-term contracts and NGHCs employed as of December 31 of that fiscal year, excluding apprenticeships and vocational training.

The average training spend per full-time equivalent was 1,007 euros. In 2024, the total number of training days was 469,298, equivalent to 2,040 people receiving training full-time for the entire year. In 2024, 82.2% of employees received training, and the average number of days of training was 2.2 days per employee (15.4 hours).

The training investment is spread across all job categories and geographic regions as presented in the table below:

Training investment by job category and geographic region

	France	Europe (excl. France)	United States	Japan	Asia (excl. Japan)	Other markets
Training investment *(EUR millions)*	57.0	41.9	47.2	11.1	46.7	12.3
Proportion of total payroll *(as %)*	2.2	1.8	1.5	2.4	2.3	1.6
Employees trained during the year *(as %)*	77.7	74.5	92.1	79.8	84.9	82.4
Of which: Executives and managers	*79.7*	*81.9*	*91.9*	*80.4*	*81.5*	*80.0*
Technicians and supervisors	*78.0*	*82.5*	*77.2*	*77.3*	*84.2*	*83.9*
Administrative and sales staff	*75.8*	*70.8*	*93.2*	*79.9*	*84.7*	*81.4*
Production workers	*75.5*	*73.4*	*90.7*	*97.2*	*93.4*	*88.7*

Note: Indicators are calculated on the basis of the total number of employees under permanent and fixed-term contracts, and NGHCs, employed as of December 31 of that fiscal year, excluding apprenticeships and vocational training.

1.6 Building a culture of inclusion

1.6.1 Promoting diversity and inclusion

Policy related to promoting diversity and inclusion

LVMH is committed to promoting diversity and inclusion at all levels of the organization and giving every employee the power to make a difference. LVMH strives to create an inclusive working environment where every employee feels heard, respected and represented, in order to minimize any risk of discrimination and harassment throughout employees' professional lives.

LVMH cultivates a culture of respect where everyone can develop and innovate to contribute to the Group's long-term performance. This cross-cutting commitment extends across the Group's entire value chain as well as into its interactions with its partners and clients and is reflected in the Group's Diversity and Inclusion Policy, implemented at a global level by the Executive Committee. This policy lays out a common framework and language for the Group, which Maisons then adapt to their own ecosystem according to their distinct identities and markets. The implementation of targeted programs and employee engagement actions carried out both inside and outside the Group contribute daily to building an inclusive culture, reflecting the diversity of its clients and the societies in which LVMH operates.

LVMH follows a policy on diversity and inclusion extending across all boundaries and covering all its business activities and stakeholders. It is built on three core pillars:

- the first pillar focuses on talent and aims to guarantee inclusive practices throughout the entire employee journey, from recruitment to development opportunities (see §1.5);
- the second pillar focuses on supplier relationships and makes sure their practices are inclusive, actively encouraging the Maisons to proactively diversify their supply chains;
- the third and final pillar is built on all the components of the image of the Group and its Maisons: the Group endeavors to guarantee that everyone feels welcome, respected and represented, from advertising campaigns through to the in-store experience.

This policy is predicated on clear objectives (see §1.3), which are tracked at Group, Maison and regional level. In 2024, the Diversity & Inclusion Department, led by the Chief Diversity & Inclusion Officer, continued to share the policy with the Maisons' various executive committees and the Group's talent through conferences, training, awareness-raising sessions and communication campaigns. The Maisons and regions also play a key role in executing the general policy by rolling out diversity and inclusion strategies and initiatives.

The Christian Dior and LVMH Codes of Conduct, the ethical foundation for the Group and its Maisons, ensure that each employee's rights are upheld, regardless of their ethnic, national, social, or cultural origins, gender identity, sexual orientation, disability, age, family status, religion, political convictions or trade union membership (see §1.4.1).

LVMH assesses its recruitment processes on a regular basis to ensure that they are free of discrimination. The Group brought in ISM Corum, an independent organization, to audit its practices. These audits were introduced in 2008 and have covered its worldwide operations since 2014. The audits take three main forms: discrimination testing on job offers published in campaigns used for long periods and at regular intervals; statistical surveys on discrimination risk in the hiring process; and a compliance analysis of job offers and evaluations. The audit findings were presented to human resources departments at the level of the Group and the Maisons, CSR officers and Diversity & Inclusion managers, and have been followed by appropriate action plans. The 2022-2023 campaign results were used in 2024, and the next campaign will be launched in 2025.

Actions related to promoting diversity and inclusion

In 2024, LVMH celebrated the third edition of LVMH Voices of Inclusion Week, the Group's worldwide week-long inclusion event. During the week, the Group and its Maisons turned the spotlight on their actions and on year-round Diversity & Inclusion initiatives through discussions, shared moments and engagement. LVMH also led an internal and external communication campaign that amplified the voices of employees from around the world committed to creating an increasingly inclusive culture every day.

During this global week, the Group also drew attention to the importance of empathy as a key value and skill in an inclusive culture. Internally, Pharrell Williams, Creative Director of Menswear at Louis Vuitton, delivered a special message to all employees about empathy.

Furthermore, a website, meant for all stakeholders including the general public, was created to provide a detailed presentation of the Group and Maisons' commitments, key figures and inclusion initiatives that were implemented. In keeping with the Group's message, "Inclusion is everyone's business", the platform is aimed at boosting the visibility of the Group's initiatives and inspiring employees to take action.

Every year since 2018, the Inclusion Index has tracked and showcased all the initiatives undertaken by the entire Group in the diversity and inclusion arena. As a result, these initiatives offer an opportunity to mobilize talent by developing an inclusive culture. In 2024, Maisons, regions and employee networks submitted nearly 260 initiatives in total, a 30% increase compared to last year.

The most successful initiatives won Inclusion Index Awards after being voted on first in a campaign that was open to all employees via the Group's internal platform and then by a prestigious judging panel composed of members from the Group's Executive Committee, heads of Maisons as well as Pharrell Williams.

The winners by category of the Inclusion Index Awards 2024, recognized for their impact, creativity and commitment, are the following:

1. Gender equity: Through the "Girls in Operations" initiative, Louis Vuitton encourages female high schoolers to pursue studying engineering by organizing internships that are specifically reserved for girls.
2. LGBTI+: All LVMH Pride networks for their participation in Pride marches around the world with the Group's support (see §1.6.3).
3. Disability: Christian Dior Couture implemented an ambitious disability inclusion policy, signing onto agreements, increasing recruitment and retention of employees with disabilities, creating partnerships and raising awareness.
4. Origins: Sephora with the Talent Incubator Program in North America for mentoring and coaching the next generation of leaders.
5. Generations: Chaumet with its Club 55 initiative, which brings together employees ages 55 and over with the objective of creating a dedicated environment to leverage the experience of senior employees and promote transmission of expertise.
6. Inclusive culture: Loewe's Retail Inclusion Program was designed to empower in-store teams to provide an inclusive experience for both clients and employees.

Indicators relating to promoting diversity and inclusion

Average age and breakdown by age

(as %)	Global workforce	France	United States	Rest of the world
Age: Under 30	30.7	24.1	40.9	29.1
30-50	55.3	54.6	44.0	59.4
Over 50	14.0	21.3	15.1	11.5
	100.0	**100.0**	**100.0**	**100.0**
Average age	**37**	**39**	**36**	**36**

Permanent and fixed-term contracts and NGHCs, not including apprenticeships and vocational training.

Proportion of women in the workforce and among new hires

(% women)	New hires	Group workforce
	2024	**2024**
Breakdown by business group		
Wines and Spirits	40	41
Fashion and Leather Goods	62	66
Perfumes and Cosmetics	85	83
Watches and Jewelry	65	65
Selective Retailing	87	84
Other activities	46	48
Breakdown by job category		
Executives and managers	66	65
Technicians and supervisors	57	63
Administrative and sales staff	82	78
Production workers	48	62
Breakdown by geographic region		
France	64	66
Europe (excl. France)	69	68
United States	84	76
Japan	74	73
Asia (excl. Japan)	72	75
Other markets	72	70
LVMH Group	**75**	**71**

Permanent and fixed-term contracts and NGHCs, not including apprenticeships and vocational training.

1.6.2 Embracing the full spectrum of talent

The LVMH Group offers a real opportunity to creative talent from around the world to work for a company that respects and encourages their uniqueness.

The Group tracks progress on an annual basis towards its employee and customer representativity targets at every level. LVMH is aiming to reach gender parity for key positions by 2025 (see §1.6.3 below) and for people with a disability to account for 2% of its global workforce by 2025 (see §1.6.3 below). This objective was defined following regular consultation with NGO institutions and leading figures involved in diversity and inclusion.

To achieve these goals, the Group implemented actions at all levels of the organization tailored to employment targets. From recruiting to employee involvement in mentorship and career development programs, the Group and its Maisons strive to represent the diversity of its clients and the markets in which they operate.

To strengthen efforts to prevent discrimination during recruitment, the Group and the Maisons have periodically held mandatory anti-discrimination training for their recruiters since 2011. Digital offerings were set up to complement the courses held across the regions and the Maisons. In 2024, 72% of recruitment staff received non-discrimination training over the last three years. As part of the broader rollout of inclusion and diversity policies in line with changes in society, they attended in-depth sessions reminding them about the commitments under the Group's Code of Conduct, the employer brand priorities and the risks of acting on preconceptions and stereotyping.

Beyond recruitment, to support the development of local talent, LVMH has rolled out professional development programs at Group, Maison and regional levels, including the following:

- Mentoring & Coaching program for the development of women's careers across the Group;
- Moët Hennessy's Asian Leadership Advancement Program;
- Connected Leadership Academy, a program implemented in partnership with McKinsey & Co in the United States.

For more information about discrimination alerts, see the "Governance" section, §1.3.3.

1.6.3 Targeted programs to promote inclusion and representation for all

Fighting discrimination against lesbian, gay, bisexual, transgender and intersex (LGBTI+) people

LVMH works to foster a work environment where people are treated with dignity and respect, where everyone has the possibility to advance, regardless of their sexual orientation or gender identity. The Group Code of Conduct guarantees all employees equal rights and treatment that is based on a respect for the individual differences of every person.

The Group has also been a signatory of the United Nations' Standards of Conduct to support the business community in tackling discrimination against LGBTI+ people since 2019. The Group restated its commitment in 2023, alongside 21 Maisons, by signing the LGBTI+ charter of France's reference nonprofit in this area, L'Autre Cercle. The signatories of the charter are responsible for overseeing and implementing it.

Since 2020, the Group has been more vocal and ratcheted up awareness raising initiatives during key moments throughout the year, such as during Pride Month or on the International Day Against Homophobia, Transphobia and Biphobia. Since 2023, an annual report on LGBTI+ activities has been published for external stakeholders in order to showcase the specific actions taken to improve LGBTI+ inclusion at Group, Maison and regional levels.

For Pride Month 2024, LVMH launched a vast worldwide internal awareness campaign meant for all of its employees addressing the topic of LGBTI+ inclusion throughout the world. This was also an opportunity to raise the profile of the All LVMH Pride employee networks set up to fight discrimination internationally. For the second year running, the Group supported employees attending pride marches, under the leadership of its All LVMH Pride networks in a number of cities around the world (Paris, London, Madrid, Los Angeles, Tokyo, Hong Kong and Taiwan). It invited them to proudly wear a T-shirt designed by Jonathan Anderson, Creative Director at Loewe.

Targeted programs for ensuring the intergenerational passing on of expertise

Mindful of the importance of passing on knowledge from one generation to the next, LVMH prizes the experience and skills of its older employees. The Group strives to maintain a motivating working environment where its older employees can thrive and which promotes their continued employment and the passing on of their expertise. Mentoring and reverse mentoring programs are also in place within Maisons to encourage intergenerational exchange of knowledge and experience, thereby contributing to a corporate culture that is rich and dynamic.

The Maisons have implemented transgenerational initiatives which promote sharing experiences between generations and which address issues related to the employability of older employees, such as Chaumet's Club 55 initiative, Moët Hennessy's Ageless Conversations and the Group's holding company's SWITCH program. The Moët and Ruinart Maisons hold retirement planning seminars for employees aged 59 and over, focused on the keys to a successful retirement. Glenmorangie has rolled out retirement preparation workshops for its employees and offers reduced working time for its older employees without any reduction in their salary. Hennessy has set up an intergenerational program that aims to retain employees aged 57 and over in their jobs, and to provide adjustments for those approaching retirement. In terms of workplace accommodations, Moët and Ruinart have set up a secondment program for older vineyard workers during the grapevine pruning season to avoid physical strain for older employees. Older employees at Parfums Christian Dior, especially those at its production site, can apply to work part-time and for an additional week's leave. Each of these initiatives, although specific to each of the Maisons and the needs of their employees, all inspire and complement each other. To best meet the particular needs of employees reaching the end of their career, no plans to expand the transgenerational initiatives from each Maison across the rest of the Group have been made.

Ensuring gender equity

Through its structured initiatives and committed support networks, LVMH has solidified its role in promoting gender equity.

LVMH's corporate culture sets itself apart through its commitment to gender equity. This pillar of LVMH's culture, which is a driver of its performance and creativity, led to the creation of the EllesVMH initiative in 2007, a program designed to underpin and accelerate women's career development at all levels. With EllesVMH, the Group has developed an inclusive approach to women's leadership and continues to create opportunities across all its businesses. The EllesVMH actions are based on three values: parity, equity and passing on skills. The Group monitors their targets on an annual basis through the OMR (see §1.5.1). The LVMH Group's Executive Committee has set itself the target of having women hold 50% of the Group's key positions by 2025. These are critical positions for the success of the Group and have implications for LVMH's long-term development. In 2024, 52%

of key positions (543) at the Group were held by men and 48% by women (501), compared to 23% in 2007 (up 25 percentage points). Women also make up 55% of talent identified in succession plans for key positions.

The methodologies and assumptions used to calculate the proportion of women at the Company can be found in the HR reporting process (see §1.1.2). The proportion of women in key positions follows the OMR process (see §1.5.1). Following the organizational review, key positions are identified in human resources data systems, enabling the proportion of women in such positions to be calculated automatically.

With regard to equity, rigorous tracking of pay levels worldwide ensures that men and women are paid fairly. This approach, backed by an annual audit, has proven successful, resulting in a score of 94.5 in France's Gender Equality Index, up 3.5 points since 2020.

Lastly, the Group's skills-sharing initiative draws on the collective strength of the 14 local EllesVMH networks in Australia/New Zealand, China, South Korea, Spain/Portugal, the United States/Canada, France, Hong Kong/Macao, Italy, Japan, the Middle East/Africa/India, the United Kingdom, Singapore, Switzerland and Taiwan. This global community, which comprises more than 10,000 people, helps optimize women's career development by sharing experience and taking specific action.

The results of this initiative are tangible. While in 2007 only 23% of the Group's key positions were held by women, this proportion has more than doubled since then, reaching 48% in 2024. In the same vein, the number of women CEOs at LVMH has risen from 0 to 17 in the span of seventeen years, reflecting a gradual but significant transformation in mindsets and practices throughout the Company. Beyond strategic positions, 65% of executive and managerial positions are now held by women, demonstrating the lasting impact of this inclusion policy.

To this end, LVMH continues to reinforce its commitment to gender equality by developing an even more strategic approach. Central to this process is the OMR campaign (see §1.5.1), which enables all the Maisons to incorporate commercial priorities into their talent management processes. This approach not only ensures organizational efficiency but also boosts the proportion of women in succession planning. The OMR involves close collaboration between HR teams and senior executives at the Maisons to ensure that strategic human resource decisions take into account gender equity objectives.

The EllesVMH.com platform, available to all employees, plays an essential role in empowering women at the Group. Designed to support career development, it offers training resources such as:

- the Shero Academy, with modules on core competencies like personal branding, the entrepreneurial mindset, negotiation and career advancement.

The platform also includes:

- *Elles Racontent*, a series of inspiring testimonials from women leaders;
- *Elles Conseillent*, where women executives and managers give practical advice;
- *Elles Échangent*, an eclectic mix of content highlighting in-house initiatives that support gender equity.

Through these digital spaces, the EllesVMH.com platform unites and connects talent from across the globe, fostering a sense of belonging and mutual support.

In parallel, the EllesVMH Collective digital mentoring program aims to connect all employees across all the Group's Maisons, functions, and regions to promote women's career development. Leveraging artificial intelligence, the program pairs individuals based on their expertise and interests, fostering meaningful connections that transcend organizational silos. The program has had a tangible impact on professional development and career mobility. These results were driven by the huge success of the launch in March 2024. The program has already registered more than 5,000 talents and aims to become the largest corporate mentoring community in the world.

Support for women's career development is also upheld at the Group's highest levels. The Group's women CEOs are actively engaged in gender equity initiatives and participate in the Annual Women CEO Luncheon every year. The event is now attended by 50 women CEOs, each accompanied by a more junior colleague to promote sisterhood and intergenerational mentorship.

LVMH stands out for its initiatives aimed at supporting all women, including those outside its workforce, in order to contribute to positive change in society:

- *Bold* by Veuve Clicquot has been showcasing bold women entrepreneurs since 1972, recognizing more than 450 women in 27 countries with the *Bold* Woman Award;
- Benefit's *Bold is Beautiful* program supports the empowerment of women and girls through nonprofits like Rêv'Elles, whose mission is to help young women from working-class neighborhoods develop their skills;
- *Women@Dior*, launched in 2017, has enabled more than 2,000 young women to take part in mentoring based on self-reliance, inclusion and sustainability;
- *Women for Bees*, launched by Guerlain in partnership with UNESCO and OFA (a French nonprofit aimed at protecting bees), supports women by training them in beekeeping and biodiversity, a top priority for the Maison. The initiative plans to set up 2,500 hives in UNESCO biosphere reserves by 2025;
- the *Echo Culture Awards*, launched by Chaumet in 2022, recognize women involved in promoting culture.

LVMH encourages each of its Maisons to take action for gender equity. Each of these initiatives are specific to each of the Maisons and the needs of their employees. Since each one was created on an individual basis, the Group entrusts its Maisons with the responsibility and freedom of implementing them.

Taking action to promote employment for people with disabilities

Since 2007, the Disability Inclusion Office of the CSR Department has coordinated the Group's international approach in this area, and has helped it to formulate its ambitions. In this work it is supported by a network of 200 CSR and disability officers at the various Maisons, who meet regularly.

For around 15 years, LVMH has been committed to the employment and integration of people with disabilities, resulting in a program to promote their inclusion through recruitment, retention and accessibility in order to respond to its impacts, risks and opportunities relating to diversity, inclusion and equal opportunity.

Actions related to employment for people with disabilities

As a member of the Global Business and Disability Network of the International Labour Organization (ILO) and a signatory of its Charter, the Group has made it clear that a disability is perfectly compatible with the luxury industry and also helps to promote excellence.

In the regions of the world where LVMH is present, the Maisons promote the employment of people with disabilities through their own action plans (internships, recruitment and training programs, workstation adjustments, etc.).

In France, a work-linked training program was launched to promote the employability of people with disabilities. Since 2014, 130 people with disabilities have thus been offered a work-linked training contract at the Group's Maisons.

LVMH also supports its employees who report that they have a disability. The Maisons offer solutions on a case-by-case basis to help people keep their jobs, where necessary by making adjustments to their workspaces or helping them transition to a different role.

LVMH is also keen to extend its inclusion efforts to those people struggling to find a job because of a disability. After the successful recruitment on permanent contracts of five people with severe autism, LVMH formed a partnership with VETA *(Vivre et Travailler Autrement*, or "Live and work differently") in November 2023, which aims to promote and develop this innovative inclusive program among its Maisons and its partners.

Indicators relating to employment for people with disabilities

At the event celebrating the Group's involvement in good causes in December 2021, the Group's Human Resources Department announced LVMH's target of increasing the number of people with disabilities in its worldwide workforce from 1% to 2% in 2025. This objective was defined following regular consultation with NGO institutions and leading figures involved in diversity and inclusion. In 2022, this objective was complemented by another concerning the accessibility of the Group's and the Maisons' websites.

In 2024, people with disabilities made up 1.9% of the LVMH Group's workforce worldwide, with a total of 4,058 employees, up 16% from 2023. The legal definition in place locally for a person with a disability was used to calculate this rate.

1.6.4 Steadfast, comprehensive commitment to all talent

LVMH maintains its commitment to advancing an increasingly inclusive culture within the Group, Maisons and regions through training, awareness-raising initiatives and an ongoing commitment to its employees.

The Group continued to roll out its "Managing bias and promoting inclusion at LVMH" online training program, launched in late 2022, available in nine languages and aimed at all Group employees, from production and sales staff all the way up to senior executives. In 2024, more than 100,000 of the Group's employees had access to this training.

LVMH also integrated its Diversity & Inclusion policy into the different awareness-raising materials and training programs developed by the Group; this included dedicated modules, such as the Inside program, an international educational platform open to all, which offers the next generation of talent access to exclusive knowledge about LVMH and the luxury industry (see §1.5.3); the LVMH Spring Graduate Programs, which boost skills development (see §1.5.3); and LVMH Discovery training (LVMH Group orientation program). In addition to the programs run by the Group, LVMH disseminates its Diversity & Inclusion policy to the Maisons and regions through employee awareness-raising sessions.

The Group accompanies its Maisons in their development of targeted training, tailored to situations employees might encounter in stores or in the office, during the implementation phase of Diversity & Inclusion strategies. For example, LVMH helped develop training courses for in-store employees focused specifically on inclusion in the retail environment. Two such training programs were implemented by Maisons this year: Loewe's Retail Inclusion Program, which won the Inclusive Culture prize at the Inclusion Index Awards this year (see §1.6.1), and Christian Dior Couture's DEI@Dior training program.

In 2024, LVMH disseminated its exclusive series "It's Everyone's Business," which is accessible externally. The series highlights how the Group supports the professional and sometimes personal growth of its employees, regardless of background. Through the lens of diversity, inclusion and equity, each story in the series invites viewers to share a unique experience and discover the world as lived and told by the Group's employees. The series features 11 portraits highlighting powerful, positive voices within the Group, echoing each talent's unique experience at LVMH.

Lastly, the Group's ongoing, extensive commitment is also illustrated by the everyday actions of emerging employee networks, which are growing steadily around the world. These networks play a crucial role in fostering an inclusive working environment within the organization with the Group's support. They offer platforms for cross-cultural conversation, sharing experiences, creating awareness for different aspects of diversity, and mutual support between employees, all while celebrating the wealth of individuality. Open to everyone, these networks engage and unite talent from all over the world to promote and develop an inclusive culture at LVMH. They include EllesVMH, which champions gender equality (see §1.6.3); All Pride LVMH, which combats discrimination against LGBTI+ communities (see §1.6.3); Disability Inclusion (see §1.6.3); and LVMH Employees of African Descent (LEAD). Each network has 29 local chapters in North America, Europe and Asia, bringing together more than 14,000 members worldwide.

2. Workers in the value chain

2.1 Strategy and business model

2.1.1 Strategy and business model

Value chain workers are any and all individuals and businesses supplying goods or services to the Group's Maisons and who participate directly or indirectly in the various stages of these value chains, whether Tier 1 or above.

Supporting suppliers has long been a strategic focus for LVMH, with a view to maintaining sustainable relationships based on a shared desire for excellence. The Group pursues an overarching approach aimed at ensuring that its partners adopt practices that are environmentally friendly and respect human rights.

2.1.2 Interests and views of stakeholders

Consideration for the interests, views and rights of value chain workers is a key component of the Group's sourcing strategy, manifesting itself through several actions. For example:

- a sample of workers is systematically individually interviewed during the workforce audits conducted at the Group's suppliers. These workers are chosen by the auditor during the audit. These interviews are a key opportunity for workers to bring up and speak freely on any topic they wish;
- in some cases, a survey may be carried out on all employees within a given structure. These exhaustive surveys help identify any weak points and draw up action plans to address them;
- the Group is involved in a number of industry initiatives (RJC – Responsible Jewellery Council, RBI – Responsible Beauty Initiative, RMI – Responsible Mica Initiative, etc.), which engage in direct discussions with the stakeholders affected by these sectors. Another example is the Group's involvement in trade bodies for the champagne and cognac industries.

2.1.3 Interaction between IROs and the Group's strategy and business model

The impacts identified on workers in the value chain relate to improved living conditions, financial stability and social insertion. They also include working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment). For a number of value chains, like leather goods or ready-to-wear, the impact might also be reinforcing employability for workers with highly specific and sought-after expertise.

In the event of failure to respect the rights of value chain workers, or to manage health and safety risks, there are associated reputational risks. Loss of expertise in rare artisanal professions presents another risk for some value chains.

2.2 Working conditions and human rights in the value chain

2.2.1 Description of the related policy

The Group has developed its own framework of internal standards to guide the conduct of its employees and partners. Some of the Group's principles and charters described hereinbelow are supplemented by codes, policies and procedures within the Maisons.

Christian Dior and LVMH Codes of Conduct

The Christian Dior and LVMH Codes of Conduct are designed to provide a common ethical foundation for the Group and its Maisons, outlining the rules to be followed by all employees as they go about their work.

Building on these Codes of Conduct, Christian Dior and LVMH drew up Business Partner & Supplier Codes of Conduct, which were further updated in September 2024.

Business Partner & Supplier Codes of Conduct

The Business Partner & Supplier Codes of Conduct set out the Group's expectations of its partners (suppliers, service providers, distributors, specialist trades, lessors and any third parties in a business relationship with a Group entity) and their subcontractors in various areas, regardless of where they are based geographically and where they are located in the value chain.

These expectations concern corporate social responsibility and respect for human rights: banning forced labor, human trafficking and child labor, banning illegal or undeclared work, harassment, discrimination, measures relating to wages, working hours, freedom of association, health and safety, and protecting local and indigenous communities.

For these policies with regard to value chain workers, the Group is aligned with internationally recognized instruments relevant to value chain workers, including the United Nations (UN) Guiding Principles on Business and Human Rights. For example, child labor is prohibited for all children under the age of 16. In countries where local legislation provides for a higher working age or extends compulsory schooling beyond the age of 16, the higher age applies.

The Code of Conduct also requires that the living wage is applied, along with its related benefits. The Business Partners commit to implementing fair and equitable compensation practices. They must, at the very least, pay salaries in full in legal tender, on a regular basis (at least every month) and without delay, pay workers for overtime work at the statutory rate, and comply with all legal requirements in respect of employee benefits. If there is no statutory minimum wage or salary or overtime pay rate in a given country, Business Partners must make sure that their salaries are at least equal to average salary standards in their business sector and that overtime work is paid at least at the contractual or usual overtime hourly rate. Wages should be enough to cover the basic needs of the employee and their household (decent housing, water, access to education for children, transportation, provident insurance in case of unforeseen events), allowing them to use their income without restriction.

The Group's partners are required to respect the principles of this Code and must also ensure that their own subcontractors and suppliers do the same when performing their activities for the Group. The Code has been rolled out to all the Group's Maisons.

The Code of Conduct also gives each Group entity the right to check that its partners and subcontractors across its value chains comply with these principles.

If a partner or one of its subcontractors should violate the Code, each Group entity in a business relationship with that partner reserves the right to demand that the compliance failures be remedied or that the business relationship be suspended or terminated, commensurate with the severity of the violations identified.

A new version of the Code, renamed the Business Partner & Supplier Code of Conduct, was published in September 2024, aimed at fostering a responsible approach across the Group's network of partners. The main changes are as follows:

- alignment with the new Code of Conduct, particularly Corporate Social Responsibility;
- a new section covering subcontracting: the Group/Maison concerned must give prior written approval to authorize the use of subcontracting within predefined limits. Partners ensure that their authorized subcontractors are compliant with the Code and undertake to monitor them. Subcontracting must only be authorized after it has been ascertained that the Partner has the means to monitor its subcontractor's compliance with the Code.

2.2.2 Description of the process of engagement with value chain workers

All LVMH employees working with suppliers undergo "Responsible Purchasing" training, enabling them to be vigilant in their interactions with suppliers so that they can identify potential signs of non-compliance with the Supplier Code of Conduct.

In some cases, it may trigger a whistleblowing report that may result in the implementation of an emergency action plan, or even a suspension of activity.

All the Group's workforce audits conducted at supplier sites include a systematic exchange with a representative sample of their employees. In the event of non-compliance, and depending on the seriousness of the facts identified, a more in-depth investigation may be carried out, and an ad hoc committee bringing together various departments within the Maison will determine any follow-up action to be taken. This must be followed up within three months (within 48 hours if it relates to child labor or forced labor), and an additional full audit must take place within 12, 18 or 24 months, according to the results of the initial audit.

Some Maisons have supplemented their audits using measures to directly ask their suppliers' employees about their working conditions. These surveys are carried out during each audit to help gain a clearer vision of working conditions at the sites concerned and check for problems such as forced labor or harassment, which may not be detected during audits. These fully anonymous, confidential surveys are offered in the language or languages of the workers.

For example, a Worker Voice Survey was conducted for the second year in a row in the Utthan program (embroidery in India, specifically Mumbai) including more than 3,000 employees. Most of these employees come from northern India and work in Mumbai while their families remain in their home regions. The results of this survey are shared with employers, who, in turn, report back to their employees to identify areas for improvement.

The Group has set up a whistleblowing system to receive and investigate concerns regarding unlawful behavior or behavior contrary to its internal principles of conduct. Reports may be made by any employee or external stakeholder (including suppliers, subcontractors, etc.) of any Maison or Group entity worldwide. The Group's Whistleblowing Policy sets out the reporting channels that exist within the Maisons and other Group entities as well as the rules on gathering and processing reports in order to ensure that it can examine the concerns raised, identify potential violations and take remedial action where applicable. This whistleblowing system is described in more detail in the "Governance" section, §1.3.1).

Participation in industry initiatives is also being increased. In Italy, some of the Group's Maisons participated in the work carried out by the Camera Nazionale della Moda Italiana for the ready-to-wear industry. Industry certifications such as RJC or RMI were also taken into account when evaluating Group suppliers.

2.2.3 Related actions and resources

The Group considers it very important that the Maisons and the Group's partners abide by a shared body of rules, practices and principles in relation to ethics, corporate social responsibility and environmental protection. The complexity of global supply chains means there is a risk of exposure to practices that run counter to these rules and values.

The Group's responsible supply chain management policy therefore aims to motivate suppliers and every link in the supply chains involved to meet requirements for the working conditions of workers in the value chain and to improve conditions in terms of health and safety, labor relations, a living wage, job security, working time, and so on.

This policy pays particularly close attention to the risks of major human rights violations that could take place in the Group's upstream value chains, i.e. with suppliers or business partners. If such a situation were to take place, specific actions would be implemented. An example of this was the emergency action plan applied in Italy this year (see below). The policy is laid out in the section on the Group's "Vigilance Plan" in this document (see §2, "Governance", §3, "Overview of risk mapping methodology" and §5, "Monitoring and steering").

It is based on a combination of the following:

- all suppliers having signed the LVMH Business Partner & Supplier Code of Conduct;
- identifying at-risk suppliers with the Convergence initiative;
- this initiative begins with a mapping of gross risks (social and environmental) for each supplier used by LVMH and its Maisons;
- this is followed by the rating, calculated by EcoVadis, of certain suppliers that have been identified as posing a potential risk;
- site audits of Group suppliers (Tier 1 and higher) help check that the Group's requirements are met on the ground, and enable the implementation of corrective action programs in the event of compliance failures;
- close monitoring of corrective action plans following audits so that, based on the severity identified, the supplier can become compliant within the time allowed. These corrective action plans range from simple compliance updates (emergency exits, electrical connections, regulatory posters, etc.) to more structural measures (living wage, working hours, administrative approvals, etc.);
- supplier support and training relating to the main points identified as requiring improvement;
- actively participating in cross-sector initiatives covering high-risk areas.

This initiative requires human resources (external auditors) and material resources (software for compiling and sharing the audits). Weekly updates of the audit results are published within the Maisons, with a particular focus on the audits that pose the greatest risks. The main internal functions that contribute to managing these impacts are Purchasing, Environment, CSR, Industrial and Quality.

Identifying priority areas

The non-financial general risk analysis exercise described above helps determine which suppliers should be audited as a priority. It takes into account risks related to the country and purchasing category. This exercise was conducted in 2024 on the basis of figures for 2023 and new business relationships created through the year.

As part of its Convergence project mentioned above, the Group also continued to expand its use of the EcoVadis platform in 2024. Following the completion of the gross risk mapping exercise each year, the main suppliers identified as at risk may be assessed using the EcoVadis methodology. This allows for the assessment of their ethical, social and environmental performance as well as their control over their value chain through the collection of documentary data, external intelligence and online research.

Assessment and corrective action plans

Contracts entered into with suppliers of raw materials and product components with whom the Group maintains a direct relationship include a clause requiring them to be transparent about their supply chain by disclosing their subcontractors.

Some Maisons, such as Loewe and Loro Piana, use preselection questionnaires for all their strategic suppliers.

All of the Group's Maisons maintain collaborative, active working relationships with direct suppliers by helping them conduct audits and draw up any corrective action plans that might be required. The implementation of these corrective action plans is closely monitored through audits and tracked by each Maison. This work can be carried out by the Company that audited the supplier or by members of the Maison associated with the supplier.

The Group uses specialist, recognized independent firms, who positively respond to the specifications during regular calls for tender, to conduct these audits.

In keeping with the aim of providing support and fostering continuous improvement, the Group and its Maisons regularly offer their suppliers training opportunities. To this end, training took place in 2024 in Italy and China (Shanghai and Shenzhen), countries where the Group completes the most audits. The topics addressed during this training reflected the compliance failures identified during the audit process.

In addition to training on responsible purchasing practices held at the Group's Maisons, the decision was made in 2021 to create an LVMH-wide training program on this subject. Delivery of this training program, developed with the support of consulting firm Des Enjeux et Des Hommes, began in 2022, and was further reinforced in 2023 and 2024, with sessions having taken place in France, Italy, North America and Asia.

With regard to remedial action, beginning in January 2024, a number of companies in the fashion sector with production activities in Italy were the subject of allegations and administrative measures concerning non-compliance with applicable rules governing working conditions within their leather goods chains of activity.

In June 2024, Manufactures Dior Srl, a subsidiary of Dior Italy, was placed under administrative receivership by the Court of Milan in application of Legislative Decree 159/2011, Article 34 c.1, as amended by Law 161/2017, as a result of anomalous and isolated events.

These receivership proceedings are a protective measure aimed at preventing the repurposing of a company's value chain for illegal purposes. They were initiated after authorities uncovered violations of applicable working conditions regulations by two subcontractors of Manufactures Dior Srl.

In this context, the Dior teams cooperated fully with the insolvency practitioner, who noted in written reports the measures put into place by the Company to monitor its value chain. In light of their exceptional, isolated nature, as well as the existing and reinforced control systems in place, this supportive measure was discontinued in February 2025, four months prior to the date initially set.

The Italian competition authority also initiated proceedings pursuant to Legislative Decree 6/9/2005 n.206 *(Codice del Consumo)*. The proceedings are ongoing.

The targeted actions implemented by the Group in this context are presented in more detail in the "Vigilance Plan" section, §5.2, "Targeted development actions".

Participation in multi-party initiatives in high-risk areas

In addition to its actions aimed at direct suppliers, LVMH takes part in initiatives intended to improve visibility along supply chains and throughout subcontractor networks, to ensure that it can best assess and support all stakeholders.

Working groups have been put in place and targeted programs rolled out to address issues specific to the Group's individual business groups. To maximize efficiency and optimize influence over subcontractors' practices, preference is generally given to sector-specific initiatives covering multiple purchasing entities. This was the case in 2024 for categories such as packaging, visual merchandizing and store investments by the Group's Maisons that made purchases in these categories.

For Maisons in the Watches and Jewelry business group, the mining sector, which is highly fragmented and relies substantially on the informal economy, carries significant risks to human rights. As such, the Maisons have formally committed under the LIFE 360 program to ensuring that all gold supplies are certified by the Responsible Jewellery Council (RJC).

The Group and its Watches and Jewelry Maisons are also involved in the Coloured Gemstones Working Group (CGWG) with other sector stakeholders. The CGWG aims to roll out environmental and social best practice across the colored gemstone sector by making all tools developed by the initiative available to the industry on an open-source basis and allowing industry players to assess the maturity of their practices.

Maisons in the Perfumes and Cosmetics business group have signed up for the Responsible Beauty Initiative run by EcoVadis, working with major sector players to develop action plans in response to business-specific issues. Since 2022, the business group has also been involved in the Responsible Mica Initiative, which aims to pool sector stakeholders' resources to ensure acceptable working conditions in the sector. Work to map Indian mica supply chains began in 2015, followed by a program of audits down to the individual mine level. Over 80% of the supply chain has been covered to date.

The Perfumes and Cosmetics business group also joined Action for Sustainable Derivatives (ASD), a collaborative initiative jointly managed and overseen by BSR and Transitions. ASD brings together large companies in the cosmetics sector and the oleochemical industry to achieve their shared goal of improving traceability, working conditions and practices throughout the entire palm derivatives supply chain.

For Maisons in the Fashion and Leather Goods business group, specific traceability requirements applicable to leather and cotton supply chains have been incorporated into the LIFE 360 program. An LVMH leather coordination group drawn from all the Fashion and Leather Goods Maisons meets twice a year. Targets for the certification of raw materials like cotton and leather were set as part of the LIFE 360 program. The results are presented in the "Environment" section under §5.2.1, "Policy related to impact on ecosystems and soils".

Since 2018, LVMH has taken part in Utthan, an embroidery industry initiative bringing together major luxury brands. This initiative aims to empower artisans in Mumbai's hand embroidery cluster, where many of the embroiderers partnering with the Group's Maisons are based, and help them gain recognition for their skills. The initiative also includes an on-site training program for embroiderers.

In 2021, audit guidelines and levels of compliance were reviewed, simplified and updated to be brought in line with new regulations in India regarding working time.

In 2023, the initiative put in place a protocol to ensure that each and every embroiderer receives a living wage, as defined by the Fair Wage Network, as well as health insurance.

In 2024, a training program on workplace ergonomics was put in place, as well as a training course on managing personal finances. These training modules were delivered to all workers participating in the work produced by members of the program, a total of around 3,000 people.

Some Maisons have supplemented their audits using measures to directly ask their suppliers' employees about their working conditions. These surveys help gain a clearer vision of working conditions at the sites concerned and check for problems such as forced labor or harassment, which may not be detected during audits. These fully anonymous, confidential surveys are offered through a mobile instant messaging application.

LVMH recommends that its suppliers display the LVMH Supplier Code of Conduct in the workshops used by workers. This Code explains how to contact the LVMH whistleblowing system. See the "Governance" section, §1.3.1, "Business integrity policy", for details of the whistleblowing system currently in place.

2.2.4 Related targets

The LVMH responsible purchasing policy has a long-term approach. Little by little, it is enhanced and expanded to include new targets, which are ever more specific and adapted to suit potential or actual situations encountered. The targets detailed below were constructed during meetings that brought together various departments affected by these topics: Operations, Purchasing, Environmental Development, CSR, Ethics & Compliance and, from this year, the Duty of Vigilance Department.

The targets are as follows:

- 100% of Group buyers trained in responsible purchasing and an awareness campaign for other contracting parties by 2026;
- 100% of suppliers having signed the Business Partner & Supplier Code of Conduct;
- when the risk analysis shows that a supplier is in a high-risk purchasing category and country, the Maison must carry out an audit of the supplier before establishing a business relationship;
- all audits must lead to a corrective action plan and monitoring until its completion;
- when the audit reveals critical compliance failures, the activity must be suspended until the failures are remedied;
- as part of LIFE 360, a Sustainability Clause is expected to be included in all contracts with strategic suppliers by 2030.

2.2.5 Related metrics

The geographic breakdown of purchases and suppliers in 2023 and audits carried out in 2024 is as follows:

	Europe	North America	Asia	Other
Breakdown of suppliers by volume of purchases *(as %)*	65	17	16	2
Breakdown of suppliers by number *(as %)*	61	15	19	5
Breakdown of audits *(as %)*	81	2	15	2

As part of the Convergence policy, the mapping of gross risks associated with the Group's Tier 1 suppliers conducted in 2022 (based on 2021 data) was updated in 2024, using 2023 purchasing expenses data. This new risk mapping was used to update the main areas of risk (by activity and by country).

The second stage of this policy involves conducting an assessment, following the EcoVadis methodology.

In 2024, 2,226 suppliers were included in this EcoVadis assessment process, having been assessed over the previous three years as required by the Group: 79% of suppliers were reassessed and 68% of these improved their score. The average improvement since the first assessment of a portfolio is now 61 pts (compared with the overall EcoVadis average of 47.5 pts and 57 pts in 2023). Joining the platform's existing participants – Group Purchasing, Louis Vuitton, the Beauty business group, Sephora, the Wines and Spirits business group, Bulgari, Fendi, Loewe, Celine, Christian Dior Couture, Chaumet and Loro Piana – the Belmond and Fred Maisons came on board in 2024.

The third stage of the Convergence policy involves on-site audits. In 2024, 4,066 audits (not including EcoVadis assessments) were undertaken at 3,690 suppliers and subcontractors.

Of all the audits undertaken, 88% covered both workforce-related aspects (health and safety, forced labor, child labor, living wage, working time, discrimination, freedom of association and collective bargaining, the right to strike, anti-corruption, etc.) and environmental aspects (environmental management system, water usage and pollution, gas emissions and air pollution, management of chemicals, waste management, types of raw materials used, etc.). A total of 6% of audits covered only workforce-related aspects, and another 6% covered only environmental aspects.

In 2024, based on a four-tier performance scale that takes into account the number and severity of critical compliance failures, nearly half of these compliance failures were related to issues of occupational health and safety. Corrective action plans were systematically drafted with the concerned supplier, and their implementation was monitored by the buyer responsible for the supplier relationship at the relevant Maison.

2.3 Passing on and developing skills and expertise

The actions carried out with the Group's suppliers and subcontractors mirror those carried out by the Group with its employees, in particular as part of the initiatives led by the Institut des Métiers d'Excellence, as described in the paragraphs mentioned below:

- ESRS S1: 1.5.3 Passing on key skills and expertise with the Métiers d'Excellence;
- ESRS S3: 3.1.3 Passing on and developing skills and expertise.

2.4 Diversity, inclusion and equal opportunity

2.4.1 Description of the related policy

Through the second pillar of its Diversity & Inclusion Policy, focused on partners, the Group ensures that the values and principles of an inclusive culture extend to all suppliers in its value chain. The Maisons are encouraged to diversify their supply chain to guarantee representation of underrepresented groups across their value chain. This policy sets common targets and a common language for the Group and Maisons. The principles regarding discrimination and harassment are also set out in the Supplier Code of Conduct, as described in the following section.

2.4.2 Description of the process of engagement with value chain workers

The Group's Business Partner & Supplier Code of Conduct prohibits any form of discrimination. It stipulates that business partners, as defined in §2.2.1, must treat their workers equally and fairly and not engage in any form of discrimination – whether in recruitment, compensation, working hours and rest, promotion, maternity or paternity protections, job security, evaluation, training or job opportunities – on the basis of ethnic, national, social or cultural origins, gender identity, sexual orientation, disability, age, family status, religion, political convictions or trade union membership.

The Code also prohibits any form of harassment or abuse. It stipulates that business partners, as described in §2.2.1, are expected to treat their workers with respect and dignity and must refrain and prohibit all forms of intimidation, humiliation, threats, abuse, violence, corporal punishment, and physical, sexual, verbal, or moral harassment expressed through behavior, actions, or gestures, or in writing.

2.4.3 Related actions and resources

At the Group level, LVMH Métiers d'Art works with partners around the world to develop a diverse supply chain for all of the Group's Maisons. At the Maison level, specific programs are rolled out to promote greater inclusivity across the entire value chain.

In the United States, the Group has pledged to spend one billion dollars with businesses owned by people from diverse backgrounds by 2030 (i.e. businesses owned or whose majority control is held by minorities, women, veterans, people with disabilities and/or members of the LGBTQ community, and in which more than 50% of net profits or losses are generated by minorities, women, veterans, people with disabilities and/or members of the LGBTQ community).

These initiatives directly relate to diversification in the supply chains to increase diversity and inclusion.

3. Affected communities

3.1 Strategy and business model

3.1.1 Interests and views of stakeholders

LVMH strives to have a positive influence on the populations with which it interacts and to prevent any harm to affected communities. This extends beyond its own operations, through its value chain, particularly upstream, regarding the supply of raw materials. The term "affected community" describes any group of people living or working close to Group sites (registered offices, workshops, stores, warehouses and other premises where the Company carries out its activities), or sites in its upstream or downstream value chain, or within its sphere of influence. There are many types of interaction with affected communities. The main interactions are in the following areas:

- training and access to employment, especially linked to expert skills and craftsmanship specific to the Group Maisons;
- regional business activity development in the areas where the Group operates directly or indirectly;
- engagement with local communities located close to Group supply chain operations in relation to the potential environmental impacts of its direct or indirect activities;
- engagement with local communities possessing traditional craft and cultural skills;
- cultural services offered to local communities.

The relevant affected communities are informed and consulted about Group actions. Where required, they are then involved in these actions. The metrics provided in this section are not reviewed by an external body, other than the sustainability auditor.

3.1.2 Interaction between impacts, risks and opportunities and the Group's strategy and business model

The double materiality assessment identified the following impacts and opportunities, which are directly related to the LVMH business model:

- positive impact related to boosting the local economy by creating jobs and through the Group's economic impact (all activities);
- positive impact related to contributing to equal opportunity through the professional integration of young people and disadvantaged groups (all activities);
- positive impact related to preserving expertise and traditional craftsmanship (Fashion and Leather Goods and Watches and Jewelry);
- positive impact related to allowing as many people as possible to access culture (Other activities);
- impact related to the use of cultural codes/elements belonging to communities (Fashion and Leather Goods and Perfumes and Cosmetics);

- impact related to conflicts of use (access to water and soil) and upstream water and soil pollution in the mining and agriculture value chains (Fashion and Leather Goods, Wines and Spirits, Perfumes and Cosmetics, Watches and Jewelry);
- opportunity related to improving the brand image concerning the promotion of traditional craft skills.

3.2 Rights of local communities

3.2.1 Description of the related policy

Conflicts of use and pollution

As mentioned in the LVMH Supplier Code of Conduct, when interacting with indigenous communities, as defined by the United Nations Declaration on the Rights of Indigenous Peoples, the Group and its partners must seek these communities' free, prior and informed consent. The Group and its partners must also ensure they can respect human rights. This consent must be a systematic part of the supply process for certain raw materials, and agroforestry and ecosystem protection projects. Within LVMH operations, consultation processes with local communities are implemented for the most sensitive activities, such as Group vineyard management, hospitality activities, and building construction or restoration.

In addition, LVMH is updating its biodiversity footprint for land use conflicts, particularly in terms of land use, the intensity of deforestation and ecosystem conversion. This analysis helps to identify the points most at risk. Impacts related to water and soil pollution are presented in the "Environment" section, §3, "Pollution". With respect to the use of specific and local genetic resources, notably for ingredients used in Perfumes and Cosmetics products, similar consent processes are employed in accordance with the Nagoya Protocol, as presented in the "Environment" section, §5, "Biodiversity and Ecosystems (LIFE 360 – Biodiversity)", in particular in §5.1.1.

Use of cultural codes/elements belonging to communities

As a responsible and committed group present all around the world, LVMH strives to have a positive influence on the populations it interacts with and the regions it operates in, and to prevent any harm to local communities. The Group requires its Business Partners to apply the same standards. When interacting with indigenous communities, as defined by the United Nations Declaration on the Rights of Indigenous Peoples, Business Partners must seek these communities' free, prior and informed consent. Business Partners must also ensure their capacity to respect human rights. The act of creation feeds on multiple inspirations and may reinterpret and highlight a particular cultural heritage. Where appropriate, the Group's Maisons involve the communities concerned or implement collaborative initiatives with them to enhance the value of this heritage.

3.2.2 Description of the process of engagement with affected communities

Conflicts of use and pollution

The interaction processes implemented with local communities are adapted to local issues:

- for projects involving indigenous peoples, Free Prior Informed Consent (FPIC) procedures are employed, either by LVMH's partners pre-launch, or through raw materials certification programs that include a process of free, prior and informed consent, such as the RSPO (palm oil derivatives) and FSC (wood and wood derivatives) certifications;
- some Maisons have implemented specific charters and consultation tools, such as those used by the Wines and Spirits Maisons for vineyard management;
- tracking indicators and complaints and claims reporting systems are used in certain sectors, such as the supply of palm oil derivatives.

Hennessy, for example, follows the requirements of the "Residents' Charters", which have existed for several years in the Charente and Charente-Maritime regions, and which are included in the Cognac Environmental Certification (CEC) for vineyards. The targets are to:

- foster dialogue and maintain links between farmers and all citizens;
- promote and generalize best practices for the use of phytopharmaceuticals to limit their impact on health and on the environment;
- encourage farmers to communicate their practices more effectively;
- promote and explain agricultural businesses and the various types of production to citizens and encourage them to engage in dialogue with farmers.

3.2.3 Related actions and resources

Conflicts of use and pollution

In 2024, LVMH continued to focus on raw materials certification, with some certifications including consent processes. The details are presented in the “Environment” section, §5, “Biodiversity and Ecosystems (LIFE 360 – Biodiversity)”, in particular in §5.2.4.

LVMH continues to systematically integrate free, prior and informed consent into all its regenerative agriculture and agroforestry projects. For instance, for the past three years LVMH has contributed 0.1 million euros per year to a collective agroforestry project in the Indonesian palm oil sector. The project is ongoing. The project includes initiatives to support local communities, such as training farmers, improving the standard of living of farmers and their families, helping local communities to secure and improve their forest ownership rights, and implementing conflict resolution tools.

3.2.4 Related targets and metrics

LVMH uses a number of indicators to steer regenerative agriculture and ecosystem preservation projects, including the following:

- number of farmers trained in agroforestry best practices;
- number of farmers and members of their families whose incomes have improved;
- number of communities with secure forest ownership rights;
- number of communities equipped with a conflict resolution system.

LVMH is working to systematically employ these types of indicator.

3.3 Passing on and developing skills and expertise

3.3.1 Objectives: Promoting professions of excellence

LVMH places special emphasis on raising public awareness about professions of excellence. In 2024, the Group intensified efforts to share its commitment to promote passing on its expertise and the future of its professions through the Human Resources Department. LVMH is not expected to pursue a policy of transmitting and developing expertise in the affected communities, nor to set any associated targets.

3.3.2 Actions taken in 2024

Guiding people towards the Group’s professions and hiring from a broader pool

To spur interest in its professions and attract talent, LVMH put in place an awareness program to promote these professions among young people from an early age and an orientation and recruitment fair to change how its professions are viewed and make them accessible to as many people as possible. More than 5,300 middle school students in France, Italy and the United States learned about them since the “Excellent!” program was launched thanks to the efforts of human resources teams and the Maisons’ expert professionals. Of these, 1,680 middle school students participated in 2024 (2024 set and achieved target).

Building on this initiative, the You & ME program, launched in 2021, is an annual tour that reaches out to young people and people undergoing retraining in France and Italy to raise awareness about jobs in the luxury industry and to identify future talent. The event stopped in five cities in France (Paris, Reims, Clichy-sous-Bois, Orléans and Lyon) and three cities in Italy (Florence, Padua and Naples) between February and May 2024. Through its practical workshops and discussions with professionals, You & ME contributes to the discovery of professions of passion and excellence by promoting learning opportunities in the Group’s Maisons. This traveling trade fair, accompanied by a digital platform (youandme.lvmh.com), reached over 10,000 visitors (2024 set and achieved target) in the Group’s major employment areas and provided access to more than 3,500 (figure based on 2023 projections) internships, work-linked training, fixed-term and permanent contract opportunities. This tour will be repeated in 2025.

In collaboration with France Travail, LVMH produced a documentary series, *Proud of Our Métiers d’Excellence*, which was disseminated on digital platforms (YouTube). The Group also organized the production and sharing of educational content by French and Italian influencers about traditional craft skills (workshop visits and meetings with expert professionals), available via social media.

These initiatives help to strengthen the brand image by promoting expertise and to preserve expertise and traditional craftsmanship. This quantification will be assessed over the coming years.

Supporting and promoting external expertise

LVMH endeavors to support and champion external craftsmanship, in tandem with the Maisons' skills and expertise. The Group reiterated this commitment throughout the past year. The Elle Artisanes Award, held for the fourth time during the year, once again recognized the achievements of women working in expert professions in the world of fashion, design, culinary arts and the protection of France's heritage.

The second annual award of the Premio Maestri d'Eccellenza craftsmanship prize was held in Italy, in conjunction with Confartigianato and the Camera Nazionale della Moda Italiana. Accolades were bestowed on three artisans in the "emblematic expertise", "innovation-related expertise" and "emerging expertise" categories. Loro Piana was a partner of the event during the year.

These contributions will be quantified over the coming years, and will be renewed from one year to the next as needed.

3.3.3 Performance measures and indicators

Impact of the "You & ME" campaign

Since its creation, the campaign has introduced jobs in the luxury industry to more than 21,600 young people. It aims to encourage them to learn about these professions of passion and commit to skills training.

The *Proud of Our Métiers d'Excellence* business series, broadcast on YouTube, has been viewed 150,000 times for jewelry, 160,000 times for leather goods, 147,000 times for sales, 157,000 times for haute couture, 88,000 times for cosmetic formulations and 82,000 times for cooperage.

3.4 Diversity and equal opportunity

Through its Maisons, the LVMH Group has a presence in nearly 80 countries, numerous regions, cities and villages. As such, LVMH participates in the vitality of local economies and the local social fabric. This dynamic enables the Group to make voluntary, impactful contributions to significant issues relating to the professional integration of young people and disadvantaged groups.

3.4.1 Description of the policy

LVMH aims to extend its positive social impact beyond the scope of its own operations and its value chain. The Group and its Maisons help support professional integration for people who have been marginalized on the job market, in particular people with disabilities, young people and persons in vulnerable situations (people with severe disabilities, job seekers, people who have been marginalized on the job market, etc.). In keeping with its decentralized model, the Group and its Maisons have forged partnerships with nonprofits, NGOs and local communities to promote employment and job stability for people who have been marginalized or are underrepresented in the job market.

3.4.2 Related actions and resources

Actions are implemented in the regions in which the Group operates, with a particular focus on France and areas with the greatest needs. This is a long-term and ongoing commitment.

Facilitating access to employment and social inclusion for people who have been marginalized on the job market

In France, the Group has built up a long-term partnership with nonprofit Nos Quartiers ont des Talents, which aims to support equal opportunity in employment, and has served on its Board of Directors since it was founded. In 2024, 207 executives and managers sponsored and mentored recent graduates from underprivileged backgrounds. Since 2007, 1,024 young people have found jobs after being mentored by a Group employee.

The LIVE (L'Institut des Vocations pour l'Emploi) campus, presided over by Brigitte Macron and financed by the Group, is aimed at reaching over-25s who want to get back into the world of work after a long period of unemployment or personal challenges. The LIVE campuses assist them in taking up their career again and in laying out a path for its development. Six campuses have already been opened, including two in 2024: Clichy-sous-Bois for the Greater Paris area in 2019, Valence for the Auvergne-Rhône-Alpes region and in Roubaix for the Hauts-de-France region in 2021, Marseille for the Provence-Alpes-Côte d'Azur region in 2023, Reims for the Grand-Est region and in Le Havre for the Normandie region. More than 1,700 people have received help since the inauguration of the first campus, over four-fifths of whom have succeeded in finding relevant work or training. In September 2024, 300 new people were welcomed to the six campuses for an 18-week support program. Each campus receives two intakes per year, supporting 600 to 650 people in total.

Helping young people get an education

LVMH seeks to support young people's access to quality education and does so by drawing on the Maisons' values of excellence through an equal-opportunity approach. LVMH therefore encourages access to professional training, higher education and senior positions, whatever their social class, family situation or ethnic background.

LVMH is a partner of the "priority education" program run by Sciences Po Paris, a social outreach program for deserving students from disadvantaged backgrounds and regions far from selective higher education, which provides funding for scholarships. LVMH also encourages its managers to mentor recent graduates of the program. In 2021, LVMH renewed its commitment to this program for another five years. A total of 10 students were mentored by Group managers in 2024.

In 2023, LVMH also continued its partnership with Clichy-sous-Bois and Montfermeil, two Paris suburbs with young, diverse populations. Driven by a shared commitment to excellence, this program helps facilitate employment for young people from underprivileged neighborhoods. It encompasses a wide range of initiatives, including "business discovery" internships for nearly 200 middle and high school students, visits to the Group's Maisons, help finding work including interview preparation, and so on. The Métiers d'Excellence You & ME tour included a stop in the city of Clichy sous-Bois.

The Group met with middle and high school students, university students and people looking for a career change, telling them about its expert professions in design, craftsmanship and customer service. It offered over 3,500 internships, work-linked training contracts, fixed-term and permanent contracts in France and in Italy. An online preparatory course was launched on the You & ME website (see §3.3.2, "Actions taken in 2024") to guide and assist all potential applicants in filling out their applications.

LVMH in France also supports the *Cultures et Création* fashion show in Montfermeil, at the city's request, which showcases the region's creative talent. Leading up to the event, the Group provides training for young people through masterclasses (167 in 2024) and organizes events where they can meet designers and craftspeople. At the fashion show (to which LVMH makes a contribution), LVMH awards the LVMH CSR Young Talent Prize and the Young Talent Prize to help young people who are passionate about design but have limited access to the fashion world gain wider recognition within the profession. Maison Guerlain awarded its *Mise en Beauté* award to a young man passionate about the world of makeup. For its 2024 edition, the fashion show drew more than 300 participants who created outfits or walked the runway on the theme of "Sport and Olympism" for an audience of nearly 2,500 spectators.

In 2021, LVMH North America launched a partnership with Harlem's Fashion Row (HFR), an agency opening the doors of the fashion industry to designers of color through events and collaborations. This ongoing partnership has taken many forms. In addition to providing direct financial support through the HFR ICON360 fund, Louis Vuitton organizes annual mentoring days that connect HFR designers with Louis Vuitton's management and operations teams, offering them professional advice about developing their brands and advancing their careers.

LVMH North America also provides support to HFR's annual fashion show and Style Awards, which presents three to four designers to an audience of 550 members of the fashion world and media. HFR celebrated their seventeenth edition in September 2024 during New York Fashion Week. One highlight of the award ceremony is the "Virgil Abloh Award Presented by LVMH", which was created in 2022 to commemorate the late designer. Previous recipients include Issa Rae, A$AP Rocky and Teyana Taylor. Sephora, Dior Beauty, Benefit Cosmetics, Moët Hennessy USA and Tiffany & Co. have also supported the event since the partnership began.

Similarly, Tiffany & Co. partnered with North Carolina Agricultural and Technical State University (N.C. A&T), a historically black university (HBCU), for the "Tenacity Talks" lecture series. These discussions offer merchandising and design students valuable information and advice from HFR and Tiffany representatives. 75 students have benefited since 2022, including 30 in 2024.

Lastly, LVMH works with HFR on educational initiatives, providing insight into possible careers in the luxury industry through round tables between high school students from Harlem and LVMH employees.

Through these concrete actions, LVMH demonstrates its commitment to promoting inclusion and collaboration, thus furthering the recognition and representation of diverse talent in the fashion industry.

3.4.3 Target for 2025

The Group intends to multiply its positive impact by mobilizing its employees and involving them in its approach. This target of offering 100% of employees at least one engagement initiative (including social diversity in access to education, employment and entrepreneurship and supporting vulnerable populations) is the result of ongoing consultation with stakeholders working on the professional integration of people with disabilities, young people and persons in vulnerable situations, and with nonprofits, local elected officials and institutions.

3.4.4 Metrics for 2024

In 2024, 93% of employees had the chance to get involved in a community-oriented initiative through their Maison, and 44,764 of them were actively involved in efforts benefiting social diversity in access to education, employment and entrepreneurship and supporting vulnerable populations. There have been 700 active partnerships with nonprofits and foundations promoting social diversity in access to education, employment and entrepreneurship and supporting vulnerable populations. Metrics are consolidated through the CSR reporting process.

3.5 Contributing to cultural access

The Patronage & Philanthropy Department is responsible for corporate philanthropy initiatives.

3.5.1 Corporate giving at LVMH

From the outset, LVMH wanted to make sure that its business success paved the way for an ambitious corporate philanthropy policy in support of the arts and heritage, young people and artistic education, plus humanitarian, social and scientific causes. LVMH and its Maisons also want to act in the general interest by embracing culture, helping to keep heritage alive and lending a helping hand to as many people in need as possible. The LVMH Group's Maisons represent a unique heritage, dating back centuries in many cases, and forming an integral part of the French, European and Western way of life and culture, supported by longstanding expertise and unbridled creativity.

LVMH has committed since its inception to support artists and the cultural sector and to broaden cultural access and raise awareness among the general public, especially young people. The Group's corporate giving policy benefits talented artists, intellectuals and scientists in France and around the world. The aim is to help preserve and enrich its physical and intangible heritage.

This enduring support is most prevalent in France, where the Group's headquarters are located, and benefits various sectors of activity. However, it also extends to all the countries in which the Group operates, furthering respect for, the development of and dialogue between cultures.

3.5.2 Corporate giving initiatives

In 2024, the principal initiatives implemented by the Group were as follows:

Restoring and showcasing historical heritage

LVMH provides resolute support for preserving places and monuments of major significance from a heritage perspective.

On December 7, 2024, the reconstructed Notre-Dame Cathedral was officially inaugurated in Paris. LVMH was one of the main benefactors to this exceptional project that required commitment and craftsmanship of the highest order.

Enrichment of French national museums' artistic heritage

LVMH was the main donor that contributed funds for the Louvre Museum's purchase of Jean Baptiste Chardin's *Basket of Wild Strawberries*, a painting classified as a national treasure. Without this crucial contribution, the masterpiece, which had been held privately for more than a century, would have left France for a major international museum.

Support for creative activities, culture and its dissemination

LVMH is a loyal patron of the Nuit Blanche nighttime arts festival, supporting the arts scene and giving center stage to contemporary artists for a celebration open to all. In 2024, LVMH again supported the major cultural event, which put French overseas territories in the spotlight this year. The whole of France was celebrated in all its wealth and diversity from the center of Paris to the other side of the world.

Lastly, LVMH lent its support to two major global cultural institutions, the MoMA in New York and the SMK in Copenhagen, helping them stage exhibitions of international significance.

LVMH Prize

The LVMH Prize aims to support young fashion designers in France and around the world. An outstanding panel of judges scouts out future talent and helps them build their careers, awarding them not only a generous grant but also providing personalized mentoring in every area a young fashion house needs. This program gives the young designers' careers a genuine boost.

Support for young talent

The LVMH Group loans out the exceptional Stradivarius violins and cellos that it owns to promising young musicians such as Daniel Lozakovich.

Fondation Louis Vuitton

Created in 2014, the Fondation Louis Vuitton has become a leading institution on the international arts scene and has been a resounding success with a French and international audience alike – it has already played host to nearly 11 million visitors.

The Foundation, whose mission is to serve the public interest, is committed to making art and culture accessible to all. To promote artistic creation nationally and internationally, it organizes temporary exhibitions of modern and contemporary art, presentations of works from its collection, artist commissions and multidisciplinary events (concerts, performances, seminars, screenings, dance, etc.).

To make these events accessible to the widest possible audience, the Fondation developed a number of partnerships, including with Secours Populaire and Fondation Culture et Diversité or Refettorio Paris. Throughout the year, the Fondation hosted groups distanced from culture at no charge. It focuses particularly on "family" events, to encourage the discovery of art across generations. The "Family Festival" (a festive and creative weekend featuring art workshops, shows, dance, storytelling tours and sports activities for all ages) welcomed over 10,000 people for its 4th edition in June.

The Fondation Louis Vuitton continued with its international *Hors Les Murs* ("Beyond the Walls") program, with exhibitions dedicated to Ernest Pignon-Ernest in Venice, Albert Oehlen in Beijing, Rineke Dijkstra and Gregory Crewdson in Munich, Sheila Hicks in Seoul, Isaac Julien in Osaka, as well as Mark Leckey and Wade Guyton in Tokyo.

4. Customers and end-users

4.1 Strategy and business model

LVMH aims for a diverse customer base around the world, all united by an appreciation for quality products and unique experiences. These customers appreciate the brands' craftsmanship, exclusivity and legacy and are often loyal to certain Maisons. They seek personalized service and innovative products satisfying their desire for high-quality, upscale offerings. LVMH's 75 Maisons serve various market segments and cover various sectors of activity. These include Wines and Spirits, Fashion and Leather Goods, Perfumes and Cosmetics, Watches and Jewelry, and Selective Retailing. As a result, the Group is able to address a broad spectrum of consumers. When conducting its business activities, the LVMH Group is committed to complying with all applicable national and international laws, regulations and conventions, as well as best practices, particularly regarding labor standards and corporate social responsibility, environmental protection, business integrity and ethics. The LVMH Group commits to respecting the Universal Declaration of Human Rights; the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights; the United Nations Global Compact; the 17 Sustainable Development Goals drawn up and developed by the United Nations; the OECD Guidelines for the International Labour Organization's Fundamental Conventions; and the United Nations World Charter "Women's Empowerment Principles."

4.1.1 Interests and views of stakeholders

Customers and consumers lie at the heart of LVMH's strategy. The Group looks to its high-caliber, sustainable products and an unrivaled customer experience – both in-store and online – to retain their loyalty. Good business ethics and a commitment to the environment are also firmly embedded into LVMH's strategy, and it always respects consumer rights. Lastly, the Group has embraced new consumer behaviors by investing in digital technology and omnichannel experiences across a range of original products to sustain consumer interest over the long term.

4.1.2 Interaction between IROs and the Group's strategy and business model

The positive and negative impacts, as well as financial opportunities, related to customers and end-users identified by the LVMH Group are a function of the various sectors in which the Group operates. As explained previously, the interests of these key stakeholders are fully embedded in the Group's business strategy and its activities. These elements are presented in detail in the following sections with a particular focus on the policies and actions taken by the Maisons.

The double materiality assessment identified the following impacts and opportunities, which are directly related to the LVMH business model:

- negative impact related to potential violation of privacy arising from management of customers' personal data;
- negative impact related to health of children and adolescents linked to the use of cosmetic products at a young age (Perfumes and Cosmetics);
- negative impact related to damaging to the health of consumers and using substances of concern or very high concern in cosmetic products (Cosmetics);
- negative impact related to health and harmful alcohol use (adults/minors) (Wines and Spirits);
- negative impact related to access by minors to inappropriate products (Wines and Spirits);
- negative impact related to access by minors to inappropriate content (Hospitality-Restaurants);
- risk of propagation of stereotypes within society through advertising and communication practices;
- opportunity for developing brand image and commercial appeal in relation to taking account of the increasing expectations of customers and consumers regarding sustainability (quality, health and safety, etc.);
- opportunity to develop products and services taking all singularities into consideration.

The IROs stem from the business model analysis and will have an effect on the future business model as the 2026-2030 CSR roadmap is developed.

The metrics provided in §4 have not been reviewed by an external body, apart from the sustainability auditor.

4.2 Product quality and customer safety

See the "Environment" section, §3, "Pollution", for further details on policies and actions.

Description of the process of engagement with consumers

The Group and its Maisons have begun rolling out systems that measure the environmental impact of products, monitor the sustainability of their design (see the "Environment" section, §6.1.2, "Actions and resources used") and consolidate traceability information. LVMH's target is to have an information system in place for all its products (Wines and Spirits, Fashion and Leather Goods, Perfumes and Cosmetics, Watches and Jewelry) by 2026. The information is shared with consumers, either on Maisons' websites via a QR code or directly on product labels. In 2024, more than 31,000 products sold (30,000 in 2023) by the Group's Maisons were already covered by an information system.

For several years, LVMH has taken part in French and European methodological work on environmental labeling, in the fashion industry in particular. LVMH and its fashion Maisons rolled out a tool to meet the requirements of France's new anti-waste law for a circular economy, known as the AGEC law, and specifically its Article 13 relating to the sharing of environmental and traceability information at the time of purchase. In 2024, Sephora launched two new certifications "Clean at Sephora", which avoids controversial ingredients, and "Planet Aware by Sephora", which highlights brands with strong environmental commitments, whether for their ingredients or their packaging. To obtain the certifications, brands must comply with a specified set of 32 criteria. Guerlain has continued to develop its Bee Respect transparency and traceability platform, which can be used to trace the origin of raw materials and packaging components for over 550 Guerlain products, and to discover the Maison's suppliers.

When the Maisons are contacted by customers (stores, mail, website, etc.) about products (quality, safety, composition, origin, etc.), the answers are drafted by the legal teams, assisted by other in-house experts depending on the topic, before being sent to the customer service team, who respond to the customer. These exchanges are a source of inspiration for the Maisons, and can lead to changes in certain internal processes.

4.3 Promoting responsible drinking and preventing risky behavior

4.3.1 Promoting responsible drinking

The Group's Wines and Spirits Maisons promote the art of enjoyment of their drinks and invite their consumers to learn about their heritage and expertise. These Maisons are also fully aware that their primary responsibility to society is to safeguard against risks relating to harmful alcohol use.

Moët Hennessy policy concerning potential negative impacts arising from harmful alcohol use and marketing

Moët Hennessy undertakes to promote moderation and responsible choices with regard to alcohol among its employees, customers and end-users. Raising awareness and educating its consumers, customers and employees about risky behaviors such as harmful alcohol use is a priority.

Moët Hennessy has adopted a firm stance against underage drinking and drinking during pregnancy.

Moët Hennessy fully supports the World Health Organization's goal of reducing harmful alcohol use by 20% worldwide by 2030.

In October 2021, Moët Hennessy joined the IARD (International Alliance for Responsible Drinking), a group representing the world's leading beer, wine and spirits producers, dedicated to promoting responsible drinking. Moët Hennessy is committed to abiding by the standards set by the IARD in relation to its digital marketing and influencer marketing practices, information shared with consumers (particularly through product labeling), online sales and home deliveries. Moët Hennessy is also committed to working with the industry as a whole to make further progress on the topic of responsible drinking.

For more information about the information provided to customers and end-users, see §4.6, "Marketing and commercial practices."

Moët Hennessy initiatives concerning potential negative impacts arising from harmful alcohol use and marketing

Moët Hennessy is involved in the "Wine in Moderation – Art de Vivre" nonprofit, which brings together wine industry professionals from all over the world around a social responsibility agenda, offering information and tools to help industry professionals serve wine responsibly and encouraging consumers to have a responsible relationship with wine and wine culture. On a local level, Moët Hennessy also supports national industry initiatives to promote responsible drinking, such as Responsibility.org in the United States, *Prévention & Modération* in France and other initiatives around the world. A long-standing partnership spanning more than 10 years. Moët Hennessy contributes financially to the effective operation of these organizations and participates in meetings to define the strategy, share best practices and support strategy implementation where necessary. The French and American organizations Moët Hennessy works with do not focus solely on the wine sector (which covers alcoholic beverages). Moët Hennessy's support enables these nonprofits to conduct road safety campaigns, fetal alcohol syndrome prevention programs and music festival prevention work.

Actions concerning restricting access by minors to inappropriate products

Moët Hennessy complies with the obligations in force. Audits are conducted by the relevant local alcohol licensing authorities to provide scrutiny and oversight. To date, no issues related to alcohol or inappropriate content have been found during audits.

4.3.2 Preventing risky behavior

Policy to prevent any harm to health through the early use of cosmetic products

The Maisons in this business group comply with the most stringent international safety laws, including the EU regulation on cosmetic products. Their products must meet very strict internal requirements covering development, quality, traceability and safety.

Description of the process of engagement with customers and end-users

Answers to consumer questions about products (composition, potential dangers) are processed: answers relating to quality/safety are drafted by the regulatory quality team and submitted to customer service to be passed on to the customer.

The following arrangements have been made to engage with the most vulnerable customers and consumers.

- a quality/safety feedback hotline has been set up for people with disabilities. They are able to communicate easily using French sign language or in writing via the Sourdline service, which handles the translation for the Sephora advisor;
- for children and adolescents, age requirements are set to access loyalty programs and certain services and events.

The LVMH Group is driven by a constant focus on protecting the health and safety of its customers and end-users, in particular by avoiding the use of chemicals of concern and of very high concern. §3.4.1 of the "Environment" section outlines how any potentially adverse impacts and risks related to these substances are managed.

Metrics

Indicators used to track progress include the following:

- average time taken to report information in the event of a quality/safety issue;
- number of complaints by type of product;
- brands affected.

4.4 Non-discrimination and inclusion

4.4.1 Description of the related policy

Through the third pillar of its Diversity & Inclusion Policy, focused on image, the Group ensures that the values and principles of an inclusive culture extend to the in-store client experience and advertising campaigns. The Maisons are encouraged to represent the diversity of the Group's customers and markets so that everyone feels welcomed, respected and represented.

Aware of its impact in terms of prescribing beauty standards and its potential role in perpetuating stereotypes through its communications, LVMH adopted a Charter in 2017 that includes the physical appearance of models and fashion models, and it continues to deploy sector-specific policies. The Group endeavors to guarantee that everyone feels welcome, respected and represented, from the advertising campaigns through to the in-store experience.

This certainty echoes its firm commitment to human rights and respect for diversity and gender equality, as set out in its Code of Conduct. For this reason, after consulting industry professionals, LVMH decided to develop rules that go beyond legal obligations.

Physical appearance in the world of Fashion and Leather Goods and Perfumes and Cosmetics

The Group's 2017 Charter on Working Relations with Fashion Models aims to instill real change in the fashion world, in particular by combating stereotypes linked to physical appearance. Brands are committed to excluding size 32 for women and 42 for men (French sizes) from their castings. They must therefore ask agencies to present them with fashion models of at least size 34 for women and 44 for men.

Sephora's policy for distributing Perfumes and Cosmetics products

Operating more than 2,000 stores worldwide with an extremely large clientele, Sephora has recognized the lack of diversity represented in the fashion and beauty industry and seen the implications of this for individuals and society at large. To better understand its role, Sephora listened carefully to its stakeholders before taking bold measures to be more inclusive and make sure everyone is seen, regardless of their identity, physical appearance and origins.

Sephora uses its brand platforms to shine a light on all people, with their boundless forms of beauty, in order to support the growth of diversified brands and storytelling that celebrates everyone's individuality.

In line with LVMH's Code of Conduct, Sephora has drafted 12 diversity, equity and inclusion commitments applying to its entire organization and to its customers and partners. The following three global commitments are crucial for Sephora in respect of customers and end-users:

- guaranteeing an inclusive online and in-store buying experience;
- communicating the Group's position against social injustice and in favor of empowerment of the ecosystem;
- promoting diversity and inclusion through events and global initiatives.

Sephora offers a range of products reflecting the breadth of its customers' needs and an affordable shopping environment that welcomes everyone. The aim is to create fair and equitable experiences for everyone, in partnership with top-tier local and international organizations, in order to advance social equity and to make a difference in the communities in which Sephora operates.

Sephora has taken a number of actions to manage the negative impact that it could have on the mental health of customers and end-users through the portrayal of stereotypes in its advertising campaigns. The "We Belong To Something Beautiful" campaign is Sephora's first global corporate campaign. It inspired further marketing actions, from changing the in-store experience to widening the product range, making a real contribution to redefining beauty. Sephora makes a concerted effort to include all skin complexions in its makeup product ranges to make sure that the products are inclusive and suitable for all.

4.4.2 Description of the process of engagement with consumers

The LVMH Alert Line is available to consumers who wish to report any failure in terms of discriminatory content. Additionally, consumers can contact customer service to report non-inclusive marketing practices. Social media is also frequently used to report such concerns. The comments left about each product also provide a means of communication for customers and are closely examined.

4.4.3 Related actions and resources

Since 2022, the Group's online training "Managing bias and promoting inclusion at LVMH," available in nine languages and accessible to all the Group's employees, educates staff on inclusive practices, particularly welcoming clients in stores (see §1.6.1, "Promoting diversity and inclusion", for more information on inclusive practices). In the regions, digital training courses have also been launched with "Activating Workplace Inclusion" in the United States and "Culture of Respect" in the Asia-Pacific region to promote a more inclusive working environment. These training courses are designed to last over time. At a Maison level, Loewe and Christian Dior Couture, in collaboration with the Group, launched the "Retail Inclusion Program" and "DEI Dior" program, respectively, designed to reinforce in-store teams' skills and provide a more inclusive experience for both clients and employees.

In the United States, under the Open to All anti-discrimination nonprofit program, LVMH together with Moët Hennessy, Rimowa, Benefit Cosmetics, fresh, Kendo, Sephora and other retailers, co-created the Mitigate Racial Bias in Retail Charter (launched in 2022) and brought together over 80 retailers to guarantee a more welcoming retail sales environment for everyone. The goal is to introduce processes and practices that can help to eliminate racial bias from the shopping experience. Since its launch, the signatories have come together every month as part of the collaborative drive to share their best practices, foster partnership-building and achieve a major impact across the retail sector at large. The initiatives will continue in 2025.

In January 2021, Sephora United States published The Racial Bias in Retail Study, its first large-scale report on bias, which measured the risk of unfair and biased treatment on grounds of race in the retail sector in the United States, and spotlighted tactics and actions that can help to eliminate bias from the shopping experience. In 2025, Sephora will consider whether to repeat this study.

In June 2020, Sephora United States was the first top retailer to make a commitment to devote at least 15% of its range to minority- and BIPOC (Black, Indigenous and People of Color)-owned brands, joined by Sephora Canada in 2021. Since then, Sephora has nearly tripled the size of its worldwide range of minority-owned brands. The initiatives will continue in 2025. In 2023, Sephora launched the first Sephora Beauty Grant in the United States in partnership with Fifteen Percent Pledge. The purpose of the 100,000 dollar grant to a beauty sector entrepreneur is to enable it to unlock stronger growth and brand potential. The program was renewed in 2024 and will be continued in 2025 in function of future needs.

The Sephora United States study in 2023 showed that nine out of ten customers with disabilities reported doing their shipping in-store. This study comprises two surveys, one qualitative, the other quantitative. The first was conducted in 12 Sephora stores in Chicago and Houston, the second with 750 customers in the United States and Canada. Based on this report, Sephora designed a series of awareness-raising training sessions for store employees (beauty advisors and store managers) to provide next-level service for customers with disabilities. "Conscious customer service," a three-part training series focused on ableism, invisible and dynamic disabilities, and allyship. In addition, it expanded the use of mobile points of sale in-store to foster accessibility. A new study will be carried out based on future needs.

4.4.4 Related targets

The Group aims to support the Maisons in implementing actions that help to achieve the pillars of its Diversity & Inclusion policy. This global policy lays out a common framework for the Group, which Maisons then adapt to their own ecosystem according to their identity and activity. In collaboration with the Group, the Maisons employ targeted programs that meet global policy targets and that contribute to a more inclusive culture, reflecting the diversity of the Group's customers and markets.

Sephora's global diversity, equity and inclusion roadmap is built around three priority segments worldwide: gender equality and equity, disability and underrepresented communities. For each priority, specific short-, medium- and long-term targets are set. The targets are tracked using special metrics, and the work is supported by a global diversity and inclusion steering committee. The global diversity, equity and inclusion roadmap is updated with regional and local priorities and actions in the areas referred to above.

4.4.5 Related metrics

As the Group's role is to support the Maisons in implementing dedicated actions and partnerships, regular exchanges are organized to achieve the objectives set by the Policy.

4.5 Marketing and commercial practices

In 2024, LVMH developed a global approach called "Sustainable communication for desirable brands." This initiative targeting the Group's Maisons, including all marketing managers and Communication, Image, Media and CSR teams, aims to foster the uptake of new communication practices incorporating the environmental transition plus responsible and transparent practices to mitigate potentially adverse impacts on customers and end-users and amplify its positive effects on customers and end-users.

This is driving the following:

- adoption of new brand and product narratives (lifestyle and behaviors) in sales and marketing communications;
- development and deployment of directives for sustainable creative production, from pre-production through to post-production, rounding out the use of independent solutions such as Carbon'clap, SeCO2, Albert and Adgreen to measure the carbon footprint of printed and video outputs;
- development and roll-out of a carbon footprint calculator specially designed for media spend.

In the United States, the LVMH Group has drawn up guidelines on inclusive communication as part of its Diversity & Inclusion program. The Maisons are urged to focus on pertinent authentic narratives respecting brand identity and aligned with the diversity of consumers. Concrete positive and negative examples are used to illustrate the expectations of the US public. Accommodating the cultural nuances specific to the United States is vital for effective communication. This document provides guidance for the LVMH Group's Maisons.

The actions and various policies deployed are specific to each Maison.

4.5.1 Policies and actions related to the promotion of wines and spirits

Moët Hennessy has had a Responsible Marketing & Communications Code for businesses and the greater public in place for more than 15 years now. The code has been updated regularly, facilitating integration of digital marketing and influencer marketing rules, in line with the commitments made by the International Alliance for Responsible Drinking (IARD). Marketing teams are trained on this code, which is also shared systematically with their external agencies. In addition, Moët Hennessy is a member of the World Federation of Advertisers' Responsible Marketing Pact, an industry standard aimed at preventing minors from being exposed to alcohol marketing. Moët Hennessy carefully selects influencers it works with, making certain they are over the age of 25, that their audience primarily consists of adults, and that anything they publish on behalf of Moët Hennessy is responsible and transparent.

The Group's Wines and Spirits Maisons understand the importance of responsible marketing and labeling.

Moët Hennessy has pledged to provide consumers with clear and precise information about all its wines and spirits, putting them in a position to make informed, responsible decisions. Building on the Group's commitment to provide better access to high-quality information for consumers, it makes information available about product composition, nutritional information, packaging materials, recycling information and recommendations for responsible drinking. Improving access to information and helping consumers make informed decisions is one of the key pillars of the Group's commitment to responsible drinking.

Moët Hennessy has pioneered digital consumer information solutions (i.e. digital labeling) through Hennessy's transparency platform, accessible via QR code on the bottles, which also provides nutritional information. All the Maisons are introducing similar solutions.

In 2024, Moët Hennessy fleshed out its commitment to responsible advertising by launching several major initiatives:

- compliance with the LVMH Code of Conduct hard-wired into the Group's audit framework;
- global external audit intended to safeguard the appropriate level of compliance with Moët Hennessy's digital advertising commitments via all digital platforms (> 95%).

From 2026 onwards, all the new labels in Moët Hennessy's ranges will include each product's alcohol content and nutritional information, along with recommendations aimed at preventing the consumption of alcohol (1) by minors, (2) before driving a vehicle and (3) during pregnancy, displayed directly on the label or via QR codes.

This common commitment made by all the member businesses of the International Alliance for Responsible Drinking (IARD) will be implemented in stages by all Moët Hennessy's Maisons across all its markets where legalization permits.

4.6 Customers' personal data

4.6.1 Description of the related policy

The Group places great importance on respecting its customers' privacy and, in particular, protecting their personal data. To that end, the Group rolled out six broad principles, laid down in the LVMH Code of Conduct published in April 2024 and in the LVMH Privacy Charter introduced in the first quarter of 2025. It was drafted by the Director of Privacy, Technology and Commercial Law, who reports to the Group's General Counsel.

The principles are:

- any processing of personal data must be lawful and must not prejudice other rights or the human dignity of the person concerned (principle of legality);
- the personal data processed must be adequate, relevant and limited to the minimum necessary with respect to the specific purposes for which they were collected and processed (principle of necessity);
- the use of personal data must be limited to achieving the purposes for which they were collected, and in a way that respects the privacy and intimacy of the persons concerned (principle of proportionality);
- the risks that may arise during the life cycle of the personal data must be identified, assessed and documented in order to implement the necessary security measures, to prevent these risks from materializing and to be able to guarantee the confidentiality, integrity and availability of these data (principle of security);
- the persons concerned must be informed of the way their personal data are processed (principle of transparency);
- the persons concerned must be able to exercise control over their personal data (principle of respect for the rights of the persons concerned).

These principles apply to all of the Group's Maisons, wherever they are located, and whatever regulations apply to them, it being understood that if such regulations are more protective of privacy, they will prevail. All members of LVMH's Executive Committee are responsible for meeting these commitments within their respective areas of responsibility. Each of the Maisons' Presidents and all of their employees are responsible for assimilating this shared ethical framework and for putting its principles into practice. The LVMH Code of Conduct is available in several languages on the LVMH Group's corporate website.

Due to the large sector-based and organizational differences between the Maisons that make up the Group (some of which are in competition with each other), each one is responsible for managing its own internal governance.

Each Maison draws up and applies its own customer data protection policy and makes it available to customers via its usual communication channels, and on its e-commerce site where applicable. Note that LVMH, as a holding company, has no customers and therefore has no customer data protection policy.

To ensure compliance with the Code of Conduct principles, applicable laws, and its own policy, each of the Group's Maisons has appointed a Privacy Leader who oversees compliance in this area within their Maison. This is either a Data Protection Officer for the Group's Maisons that are located within the European Union, or a Privacy Leader for Maisons outside the European Union.

These individuals belong to a community that meets at least monthly to discuss and share experience.

Self-assessment campaigns are launched annually (see §4.6.5).

4.6.2 Description of the process of engagement with consumers

Given the significant sectoral and organizational disparities within the Group, each Maison organizes its consumer interaction processes independently, in compliance with the principle of transparency (see §4.6.1) set out in the LVMH Code of Conduct and in accordance with applicable regulations.

For example, for Sephora's French business, customers with requests relating to their personal data can contact the Data Privacy team via a generic email address. These requests are handled by the Data Protection Officer's (DPO) department in accordance with the applicable regulations and in coordination with the other department(s) concerned (e.g., customer service). A response is then sent to the customer.

4.6.3 Related actions and resources

The related actions and resources vary according to the internal governance implemented by the relevant Maison and its marketing and business strategies.

For example, Louis Vuitton Malletier's data protection department has created awareness-raising videos on personal data protection for its in-store sales force. These videos are shown in all stores, and the Maison keeps track of the people who have viewed the videos.

4.6.4 Related targets

The Group rolled out six broad principles, laid down in the LVMH Code of Conduct published in April 2024 and elaborated in the LVMH Privacy Charter, both published in the first quarter of 2025. These principles must be observed regardless of the products sold or services rendered and regardless of where the Maison operates.

4.6.5 Related metrics

To monitor the level of compliance of the Group and its Maisons, the ERICA system includes optional control points relating to the protection of personal data.

The audit points address mainly two topics:

- the existence within each Maison of a person responsible for the respect of privacy (Data Protection Officer or Privacy Leader), this person's expertise and the resources allocated to them;
- the Maison's level of compliance with the principles of the LVMH Code of Conduct.

These control points are currently optional, but will be mandatory from the 2026 campaign, which will control 2025 compliance. The control campaigns are conducted annually.

Sustainability Report and Vigilance Plan

Governance

The operational implementation of the Group's values and ethical framework is driven by LVMH's dedicated governance structure.

1. Business conduct

1.1 Governance dedicated to business conduct priorities

To ensure that a strong culture of ethics is disseminated as effectively as possible, LVMH has put in place a governance structure adapted to the Group's profile, operational realities and decentralized mode of operation.

The LVMH Board of Directors' Sustainability & Governance Committee – made up of Independent Directors – ensures compliance with the individual and shared values on which the Group bases its actions. Its main duties are to:

- assist the Board of Directors in defining the Group's broad strategic direction with regard to workforce-related, ethical, environmental and climate-related matters;
- help define rules of conduct to guide the behavior of senior executives and employees;
- ensure compliance with these rules and monitor the systems put in place.

The Chairman and Chief Executive Officer and the Executive Committee of LVMH uphold the Group's strong commitment to ethics and social and environmental responsibility.

The Group's Ethics & Compliance Department steers and coordinates LVMH's procedures with regard to anti-corruption, respecting international sanctions and anti-money laundering. It reports to the Group's Director of General Administration & Legal Affairs, a member of LVMH's Executive Committee who reports directly to the Chairman and Chief Executive Officer.

The Ethics & Compliance Department informs the Sustainability & Governance Committee of the Group's progress with regard to ethics and integrity. In 2024, the Group's Privacy, Ethics & Compliance Department addressed the Executive Committee on four occasions.

A network of Ethics & Compliance correspondents exists within the Group's Maisons: their role is to implement the Group's ethical standards within their respective organizations. As of December 31, 2024, the Ethics & Compliance community consisted of 111 correspondents and compliance officers within the Group, as well as 80 regional correspondents from internal networks of the Maisons. LVMH's Ethics & Compliance Department coordinates this network both globally and through local initiatives thanks to its dedicated teams within LVMH holding companies in the Americas and Asia-Pacific.

The Maisons' Presidents are responsible for disseminating the Group's internal ethical standards and principles within their respective organizations and ensuring they are effectively applied. The Ethics & Compliance correspondents of each Maison present their Ethics & Compliance Committee with the status of the implementation of the compliance program within their Maison.

The Group's Privacy, Ethics & Compliance Department works closely with a number of Group departments that each contribute to implementing compliance measures effectively, such as Human Resources, Purchasing, Finance, Audit and Internal Control, Legal, and Anti-Counterfeit Protection.

Targets related to ethics, environmental and social responsibility are included in the criteria for payment of the Chairman and CEO's and the Deputy Chief Executive Officer's variable compensation.

Christian Dior's Board of Directors reviews the work carried out by LVMH relating to ethics and compliance, in particular at presentations given to it by LVMH's Privacy, Ethics & Compliance Director.

1.2 Material impacts and risks

The double materiality assessment conducted across all Group regions and activities to assess business conduct priorities has highlighted the material impacts and risks that naturally form part of the Group's Ethics & Compliance strategy.

Accordingly, the Group is implementing policies and systems to prevent the potential impact that the following practices could have on society and on the Group's stakeholders:

- incidents of corruption;
- money laundering;
- incidents related to observing economic sanctions;
- violations of whistleblower rights.

The ethics and compliance policies and systems also aim to address the material risks that the Group could be exposed to in the event of acts of corruption, anticompetitive practices, practices in breach of international sanctions, practices that violate the Group's image in the event of an unchecked abundance of counterfeit products in the market or a controversy related to animal welfare.

1.3 Business conduct policies and corporate culture

1.3.1 Business integrity policy

The LVMH Group is steadfast in its determination to adhere to its ethical principles at all times and act in accordance with applicable laws and regulations concerning, in particular, preventing corruption and money laundering, and respecting international sanctions. The Group implements compliance policies set by the Ethics & Compliance Department and rolled out by its network of officers within the Maisons.

Accordingly, LVMH has created a standards framework – including codes, charters and internal policies – that sets out the Group's commitments in this area. Alongside the procedures defined and implemented by the Maisons, they form the ethical framework governing all actions taken by LVMH, its employees and its partners.

In these documents, the Group emphasizes its commitment to compliance with benchmark international standards relating to ethics, and social and environmental responsibility (in particular the Universal Declaration of Human Rights; the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights; the United Nations (UN) Guiding Principles on Business and Human Rights; the International Labour Organization's Fundamental Conventions; and the OECD Guidelines for Multinational Enterprises). This commitment is vital to ensuring the credibility of its approach to ethics.

LVMH's General Administration & Legal Affairs Department is responsible for implementing the Group's policies as described below in relation to business conduct. The Group's Maison Presidents are responsible for the implementation of these policies in their respective areas.

Christian Dior and LVMH Codes of Conduct

The Christian Dior and LVMH Codes of Conduct, which provide a common ethical foundation for the Group and its Maisons, outline the rules to be followed by all employees as they go about their work. It applies to all employees in each Maison, across every business sector and geographic region.

The new version of this code, published in April 2024, has been signed by every member of LVMH's Executive Committee. Available in 25 languages on the LVMH website and available on the Group and Maison Intranet platforms, it is communicated to all Group employees, in particular when they join the Company.

It is also included in employee training to promote the Group's ethical culture and its principles. In addition to the in-person training programs on this subject, an e-learning module to raise awareness was rolled out at a Group level in the second half of 2024 (see §1.3.2 below).

The Codes of Conduct are built on three key pillars: a committed Group; a responsible employer; a Group with high standards of integrity.

They reflect the Group's commitments in terms of ethics, and social and environmental responsibility, along with the recent initiatives recently taken in these areas, and refers to the charters and policies created within the Group to address these topics.

The Group's Maison Presidents are responsible for the implementation of this code in their respective areas.

Business Partner & Supplier Code of Conduct

As mentioned above (see the "Social" section, §2.2.1), The LVMH Business Partner & Supplier Code of Conduct, which was updated in September 2024, sets out the Group's expectations of its partners (suppliers, service providers, distributors, specialist trades, lessors, etc.) and their subcontractors. The Code includes, in particular, a section on business conduct that defines the following principles: combating corruption and influence-peddling, combating money laundering, compliance with trade restrictions and international sanctions, fair competition, preventing insider trading, respect for privacy and personal data protection, customs legislation, protecting assets, and so on. The Group's partners are required to respect the principles of this Code and must also ensure that their own subcontractors and suppliers do the same. The Business Partner & Supplier Code of Conduct has been rolled out across all of the Group's Maisons.

Anti-corruption policy

The Group has developed its own Anti-Corruption Charter, published in April 2024. This charter reiterates the zero-tolerance policy applied by LVMH with regard to corruption and influence-peddling to prevent potential impacts and manage the associated risks. It establishes a set of common rules of conduct for all Group employees aimed at preventing corruption. This Charter describes the anti-corruption compliance program implemented by LVMH in accordance with France's "Sapin II" law of 9 December 2016, to prevent, detect and manage corruption risk (see §1.4 below for more details).

All Maison employees must take part in anti-corruption awareness training. In addition, Group employees in the areas that are most exposed to the risk of corruption and influence-peddling (governing bodies, purchasing, marketing, architecture and store planning, human resources and logistics) receive specific training.

Directives for combating money laundering

The Group defines the actions to be taken in every country in which it operates, to avoid its operations being used as a vehicle for money laundering and, more generally, to prevent the negative impact that money laundering can have on society. The Group's anti-money laundering guidelines meet local regulatory requirements, in particular those of the French Monetary and Financial Code. They serve as a reminder to the Maisons of how important it is to comply with cash payment limits in each country in which the Group operates. Additionally, the Maisons are required to conduct risk analyses of the most susceptible transactions and customers so that the necessary prevention measures can be taken to address the risk of money laundering.

International sanctions compliance policy

All over the world, the Group is committed to respecting applicable international sanctions. The Group has implemented measures to ensure that its Maisons comply with sanctions both individually and as a sector, employing increased vigilance in North Korea, Cuba, Iran, Syria and Russia, which are subject to very strict sanctions to ensure the respect of legal restrictions. The Group manages these economic sanctions using a risk-based approach, implementing the following measures:

- screening to ensure that the Group does not do business with people or entities on asset freeze target lists;
- clauses relating to sanctions compliance included in contracts;
- specific measures to ensure compliance with import and export controls on restricted products.

All of these measures are regularly monitored by the Group's Control and Internal Audit Departments.

Competition law compliance policy

The Group's commitment to free and fair competition is formalized in the LVMH Competition Law Compliance Charter, which aims to help develop a true culture of compliance with competition rules within the Group, thereby precluding the risks associated with anti-competitive practices. This charter sets out the main rules relating to Competition Law and defines the standards of conduct that must be implemented by all employees on a day-to-day basis as they manage relationships with business partners – suppliers, customers and competitors.

Maison-specific policies and procedures

The Group's Ethics & Compliance Department implements a shared set of rules and tools that aim to facilitate prevention, detection and remediation of prohibited behaviors in the areas mentioned previously (excluding compliance with Competition Law, which is managed by the Group's Legal Department).

Given the diversity of the LVMH ecosystem and its decentralized organizational model, Maisons have developed their own policies, procedures and tools adapted to their specific business contexts and risks, in compliance with the framework established by the Group's policies outlined above.

Group whistleblowing system and whistleblower protection policy

LVMH encourages a culture of dialogue and communication within the Group. Any employees and external stakeholders who have questions about how to interpret internal regulations or have any ethical concerns are invited to make this known or ask for advice.

The Group has also implemented a whistleblowing system to collect and examine reports of illicit behavior or behavior contrary to its internal principles of conduct, which aims to protect whistleblowers and prevent potential negative effects on society that would constitute a violation of whistleblower's rights. Any current or former employee of the Group and any external Group stakeholder (including suppliers, subcontractors, etc.) can make a report, from anywhere around the world.

The Group's Whistleblowing Policy sets out the reporting channels that exist within the Maisons and other Group entities as well as the rules governing gathering and processing reports. These rules detail how reports are screened, how corrective measures are taken where a breach of the Group's internal rules is identified and how whistleblowers are protected (in compliance with Directive (EU) 2019/1937 of October 23, 2019 relating to whistleblower protection and with French Law No. 2022-401 of March 21, 2022 aimed at improving whistleblower protection). The Presidents of the Group's Maisons are responsible for implementing this policy in their respective organizations.

Employees and external stakeholders are made aware of the whistleblowing system through displays, written communications and videos (see §1.3.2 below). The Group Code of Conduct includes a section dedicated to the whistleblowing system. The Business Partner & Supplier Code of Conduct, signed by the Group's partners, also contains a section explaining the LVMH whistleblowing system available to them, as well as a hypertext link takes them to the Whistleblowing Policy on the Group website.

This Whistleblowing Policy is published on LVMH's website and the intranets of the Maisons. The Group's employees are made aware of the policy through communications or actions to raise awareness at each of the Maisons. The online Code of Conduct training module for all Group employees describes how to make a report and provides access to the Whistleblowing Policy.

The Group's whistleblowing system promotes internal dialog within the Group Maisons and entities, and therefore refers reports to Human Resources and the Ethics & Compliance officers, acting as internal reporting channels.

In addition to these internal channels, LVMH has set up the "LVMH Alert Line", a secure centralized whistleblowing system that ensures that the person submitting the report remains anonymous. This online platform, which can be accessed in fifteen languages from the Group's website (https://www.lvmh.com/lvmh-alert-line/), serves to collect and process reports submitted in good faith by employees or external stakeholders concerning situations liable to constitute infringements of laws, regulations, the LVMH Code of Conduct or charters and policies put in place by the Group or its Maisons.

When an incident is reported on the LVMH Alert Line, it is received by the Group's Ethics & Compliance Department and then passed on to the Ethics & Compliance Officer of the Maison concerned. As an exception, to ensure that reports received are treated impartially and objectively, some cases are handled directly by the Group if:

- the incident reported relates to members of LVMH's Executive Committee or the governing bodies of the Maison concerned;
- the allegations made implicate the Maison's Ethics & Compliance Officer, or there is a conflict of interest or a situation that could compromise their impartiality;
- the report contains allegations of possible reprisals following a report handled by a Maison.

The Group ensures that there are no disciplinary measures or reprisals against whistleblowers who have reported an incident in good faith, or against anyone who has assisted them:

- Human Resources ensures that the whistleblower does not experience any reprisals;
- any person carrying out reprisals is subject to disciplinary procedures;
- those responsible for handling the reports are required to maintain confidentiality and need to sign a confidentiality agreement.

Those in charge of receiving and handling reports are regularly trained, particularly regarding the principles of confidentiality and impartiality to be applied and the need to protect whistleblowers (see the related actions below, §1.3.2).

Evaluating corporate culture and the compliance program

The Group Ethics & Compliance Department meets and consolidates information relating to the implementation status of the Group's compliance program in the Maisons through a detailed annual reporting process.

In addition, LVMH's internal control framework includes a set of verifications for Ethics & Compliance, which are checked through assessments concerning design and efficiency by the Group's various entities. The anti-corruption, money laundering prevention and international sanction compliance systems implemented by the Maisons are subject to an annual audit process using the Enterprise Risk and Internal Control Assessment (ERICA) approach. The audit points include the following items:

- observance of the Code of Conduct and the Anti-Corruption Charter and their communication to employees of the Maisons;
- appointment of an Ethics & Compliance Officer and an Ethics & Compliance Committee within each Maison;
- existence of a whistleblowing policy, implementation of communications regarding the internal whistleblowing system and training for those in charge of handling reports;
- existence of a corruption risk map;
- existence of procedures for declaring conflicts of interest as well as gifts and hospitality;
- existence of a third-party evaluation procedure;
- completion of anti-corruption modules by employees identified as particularly exposed to corruption risk;
- existence of anti-corruption accounting control procedures;
- compliance with applicable international sanctions programs;
- implementation of measures to safeguard against the risks of money laundering.

Lastly, the Internal Audit Department, responsible for third-level controls, carries out audits focused on ethics and compliance issues. Specific audits were conducted in 2024 as they are every year to ensure that the program had been properly rolled out within Maisons and their subsidiaries.

1.3.2 Actions taken by the Group in 2024 relating to its business integrity policy

Training and awareness initiatives

A number of communication, awareness and training initiatives have been implemented to prevent infringements of various Group business conduct policies.

For example, the Maisons' Ethics & Compliance Officers receive ongoing training to prepare them to implement the ethics and business integrity policy within the Group and disseminate this culture within their respective Maisons. Since 2022, the Ethics & Compliance Academies have been bringing together officers from the Maisons for regional, in-person training days focused on the Group's anti-corruption procedures and processing reports. In 2024, these Academy gatherings took place over three days in April and June, bringing together communities in the Europe (held in Paris), Asia-Pacific (held in Shanghai) and Americas (held in New York) regions, respectively.

Annual Compliance Days also provide an opportunity for the Group's Ethics & Compliance Director to bring together their team, review the previous year and set out objectives for the year ahead. At these events, the Ethics & Compliance Director invites the Maisons to share best practice and brings in experts to enrich the Group's culture of ethics. In 2024, this event was held in Paris on November 13 and 14 and brought together around 130 people (Ethics & Compliance Officers and representatives of functions involved in rolling out the Group's ethics and compliance program), as well as the Chairman of the Sustainability & Governance Committee of the Board of Directors and a number of members of LVMH's Executive Committee.

In addition to these annual meetings, the Group Ethics & Compliance Department brings together its network of officers for work sessions organized from time to time following regulatory or internal developments. Lastly, the Ethics & Compliance Department shares a range of resources (summary documents, guides, best practice, communication materials, awareness videos, etc.) via an Ethics & Compliance Intranet and a dedicated communication channel.

In the Maisons, various training and awareness initiatives take place for employees, either in-person or as online modules. This is particularly key when onboarding new hires to communicate and promote the Group's ethical culture.

Accordingly, an e-learning module designed to raise awareness of the principles underpinning the Code of Conduct (set out above) was rolled out to the Maisons in the second half of 2024. This module is aimed at all Group employees, raising their awareness of how to comply with the Group's ethical principles and translate these principles into specific behavior in their day-to-day work. References to the Group's internal charters and policies are included, so that employees can refer back to them. This module also informs employees about the Group's existing whistleblowing system, describing the reporting channels and referring employees to the Whistleblowing Policy. Moreover, employees are reminded that reports are handled impartially and in complete confidence, and that reprisals will not be tolerated, both against anyone using the system in good faith and anyone helping them.

Anti-corruption awareness and training initiatives are also implemented as part of the Group's integrity policy (see §1.4.2 below).

Whistleblowing system

The above-mentioned whistleblowing system plays an important role in implementing the Group's integrity policy.

The Maisons issue regular communications about this whistleblowing system, notably when welcoming new employees, through training sessions, either in person or using communication materials such as displays or awareness videos. Employees are informed in particular about how they can access the system and the fact that the Group prohibits any retaliation against whistleblowers using the system in good faith.

As mentioned above, those responsible for receiving reports at the Maisons receive regular training, in particular during the Ethics & Compliance Academies, organized April and June 2024 in Paris, New York and Hong Kong. These events gave the 113 compliance officers access to ongoing training in how to correctly apply the Group's whistleblowing policy, particularly using practical case studies.

Reports received are handled in compliance with the Group's Whistleblowing Policy and, where applicable, give rise to investigations – conducted in compliance with the relevant legal framework – and corrective actions, such as training, awareness initiatives, reminders about internal rules, termination of the business relationship with a Group partner, and disciplinary procedures, which can extend to employee dismissal. Alerts and the resulting corrective actions can be used to help improve risk identification and prevention procedures, as part of a continuous improvement approach specific to the Group's ethics policy.

1.3.3 Related metrics

The metrics provided in the "Governance" section are not reviewed by an external body other than the sustainability auditor.

As of 31 December 2024, 58,218 employees of the Maisons had completed the new LVMH Code of Conduct e-learning module rolled out within the Maisons from the second half of 2024.

In 2024, 806 reports were received through the Group's whistleblowing system (LVMH Alert Line), of which 60% had to do with human resources matters. In addition, 938 reports were received in 2024 through other whistleblowing channels specific to the Maisons and Group entities; 66% of these reports were in relation to allegations concerning human resources-related matters. See the "Social" section, §1.4.1, for more information.

1.4 Fraud prevention and detection

1.4.1 Zero-tolerance policy on corruption and influence-peddling

LVMH has a zero tolerance policy with regard to corruption and influence-peddling to prevent possible impacts and the associated risks. Pursuant to the Sapin II law of 9 December 2016, the Group has implemented an anti-corruption compliance program to prevent and detect corruption and influence-peddling.

The Maison Presidents and their Management Committees are responsible for the implementation of the anti-corruption program in their respective business areas. They ensure policies and procedures for their own Maisons are applied correctly.

LVMH Anti-Corruption Charter

LVMH's Code of Conduct reflects the Group's commitment to combating corruption. The LVMH Anti-Corruption Charter expands on the Code's content, and forms the benchmark framework in terms of corruption and influence-peddling prevention.

The LVMH Anti-Corruption Charter was published in April 2024 and applies to all Group employees, all around the world. It is available in 20 languages on the LVMH website and is also available on the Group and Maison Intranet platforms. It is communicated to all Group employees, in particular when they are onboarded, and is incorporated within the Rules of Procedure.

The Anti-Corruption Charter asks employees to demonstrate vigilance in their everyday working lives in order to identify and best manage situations that are liable to expose them, and the Group, to a risk of corruption. Developed based on the Maisons' corruption and influence-peddling risk mapping, it uses specific examples to define and illustrate different types of prohibited behavior and how to respond in risky situations, particularly with regard to gifts and hospitality, conflicts of interest, recruitment, facilitation payments, use of agents and intermediaries, donation activities, corporate giving and sponsorship.

The Charter highlights that Group employees and senior executives who contravene the principles and rules that it states expose themselves to disciplinary actions in proportion to the gravity of the events, and that may include dismissal. It also highlights the governance policies implemented in the Group to ensure the dissemination of a strong ethical culture.

Anti-corruption policies and procedures

The Group issues policies that are adopted by the Maisons in order to implement its anti-corruption program. For example, the Group's Whistleblowing Policy defines the rules for receiving and handling reports, both at Group and Maison level.

The policies and procedures that are specific to the Maisons expand on the Group policies: They define and state the content and implementation process for rules governing each pillar of the LVMH anti-corruption compliance program, based on the risks identified in their own corruption risk mapping.

In particular, in addition to the LVMH Anti-Corruption Charter, the Maisons have implemented their own rules and procedures for managing risks in relation to declaring gifts and hospitality, and conflicts of interest. Likewise, the Maisons have implemented their third-party business integrity assessment system to identify potential risks linked to suppliers.

In the event of non-compliance with anti-corruption policies and procedures, employees will be subject to disciplinary sanctions that may extend to dismissal. Business partners may have their relationship with the Group terminated. Corrective measures may also be taken, such as actions to raise awareness or training.

Corruption risk map

The Maisons identify and prioritize corruption and influence-peddling risk scenarios specific to their own business through dedicated risk mapping exercises based on interviews with representatives of the various functions and regions. These risk maps show the exposure of the Maisons to corruption risk and allow for the development of action plans to manage the risks identified. The risk maps and resulting action plans are presented to the governing bodies of the Maisons.

These risk maps were consolidated by business sector in 2022. They will be consolidated again once the Maisons have updated their risk maps.

Awareness-raising and training policy

Group employees must take part in anti-corruption awareness training.

Moreover, Group employees in areas that are the most exposed to the risk of corruption and influence-peddling receive training that is relevant to their business activities and the risks that they face specifically (see below, §1.4.2).

Anti-corruption whistleblowing system

Every employee faced with a situation that could be characterized as violating the principles contained in the LVMH Anti-Corruption Charter or in the Maisons' internal policies is encouraged to report the situation immediately using the Group whistleblowing system described above (see §1.3.1). In addition to the Maisons' existing channels, the LVMH Alert Line receives reports from employees and external stakeholders, in particular relating to potential acts of corruption and influence-peddling.

The Group's Whistleblowing Policy sets out rules on gathering and processing reports. They require that investigations are conducted in a reasonable time frame, completely confidentially, diligently, independently, objectively and on a proportionate basis (see §1.3.1, in particular cases handled directly by the Group to ensure impartial handling of reports). Guidelines specify the rules and best practices to be applied by those in charge of enquiries. Those in charge of receiving and handling reports are also regularly trained, particularly regarding the principles of confidentiality and impartiality to be applied through the report handling process and the need to protect whistleblowers.

The Group Ethics & Compliance Department informs the Director of General Administration & Legal Affairs, a member of the Executive Committee, of the results of any investigations into allegations of corruption or influence-peddling. The Board of Directors, via its Sustainability & Governance Committee, is also informed of the number of reports received, the categories with the highest number of reports and the results of any investigations into allegations of corruption.

In their respective Maisons, the Maison Presidents are notified about sensitive reports, in particular those that include allegations of corruption.

Control and assessment of the anti-corruption system

LVMH regularly audits the implementation of its anti-corruption compliance program throughout its organization.

First-level controls are completed, mainly at an operational level, in particular by managers (example: in relation to training).

As mentioned previously, the ERICA approach – led by the Internal Control Department – contributes significantly to second-level controls and assessment of the Group's anti-corruption system, with ten anti-corruption audit points checked annually (see §1.3.1 above).

Lastly, the Group's Internal Audit Department, responsible for third-level controls, carries out audits focused on the anti-corruption compliance program within the Group's Maisons.

1.4.2 Actions implemented as part of the Group's anti-corruption policy

To prevent the risks of corruption and teach employees how to detect them, various awareness initiatives take place in the Group, either in-person or as online modules. This is particularly key when onboarding new hires.

In addition to the awareness initiatives implemented by the Maisons, the Group has also developed an e-learning module to raise awareness about combating corruption. The new version of this module was rolled out to the Maisons in the second half of 2024. This new module supports the Group's Anti-Corruption Charter. It describes the different types of corruption and indicates the disciplinary and criminal sanctions that they may incur. It highlights that everyone has a part to play and illustrates the behaviors to display and avoid using practical examples and role plays that relate to Group business activities.

The Maisons have also developed specific mandatory training programs for certain roles that are most exposed to the risk of corruption and influence-peddling. This detailed training program has been rolled out by the Maisons, based on their risk mapping, to train staff in roles exposed to these risks to recognize situations that entail a risk depending on their business activities, particularly using personalized practical examples. These dedicated training programs make reference to the anti-corruption system, picking up on the definition of corruption and its various forms, the sanctions that it incurs, and the behavior to display when faced with situations that entail a risk and are relevant to their business activities.

In 2024, the Maisons used this program to deliver personalized training to a number of its at-risk departments, in person or via videoconference. In addition, as with all employees, 100% of staff in at-risk roles take part in anti-corruption awareness training (either using the Group's awareness module or through an equivalent initiative at Maison level).

Members of LVMH's Board of Directors and the Executive Committee are regularly informed about anti-corruption issues and kept up to date about the rollout of the anti-corruption compliance program within the Group. Additionally, they have been invited to complete the LVMH Code of Conduct and anti-corruption e-learning modules.

Lastly, as mentioned above, the staff responsible for receiving reports at the Maisons are trained to handle and investigate allegations of corruption and/or bribery in an entirely confidential and impartial manner.

1.4.3 Related metrics

As of 31 December 2024, 36,235 employees of the Maisons had completed the new Group anti-corruption e-learning module rolled out from the second half of 2024. In addition, 30,589 employees have received anti-corruption awareness training on the basis of other modules or in-person training courses at each Maison.

In 2024, no convictions were handed down to any of the Group's Maisons for violation of anti-corruption legislation.

1.5 Special attention paid to combatting counterfeiting

1.5.1 Policy to protect and enforce the Group's intellectual property rights

The Group attaches particular importance to the promotion, protection and enforcement of its intellectual property rights, which are essential strategic assets.

The intellectual property policy applying to the entire LVMH Group is based, among others, on the following principles:

- **protection and enforcement of intellectual property rights**: the Group and its Maisons make a point of actively protecting all its creations and intellectual property assets, for example by registering trademarks, designs and models, copyrights and patents, in France and worldwide. LVMH and its Maisons actively enforce these rights through administrative and legal procedures and also makes certain that its manufacturing secrets are protected by putting in place confidentiality measures (for example through the signature of confidentiality agreements with its employees, partners and suppliers), to ensure that sensitive information is not disclosed or used inappropriately;
- **anti-counterfeiting**: the Group operates an active anti-counterfeiting policy aiming both to protect the reputation and enforce the intellectual property rights of the Group's Maisons and additionally to protect consumers, who are also victims of counterfeiting, which can even put their health at risk in some cases. Across the world, the Group and its Maisons cooperate both directly and through a network of private investigators and lawyers with the relevant public authorities and with market players in the digital world (for example various e-commerce platforms, in order to enhance the protection of the Group's intellectual property rights and counter the online advertising and sale of counterfeit products), and pursue an awareness-raising policy to publicize the harmful consequences of counterfeiting, including with umbrella organizations such as Unifab;
- **fight against parallel retail**: LVMH fights the sale of its products through parallel retail networks, in particular by developing the traceability of some of its products in order to follow these items from their production to their final sale. This traceability enables the Group to detect and prevent leaks into unauthorized distribution channels. Through these concerted efforts, the Group protects not only its brand but also consumers, by offering them guarantees that the products they buy are authentic and of high quality.

This policy, which is strictly and consistently implemented across all of the Group's Maisons, is a reason for customers and partners to trust the Group. It is proof of the Group's long-term commitment to its fundamental values of creativity, innovation and excellence.

At holding company level, policy relating to intellectual property is handled by the Legal Department, which reports to the Director of General Administration & Legal Affairs, who is a member of LVMH's Executive Committee. The topics covered range from the management of portfolios of intellectual property rights (enforcement of intellectual property rights and associated filings), to the handling of pre-litigation and litigation and contractual documents (drafting of licenses, transfers, coexistence agreements, etc.). The Group Intellectual Property Department is supported by a global network of legal advisors (intellectual property specialists and lawyers) and is in regular contact with the Maisons' intellectual property departments. At Maison level, when the Maison has such legal experts or a dedicated department, they directly handle intellectual property policy in order to defend intellectual property rights of their Maison worldwide. At some Maisons, the Intellectual Property Department reports directly to the President of the Maison.

In addition, the holding company's Anti-Counterfeiting Department focuses on preventing and eliminating breaches of the intellectual property rights of Maisons that do not have their own dedicated department. It determines and implements anti-counterfeiting and anti-gray-market policy for both offline and online markets. Its worldwide efforts aim to dismantle criminal networks that breach intellectual property rights and damage the reputation of brands. It implements monitoring, intelligence and coordination actions with the relevant local authorities. This department works in synergy with the Intellectual Property Department to ensure that intangible assets are afforded complete and effective protection.

For Maisons that do have a dedicated department, anti-counterfeit measures are managed directly by these Maisons on both a local and worldwide level, in coordination with the Anti-Counterfeiting Department.

In addition, the Group Patent and Technological Partnership Department, under the responsibility of its Director, provides the Maisons that wish to take advantage of it with advice regarding both research contracts and patent filings. The work undertaken by its specialists (patents engineer and R&D contract legal expert) with the support of a network of legal advisors (patent advisors and lawyers) aims to protect technological innovations and secure the Group's investments in research and development through partnership agreements with stakeholders from the private or public research sectors.

1.5.2 Related actions and resources

For the LVMH Group, actions and resources linked to intellectual property policy are crucial and cover a large spectrum of activities.

With regard to actions:

- **identification and valuation of assets**: each of the Group's Maisons is careful to identify and value its intellectual property assets (patents, trademarks, designs and models, manufacturing secrets, expertise, etc.) to put in place a suitable protection and defense strategy for these assets. This involves working in close collaboration with the creative, operations, technical and marketing teams in each Maison;
- **legal protection**: when this is considered appropriate, the Group and its Maisons pursue a policy of registering trademarks, designs and models, copyrights and patents in key jurisdictions;
- **intellectual property portfolio management**: the Group and its Maisons keep their global intellectual property rights portfolios updated on a daily basis, in association with intellectual property advisors, and in doing so are able to centralize information, track deadlines, optimize costs and maximize the value of assets;
- **enforcement of rights**: implementation of procedures to monitor breaches of intellectual property rights (counterfeiting, unfair competition, etc.) and enactment of appropriate actions to enforce them (for example via a monitoring system for trademarks registered by third parties worldwide). To achieve this, the Group and the Maisons work closely with specialized law firms, intellectual property advisors and specialist investigators, in addition to actions carried out internally by their teams;
- **contracts linked to intellectual property**: the Group's legal experts, as well as the legal experts of those Maisons that have a dedicated intellectual property department, write, negotiate and manage all the contracts relating to intellectual property rights (such as license, assignment, collaboration, technology transfer, creation, ambassador and other contracts), ensuring that the interests of the Group and the Maisons are protected;
- **anti-counterfeiting**: implementation of a proactive anti-counterfeiting strategy, including: (i) monitoring work online and on the ground (specialized teams to monitor online sales and physical points of sale); (ii) seizure of counterfeit goods by the relevant public authorities (in collaboration with international police and customs services, the Group and the Maisons that have a dedicated department organize operations to intercept counterfeit products before they reach the market and withdraw them if they do); (iii) legal action against and prosecution of retailers, wholesalers, manufacturers and physical and digital distributors of counterfeit products; (iv) awareness-raising campaigns and training programs for customs services and law enforcement agencies;
- **collaboration and partnerships**: LVMH and the Maisons that have a dedicated intellectual property department work in close collaboration with the public authorities, trade organizations (APRAM, Unifab, Union des Marques, etc.) and other luxury sector bodies (FHCM, FEBEA, etc.) to promote the protection of intellectual property and combat counterfeiting;
- **internal training programs and working groups**: the Group's Intellectual Property Department regularly holds training and work sessions with legal experts from the Maisons to discuss current topics and changes in regulations, legislation and case law.

With regard to resources;

- **specialized legal teams**: the Group and some of its Maisons have legal specialists with expertise in intellectual property, trademark rights, patents, designs and models, copyright, unfair competition and free-riding;
- **anti-counterfeiting experts**: dedicated teams within the Group as well as some Maisons work closely with the public authorities, a network of private investigators and lawyers covering 75 countries and specialist online surveillance agencies;
- **earmarked budget**: a large budget is allocated to the protection and enforcement of intellectual property rights at Group level and within the Maisons concerned, covering filing fees, clearance, administrative and legal actions, lawyers' and associated intellectual property advisors' fees, and investigation expenses;
- **network of external partners**: LVMH and its Maisons work closely with its global network of specialized law firms, intellectual property advisors and anti-counterfeiting specialists.

1.5.3 Related metrics

In 2024, the Anti-Counterfeiting Department carried out 15,615 anti-counterfeiting actions (customs seizures or carried out by the relevant local authorities) leading to the seizure of more than 9.2 million counterfeit products across the world.

As regards combatting counterfeiting online, over 2.42 million pieces of illicit content were taken down following reports by the Anti-Counterfeiting Department.

1.6 Supplier assessment and support

LVMH operates a long-standing supplier assessment and support system, based on a shared desire for excellence.

1.6.1 Description of the policy

The LVMH Group and its Maisons maintain close relationships with their suppliers and in particular those that are strategic for the running of the Group's business activities. The processes may vary according to the nature of the relationship: monopolistic, exclusive, long-term, competitive, startup or SME.

The Group's corporate social responsibility policy includes compliance across all the Group's value chains with the Business Partner & Supplier Code of Conduct described above. This policy is the responsibility of Jean-Jacques Guiony, a member of LVMH's Executive Committee member and the Group's Chief Financial Officer.

This policy is laid out in full in the Group's vigilance policy, presented in the "Vigilance Plan" section of this document (see §2, "Governance", §3, "Overview of risk mapping methodology" and §5, "Monitoring and steering").

To guarantee that value chains are responsible and transparent, it is necessary to promote the implementation by business partners and suppliers of environmental management systems based on internationally recognized standards. The Group encourages the enactment of joint initiatives on environmental topics with its competitors, to act as a positive catalyst for the entire ecosystem, by accentuating cooperation with suppliers and market players.

The Group bases its actions on its certification policy, which was formally established in 2016.

The Responsible Purchasing Committee, which consists of the purchasing managers of the Maisons and certain strategic supply chains, is particularly attentive to environmental and human rights commitments.

LVMH considers it very important that its suppliers, business partners and subcontractors, as well as the Group's Maisons, abide by a shared body of rules, practices and principles in relation to ethics, corporate social responsibility and environmental protection.

Consequently, each of the Group's Maisons asks its suppliers and business partners to comply with, and ensure that their own suppliers and subcontractors comply with, the principles laid down in the Business Partner & Supplier Code of Conduct.

This Code, which was initially published in 2008, was updated again in 2024 to reflect the Group's reinforced environmental and corporate social responsibility, ethics and business integrity commitments.

To reduce its carbon impact, introduce ecosystem-friendly farming practices and ensure that its suppliers use responsible practices, the Group must first and foremost have knowledge of the value chains of all materials that go into its products. Upstream traceability is therefore a prerequisite for the identification of the supply chains and participants in a particular value chain.

1.6.2 Actions and resources used

These supplier and traceability policies are formalized by way of specific supplier evaluation processes.

Formalized purchasing process

The most common process is to begin all consultations with a Request for Information sent to suppliers with the potential to meet the Group's requirements. This stage includes questions on financial solidity, sustainable development actions, control of their own value chains, compliance with the legal requirements of the country in question, senior executives' reputation for ethical behavior, etc. A personal data protection questionnaire must be completed as appropriate to the nature of the purchases.

Once this stage is complete, a Request for Quotation is sent to the shortlisted suppliers. If indicated by the recurrence of the consultation, its strategic and financial importance or LVMH or the Maisons' level of maturity in this category of purchase, a proposal evaluation grid may be set up.

Proposals are evaluated according to their propensity to meet the requirements laid out in the specifications. Once the supplier has been chosen, a formal written agreement is put in place and signed by both parties. If required by the thresholds set by each Maison, a contract reviewed by the Legal Department is put in place.

Once the contract has been established, the Departments in contact with the supplier set up regular (quarterly, half-yearly or annual) business reviews. These are an opportunity to re-examine the various aspects of the contract and ensure they are being fulfilled correctly: compliance with deadlines, quality standards and costs, as well as with standards of ethics and social and environmental responsibility.

Supporting suppliers has long been a strategic focus for LVMH, with a view to maintaining sustainable relationships based on a shared desire for excellence.

Given the variety of activities undertaken by the Group and its global footprint, it adapts its approach to the diverse situations encountered. Consequently, the vigilance policy is based on risk maps created by the Maisons and on a global risk map. Risk analyses reflect the Group's human rights, environmental and anti-corruption commitments.

The policy also takes specific account of the following elements:

- work to identify the most at-risk zones carried out in the form of a social and environmental risk-mapping exercise for direct suppliers by business type;
- site audits of Group suppliers (Tier 1 and higher) to check that the Group's requirements are met on the ground, and implementation of corrective action programs in the event of compliance failures;
- supplier support and training;
- actively participating in sector-specific initiatives covering high-risk areas.

LVMH also works with some of its suppliers on aspects of innovations. These may be linked to launching new products, industrial processes with a favorable environmental or social impact or new technologies capable of shortening the release management cycle. This joint approach with the Group's suppliers is made possible by the engagement of the Maisons' teams: R&D, Technical, Industrial and Environment for sustainable approaches, Finance for help seeking financial support and Purchasing for business commitments that can make it possible to secure an investment.

Supplier traceability

LVMH takes action in numerous ways to improve the traceability of its products. This involves the identification and certification of the parties involved, at each stage of the value chain: traceability and supply chain mapping are covered by a specific action plan (see the "Environment" section, §5.2.2).

The Maisons apply reasonable due diligence measures and audit their production sites of their suppliers and business partners to ensure they meet the requirements laid down in the LVMH Business Partner & Supplier Code of Conduct. In this respect, subcontracting missions entrusted to them by the Group's Maisons is, in principle, forbidden. Any exceptions to this principle must be expressly authorized in writing in advance by the Maison in question. In any event, any subcontracting that might take place implies that the Group's requirements, as set out in the Code, will be met. Any supplier or partner exceptionally authorized to subcontract activities entrusted to it by the Group is thus liable for ensuring that these requirements are met, without prejudice to any supervisory measures which the Group reserves the right to adopt. Any failure to comply with the requirements set out in the Code or the aforementioned measures must be corrected without delay, on penalty of the business relationship with the supplier or partner in question being suspended or immediately terminated.

Maisons maintain collaborative, active working relationships with suppliers and business partners by helping them conduct audits and draw up any corrective action plans that might be required.

Responsible sourcing from suppliers

LVMH helps support certification programs by buying certified materials and encourages its suppliers to adopt social and environmental certification policies for their raw materials and production sites.

Support for suppliers' environmental transitions

LVMH also considers training for employees and suppliers as central to its responsible purchasing strategy. Building on the transition plans already in place at its main suppliers and in the Group's Maisons, the Group has launched a dedicated initiative presenting a new program of actions, **LIFE 360 Business Partners**, announced at the December 2023 LIFE 360 Summit held at UNESCO.

With this program, the Group is now in a position to help its suppliers reduce their carbon, water and biodiversity footprints.

This new action program is based on three priorities:

- **dialogue**: a "Sustainability Partners Day" organized at the relevant level (Group, Business Group, Maison) is an opportunity to discuss environmental trajectories and good practices that can be shared, and to create any potential synergies within an industry sector;
- **knowledge sharing**: the Group has opted to open its catalogue of training opportunities to its suppliers, while working towards sharing regulatory and skills intelligence;
- **standardization**: LVMH is committed to working, within the sector's professional federations, to standardize the collection of environmental data (processes and tools) and the auditing of the Group's third-party partners.

LVMH has defined a methodology to implement this program:

- identification at Maison/Business Group/Group level of the 20/80 (20% of suppliers responsible for 80% of the environmental impact) in the direct and indirect categories;
- meetings held with these suppliers to understand their levels of maturity (Levels 1, 2 and 3) and above all to identify their needs and/or expectations in order to take action;
- leading of communities of Business Partners at the appropriate level (by purchasing category: Maison, Business Group or Group) to encourage dialogue and spark future sector initiatives;

- support for suppliers, for example in building their own transition plans by offering them a catalogue of solutions tailored to their size and maturity.

This program is jointly led by the LVMH Group's Environment and Purchasing Departments. In order to ensure it has concrete effects, it is underpinned by a multi-segment governance structure that meets every six weeks. Currently, the program covers nine purchasing categories (Textiles, Plastic, Glass, Metal Parts, Leather, Packaging, Transport, Marketing and Stores) in the Fashion and Leather Goods, Wines and Spirits, and Perfumes and Cosmetics business segments and involves some sixty suppliers.

This program is a means of promoting good practices and bringing about new sector initiatives between market players and suppliers.

The program is destined to develop according to the needs of LVMH's partners. In 2024, suppliers were invited to communicate their expectations in relation to the transition through dedicated discussions and questionnaires. Working groups also encourage dialogue between peers. The Group will also share its environmental knowledge and training programs with its suppliers, as well as its regulatory intelligence.

1.6.3 Associated targets

In order to set a framework for the engagement that the LVMH Group expects of its suppliers and business partners, each of the Group's Maisons asks them to comply with the principles laid down in the Business Partner & Supplier Code of Conduct and to ensure that their own suppliers and subcontractors comply with them.

The traceability of upstream supply chains is another important part of the supplier evaluation and commitment approach. The LIFE 360 program includes a traceability target: 100% of strategic Group supply chains will be covered by dedicated traceability systems by 2030. This objective aims to ensure that those driving the transformation have good visibility of the Group's strategic raw materials. As a consequence, the traceability process gives the Maisons a better understanding of the stages of the supply chain involving risks (in particular ethical, environmental and social).

As part of the LIFE 360 Business Partners program, and in response to the aim of reducing the Group's Scope 3 emissions, two goals are to be pursued:

- By 2030, promote the integration of ESG clauses into contracts to encourage the implementation of environmental management systems based on internationally recognized standards. This objective is intended to enable the Group to guarantee contractually that its business partners are defining and implementing environmental transition plans.
- Raise awareness among the Group's business partners by means of Sustainability Partners Days organized by each of the Maisons, divisions and the Group, giving them access to environmental training. Awareness raising is a way to support and promote good practice to ensure that change is managed in a lasting and exemplary way. This program will also allow for discussion between peers and highlight the best practices for each type of activity. The monitoring of these objectives reflects the commitment made by the Group to make available to suppliers and business partners knowledge and expertise regarding the environmental transition.

As explained above (see the "Social" section, §2, "Value chain workers"), LVMH considers it very important that its suppliers, business partners and subcontractors, as well as the Group's Maisons, abide by a shared body of rules, practices and principles in relation to ethics, corporate social responsibility and environmental protection in accordance with the Business Partner & Supplier Code of Conduct.

To ensure compliance with these principles, environmental and workforce audits of suppliers (Tier 1 and higher) are key to check that the Group's requirements are met.

All the objectives related to the evaluation and commitment of our suppliers are also correlated with the Group's biodiversity preservation objectives (raw materials certification target) and climate objectives (reduction of Scope 3 greenhouse gas emissions).

These objectives are laid out in full in the Group's vigilance policy, presented in the "Vigilance Plan" section of this document (see §2, "Governance", §3, "Overview of risk mapping methodology" and §5, "Monitoring and steering").

1.7 Animal welfare

Animal welfare is a material matter for the LVMH Group, and any controversy in this domain could pose a risk to the Group's image.

1.7.1 Description of the related policy

The Group and its Maisons are committed to a holistic approach that places equal emphasis on animal welfare, ecosystem preservation and ethical and social criteria. Each of these objectives is important to the Group, and the goal is to fulfill each of these criteria as effectively as possible without compromising the others. This topic is overseen by Antoine Arnault, LVMH's Head of Image & Environment and a Director of the Group.

Designers are intentionally offered a wide array of materials to choose from to facilitate their creative expression. This contributes to the richness and diversity of offerings from the Maisons. Some of the Group's designers prefer not to use animal-based products, while others value them and are eager to pass on the associated expertise that can sustain entire communities. Whether it be fur, leather or wool, the Group intends to offer its clients products of the highest quality that are ethically and responsibly sourced.

The Group's commitment to respect animal welfare has been engrained in its Environment policy for several years. In 2016, in partnership with the nonprofit organization Business for Social Responsibility, the Group contributed to drafting the Animal Sourcing Principles, a charter on respect for animal welfare. Among other points, the charter demonstrates that LVMH relies on a scientific approach and is committed to sourcing from non-endangered species, and to respecting the standards of the World Organisation for Animal Health (WOAH) and its "Five Freedoms" for animal welfare:

- freedom from hunger, malnutrition and thirst;
- freedom from heat stress or physical discomfort;
- freedom from pain, injury, and disease;
- freedom to express normal patterns of behavior;
- freedom from fear and distress.

In 2019, LVMH introduced the Animal-Based Raw Materials Sourcing Charter, which sets out the Group's requirements and commitments concerning the sourcing of fur, leather, exotic leather, wool and feathers. The charter covers criteria that must be respected by the Maisons and their suppliers, particularly in matters of traceability and animal living conditions. Although the Group's Fashion and Leather Goods business group is most concerned by issues related to animal welfare, the Maisons in other business groups with collections made using animal-based raw materials are also encouraged to apply the principles of this charter.

To accelerate implementation of the charter's pledges, the Group continuously refines increasingly rigorous benchmarks. Scientific evaluation of animal welfare criteria is at the core of the Group's approach. To this end, the Group collaborates with independent organizations, institutions, and academics.

These commitments are divided into three categories:

- supply chain traceability;
- farming and trapping conditions;
- respect for local populations, the environment and biodiversity.

In its Perfumes and Cosmetics activities, the LVMH Group does not test its products or the ingredients used in its cosmetics on animals. This policy has been in place since 1989, well before animal testing was banned under the EU Cosmetics Regulation.

1.7.2 Actions and resources used

To meet these commitments, the Group relies on certifications issued by independent organizations, predominantly within multi-stakeholder initiatives such as: Responsible Wool Standard (RWS), Furmark, Responsible Down Standard (RDS), Downpass, Traceable Down Standard (TDS), Standard for Responsible Crocodilian Production (SRCP), International Crocodile Farm Association Standard (ICFA), Lizard Procurement and Processing Standard (LPPS), Responsible Reptile Sourcing Standard (RRSS), South African Ostrich Business Chamber Standard (SAOBC).

Through LVMH Métiers d'Art, the Group integrated alligator and crocodile farms to ensure that the animal living conditions could be monitored and the most advanced production systems in terms of animal welfare could be applied.

In doing so, in 2018, the Group developed the first responsible production standards for crocodilians (SRCP – Standard for Responsible Crocodilian Production), created in partnership with scientific experts, crocodilian supply-chain stakeholders and standards supervisory bodies. The SRCP consists of 231 criteria, of which 116 are dedicated to species-appropriate animal welfare and based on the WOAH's Five Freedoms. The standard is based on continuous improvement and founded on evidence-based prerequisites. Inspired by the Best Management Principles formalized by the Crocodile Specialist Group of the Species Survival Commission at the International Union for Conservation of Nature (IUCN-SSC CSG), the standard, respecting the principles of ISO 17067 (an international standard which allows certification programs to be understood, developed, operated and maintained) and is updated every three years, at a minimum. The Group relies on peer-reviewed scientific literature and research projects carried out on its own farms to complete these updates. In the United States, a pilot farm was created in 2017. Protocols to improve alligator welfare are implemented there, all while respecting the principles of the Ethical Committees set up for each research project.

Since 2018, the Group is also a founding member of the International Multi-Stakeholder Association for Reptile Conservation (IMARC), formerly South Asian Reptiles Conservation Alliance (SARCA). IMARC brings together exotic leather industry stakeholders, scientific researchers, producer states, intergovernmental organizations and norms dedicated to conservation efforts (IUCN, CITES). Its missions are as follows:

- promote animal welfare;
- preserve the livelihoods of local communities;
- ensure respect for the environment and people, and facilitate species conservation and legal trade.

IMARC has developed the Responsible Reptile Sourcing Standard (RRSS), with contributions from scientific experts and supply chain operators, and reviewed by external stakeholders, including non-governmental organizations (NGOs) such as TRAFFIC and WWF at consultation sessions, in accordance with ISEAL principles. Members are actively working to make the standard certifiable, to develop and offer responsible practices training to local stakeholders, which are required by the RRSS, and to improve research into sustainable use of these resources.

Along with other luxury brands, the LVMH Group is taking part in the Responsible French Calfskin initiative (CVFR). This initiative which was launched in 2020 aims to pool and roll out animal welfare verification audits across the entire French calfskin production chain, in collaboration with stakeholders in France, and to help improve the living conditions of the animals and people by making training and investing programs available. Thanks to efforts by nonprofit Imagin'Rural to foster and coordinate constructive dialogue between brands and operators in the sector, the approach has gradually been adopted by integrators representing nearly 60% of France's calf farms to date.

In 2024, 124 audits were carried out within the Responsible French Calfskin initiative, meaning 492 operators have undergone a third-party audit performed on the basis of the shared audit protocol (1) jointly created by all those having signed on to the initiative, along with veterinary experts and the Institut de l'Élevage (Idele), representing nearly 20% of France's calf farms since the initiative began. In 2024, thanks to training efforts and initial investment support, 90% of audits resulted in a "satisfactory" rating.

With regard to animal welfare, LVMH is also committed to contributing to research through the implementation of pilot and research projects assessed by a Science Committee. This committee consists of independent experts from outside the Group, and brings together a range of expertise (ethological, anthropological, veterinary, biological, humanitarian and legal) at its twice-yearly meetings. Its goal is to determine the stakes and define the actions of the Group in the context of its responsible animal-based materials sourcing policy.

Simultaneously, the Group supported the establishment in 2024 of the One Welfare and Sustainability Center (OWSC) at Ohio State University, which is connected to a worldwide network of academic institutions. The center develops research across different aspects of the "One Welfare" concept, such as using novel species in production systems and training future generations of veterinarians. This collaboration reflects the LVMH Group's commitment to advancing knowledge in the domain of animal welfare.

1.7.3 Associated targets

See the "Environment" section, "LIFE 360 – Biodiversity", §5.2.3, for details on targets related to respect for animal welfare.

(1) The CVFR audit protocol is built on the Five Freedoms principle (freedom from discomfort; freedom from hunger and thirst; freedom from pain, injury or disease; freedom from fear and distress; and freedom to express normal behavior), covering 63 points to monitor and particularly points concerning calf observation.

1.7.4 Indicators and results

See the "Environment" section, "LIFE 360 – Biodiversity", §5.2.4. The table below focuses on animal-based raw materials:

Certification of strategic animal supply chains: Results in 2024

Indicators	Performance in 2024	Performance in 2023	Target for 2026
Fashion and Leather Goods			
Certified fur (mink and fox) *(pelts from farms certified as complying with one of the standards recognized by the Furmark program, as %)*	99.7%	99.5%	100%
Certified sheep's wool (merino sheep and other breeds) and cashmere *(wool from farms certified RWS, ZQ, Authentico, New Merino, SustainaWOOL, Nativa or SFA, as %)*	56%	32%	100%
Certification for all crocodilian farms supplying the Group's tannery *(crocodilian skins from farms certified SRCP or ICFA, as %)*	100%	100%	100%
Certified down & feathers *(% down and feathers from farms certified as complying with RDS, Downpass or TDS)*	82%	18%	100%

Traceability of strategic animal supply chains: Results in 2024

Indicators *(as % of quantities purchased in 2023)*	Performance in 2024	Performance in 2023
Sheep and cow leather – Country of origin known	97.7%	96%
Exotic leather – Country of slaughter known	99.3%	99.9%
Fur – Country of rearing or trapping known	100%	99.9%
Wools (merino sheep and other breeds, and cashmere) – Country of rearing known	88%	88%
Down & feathers – Country of origin known	75%	28%

Sustainability Report and Vigilance Plan

Report on the certification of sustainability reporting and environmental taxonomy disclosures

Report on the certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852 for Christian Dior SE

To the Shareholders' Meeting,

This report is issued in our capacity as Statutory Auditors of **Christian Dior SE** (hereinafter "the Company"). It relates to sustainability reporting and the information set out in Article 8 of Regulation (EU) 2020/852 for the fiscal year ended December 31, 2024 and included in the "Sustainability Report" section of the Group Management Report (hereinafter "the Sustainability Report").

Pursuant to Article L. 233-28-4 of the French Commercial Code, the Company is required to include the above information in a dedicated section of the Group's Management Report. These disclosures have been prepared within the context of first-time application of the aforementioned articles, subject to uncertainties as to how the standards should be interpreted, use of estimates, lack of established practices and an established framework for the double materiality assessment in particular, as well as changing internal control procedures. They enable an understanding of the impacts of the Group's activities on sustainability matters, as well as how those matters influence the Group's business, performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 II of the aforementioned code, our engagement is to do the work necessary to be able to issue a limited assurance opinion on:

- compliance with sustainability reporting standards adopted pursuant to Article 29, point 3 of Directive (EU) 2013/34 of the European Parliament and of the Council of December 14, 2022 (hereinafter "ESRS" for "European Sustainability Reporting Standards") of the process put in place by the Company to determine disclosures;
- compliance of sustainability reporting included in the *Sustainability Report* with the requirements of Article L. 233-28-4 of the French Commercial Code, including with ESRS; and
- compliance with disclosure requirements for the information set out in Article 8 of Regulation (EU) 2020/852.

We have performed our engagement in accordance with professional guidelines, including on independence, and the rules on quality laid down in the French Commercial Code.

Our engagement is also governed by the guidelines issued by the Haute Autorité de l'Audit (the French audit regulator) entitled *"Engagement to certify sustainability reporting and verify disclosure requirements set out in Article 8 of Regulation (EU) 2020/852"*.

In the three distinct sections of the report that follow, we present, for each area of our engagement, the nature of the verifications we carried out, the conclusions we drew and, on the strength of those conclusions, where applicable, any items to which we paid particular attention and any checks we undertook in respect of those items. Please Note that we do not express any conclusion on these items taken individually, and that the checks described form part of the overall context in which we reached our conclusions on each of the three areas of our engagement.

Lastly, where we consider it necessary to draw your attention to one or more items of sustainability information provided by the Company in the Group's Management Report, we include a section with our observations.

Scope of our engagement

Since our role concerns a limited assurance engagement, the nature (choice of audit techniques), scope (extent) and duration of the work are less than those required for a reasonable assurance engagement.

Furthermore, this engagement does not consist of guaranteeing the viability or quality of the Company's management or giving an assessment that would go beyond complying with the ESRS disclosure requirements on the relevance of the Company's choices with regard to action plans, targets, policies, scenario analyses and transition plans.

Our engagement does, however, permit us to express conclusions on the process used to determine sustainability disclosures, the information so disclosed, and disclosures pursuant to Article 8 of Regulation (EU) 2020/852, as regards the identification or otherwise of errors, omissions or inconsistencies of such magnitude that they would be liable to influence the decisions of persons reading the information we verified.

Our engagement does not cover comparative data, where such data exists.

I. Compliance with ESRS of the process put in place by the Company to determine disclosures

Nature of verifications carried out

Our work consisted of verifying that:

- the process developed and put in place by the Company enabled it, in accordance with ESRS, to identify and assess impacts, risks and opportunities related to sustainability matters, and to identify which of those material impacts, risks and opportunities led to sustainability information being disclosed in the "Sustainability Report" section of the Group's Management Report; and
- information provided about this process also complies with ESRS.

Conclusion of verifications carried out

On the basis of our verifications, we did not find any major errors, omissions or inconsistencies in relation to the compliance with ESRS of the process put in place by the Company.

Items to which we paid particular attention

We present below items to which we paid particular attention concerning the compliance with ESRS of the process put in place by the Company to determine disclosures.

Information about the identification of stakeholders and impacts, risks and opportunities as well as the assessment of impact materiality and financial materiality is set out in §4.1, "Description of the processes to identify and assess material impacts, risks and opportunities" of the Sustainability Report.

Identification of stakeholders

We reviewed the analysis carried out by the entity to identify affected stakeholders and users of the sustainability statement.

We met with management and relevant individuals to assess whether the key stakeholders identified by the Company were consistent with the nature of its various activities and geographic locations, taking into account its value chain.

Identification of impacts, risks and opportunities

We reviewed the process put in place by the entity to identify actual or potential impacts (negative or positive), risks and opportunities ("IROs") connected with the sustainability matters referred to in Section AR 16 of ESRS 1, "Application Requirements", including in particular the description of how they are broken down between the Company's own operations and its value chain and any dialogue entered into with stakeholders, and assessed the consistency of this analysis with our own knowledge of the entity.

We also assessed the completeness of activities included within the scope used to identify IROs.

In particular, we:

- assessed the top-down approach used by the entity to gather information about its subsidiaries;
- assessed the consistency of actual and potential impacts, risks and opportunities identified by the entity with available sector analyses;
- assessed the consistency of actual and potential impacts, risks and opportunities identified by the entity, including in particular those specific to it by virtue of not being covered or being insufficiently covered by ESRS, with our own knowledge of the entity;
- assessed the appropriateness of the description given in Note 4.1.1, "General information" of the *Sustainability Report*.

Assessment of impact materiality and financial materiality

By meeting with management and inspecting the available documentation, we reviewed the process put in place by the entity to assess impact materiality and financial materiality and its compliance with the criteria laid down in ESRS 1.

In particular, we assessed how the entity determined and applied the materiality criteria defined in ESRS 1, including in relation to the determination of thresholds and the incorporation into the assessment of a weighting coefficient to reflect any improvement or deterioration in long-term impacts, so as to determine material disclosures:

- in respect of indicators relating to material IROs identified in accordance with the relevant topical ESRS;
- in respect of entity-specific disclosures.

II. Compliance of sustainability reporting included in the *Sustainability Report* with the requirements of Article L. 233-28-4 of the French Commercial Code, including with ESRS

Nature of verifications carried out

Our work consisted of verifying that, in accordance with legal and regulatory requirements, including those set out in ESRS:

- the information provided enables an understanding of how sustainability reporting included in the *Sustainability Report* is prepared and under what governance arrangements, including how reporting relating to the value chain and disclosure exemptions are determined;
- this information is presented in such a way as to ensure its readability and understandability;
- the scope selected by the Company in relation to this information is appropriate; and
- on the basis of a selection, based on our analysis of the risk of non-compliance of disclosures and the expectations of users of those disclosures, this information does not include any major errors, omissions or inconsistencies liable to influence the judgment or decisions of its users.

Conclusion of verifications carried out

On the basis of our verifications, we did not find any major errors, omissions or inconsistencies in relation to the compliance of sustainability reporting included in the *Sustainability Report* with the requirements of Article L. 233-28-4 of the French Commercial Code, including with ESRS.

Observation

Without qualifying the above conclusion, we draw your attention to the basis for preparation of the *Sustainability Report*, Section 1.1 of which, "General information", sets out the limits inherent in this first year of application.

Items to which we paid particular attention

Information provided pursuant to standards on general requirements and general disclosures (ESRS 1 and ESRS 2)

Information related to general requirements and general disclosures (ESRS 1 and ESRS 2) is referred to in the "General information" section of the *Sustainability Report*.

We present below items to which we paid particular attention concerning the compliance with ESRS of disclosures in relation to general requirements and general disclosures (ESRS 1 and ESRS 2).

Our work consisted in particular of:

- assessing the acceptability of exclusions relating to acquisitions in the year, such as those presented in Note 1.1, "Basis for preparation" of the *Sustainability Report*;
- assessing the relevance of the granularity of the analyses undertaken in light of the diversity of the Group's activities.

Information provided pursuant to ESRS E1 "Climate change"

Disclosures relating to climate change (ESRS E1) are referred to in Section 2, "Climate change (LIFE 360 – Climate)" in the *Sustainability Report*.

We present below items to which we paid particular attention concerning the compliance of this information with ESRS. Our work consisted in particular of:

- assessing, on the basis of meetings with management and/or relevant individuals, including in particular the Environmental Development Department, whether the description of policies, actions and targets put in place by the entity covers the following areas: climate change, climate change adaptation, energy efficiency, renewable energies and energy conservation;
- assessing the appropriateness of the information set out in Note 2.1.1, "Methodology for the analysis of impacts, risks and opportunities" in the "Environment" section of the *Sustainability Report* and its overall consistency with our own knowledge of the entity.

Disclosures relating to Scope 1, 2 and 3 GHG emissions:

- we reviewed the procedure used to draw up the inventory of greenhouse gas emissions used by the entity to produce its greenhouse gas emissions assessment and verified that this procedure had been properly followed, particularly as regards inclusions and exclusions in relation to Scope 3 categories, the collection of information, the emissions factors used and calculation of associated conversions, as well as calculation and extrapolation assumptions;
- we met with management to understand the main changes during the year in the scope of data collected in relation to certain categories of activity liable to have an impact on the determination of Scope 3 GHG emissions;
- for physical data (such as purchases of raw materials and associated certificates), we used a sample-based approach to reconcile the underlying data used to calculate Scope 1, 2 and 3 GHG emissions with supporting documentation;
- for estimates used by the entity that we considered critical to the determination of Scope 1, 2 and 3 GHG emissions, we assessed whether the methods used were applied consistently.

III. Compliance with disclosure requirements for the information set out in Article 8 of Regulation (EU) 2020/852

Nature of verifications carried out

Our work consisted of verifying the process put in place by the Company to determine whether the activities of consolidated entities were eligible and aligned.

We also verified disclosures pursuant to Article 8 of Regulation (EU) 2020/852, which involved checking:

- that these disclosures comply with presentation rules so as to ensure its readability and understandability;
- on the basis of a selection, that these disclosures did not include any major errors, omissions or inconsistencies liable to influence the judgment or decisions of their users.

Conclusion of verifications carried out

On the basis of our verifications, we did not find any major errors, omissions or inconsistencies as regards compliance with the requirements set out in Article 8 of Regulation (EU) 2020/852.

Items to which we paid particular attention

We determined that there were no such items to disclose in our report.

Paris, February 14, 2025

French original signed by

The Statutory Auditors

Deloitte & Associés

Guillaume Troussicot
Statutory Auditor

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Sustainability Report and Vigilance Plan

Vigilance Plan

Given the level of the Christian Dior Group's stake in LVMH SE, the implementation of the vigilance policy is the responsibility of LVMH and its Maisons, which comprise all of the Group's operating activities and employ its entire workforce.

1. Introduction

LVMH's Vigilance Plan (hereinafter "**the Plan**") is fully aligned with the Group's strategy of seeking to create products and experiences that are both desirable and sustainable, and reflects its aim of complying with the requirements of French Law No. 2017-399 of March 27, 2017 on the duty of vigilance for parent companies and contracting companies.

The Plan sets out the following, in order:

- the governance structure responsible for the Group's vigilance policy;
- the methodology used to map risks associated with the duty of vigilance;
- action plans associated with those risks;
- monitoring and oversight of the vigilance policy;
- the whistleblowing system.

In accordance with the requirements of the Corporate Sustainability Reporting Directive (hereinafter "**CSRD**"), LVMH is publishing a Sustainability Report for the first time. Some of the topics covered in this Report – in particular those that relate to the identification, prevention and mitigation of human rights and health and safety violations and environmental damage – are closely related to those covered by the Plan. Since the Plan is not intended to duplicate the content of the Sustainability Report, references to the latter are given where relevant, in accordance with Article L. 225-102-1 of the French Commercial Code.

In this regard, it should be noted that the term "chain of activities", used in the Plan in reference to the EU Corporate Sustainability Due Diligence Directive (hereinafter "**CS3D**"), is equivalent to the term "value chain" used in the Sustainability Report.

2. Governance

2.1 Description

In 2024, LVMH tightened up oversight of its vigilance policy by putting in place a dedicated governance structure involving every level of the Group, from the Board of Directors right down to operational communities within the Maisons, and creating a new department focused solely on the duty of vigilance.

The Board of Directors' **Sustainability & Governance Committee** – whose composition and responsibilities are described in the Sustainability Report (see "*Sustainability Report* – Governance", §1.1, "Governance dedicated to business conduct priorities") – ensures compliance with the individual and shared values on which the Group bases its actions. In this respect, it monitors the functioning of whistleblowing systems put in place within the Group and ensures the implementation and monitoring of systems related to duty of vigilance and respect for human rights.

Executive Committee: The Chairman and Chief Executive Officer and the Executive Committee of LVMH uphold the Group's strong commitment to ethics and social and environmental responsibility. The Duty of Vigilance Department reports directly to the Director of General Administration & Legal Affairs, who is a member of LVMH's Executive Committee.

Group Duty of Vigilance Committee: Led by the Duty of Vigilance Department, this committee is made up of the Group's main departments involved in duty of vigilance issues and, consequently, in the updating and effective implementation of LVMH's Vigilance Plan.

Maison Duty of Vigilance Committees: To ensure that LVMH's vigilance policy is properly implemented at all levels of the Group, Duty of Vigilance Committees have been established at the majority of the Group's Maisons. These committees, also made up of the various functions involved in duty of vigilance issues, oversee the rollout of the vigilance policy.

Operational communities: LVMH's vigilance policy is supported by several communities of correspondents within the Maisons and business groups. Through their activities, these communities are fully involved in ensuring that the policy is implemented.

Duty of vigilance coordinators have been appointed within each Maison. These coordinators are in direct contact with LVMH's Duty of Vigilance Department and are responsible for rolling out Group initiatives within their Maisons, in coordination with all functions represented on their Duty of Vigilance Committees, of which they are also members.

2.2 Group Duty of Vigilance Committee

The LVMH Duty of Vigilance Committee is tasked with ensuring that the Group's Vigilance Plan is implemented and monitored in accordance with the Group's values and commitments as well as legal and regulatory requirements.

To allow it to fulfill this role, the committee, which is overseen by the Duty of Vigilance Department, is made up of experienced directors representing the main functions involved in duty of vigilance issues:

- Environmental Development;
- Operations;
- Purchasing;
- CSR;
- Social Development;
- Audit and Internal Control;
- Ethics & Compliance.

The committee's role mainly relates to the following areas:

Risk identification and assessment:

- identifying and assessing risks in relation to human rights, health and safety, and the environment associated with the activities of the Group and its suppliers and trading partners (hereinafter "**Partners**");
- putting in place ongoing monitoring and assessment processes to anticipate and safeguard against risks.

Implementation of preventive and corrective actions:

- designing and overseeing appropriate preventive and corrective measures to mitigate the risks identified;
- ensuring that these measures are implemented by all entities belonging to the Group and its chain of activities.

Monitoring and reporting:

- ensuring that actions and their effectiveness are strictly monitored;
- regularly reporting on progress and achievements to the Group's governing bodies.

Training and awareness:

- developing and implementing training and awareness programs for Group employees to strengthen the culture of vigilance and accountability.

Dialogue and collaboration:

- fostering dialogue with internal and external stakeholders, including employees and trade unions, Partners, NGOs and local communities;
- encouraging collaboration to develop best practice and innovative solutions in connection with the duty of vigilance.

2.3 Duty of Vigilance Department

The LVMH Group's vigilance policy is coordinated by LVMH's Duty of Vigilance Department.

This department is run by an experienced Director who has held a variety of senior roles within the Group and its Maisons. The Duty of Vigilance Director provides regular updates about the actions of their department to the Sustainability & Governance Committee. In 2024, he appeared before the committee three times.

A dedicated team was hired following the creation of this department. At this stage, the team consists of four full-time employees based in France and Italy, all reporting to the Duty of Vigilance Director.

3. Overview of risk mapping methodology

3.1 Risk mapping: Context and purpose

The purpose of risk mapping is to identify and prioritize key risks to human rights and the environment arising from the activities of the Group and its chains of activities.

Risk analysis tools and materials had already been rolled out at Group and Maison level in 2017. In a spirit of continuously improving the Group's vigilance policy, a project to review, harmonize and significantly strengthen this analytical framework was carried out in 2024.

This project, overseen by the Group Duty of Vigilance Committee, provided all Maisons and their Duty of Vigilance Committees with a common framework and tools with which to analyze risks.

The methodology used for this project was based on the main internationally recognized duty of vigilance standards, including in particular:

- the United Nations (UN) Guiding Principles on Business and Human Rights (UNGPs);
- the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

The use of these analytical frameworks is aligned with the philosophical approach adopted by France's 2017 law on the duty of vigilance for parent companies and contracting companies and associated recent decisions. It also makes it possible to incorporate European regulatory requirements, notably those arising from CS3D and CSRD, into the approach.

In accordance with these requirements, it should be noted that the risk mapping exercise was undertaken at the theoretical level of "gross" risk. This means the risk analysis does not take into consideration any existing action plans put in place to manage risks, and risks are not prioritized based on how effectively they are managed.

In a spirit of iteration and continuous improvement in keeping with the rationale underpinning the duty of vigilance, the risk mapping will be updated frequently, notably if an event occurs that is liable to substantially affect its outcome. Such events may, for example, include access to new information, the acquisition of a new business, the rollout of activities to new geographic regions, major societal events, regulatory developments, etc.

In any event, the risk mapping will be updated at least annually to coincide with the publication of the Vigilance Plan.

3.2 Presentation of the methodological approach

3.2.1 Segmenting and modeling the 11 chains of activities

Segmenting and modeling activities is the first key component of the risk analysis matrix, with risk factors varying at each step of the Group's and its Maisons' chains of activities.

To build this analysis matrix, the Group segmented the activities of its Maisons and classified them into 11 main activities:

1. Fashion and ready-to-wear;
2. Leather goods;
3. Watches;
4. Jewelry;
5. Perfumes and cosmetics;
6. Wines and spirits;
7. Selective retailing;
8. Restaurants and patisseries;
9. Hospitality, luxury tourism and parks;
10. Media;
11. Yacht building.

The main key steps in each chain of activities were segmented, notably drawing on approaches used to analyze product and service life cycles and to model operational processes.

As an example, the main key steps in the chain of activities for jewelry are segmented as set out below:

- Extraction and production of raw materials;
- Preparation for production;
- Transportation and logistics;
- Manufacturing and assembly of components;
- Packaging production (boxes);
- Production of indirect purchases;
- Design, development, marketing and support functions;
- Transportation of precious materials;
- Sale;
- Consumption;
- Waste treatment.

The segmentation of each chain of activities took into account any specific features liable to affect whether or not risks are likely to materialize. Such specific features may, for example, include the existence of economic partners from certain sectors, specific manufacturing processes, etc. A description of each key step was also drawn up, highlighting any points requiring particular attention in the course of the analysis.

Lastly, vulnerable activities – i.e. those particularly exposed to the risks identified – were identified at each step in the chain of activities and a list of countries requiring particular attention was drawn up.

3.2.2 Risk nomenclature

Establishing a nomenclature of risks tailored to the activities of LVMH is critical to guide the mapping of risks and incorporate it into an analysis matrix that reflects the specific characteristics of the Group and its Maisons.

To build this nomenclature, the various categories of risk were researched and catalogued, targeting in particular those defined in international soft law standards such as:

- the International Covenant on Civil and Political Rights (ICCPR);
- the International Covenant on Economic, Social and Cultural Rights (ICESCR);
- the International Labour Organization (ILO)'s Fundamental Conventions;
- the United Nations Framework Agreements on Climate Change (UNFCCC) and Biological Diversity (CBD), etc.

The risk nomenclature was structured around five categories of rights-holders and stakeholders potentially affected by risks:

- Workers;
- Affected communities;
- Consumers;
- Environment;
- Animals.

Each subcategory of risks was itself subsegmented into 25 subcategories as follows:

Risk category	Risk subcategory	
Workers	– Job security – Working time – Living wage – Trade union freedom, freedom of assembly and freedom of association – Health and safety	– Training and skills development Equal treatment and opportunities – Child labor – Forced labor – Access to decent housing and infrastructure – Private and family life
Affected communities	– Living conditions of communities – Community displacement and land grabbing	– Safety and involvement in armed conflict – Damage to culture and cultural appropriation
Consumers	– Access to information and media pluralism – Marketing practices and product information	– Privacy – Health and safety – Non-discrimination
Environment	– Climate change – Water, air and soil pollution and waste	– Use of natural resources (including water) – Biodiversity and ecosystems
Animals	– Animal welfare	

Furthermore, for each subcategory of risk, work was undertaken based on the soft law framework to:

- identify key rights under threat;
- identify key international standards defining and protecting those fundamental rights and freedoms;
- identify vulnerable rights-holders (i.e. those particularly exposed to risks);
- propose outline definitions for each subcategory of risks.

3.2.3 Methodology for assessing risks at east step in the chain of activities

By considering both the chains of activities modeled (see A) and the nomenclature of risks (see B), the Group was able to establish 11 double-entry analysis matrices, one for each chain of activities. This dual filter is required in order to be able to identify "Duty of vigilance priorities", i.e. key risks along the chain of activities.

Once these matrices had been defined, common and binding risk assessment criteria needed to be put in place to enable risks to be analyzed at each step in the various chains of activities. To develop these criteria, the Group drew on international standards (UN and OECD guidelines) and the regulatory framework currently being rolled out across the European Union (CSRD, CS3D, etc.).

In this context, two families of "decisive" criteria were used to analyze risks at each step:

- risk severity (based on the scale, scope and remediability of risks);
- likelihood of occurrence.

Analyzing risk severity and remediability

In the absence of shared regulatory standards, the Group opted to draw on certain international standards and agreements concerning human rights violations to help prioritize subcategories of risk by severity.

The most severe categories of risk were identified based on the following:

- ILO Declaration on Fundamental Principles and Rights at Work (2022);
- decision of the Council of the European Union of December 7, 2020 defining serious human rights violations.

Further to this analysis, risk categories were classified into three levels:

- subcategories of "Very severe and irremediable" risks;
- subcategories of "Severe and potentially remediable" risks;
- subcategories of "Less severe and remediable" risks.

In accordance with UN and OECD guidelines, severity and likelihood criteria take precedence when assessing risks and to a large extent determine the final assessment of risk.

Identifying risk factors that play a part in assessing the scope and likelihood of occurrence of risks

The scope and likelihood of occurrence of risks were analyzed by identifying and consolidating a range of indicators based on a number of criteria, also known as "risk factors". This analysis also aims to prioritize risks based on the scope and likelihood criteria.

Geographic or country-specific risk factors

Risk factors associated with the location in which activities take place are analyzed to identify risks closely related to domestic regulations in force or existing domestic practices.

Lists of countries where fundamental rights are weakly protected by domestic regulations or risks are particularly frequent were drawn up for each subcategory of risks. These lists of countries were drawn up by cross-referencing a number of market databases and repositories (e.g. Verisk Maplecroft Index, Labour Rights Index, The Indigenous World, ACLED Conflict Index, etc.).

Sector-specific risk factors

Sector-specific risk factors are analyzed to identify those sectors in which practices that require particular attention exist systemically, regardless of location in the world.

These sector-specific risk factors vary (e.g. business model, business practices, production process, existence of multiple stakeholders, etc.) and were identified for each step in the relevant chain of activities.

Sector-specific risk factors were identified through interviews and workshops with internal business line representatives, a controversy analysis and a bibliographic analysis of reference sources (including an analysis of expert stakeholders and stakeholders representing potentially affected communities), with the support of a consulting firm that specializes in analyzing risks related to the environment and human rights.

It should be noted that particular attention was paid to the list of sectors set out in the proposed initial version of CS3D, which listed sectors involved in the Group's chains of activities, including in particular textile production, leather goods and related products, agriculture, etc.

Risk factors relating to raw materials

The analysis of risk factors associated with raw materials was undertaken jointly with the analysis of sector-specific risks. These analyses began to identify families of raw materials and purchases that are particularly high priorities for the Group.

These raw materials were identified through a controversy analysis (including an analysis of expert stakeholders and stakeholders representing potentially affected communities) and a bibliographic analysis of reference sources (e.g. a list of products made with forced labor and child labor produced by the Bureau of International Labor Affairs/ILAB).

Particular attention was paid to the list of sectors in the proposed initial version of CS3D, which also pre-identified raw materials presenting specific challenges.

Risk factors associated with the business model and business relationships

Risk factors associated with the business model and business relationships mainly relate to information associated with the practices of the Group's various business lines, which may affect one or more steps in the chain of activities.

Identifying these risk factors helped clarify relationships between the Group's operations throughout its chains of activities.

For example, risk factors associated with the work of, inter alia, the Purchasing, Marketing and Advertising, Product Design and Development, and Sales departments were identified.

These risk factors associated with the business model and business relationships were identified through interviews and workshops with internal business line representatives, a controversy analysis and a bibliographic analysis of reference studies (including in particular an analysis of expert stakeholders and stakeholders representing potentially affected communities), with the support of a consulting firm that specializes in analyzing risks related to the environment and human rights.

Identifying duty of vigilance priorities

Once the various criteria had been analyzed at the level of subcategories of risk and steps in the chain of activities, the criteria were consolidated to identify duty of vigilance priorities.

This consolidated evaluation used a decision process to weight the various criteria in line with international soft law standards, notably the UN Guiding Principles on Enterprises and Human Rights (which recommend that particular attention be paid to the most serious and potentially irremediable risks).

Through this decision process, duty of vigilance priorities were identified for each of the 11 chains of activities, by subcategory of risks and step in the chain of activities.

To make this analysis more relevant, the Group also ran 18 themed workshops attended by nearly 200 people (coordinators of Maisons' duty of vigilance policies and representatives involved in the operational management of the activities identified).

The purpose of these workshops was to:

- share information about and train attendees in the risk mapping methodology;
- challenge each step in the modeling of chains of activities and the analysis of risk factors;
- collectively agree on duty of vigilance priorities at gross level.

3.2.4 Risk analysis development opportunities

As part of its iterative approach to continuous improvement, the Group is already working to identify opportunities to develop its risk analysis with the ultimate aim of tightening up its risk definitions and adopting measures appropriate to the circumstances in which risks materialize.

In particular, the Group has identified the following:

- a need to deepen its analysis of risks related to certain categories of purchases, notably through activity-chain-based approaches with the relevant Maisons (i.e. identifying and focusing on categories of purchases and raw materials or certain types of product and service offerings);
- a need to incorporate the findings of its risk analysis into a risk monitoring and oversight process that also allows for regular updates;
- a need to ensure that the network of Maison-level correspondents regularly feed back operational information based on their business line experience.

4. Risks and associated action plans

To ensure alignment between material negative impacts identified in the Sustainability Report and risks associated with the duty of vigilance, the same criteria were used to assess both. However, the analysis of risks associated with the vigilance policy was undertaken at a more granular level at each step in the value chain.

The cross-reference table below shows the relationship between risks associated with the duty of vigilance and material negative impacts identified in the Sustainability Report (which correspond to risks to the environment and human rights in the vigilance policy) and can be used to identify the objectives, strategies and associated action plans set out in the Sustainability Report. This list is therefore not exhaustive and, like the risk mapping, is liable to evolve over time.

Risk categories	Risk subcategories	Associated material negative impacts identified in the Sustainability Report	Sections in the Sustainability Report describing associated action plans
Workers	Job security	– Seasonal activity potentially leading to the use of fixed-term labor (sole proprietors, temporary staff, employees on fixed-term contracts, etc.) – *own operations*	§1.4.2 Financial stability and access to employment §1.5.4 Developing employee agility and employability
		– Impact on working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment) – *value chain*	§2.2.3 Related actions and resources
	Working time	– Employees' exposure to physical, psychological or safety risks related to the specific features of the sector and its working patterns	§1.4.1 Respect for human rights §1.4.5 Work-life balance, well-being at work and the LVMH Heart Fund
		– Impact on working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment) – *value chain*	§2.2.1 Description of the related policy §2.2.3 Related actions and resources §2.2.4 Related targets
	Living wage	– Impact on working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment) – *value chain*	§2.2.1 Description of the related policy §2.2.3 Related actions and resources
	Trade union freedom, freedom of assembly and freedom of association	– Due to its worldwide operations, the Group must take care to comply with freedom of association and trade union rights – *own operations*	§1.4.1 Respect for human rights §1.4.4 Fostering constructive labor relations and ensuring freedom of expression §2.2.1 Description of the related policy §2.2.3 Related actions and resources
		No material negative impact on own operations or the value chain	§2.2.1 Description of the related policy §2.2.3 Related actions and resources
	Health and safety	– Employees' exposure to physical, psychological or safety risks related to the specific features of the sector and its working patterns – Employees' exposure to weather events	§1.4.1 Respect for human rights §1.4.3 Ensuring health and safety for all staff
		– Impact on working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment) – *value chain*	§2.2.1 Description of the related policy §2.2.3 Related actions and resources

Risk categories	Risk subcategories	Associated material negative impacts identified in the Sustainability Report	Sections in the Sustainability Report describing associated action plans
Workers (continued)	Training and skills development	*No material negative impact on own operations or the value chain*	§1.5.1 Implementing an attractive employer policy §1.5.3 Passing on key skills and expertise with the Métiers d'Excellence §1.5.4 Developing employee agility and employability
	Discrimination and harassment	– Potential exposure to discrimination and harassment throughout employees' working lives (based on gender, disability, etc.) – *own operations*	§1.4.1 Respect for human rights §1.6.1 Promoting diversity and inclusion §1.6.2 Embracing the full spectrum of talent §1.6.3 Targeted programs to promote inclusion and representation for all §1.6.4 Steadfast, comprehensive commitment to all talent
		– Impact on working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment) – *value chain*	§2.2.1 Description of the related policy §2.3.2 Description of the process of engagement with value chain workers §2.3.3 Related actions and resources
	Child labor	– Working conditions (decent housing and access to water and sanitation, child labor in high-risk countries) – *value chain*	§1.4.1 Respect for human rights §2.2.1 Description of the related policy §2.2.3 Related actions and resources
	Forced labor	– Impact on working conditions (health and safety, labor relations, living wage, job security, working time, forced labor, discrimination and harassment) – *value chain*	§1.4.1 Respect for human rights §2.2.1 Description of the related policy §2.2.3 Related actions and resources
	Access to decent housing and health infrastructure	– Access to decent housing for temporary/seasonal employees	§1.4.6 Ensuring access to decent housing
		– Working conditions (decent housing and access to water and sanitation, child labor in high-risk countries) – *value chain*	§2.2.1 Description of the related policy §2.2.3 Related actions and resources
	Privacy and family life	*No material negative impact on own operations or the value chain*	
Local communities	Living conditions of communities	– Conflicts of use (access to water and soil) and upstream water and soil pollution in the mining and agriculture value chains	§2.2.1 Description of the related policy §3.1.1 Interests and views of stakeholders §3.2.1 Description of the related policy §3.4.1 Description of the policy §3.4.2 Related actions and resources
	Community displacement and land grabbing	– Conflicts of use (access to water and soil) and upstream water and soil pollution in the mining and agriculture value chains	§4.2.1 Policy related to water §4.2.2 Actions and resources used §4.2.3 Associated targets §2.2.1 Description of the related policy §3.2.1 Description of the related policy §3.2.2 Description of the process of engagement with affected communities §3.2.3 Related actions and resources
	Safety and involvement in armed conflict	*No material negative impact on own operations or the value chain*	
	Damage to culture and cultural appropriation	– Use of cultural codes/elements belonging to communities	§3.2.1 Description of the related policy

Risk categories	Risk subcategories	Associated material negative impacts identified in the Sustainability Report	Sections in the Sustainability Report describing associated action plans
Consumers	Access to information and media pluralism	*No material negative impact on own operations or the value chain*	
	Privacy	– Potential violation of privacy arising from management of customers' personal data	§4.6.1 Description of the related policy §4.6.2 Description of the process of engagement with consumers §4.6.3 Related actions and resources §4.6.4 Related targets
	Marketing and product information practices	– Access by minors to inappropriate content/products	§4.2 Product quality and customer safety §4.3.1 Promoting responsible drinking §4.5.1 Policies and actions related to the promotion of wines and spirits
	Health and safety	– Health linked to harmful alcohol use (adults/minors) – Health of children and adolescents linked to the use of cosmetic products at a young age – Health of children and adolescents linked to the use of cosmetic products at a young age	**Environment:** §3.4.1 Policy on substances of very high concern (SVHC) §3.4.2 Actions and resources used §3.4.3 Associated targets **Social:** §4.3.1 Promoting responsible drinking §4.3.2 Preventing risky behavior
	Non-discrimination	– Propagation of stereotypes within society through advertising and communication practices	§4.4.1 Description of the related policy §4.4.2 Description of the process of engagement with consumers §4.4.3 Related actions and resources
Environment	Climate change	– Greenhouse gas emissions linked to the Group's direct and indirect emissions (Scopes 1, 2 and 3)	§1.2.2 LIFE 360 objectives §1.2.3 LIFE 360 targets: 2024 results §1.3 Training and LIFE Academy §2.2.1 GHG emission reduction targets §2.2.2 Decarbonization initiatives §2.2.3 Investment and funding to implement the transition plan §2.2.4 Assessment of potential locked-in GHG emissions §2.2.8 Alignment with and embedding in the overall operating strategy and financial planning §2.2.10 Description of progress made §2.3.1 Climate policy §2.3.2 Actions and resources used §2.3.3 Associated targets **Social:** §2.2.3 Related actions and resources §2.2.4 Related targets

Risk categories	Risk subcategories	Associated material negative impacts identified in the Sustainability Report	Sections in the Sustainability Report describing associated action plans
Environment (continued)	Water, air and soil pollution and pollution generated by waste	– Potential water and soil pollution arising from the use of inputs in the production and processing of agricultural commodities and livestock farming materials – Potential pollution arising from the use of substances of concern or very high concern – Potential water pollution associated with the extraction and processing of mineral raw materials – Potential pollution of ecosystems arising from the use or end-of-life management of substances of concern or very high concern – Potential water and soil pollution arising from the use of inputs in the production and processing of agricultural commodities and winegrowing materials – Impact connected with the production of waste, packaging and point-of-sale advertising throughout the product life cycle (including production, sale and use)	§1.2.2 LIFE 360 objectives §3.2.1 Policy related to potential soil pollution §3.2.2 Actions and resources used §3.2.3 Associated targets §3.3.1 Policy related to water pollution §3.3.2 Actions and resources used §3.3.3 Associated targets §3.4.1 Policy on substances of very high concern (SVHC) §3.4.3 Associated targets §6.3.1 Policy related to waste management §6.3.2 Actions and resources used §6.3.3 Associated targets **Social:** §2.2.3 Related actions and resources §2.2.4 Related targets
	Use of natural resources (including water)	– Contribution to the depletion of water resources arising from water withdrawal by the Group's own operations and supply chain, particularly in areas at water risk – Impact connected with the consumption of raw materials across all value chains (including packaging)	§1.2.2 LIFE 360 objectives §1.2.3 LIFE 360 targets: 2024 results §1.3 Training and LIFE Academy §4.2.1 Water policy §4.2.2 Actions and resources used §4.2.3 Associated targets §6.1.1 Sustainable design policy §6.1.2 Actions and resources used §6.1.3 Associated targets §6.2.1 Policy related to extending product longevity §6.2.2 Actions and resources used §6.2.3 Associated targets **Social:** §2.2.3 Related actions and resources §2.2.4 Related targets
	Biodiversity and ecosystems	– Fragmentation/degradation/loss of terrestrial habitat/deforestation arising from own operations and supply chain operations – Contribution to soil degradation across the upstream value chain and the Group's own operations – Damage to sensitive ecosystems (coral reefs, tropical forests, savannahs, mountainous areas, island areas, etc.) arising from tourism and the use of boats in these areas – Direct and indirect impacts of restoration work on the state of ecosystems	§1.2.2 LIFE 360 objectives §1.2.3 LIFE 360 targets: 2024 results §1.3 Training and LIFE Academy §5.1.1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model §5.2.1 Policy related to impact on ecosystems and soil §5.2.2 Related actions and resources §5.2.3 Associated targets
Animals	Animal welfare	– Impact on animal welfare	§1.7.1 Description of the related policy §1.7.2 Actions and resources used **Environment:** §5.2.3 Associated targets

5. Monitoring and steering

5.1 Ongoing assessment and support of Group Partners

The LVMH Group considers it very important that the Maisons and the Group's Partners abide by a shared body of rules, practices and principles in relation to ethics, corporate social responsibility and environmental protection.

To this end, the Group's responsible supply chain management approach – described in the Sustainability Report (see "*Sustainability Report* – Social", §2.2, "Working conditions and human rights in the value chain") – aims to motivate Partners and every link in the supply chains involved to meet ethical, social and environmental requirements. It is based on a combination of the following:

- clear communication of the LVMH Group's expectations through its Business Partner & Supplier Code of Conduct;
- identifying priority areas, informed in particular by the multiple non-financial risk-mapping exercises covering the activities of the Group and its direct Partners by type of activity;
- site audits of our Partners to check that the Group's requirements are met on the ground, and implementation of corrective action programs in the event of compliance failures;
- Partner support and training;
- promoting and actively participating in cross-sector initiatives covering certain specific areas.

5.2 Targeted development actions

Starting January 2024, a number of companies in the fashion sector with production activities in Italy were the subject of allegations and administrative measures concerning non-compliance with applicable rules governing working conditions within their leather goods chains of activities.

In June 2024, Manufactures Dior Srl, a subsidiary of Dior Italy, was placed under administrative receivership by the Court of Milan following exceptional, isolated events. This procedure is described in the Sustainability Report (see "*Sustainability Report* – Social", §2.2.3, "Related actions and resources").

In keeping with efforts already initiated to tighten the Group's control over an activity that had experienced sudden strong growth following the public health crisis, an action plan (hereinafter "**the Action Plan**") was drawn up and rolled out to all of the Group's Maisons.

Overseen directly by the Deputy Chief Executive Officer and the Director of General Administration & Legal Affairs, both members of LVMH's Executive Committee, the operational implementation of this Action Plan is coordinated by the Duty of Vigilance Director, drawing on the expertise of the Director of Group Purchasing and with the support of departments represented on the Group Duty of Vigilance Committee.

Each Maison with production activities in Italy in any of the sectors in which the Group operates was thus given a target of auditing all subcontractors as soon as possible, with a priority focus on the leather goods and ready-to-wear businesses.

To this end, the Action Plan consisted of compulsory actions to be taken immediately by each affected Maison.

Reminder of the Group's requirements of its Partners

Each Maison reminded all its Partners of the provisions laid down in the now updated LVMH Supplier Code of Conduct (hereinafter "**the Code**").

In particular, Partners were reminded that they are, in principle, forbidden from subcontracting activities entrusted to them by the Group's Maisons. Any exceptions to this principle must be expressly authorized in writing in advance by the Maison in question.

In any event, any subcontracting that might take place implies that the Group's requirements, as set out in the Code, will be met. Any Partner exceptionally authorized to subcontract activities entrusted to it by the Group is thus liable for ensuring that these requirements are met, without prejudice to any supervisory measures which the Group reserves the right to adopt.

Lastly, Partners were reminded that any failure to comply with the requirements set out in the Code or the aforementioned measures must be corrected without delay, on penalty of the business relationship with the Partner in question being suspended or immediately terminated.

Dedicated audit plan

Building on audit plans in progress, which already substantially covered Partners in Italy in particular, the Action Plan considerably increased the resources dedicated to audits carried out in Italy.

To this end, with the help of the Convergence program described in the Sustainability Report (see "*Sustainability Report* – Social", §2.2, "Working conditions and human rights in the value chain"), and particularly the Verisk Maplecroft risk mapping, each Maison focused its efforts on auditing Partners based on specific criteria:

- location, with a particular focus on the Lombardy region;
- presence of foreign workers;
- shareholding structure;
- presence of dormitories at production sites.

To maximize coverage and ensure a consistent approach within the Group, each Maison's audit plans were made available to other Maisons via the dedicated Allegro platform used by the Maisons to share audit plans and findings.

In practical terms, this collaborative approach translated into meetings aimed at:

- sharing progress on implementation of the Action Plan;
- where applicable, determining whether the Action Plan needed to be adjusted;
- reviewing the list of audit providers duly selected by the Group and discussing potential other such providers;
- sharing any difficulties encountered.

Reinforcing audit arrangements

The Action Plan provided an opportunity to strengthen overall audit arrangements within the Group, in particular by systematizing certain existing practices.

For example:

- Partners meeting certain specific criteria must be audited at least twice a year;
- for Partners with an established relationship that have been audited by a specialized external provider, site visits by experienced Group employees are strongly encouraged;
- on-site audits prior to entering into any new relationship with a Partner were made a systematic requirement under the Action Plan;
- the Maisons were encouraged to make greater use of unannounced on-site audits outside of normal working hours, including at night-time and weekends.

In addition, strict rules apply where audit findings are at the very bottom of the Group's evaluation matrix:

- all production on behalf of the Group must immediately halt;
- if there are any observations related to child labor or forced labor, the business relationship with the Partner in question must be terminated immediately without possibility of future resumption;
- in all other cases, the Partner in question has 48 hours to put forward a proposed corrective action plan to remedy any compliance failures noted during the audit;
- all corrective action plans must be formally agreed by the Maison(s) in question;
- if a corrective action plan is agreed, the Partner in question has three weeks to effectively implement it;
- once this three-week deadline has passed, if the compliance failures noted during the audit have been corrected, production on behalf of the Group may resume.

Results

As a result of the Action Plan, internal standards and procedures were updated, dedicated tools were strengthened and the number of Partner audits increased substantially.

The Group's Maisons conducted 4,066 audits in 2024. Furthermore, 1,299 follow-up audits were conducted to check that action plans put in place following initial audits had been effectively implemented.

6. Whistleblowing system

LVMH encourages a culture of dialogue and communication within the Group. Any employees and external stakeholders who have questions about how to interpret internal regulations or have any ethical concerns are invited to make this known or ask for advice.

LVMH has also set up a whistleblowing system to receive and investigate reports regarding unlawful behavior or behavior contrary to its internal principles of conduct. Any current or former employee of the Group and any external Group stakeholder can make a report, from anywhere around the world.

This whistleblowing system, which constitutes an integral part of the Group's vigilance policy and was the subject of a consultation with the employee representative bodies of the Group's French entities, is described in the Sustainability Report (see "*Sustainability Report* – Governance", §1.3.1, "Business integrity policy").

7. Indicators and results

In addition to measures adopted as part of its vigilance policy, the Group publishes indicators and results in its Sustainability Report (see "*Sustainability Report* – Governance", §2.4, "Due diligence statement", "Tracking the effectiveness of these efforts and communicating"). The main indicators and results are listed below.

Main indicators	Sections in the Sustainability Report describing associated results
Overall indicators:	
Assessments of suppliers and business partners via the EcoVadis platform	§2.2.5 Related metrics *(Social)*
Social and environmental audits of suppliers and business partners	§2.2.5 Related metrics *(Social)*
Environment:	
Summary of LIFE 360 "Climate" targets	§1.2.3 LIFE 360 targets: 2024 results
Summary of LIFE 360 "Biodiversity" targets (including water)	§1.2.3 LIFE 360 targets: 2024 results
Summary of LIFE 360 "Circular Design" targets	§1.2.3 LIFE 360 targets: 2024 results
Summary of LIFE 360 "Traceability and Transparency" targets	§1.2.3 LIFE 360 targets: 2024 results
Employees having completed environmental training	§1.3 Training and LIFE Academy
Results achieved in 2024 in connection with the Group's carbon reduction targets	§2.2.10 Description of progress made
Scope 1 and 2 GHG emissions	§2.3.4 Indicators and results
Scope 3 GHG emissions	§2.3.4 Indicators and results
Indicators and results associated with energy	§2.4.4 Indicators and results
Indicators and results associated with potential soil pollution	§3.2.4 Indicators and results
Indicators and results associated with water pollution	§3.3.4 Indicators and results
Indicators and results associated with the prevention of substances of very high concern (SVHC)	§3.4.4 Indicators and results
Indicators and results associated with water consumption	§4.2.4 Indicators and results
Results achieved in 2024 in connection with biodiversity indicators	§5.2.4 Related metrics
Results achieved in 2024 in connection with the certification of strategic supply chains	§5.2.4 Related metrics
Results achieved in 2024 in connection with traceability	§5.2.4 Related metrics
Results achieved in 2024 in connection with the certification of strategic animal-based supply chains	§1.7.4 Indicators and results *(Governance)*
Results achieved in 2024 in connection with traceability of strategic animal-based supply chains	§1.7.4 Indicators and results *(Governance)*
Inflows of biological and technical resources used by LVMH in 2024, of which recycled and certified resources	§6.1.3 Indicators and results
Main materials used to make packaging (resource inflows)	§6.1.3 Indicators and results
Overview of sustainable design targets	§6.1.3 Indicators and results
Monitoring of the development of circular services related to product longevity	§6.2.4 Indicators and results
Quantity of waste produced in operations in 2024	§6.3.4 Indicators and results
Reuse and recycling of non-hazardous waste produced in operations in 2024	§6.3.4 Indicators and results
Reuse and recycling of hazardous waste produced in operations in 2024	§6.3.4 Indicators and results
Quantities of waste and materials reused or recycled via the CEDRE platform in France in 2024	§6.3.4 Indicators and results
Presence of certified environmental management systems in 2024	§6.3.4 Indicators and results

Main indicators	Sections in the Sustainability Report describing associated results	
Social:		
Results achieved in 2024 in connection with the CSR roadmap	§1.3	LVMH's objectives regarding its Impacts, Risks and Opportunities
Results achieved in 2024 in connection with the CSR roadmap: Valuing difference	§1.3	LVMH's objectives regarding its Impacts, Risks and Opportunities
Results achieved in 2024 in connection with the CSR roadmap: Employee health, safety and well-being	§1.3	LVMH's objectives regarding its Impacts, Risks and Opportunities
Results achieved in 2024 in connection with the CSR roadmap: Expertise in excellence	§1.3	LVMH's objectives regarding its Impacts, Risks and Opportunities
Reports received via the LVMH Alert Line concerning human resources issues	§1.4.1	Respect for human rights
Reports received via other reporting channels specific to Group Maisons and entities	§1.4.1	Respect for human rights
Results achieved in 2024 in connection with the new Health & Safety Charter	§1.4.3	Ensuring health and safety for all staff
Absence rate by geographic region and by reason	§1.4.3	Ensuring health and safety for all staff
Accident indicators by business group and by geographic region	§1.4.3	Ensuring health and safety for all staff
Number of meetings attended by employee representatives in France	§1.4.4	Fostering constructive labor relations and ensuring freedom of expression
Coverage rate of collective bargaining and labor relations	§1.4.4	Fostering constructive labor relations and ensuring freedom of expression
Number of people assisted by the LVMH Heart Fund	§1.4.5	Work-life balance, well-being at work and the LVMH Heart Fund
Global workforce affected by various forms of working time adjustments by geographic region	§1.4.5	Work-life balance, well-being at work and the LVMH Heart Fund
Training-related investment	§1.5.4	Developing employee agility and employability
Training-related investment by job category and geographic region	§1.5.4	Developing employee agility and employability
Average age and breakdown by age	§1.6.1	Promoting diversity and inclusion
Gender distribution as percentage of workforce and new hires	§1.6.1	Promoting diversity and inclusion

Board of Directors' report on corporate governance

This report, which was drawn up in accordance with the provisions of Articles L. 225-37 *et seq.* of the French Commercial Code, was approved by the Board of Directors at its meeting of January 28, 2025, and will be submitted for shareholder approval at the Shareholders' Meeting of April 17, 2025.

Code of Corporate Governance – Implementation of recommendations

The Company refers to the AFEP/MEDEF Code of Corporate Governance for Listed Companies for guidance. This document may be viewed on the AFEP/MEDEF website: www.afep.com.

The Company considers its practices to be compliant with the recommendations set out in the AFEP/MEDEF Code. Those recommendations that are not followed, together with the Company's explanations for not following them, can be found in the summary table (see §3.3 below, "Application of the AFEP/MEDEF Code of Corporate Governance: summary table") prepared in accordance with the "comply or explain" rule laid down in Article L. 22-10-10 of the French Commercial Code and referenced in Article 28.1 of the December 2022 AFEP/MEDEF Code.

1. Administrative and management bodies

1.1 Membership of the Board of Directors

The Board of Directors is the strategic body of the Company that is primarily responsible for driving its long-term value creation and protecting its corporate interests, focusing in particular on the social, environmental and climate issues facing its business.

Its main missions involve adopting the overall strategic orientations of the Company and the Group and ensuring these are implemented; verifying the reliability and fair presentation of information concerning the Company and the Group; protecting the Company's assets; and verifying that the major risks to which the Company is exposed with regard to its structure and targets (whether financial, legal, operational, social or environmental) are taken into account in the Company's management.

The Board of Directors sees to it that procedures to prevent corruption and influence-peddling risks are implemented; it also ensures that procedures are followed with regard to data protection and ethics.

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

A Charter has been adopted by the Board of Directors which outlines rules governing its membership, duties, procedures, and responsibilities.

Two committees have been established by the Board of Directors: the Performance Audit Committee and the Governance & Compensation Committee. Each has rules of procedure setting forth its composition, role and responsibilities.

The Charter of the Board of Directors and the rules of procedure governing the committees are communicated to all candidates for appointment as Director and, where applicable, to all permanent representatives of a legal entity before assuming their duties. These documents are presented in full on the website, www.dior-finance.com. They are regularly revised to take into account changes in laws and regulations and good governance practices.

Pursuant to the provisions of the Board of Directors' Charter, all Directors must bring to the attention of the Chairman of the Board any instance, even potential, of a conflict of interest that may exist between their duties and responsibilities to the Company and their private interests and/or other duties and responsibilities, and should in such a situation abstain from taking part in any discussions or voting on the proposed matter in question. They must also provide the Chairman with details of any formal judicial inquiry, fraud conviction, any official public incrimination and/or sanctions, any disqualifications from acting as a member of an administrative or management body imposed by a court and any bankruptcy, receivership or liquidation proceedings to which they have been a party. No information has been communicated to the Company with respect to this obligation during the fiscal year.

The Company's Bylaws require each Director to hold, directly and personally, at least 200 of the Company's shares.

1.1.1 Membership as of December 31, 2024

The Board of Directors has nine members who are appointed for three-year terms, as stipulated in the Bylaws.

Personal information					Experience
Name	**Nationality**	**Age as of 12/31/2024**	**Number of shares held in a personal capacity**	**Number of directorships at non-Group listed companies**	**Office held**
Bernard ARNAULT	French	75	534,249	-	Chairman of the Board of Directors
Antoine ARNAULT	French	47	182,787	-	Director and Vice-Chairman of the Board of Directors
					Chief Executive Officer
Delphine ARNAULT	French	49	279,715	1	Director
Nicolas BAZIRE	French	67	200	1	Director
Hélène DESMARAIS	Canadian	69	375	-	Director
Renaud DONNEDIEU de VABRES	French	70	200	-	Director
Ségolène GALLIENNE	Belgian	47	200	1	Director
Christian de LABRIFFE	French	77	204	2	Director
Maria Luisa LORO PIANA	Italian	63	200	-	Director

(a) According to the independence criteria applied by the Company.

1.1.2 Diversity policy within the Board of Directors

Main areas of expertise and experience of members of the Board of Directors

The table below shows the areas of expertise and experience of the members of the Board of Directors compared with those areas of skills and expertise that are essential to an in-depth understanding of both the Company's operating activities as an international group and the issues facing it.

Total number of members	**9**
CSR and climate issues	5
Luxury sector	9
International	9
Communications/digital/innovation	8
Strategy/consulting	7
Finance	4
Experience in Executive Management	9

1.1.3 Independent Directors

At its meeting of January 28, 2025, the Board of Directors reviewed the status of each Director currently in office, based on the work of the Governance & Compensation Committee, in particular with respect to each of the independence criteria laid down in Articles 10.5 to 10.7 of the AFEP/MEDEF Code and set out below:

Criterion 1 – Employee or company officer within the previous 5 years: Not to be and not to have been during the course of the previous five years an employee or executive officer of the Company, or an employee, senior executive officer or a Director of a company that it consolidates, or of its parent company or a company consolidated by this parent.

Criterion 2 – Cross-directorships: Not to be a senior executive officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office during the last five years) is a Director.

Criterion 3 – Material business relationships: Not to be a customer, supplier, commercial banker, investment banker or advisor who is material to the Company or its group, or for a significant part of whose business the Company or its group accounts.

Position on the Board			Attendance at Board committee meetings	
			Board committees	
Date of first appointment	Independent Director [(a)]	End of term	Performance Audit Committee	Governance & Compensation Committee
03/20/1985	No	2026		
12/08/2022	No	2026		
12/08/2022	-			
04/05/2012	No	2027		
07/26/2017	No	2025	Member	Member
04/05/2012	Yes [(a)]	2027		Chairman
02/05/2009	Yes [(a)]	2025	Member	
04/15/2010	Yes [(a)]	2025		
05/14/1986	Yes [(a)]	2025	Chairman	Member
04/13/2017	No	2026		

Criterion 4 – Family ties: Not to be related by close family ties to a company officer.

Criterion 5 – Statutory Auditor: Not to have been an auditor of the Company within the previous five years.

Criterion 6 – Term of office exceeding 12 years: Not to have been a Director of the Company for more than 12 years.

Criterion 7 – Non-executive senior executive officer: Not to receive variable compensation in cash or in the form of shares or any compensation linked to the performance of the Company or Group.

Criterion 8 – Controlling shareholder: Not to represent shareholders with a controlling interest in the Company.

Following this review, on January 28, 2025, the Board of Directors concluded that:

(i) Hélène Desmarais should be considered an Independent Director notwithstanding the fact that she has been a member of the Board of Directors for more than 12 years;

(ii) Ségolène Gallienne should be considered an Independent Director notwithstanding the fact that she will have been a member of the Board of Directors for more than 12 years and notwithstanding her service on the Board of Directors of Château Cheval Blanc. In this case, the Board has set aside the recommendation of the AFEP/MEDEF Code with regard to the business relations resulting from the joint and equal ownership of Château Cheval Blanc by the LVMH Group and the Frère-Bourgeois group, of which she is a Director, considering that these relations are not material in view of the size of the two groups and are not likely to call into question her independence;

(iii) Renaud Donnedieu de Vabres should be considered an Independent Director notwithstanding his service on the Company's Board of Directors for more than 12 years and his service on the Board of Directors of Fondation d'Entreprise Louis Vuitton, a non-profit institution established to pursue cultural public interest initiatives not falling within the scope of application of the AFEP/MEDEF Code, which only applies to appointments held in companies. Furthermore, he is not paid any compensation for this position;

(iv) Christian de Labriffe should be considered an Independent Director notwithstanding his service on the Board of Directors of the Company for more than 12 years and his former appointment as a Director of Christian Dior Couture SA, for which he received no compensation.

Having reviewed their situation, on the recommendation of the Governance & Compensation Committee, the Board deemed, after analyzing the individual situation of each Director concerned and their respective contributions to the Board's work, that term of office, as defined by the AFEP/MEDEF Code among eight other criteria, was not a sufficient criterion in itself for Hélène Desmarais, Ségolène Gallienne, Renaud Donnedieu de Vabres and Christian de Labriffe to lose the status as Independent Directors they have consistently had.

The Board noted the valuable contribution made by each of these Directors to the work of the Board and any committees of which they are members, reinforced by their ability to take a long-term view in analyzing decisions and issues, which is essential in assessing the strategy of a controlled group. Furthermore, the Board has carefully taken into account the personality, experience, profile and professional and personal situations of each of these Directors and concluded that the length of their term of office has not affected their integrity, competence, involvement or freedom of judgment in performing their duties as Directors.

The Board of Directors decided that Hélène Desmarais, Ségolène Gallienne and Christian de Labriffe may continue to qualify as Independent Directors. It should be noted, however, that Renaud Donnedieu de Vabres has opted not to stand for reappointment at the Shareholders' Meeting of April 17, 2025.

As of the date of this report, four out of the nine Directors who make up the Board of Directors are considered as independent and having no vested interest in the Company. They represent 44% of the Board of Directors' membership.

Table summarizing Directors' independent status following the Board of Directors' review of January 28, 2025 of the criteria for independence

In this table, "✓" represents an independence criterion that is met, while "-" represents an independence criterion that was not met as of December 31, 2024.

Name	AFEP/MEDEF criteria (a)								Considered an Independent Director?
	Criterion 1 Employee or company officer during previous 5 years	**Criterion 2** Cross-directorships	**Criterion 3** Material business relationships	**Criterion 4** Family ties	**Criterion 5** Statutory Auditor	**Criterion 6** Term of office exceeding 12 years	**Criterion 7** Non-executive senior executive officer	**Criterion 8** Controlling shareholder	
Bernard ARNAULT	-	-	✓	-	✓	-	-	-	No
Antoine ARNAULT	-	-	✓	-	✓	✓	-	-	No
Delphine ARNAULT	-	✓	✓	-	✓	✓	-	-	No
Nicolas BAZIRE	-	✓	✓	✓	✓	✓	-	-	No
Hélène DESMARAIS	✓	✓	✓	✓	✓	-	✓	✓	Yes (b)
Renaud DONNEDIEU de VABRES	✓	✓	✓	✓	✓	-	✓	✓	Yes (b)
Ségolène GALLIENNE	✓	✓	✓	✓	✓	-	✓	✓	Yes (b)
Christian de LABRIFFE	-	✓	✓	✓	✓	-	✓	✓	Yes (b)
Maria Luisa LORO PIANA	-	✓	✓	✓	✓	✓	✓	✓	No

(a) See above for details of how the Company applies the independence criteria laid down in the AFEP/MEDEF Code.
(b) According to the criteria applied by the Company.

1.1.4 List of positions and offices held by members of the Board of Directors

1.1.4.1 Directors whose terms of office expire at the close of the Shareholders' Meeting

Renaud DONNEDIEU de VABRES

Date of birth: March 13, 1954.

Business address: 50 rue de Bourgogne – 75007 Paris (France).

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 département 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 RDDV Partner SAS.

Current positions and offices

Christian Dior Group

France	Christian Dior SE (1)	Director and Member of the Performance Audit Committee
	Louis Vuitton, Fondation d'Entreprise	Director

Other

France	RDDV Partner SAS	Chairman

Positions and offices that have ended since January 1, 2019

None.

Ségolène GALLIENNE

Date of birth: June 7, 1977.

Business address: GBL – Avenue Marnix 24 – 1000 Brussels (Belgium).

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.

(1) Listed company.

Current positions and offices

Christian Dior Group

France	Christian Dior SE (1)	Director
	Château Cheval Blanc SC	Director

Other

France	Cheval Blanc Finance SAS	Director
	Maison de Champagne Lenoble	Chairman of the Strategy Committee
	Canal + (1)	Member of the Supervisory Board
International	Compagnie Nationale à Portefeuille SA (Belgium)	Director
	Compagnie Nationale à Portefeuille (CNP) (Belgium)	Director
	Diane SA (Switzerland)	Chairman of the Board of Directors
	Esso SDC (Belgium)	Managing Director
	FG Participations Srl (Belgium)	Director
	FG Bros (Belgium)	Chairman
	FG Investment Srl (Belgium)	Director
	SG Gestion (Belgium)	Director
	Parjointco SA (Belgium)	Director
	Carolorégienne de Participations SA (Belgium)	Director
	Eagle Capital SA (Belgium)	Director
	Fonds Charles Albert Frère ASBL (Belgium)	Director
	Groupe Bruxelles Lambert SA (Belgium) (1)	Director and Member of the Standing Committee
	Financière de la Sambre SA	Director
	Power Corporation of Canada (Canada)	Director

Positions and offices that have ended since January 1, 2019

International	Erbé SA (Belgium)	Director
	Pargesa Holding SA (Switzerland) (1)	Director
	Stichting Administratiekantoor Frère-Bourgeois (Netherlands)	Director
	Stichting Administratiekantoor Peupleraie (Netherlands)	Chairman of the Board of Directors
	Domaine Frère Bourgeois SA (Belgium)	Director

(1) Listed company.

Nicolas BAZIRE

Date of birth: July 13, 1957.

Business address: LVMH – 22 avenue Montaigne – 75008 Paris (France).

Nicolas Bazire became Chief of Staff of Prime Minister Edouard Balladur in 1993. He was Managing Partner at Rothschild & Cie Banque between 1995 and 1999.

Current positions and offices

Christian Dior Group		
France	Christian Dior SE (1)	Director, Member of the Performance Audit Committee and Member of the Governance & Compensation Committee
	Groupe Les Echos SA	Director
	Jean Patou SAS	Member of the Advisory Committee
	Les Echos SAS	Vice-Chairman of the Supervisory Board, Chairman of the Compensation Committee and Member of the Appointments Committee
	Louis Vuitton Malletier SAS	Permanent Representative of Ufipar, Member of the Steering Committee
	Louis Vuitton, Fondation d'Entreprise	Director
Agache Group		
France	Agache Développement SA	Director
Other		
France	Madrigall SA	Director
International	Société des Bains de Mer de Monaco SA (1) (Principality of Monaco)	Permanent Representative of Ufipar, Director and Rapporteur to the Finance and Audit Directors' Commission

Positions and offices that have ended since January 1, 2019

France	Agache SEDCS	Member of the Executive Board and Chief Executive Officer
	Financière Agache SA	Group Managing Director and Permanent Representative of Agache SCA, Director
	LVMH Moët Hennessy Louis Vuitton SE (1)	Director
	Arjil Commanditée SA – Arco – SA	Permanent Representative of Financière Agache, Director
	Atos SE (1)	Director and Chairman of the Nominations & Compensation Committee
	Carrefour SA (1)	Director, Member of the Audit Committee, the Compensation Committee and the Strategy Committee
	Europatweb SA	Director
	LV Group SA	Director and Member of the Compensation Committee
	Semyrhamis SA	Non-Director Managing Director and Permanent Representative of Agache SEDCS, Director
	Suez SA (1)	Director, Member of the Audit & Accounts Committee and the Nominations, Compensation & Governance Committee

Christian de LABRIFFE

Date of birth: March 13, 1947.

Business address: Tikehau Capital – 32 rue de Monceau – 75008 Paris (France).

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 Chairman and Chief Executive Officer of Salvepar SA until March 31, 2017. He has served as Chairman of the Supervisory Board of Tikehau Capital SCA since March 31, 2017.

(1) Listed company.

Current positions and offices

Christian Dior Group

France	Christian Dior SE (1)	Director, Chairman of the Performance Audit Committee and Member of the Governance & Compensation Committee

Other

France	Bénéteau SA (1)	Advisory member of the Supervisory Board
	Forges de Baudin SAS	Chairman
	Parc Monceau SARL	Managing Director
	TCA Partnership SAS	Chairman
	Tikehau Capital SCA (1)	Chairman of the Supervisory Board
	Fondation Nationale des Arts Graphiques et Plastiques	Director
International	TC Belgium Investments (Belgium)	Director

Positions and offices that have ended since January 1, 2019

France	Bénéteau SA (1)	Permanent Representative of Parc Monceau SARL, Advisory Board member
	Christian Dior Couture SA	Director
	DRT SA	Permanent Representative of Tikehau Capital SCA, Director
	Tikehau Ace Capital SAS	Chairman of the Supervisory Board

1.1.4.2 Currently serving Directors

Bernard ARNAULT, Chairman of the Board of Directors

Date of birth: March 5, 1949.

Business address: LVMH – 22 avenue Montaigne – 75008 Paris (France).

After graduating from École Polytechnique, Bernard Arnault decided to pursue a career in engineering, and worked in this role at Ferret-Savinel, where he became Senior Vice-President for construction in 1974, Chief Executive Officer in 1977 and finally Chairman and Chief Executive Officer in 1978.

He remained with the Company until 1984, when he became Chairman and Chief Executive Officer of Financière Agache and of Christian Dior. Shortly thereafter, he spearheaded a reorganization of the Financière Agache Group following a development strategy focusing on luxury brands. Christian Dior was to become the cornerstone of this new structure.

In 1989, he became the leading shareholder of LVMH Moët Hennessy Louis Vuitton, and thus created the world's leading luxury products group. He assumed the position of Chairman in January 1989.

Current positions and offices

Christian Dior Group

France	Christian Dior SE (1)	Chairman of the Board of Directors
	Château Cheval Blanc SC	Chairman of the Board of Directors
	Christian Dior Couture SA	Director
	LVMH Moët Hennessy Louis Vuitton SE (1)	Chairman and Chief Executive Officer
	Louis Vuitton, Fondation d'Entreprise	Chairman of the Board of Directors

Agache Group

France	Agache SCA	Managing Director and General Partner *(associé commandité)*

Positions and offices that have ended since January 1, 2019

France	Agache SEDCS	Chairman of the Executive Board
	Financière Jean Goujon SAS	Member of the Supervisory Committee

(1) Listed company.

Antoine ARNAULT, Vice-Chairman and Chief Executive Officer

Date of birth: June 4, 1977.

Business address: LVMH – 22 avenue Montaigne – 75008 Paris (France).

Antoine Arnault is a graduate of the HEC Montréal and INSEAD business schools. In 2000, he started an Internet company specialized in the registration of domain names. He subsequently sold his stake in this company and joined the Group, working at Louis Vuitton, where he was named Director of Communications.

In 2011, he was appointed Chief Executive Officer of Berluti and the same year launched the *Journées Particulières*, a three-day open-house event that gives the general public a glimpse behind the scenes of the Group's Maisons and their expert craftsmanship. For the fifth event, held in October 2022, 57 Group Maisons opened their doors in more than 14 countries, welcoming over 200,000 visitors.

Since the end of 2013, Antoine Arnault has served as Chairman of Loro Piana. In December 2022, he was named Chief Executive Officer and Vice-Chairman of the Board of Directors of Christian Dior SE. In early January 2024, he became Chairman of Berluti's Supervisory Board.

Having been made Chairman of Agache Sport, Antoine Arnault was also appointed a Director of Paris Football Club in November 2024.

In addition to his current positions at these Maisons, Antoine Arnault is the LVMH Group's Head of Image and Environment.

Current positions and offices

Christian Dior Group

France	Christian Dior SE [(1)]	Chief Executive Officer and Vice-Chairman of the Board of Directors
	Berluti SA	Chairman of the Supervisory Board
	Les Echos SAS	Member of the Supervisory Board
	LVMH Moët Hennessy Louis Vuitton SE [(1)]	Director
	LIVE, nonprofit	Permanent Representative of LVMH, Director
	Nona Source SAS	Chairman
International	Loro Piana SpA (Italy)	Chairman of the Board of Directors

Agache Group

France	Agache Commandité SAS	Chairman and Member of the Management Committee
	Agache Sport SAS	Chairman
	Paris Football Club SA	Director

Other

France	SCI NAVA	Managing Director
	Marbeuf Capital SC	Managing Director
International	Eniotna LLP (United Kingdom)	Partner
	Innova E2 (Luxembourg)	Director

Positions and offices that have ended since January 1, 2019

France	Agache SEDCS	Member of the Executive Board
	Association du Musée Louis Vuitton	Permanent Representative of LV Group SA, Director
	Berluti SA	Chairman of the Executive Board
	Comité Colbert	Director
	GoodPlanet Foundation	Director
	LV Group SA	Chairman and Chief Executive Officer
	LVMH Moët Hennessy Louis Vuitton SE	Member of the Performance Audit Committee
	Vandelay Industrie SC	Managing Director
International	Berluti LLC (United States)	Managing Director
	Berluti Hong Kong Company Limited (Hong Kong)	Director
	Berluti (Shanghai) Company Limited (China)	Director
	Berluti Monaco SA (Principality of Monaco)	Permanent Representative of LVMH Miscellanées SA, Director
	Fendi Srl (Italy)	Director
	Manifattura Berluti Srl (Italy)	Director

(1) Listed company.

Delphine ARNAULT

Date of birth: April 4, 1975.

Business address: Christian Dior Couture – 61 rue Galilée – 75008 Paris (France).

Delphine Arnault began her career at international strategy consultancy firm McKinsey. 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 Christian Dior Couture, where she served as Deputy Managing Director from 2008 to 2013. From September 2013 to February 2023, she was Executive Vice-President of Louis Vuitton, in charge of supervising all of the Maison's product-related activities.

Since January 2019, Delphine Arnault has been a member of the Executive Committee of the LVMH Group.

Since February 1, 2023, Delphine Arnault has served as Chairman and Chief Executive Officer of Christian Dior Couture.

Current positions and offices

Christian Dior Group

France	Christian Dior SE (1)	Director
	Celine SA	Director
	Château Cheval Blanc SC	Director
	Christian Dior Couture SA	Chairman and Chief Executive Officer
	LVMH Moët Hennessy Louis Vuitton SE (1)	Director
International	Emilio Pucci Srl (Italy)	Director
	Loewe SA (Spain)	Director

Agache Group

France	Agache Commandité SAS	Member of the Management Committee

Other

International	Ferrari SpA (Italy) (1)	Director
	Gagosian Gallery Inc. (United States)	Director
	Phoebe Philo Limited Plc (United Kingdom)	Director

Positions and offices that have ended since January 1, 2019

France	Agache SEDCS	Vice-Chairman of the Supervisory Board and Member of the Compensation Committee
	Agache Commandité SAS	Chairman
	LVMH Moët Hennessy Louis Vuitton SE (1)	Member of the Ethics & Sustainable Development Committee
International	Emilio Pucci International BV (Netherlands)	Director

Hélène DESMARAIS

Date of birth: June 7, 1955.

Business address: Centre d'Entreprises et d'Innovation de Montréal (CEIM) – 751 square Victoria – Montreal (Quebec) H2Y 2J3 (Canada).

Hélène Desmarais has been Chairman of the Board of Directors and Chief Executive Officer of Centre d'Entreprises et d'Innovation de Montréal – 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 Chairman of the Boards of Directors of Scale AI, the HEC Montréal business school, 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. Hélène Desmarais is Executive Chairman of Ivado Labs, a tech consulting firm which she founded in 2018, specializing in the design and build of cutting-edge artificial intelligence software.

(1) Listed company.

Current positions and offices

Christian Dior Group

France	Christian Dior SE [1]	Director and Chairman of the Governance & Compensation Committee

Other

Canada	C.D. Howe Institute	Director
	Centre d'Entreprises et d'Innovation de Montréal (CEIM)	Founder and Chairman of the Board of Directors
	Garda World Security Corporation	Director and member of the Verification Committee and the Corporate Governance Committee
	International Economic Forum of the Americas	Member of the Board of Governors and Chairman of the Strategic Orientation Committee
	Hautes Etudes Commerciales de Montréal (HEC Montréal)	Chairman of the Board of Directors
	Montreal Economic Institute	Chairman of the Board of Directors
	Institute for Governance of Private and Public Organizations	Founder and Director
	Ivado Labs	Founder and Executive Chairman of the Board of Directors
	Scale AI	Chairman of the Board of Directors

Positions and offices that have ended since January 1, 2019

France	Christian Dior Couture SA	Director
Canada	PME MTL Centre-Ville	Founder and Chairman of the Board of Directors

Maria Luisa LORO PIANA

Date of birth: November 15, 1961.

Business address: Laprima Holding Srl – Via Paolo Andreani 4 – 20122 Milan (Italy).

Maria Luisa Decol Loro Piana was born and grew up in Venice. After living in London for a number of years, she worked for Krizia, initially in the press department and later on the product team. After meeting Sergio Loro Piana, she worked with him for over 20 years to successfully create and position the Loro Piana brand, opening more than 100 stores worldwide.

She is currently a Director of Loro Piana SpA, as well as an ambassador for the company's brand and image.

Current positions and offices

Christian Dior Group

France	Christian Dior SE [1]	Director
Italy	Loro Piana SpA	Director

Other

Italy	Palma Società Semplice	Partner and Director

Positions and offices that have ended since January 1, 2019

Italy	Fondation Sergio Loro Piana	Director

(1) Listed company.

1.1.5 Changes in membership of the Board of Directors and its committees

Changes during 2024

The following table summarizes the changes in membership of the Board of Directors during fiscal year 2024.

	Departures	Appointments	Reappointments
Board of Directors	None	None	– Delphine ARNAULT (Shareholders' Meeting of April 18, 2024) – Hélène DESMARAIS (Shareholders' Meeting of April 18, 2024) – Jaime de MARICHALAR y SÁENZ de TEJADA (Shareholders' Meeting of April 18, 2024)
Performance Audit Committee	None	None	
Governance & Compensation Committee	None	None	

To make the renewal of Directors' appointments as balanced over time as possible, and in any event to make them complete for each three-year period, the Board of Directors set up a system of rolling renewals that has been in place since 2010, so as to favor the orderly renewal of the Board, as recommended by the AFEP/MEDEF Code.

At its meeting of January 28, 2025, the Board of Directors reviewed the terms of office of Ségolène Gallienne, Nicolas Bazire, Renaud Donnedieu de Vabres, and Christian de Labriffe as Directors, all due to expire at the close of the Shareholders' Meeting of April 17, 2025.

On the recommendation of the Governance & Compensation Committee, the Board of Directors decided to submit a resolution at said Shareholders' Meeting to renew the term of office as Director of Ségolène Gallienne, Nicolas Bazire and Christian de Labriffe for an additional three-year term, as Renaud Donnedieu de Vabres had informed the Chairman of the Board of Directors of his decision not to seek reappointment. It is also specified that the Company does not fall within the scope of the obligation concerning the representation of employees on the Board of Directors.

Subject to approval at the Shareholders' Meeting of April 17, 2025, the Board of Directors will thus consist of eight members: Delphine Arnault, Hélène Desmarais, Ségolène Gallienne, Maria Luisa Loro Piana, Bernard Arnault, Antoine Arnault, Nicolas Bazire and Christian de Labriffe.

Personal information about the Directors is set out in §1.4 below.

Since each gender is represented by at least 40% of Board members, the composition of the Board of Directors will continue to comply with the provisions of the French Commercial Code relating to gender equality on boards of directors.

Bernard Arnault (Chairman of the Board of Directors) and Antoine Arnault (Chief Executive Officer) do not hold directorships at non-Group listed companies, including foreign companies.

1.2 Operating procedures of the Board of Directors

9	4	80%
Directors	Meetings	Attendance
Bernard ARNAULT *Chairman*	4/5 Women/Men	

1.2.1 Board of Directors’ Duties and Work

The key priorities pursued by the Board of Directors, the Company’s strategic body, are enterprise value creation and the defense of the Company’s interests. To achieve these objectives, it endeavors to promote the Company’s long-term value creation, in particular by taking into account the social, environmental and climate issues facing its business.

Main duties and work done by the Board of Directors

Duties	Work done by the Board of Directors in 2024
Governance	
– Determine the Executive Management structure and appoint its senior executive officers. – Ensure that the Board and its committees operate in accordance with applicable regulations. – Establish a procedure for regularly assessing agreements entered into in the normal course of the Company’s business at arm’s length.	– Proposed renewals and replacements on the Board of Directors to be submitted for approval at the Shareholders’ Meeting. – Determination of the compensation of senior executive officers based on the recommendations of the Governance & Compensation Committee. – Annual examination of the individual situation of all Directors with regard to the independence criteria set forth within the AFEP/MEDEF Code and potential conflicts of interest. – Formal evaluation of changes in membership of the Board of Directors. – Amendment to the Rules of Procedure of the Performance Audit Committee and the Governance & Compensation Committee in order to introduce new provisions concerning their roles with regard to CSRD. – Decision to issue a call for tenders to replace one of the Statutory Auditors. – Appointment of the Statutory Auditor in charge of the certification of sustainability reporting.
Finance/strategy	
– Approve the Company’s annual and interim financial statements. – Define the Company’s and the Group’s broad strategic direction and ensure that it is put into practice. – Keep abreast of the Company’s financial position, cash position and commitments. – Monitor developments in markets, the competitive environment and the Company’s key strategic priorities, including those related to environmental and corporate social responsibility.	– Approval of the parent company and consolidated financial statements for fiscal year 2023 and for the six months ended June 30, 2024. – Review of quarterly business activity. – Distribution of an interim dividend in respect of fiscal year 2024. – Review of related-party agreements that remained in effect during the fiscal year. – Review of the implementation of the classification and assessment procedure for agreements. – Definition of the terms of the share buyback program. – Renewal of the authorization to give sureties, collateral and guarantees to third parties and to issue bonds.

Duties	Work done by the Board of Directors in 2024
CSR, ethics and compliance – Determine the Company's and the Group's broad strategic direction in terms of social and environmental responsibility and ensure that it is put into practice. – Review the essential characteristics of internal control and risk management systems adopted and put in place by the Group. – Ensure that procedures to prevent corruption and influence-peddling risks are implemented. – Monitor the performance of systems related to data protection and ethics.	– Information, based on a presentation by LVMH's Privacy, Ethics & Compliance Director, on the development of LVMH's arrangements for complying with the Sapin II Act.

1.2.2 Board committees

The Board of Directors has set up two committees, each specializing in matters of importance: a committee in charge of performance audit and a committee in charge of governance and compensation.

These committees consist of at least three members, appointed by the Board of Directors. The Chairman of each committee is appointed by the Board of Directors and selected from among its members.

These two committees may work together.

1.2.2.1 Performance Audit Committee

Membership of the committee as of December 31, 2024

3 Members	67% Independent Directors (a)	5 Meetings
Christian de LABRIFFE *Chairman*	Renaud DONNEDIEU DE VABRES Nicolas BAZIRE	

(a) Two members are independent according to the assessment made by the Company's Board of Directors.

Christian de Labriffe (Chairman) served as Managing Partner at Lazard Frères & Cie and at Rothschild & Cie Banque; Renaud Donnedieu de Vabres has held high public office and government positions; and Nicolas Bazire currently serves as LVMH's Senior Vice-President for Development and Acquisitions.

By virtue of their professional experience (see also §1.1.4 "List of positions and offices held by members of the Board of Directors") and their familiarity with financial and accounting procedures applicable to corporate groups, each of these three members has the expertise necessary to fulfill their responsibilities.

The Performance Audit Committee met five times in fiscal year 2024, with all of its members in attendance. All of these meetings were held without any members of the Company's Executive Management in attendance. Two meetings were devoted to the review of the financial statements in advance of their examination by the Board of Directors, one meeting to the environment, one meeting to internal control and one meeting to the call for tenders to appoint a new joint Statutory Auditor and discuss the progress of the Sustainability Report. These meetings were also attended by Christian Dior's Statutory Auditors, Chief Financial Officer and Deputy Chief Financial Officer. Audit Committee members were able to discuss matters with the Statutory Auditors without any members of the Company's Finance Department in attendance.

Main duties and work done by the committee

Duties	Work done by the committee in 2024
Finance	
– Monitor the process of preparing financial and non-financial information, in particular the parent company and consolidated financial statements and ensure their integrity. – Review key agreements entered into by Group companies and agreements entered into by any Group company with a third-party company in which a Director of Christian Dior SE is also a senior executive or principal shareholder. – Review the conclusions of the Legal Department's report on the annual review of all agreements entered into in the normal course of the Company's business and at arm's length.	– Detailed review of the parent company and consolidated financial statements for fiscal year 2024 and the interim financial statements for the six months ended June 30, 2024 in advance of their examination by the Board of Directors. – Review of the accounting position serving as the basis for the distribution of an interim dividend. – Presentation by the Statutory Auditors covering, in particular, (i) internal control, (ii) major events and (iii) the main audit issues identified and accounting treatments adopted. – Review of the conclusions of the report on the routine agreements entered into during the fiscal year ended December 31, 2023. – Review of the Group's operations. – Review of agreements between the Company and affiliated companies and individuals.
Risk management and audit	
– Ensure that appropriate internal control, risk management (including for social and environmental risks) and internal audit procedures are in place and effective. – Analyze the Company's and the Group's exposure to risks, and in particular to those risks identified by internal control and risk management systems, as well as material off-balance sheet commitments of the Company and the Group. – Assess any conflicts of interest that may affect a Director and recommend appropriate measures to prevent or correct them.	– Monitoring of the statutory audit of the Company's parent company and consolidated financial statements, on the basis of presentations and summary reports by the Statutory Auditors. – Assessment of the Group's exposure to risk, risk management procedures and off-balance sheet commitments. – Review LVMH's audit and internal control actions, with LVMH's Audit & Internal Control Director in attendance. – Review LVMH's environmental actions (under its LIFE 360 program), with LVMH's Environment Director in attendance.
External control and Statutory Auditors	
– Monitor the work of the Statutory Auditors. – Oversee the procedure for selecting the Company's Statutory Auditors, as well as the procedure for selecting the Statutory Auditor(s) responsible for certifying sustainability information; and make recommendations on appointments to be proposed at Shareholders' Meetings pursuant to the outcome of such consultations. – Examine risks to the Statutory Auditors' independence. – Verify the independence of the firm tasked with certifying sustainability reporting and monitor the performance of its assignment. – Approve services other than certification of the financial statements provided by the Statutory Auditors.	– Steering of the implementation of a call for tenders in view of the appointment of a new joint Statutory Auditor. – Manage the procedure for selecting the Statutory Auditor in charge of certifying sustainability information.
Sustainability	
– Monitor the process of preparing and checking sustainability information pursuant to regulations. – Present the Board of Directors with the minutes drafted by the firm tasked with certifying sustainability reporting.	– Implementation of new obligations arising from CSRD concerning the reporting, publication and certification of sustainability information in a separate section of the Group's Management Report, which was certified by a dedicated auditor and followed by the drafting of the Sustainability Report.

1.2.2.2 Governance & Compensation Committee

Membership of the committee

3	67%	1
Members	Independent Directors (a)	Meeting

Hélène DESMARAIS *Chairman*	Nicolas BAZIRE Christian de LABRIFFE

(a) Two of the three members are independent according to the assessment made by the Board.

The committee met once in fiscal year 2024, with all of its members in attendance.

Main duties and work done by the committee

Duties	Work done by the committee in 2024
Governance	
– Issue reasoned opinions on applications and reappointments to the positions of Director and Advisory Board member of the Company. – Report on the practical application of the selection procedure for Directors in the Company's report on corporate governance. – Make proposals on the appointment or reappointment of the Chairman of the Performance Audit Committee. – Issue an opinion on the diversity policy applicable to members of the Board of Directors.	– Opinion issued on the status of all Directors with regard, in particular, to the independence criteria set forth within the AFEP/MEDEF Code. – Review of the directorships of members of the Board of Directors expiring at the close of the Shareholders' Meeting of April 17, 2025. – Analysis of the projects relating to compensation, prior to the Board of Directors' meeting of January 28, 2025.
Compensation	
– Issue an opinion on the compensation policy for company officers and senior executive officers. – Make proposals to the Board on fixed, variable, exceptional, immediate and deferred compensation and benefits in kind to be awarded to company officers and senior executive officers. – Make proposals on the apportionment of the maximum overall annual amount set at the Shareholders' Meeting that may be allocated to Directors (and Advisory Board members, where applicable). – Express its opinion on the general policy for the allocation of options and bonus shares within the Group. – Adopt positions on any supplementary pension plans set up by the Company for its senior executives.	– Review of the compensation policy for company officers and senior executive officers. – Review of the fixed compensation for 2024 of the senior executive officers. The committee found that there were no grounds for any changes. – Recommendation that the Board adopt decisions made by the Board of Directors of LVMH concerning fixed compensation payable for 2024 to the Chairman of the Board of Directors in respect of his duties at LVMH and to the Chief Executive Officer. – Proposals on the fixed compensation to be paid to Antoine Arnault in his capacity as Chief Executive Officer of the Company. – Review of the statement of compensation paid to Directors and the Advisory Board member during fiscal year 2024. – Review of the Board of Directors' draft report on compensation policy that will be submitted for shareholder approval.

1.2.2.3 Involvement of the Board and its committees in sustainability matters

This paragraph meets the requirements relating to the information provided to the Group's administrative, management and supervisory bodies and addresses sustainability considerations of these bodies as detailed in §2.2 of the "Governance" section of the Sustainability Report for fiscal year 2024.

Board of Directors

- The Board of Directors sets the Company's and the Group's broad strategic direction and ensures that it is put into practice, as well as, on the recommendation of Executive Management, its overall approach to environmental and social responsibility, taking into account the climate issues faced by their businesses.
- Each of the Board's committees is involved in the process of drawing up and monitoring the Company's and the Group's non-financial strategy in the areas falling within their fields of expertise.

Performance Audit Committee

- Monitors the process of preparing financial and non-financial information, and makes recommendations to ensure their integrity.
- Monitors the process of preparing and checking sustainability information as well as the process implemented to determine which sustainability information to report pursuant to regulations.
- Monitors and ensures the existence and pertinence of internal control, risk management (including social and environmental risks) and internal audit procedures, makes recommendations to Executive Management on the priorities and general direction of Internal Audit, and analyzes the Company's and the Group's exposure to risks, including social and environmental risks.
- Verifies the independence of the Statutory Auditors and the firm tasked with certifying sustainability information and monitors the performance of their assignment.
- Presents the Board with the report drawn up by the firm tasked with certifying sustainability reporting.

Governance & Compensation Committee

- Identifies, as part of the procedure for selecting Directors and in accordance with its diversity policy, on the basis of defined profiles, the skills and expertise, particularly financial and non-financial, expected of potential Directors and considered key priorities for the Company.
- Issues recommendations regarding the qualitative and quantifiable criteria – including several criteria relating to environmental and social responsibility, at least one of which in line with the Company's climate objectives, in particular of a social and environmental nature – used to determine the variable portion of compensation for senior executive officers, as well as the performance conditions applicable to the exercise of options and the vesting of bonus shares.

The work carried out in 2024 by the Board of Directors and its committees in relation to sustainability matters is described above.

1.2.3 Evaluation of the Board of Directors and its committees

In accordance with the provisions of the AFEP/MEDEF Code, the Charter of the Board of Directors requires the Board of Directors to conduct an evaluation of its capacity to meet the expectations of shareholders, periodically reviewing its membership, organization and procedures and those of its two committees.

The Board of Directors' evaluation has the following three objectives:

- reviewing the operating procedures of the Board of Directors;
- ensuring that important questions are properly prepared and discussed;
- assessing the effective contribution of each Director to the work of the Board of Directors.

In 2024, the evaluation of the Board and its committees was based on the responses given by Directors prior to the meeting, to a questionnaire based on the AFEP questionnaire.

The following points emerged from the evaluation:

- the composition of the Board of Directors is balanced with regard to the proportion of Directors from outside the Company – given the ownership of the Company's share capital – and with regard to the diversity (professional experience and qualifications, gender balance, nationality, age) and complementarity of its members' expertise and experience;
- the participation of each Director in the work of the Board is in line with expectations;
- the frequency of meetings and the quality of information provided to Directors (strategic orientations, business operations, financial statements, awareness of ethics and compliance rules) proved satisfactory;
- the areas of expertise, qualifications and professional experience of the Directors, their diversity, and the presence of Directors with non-French nationalities ensure a range of complementary approaches and views, as is essential to a global group;
- the Board fulfills its role with regard to its duties and objectives, which are enterprise value creation and the defense of the company's interests;
- the composition of the two committees and the quality of their work do not call for any particular comment by the Board; the same applies to the number of shares that must be held by each Director, and to the rules governing the breakdown of compensation allocated to Directors.

1.2.4 Assessment procedure for routine agreements

In accordance with the provisions of the Company's "Charter on control procedures for related-party agreements and the assessment of routine agreements", once a year, ahead of the meeting of the Board of Directors at which the parent company financial statements are approved, the Company's Legal Department conducts a review of such agreements concluded within the normal course of business in a prior period or previously where they remained in force in the previous fiscal year.

It checks that said agreements still qualify as routine agreements as laid down in the Charter, based on the information provided by the relevant operational divisions. A report is then drafted on the basis of this review and submitted to the Performance Audit Committee, which, in turn, after reviewing it, presents the findings of said report to the Board of Directors, which, where appropriate, may recharacterize agreements.

The Legal Department conducted a review of all routine agreements entered into by the Company during the past fiscal year or previously that remained in effect during the past fiscal year. It concluded that they still satisfy the conditions to be classified as routine agreements.

At its January 28, 2025 meeting, the Board of Directors, having heard the conclusions of the Performance Audit Committee on the report prepared by the Legal Department, found that (i) none of the agreements are liable to be characterized or recharacterized as a related-party agreement and (ii) having conducted the annual review of how the procedure for determining and assessing the routine agreements was conducted, that there were no grounds for making amendments to increase its efficacy.

1.3 Executive Management

1.3.1 Mode of Executive Management

At its meeting following the Shareholders' Meeting of April 18, 2024, the Board of Directors reappointed Bernard Arnault as Chairman of the Board of Directors and Antoine Arnault as Chief Executive Officer of the Company.

The Board of Directors decided not to alter its decision to separate the roles of Chairman of the Board of Directors and Chief Executive Officer. The Board of Directors has not set any limit on the powers vested in the Chief Executive Officer.

1.3.2 Balance of powers

The balance of powers within the Board of Directors is ensured by the provisions of the Charter of the Board of Directors and the rules governing the two committees formed by it, which specify the duties of each of those committees.

It is also ensured by (i) the composition of the Board of Directors, whose very highly qualified members have a diverse range of complementary expertise, providing a sound understanding of all the Group's operations and priorities; and by (ii) the duties, rules of procedure and composition of the Board's committees, whose preparatory work informs the decisions made by the Board of Directors. Furthermore, in light of the criteria applied by the Company, as of the date of this report, at least 40% of the Directors on the Board are Independent Directors.

The Board of Directors may also establish one or more *ad hoc* committees for specific or important topics.

Lastly, Independent Directors may meet separately from the other members of the Board of Directors.

1.3.3 Vice-Chairman of the Board of Directors

The Vice-Chairman is responsible for chairing the meetings of the Board of Directors or the Shareholders' Meeting in the absence of the Chairman of the Board of Directors. Antoine Arnault is Vice-Chairman of the Board of Directors.

1.4 Advisory Board

1.4.1 Membership and operating procedures

Advisory Board members are appointed by the Shareholders' Meeting on the proposal of the Board of Directors and are chosen from among the shareholders on the basis of their competence. Under the Bylaws, they are appointed for three-year terms.

They are invited to meetings of the Board of Directors and are consulted for decision-making purposes, but do not have a vote. They may be consulted by the Chairman of the Board of Directors on the Group's strategic direction and, more generally, on any topics relating to the Company's organization and development. The committee Chairmen may also solicit their opinion on matters falling within their respective areas of expertise. Their absence does not affect the validity of the Board of Directors' proceedings.

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 of Directors' discussions.

Advisory Board member

Name	Nationality	Date of first appointment	End of term
Jaime de MARICHALAR y SÁENZ de TEJADA	Spanish	05/11/2006 [(a)]	2027

(a) Date of first appointment to the Board of Directors.

1.4.2 List of positions and offices held by the Advisory Board member

Jaime de MARICHALAR y SÁENZ de TEJADA

Date of birth: April 7, 1963.

Business address: SCCE – Avenida del Juncal, 15-17 – 28703 San Sebastián de los Reyes – Madrid (Spain).

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, where he worked in investment banking and private banking. In January 1998, he was appointed Chief Executive Officer of Credit Suisse in Madrid.

Current positions and offices

Christian Dior Group

France	Christian Dior SE [1]	Advisory Board member
International	Fendi Retail Spain SL (Spain)	Director
	LVMH Group	Advisor to the Chairman for Spain
	Loewe SA (Spain)	Director

Other

International	Art+Auction Editorial (United States and United Kingdom)	Member of the Supervisory Board
	La Sociedad General Inmobiliaria de Canarias 2000 SA (Spain)	Director
	La Sociedad General Inmobiliaria de España SA (Spain)	Director

2. Compensation of company officers

The compensation policy for company officers and senior executive officers is determined by the Board of Directors after consulting the Governance & Compensation Committee, in keeping with the Company's best interests so as to ensure the Group's long-term sustainability and development. This committee, whose responsibilities include (i) making proposals on the fixed, variable and exceptional compensation, benefits in kind and breakdown of compensation allocated to the members of the Board of Directors and the Advisory Board members in respect of their terms of office; (ii) giving an opinion on the granting of options or bonus performance shares to the Chairman of the Board of Directors and the Chief Executive Officer, and on the requirement to retain possession in pure registered form of a portion of any such shares; (iii) formulating a position on supplementary pension plans set up by the Company for its company officers; and (iv) making proposals on any severance pay or non-compete payments that may be paid to a senior executive upon leaving the Company.

Every year, the Board of Directors determines the fixed, variable and exceptional compensation of the Chairman of the Board of Directors, the Chief Executive Officer, and where applicable, the Group Managing Director and the Directors who are employees of the Company or any of its subsidiaries by virtue of an employment contract, as well as any awards of bonus shares to such company officers, after considering the recommendations made by the Governance & Compensation Committee. It also takes into account their duties and the scope of their responsibilities, their individual performance and that of the Group during the previous fiscal year, the size of the Group and its international standing, the compensation paid for performing equivalent duties in comparable businesses, and the employment situation and level of compensation within the Group.

No compensation of any type whatsoever may be calculated, awarded or paid by the Company unless it complies with the compensation policy approved at the Shareholders' Meeting.

In accordance with the second paragraph of 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 Governance & 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 and viability of the Company.

The Board of Directors' option of departing from the compensation policy applies to any and all items of compensation, it being agreed that any amendments may lead to either an increase or a decrease in the relevant items of compensation.

(1) Listed company.

2.1 Compensation policy

2.1.1 Non-senior-executive company officers

Compensation for serving as a company officer

Directors receive compensation for performing their duties, the maximum overall annual amount of which is set at the Shareholders' Meeting and the allocation of which is determined by the Board of Directors on the recommendation of the Governance & Compensation Committee, it being specified that Advisory Board members are treated equivalently to Directors in this respect for the purposes of this policy. The allocation determined by the Board of Directors takes account of Directors' actual attendance at Board and committee meetings, and therefore comprises a predominantly variable component.

Annual compensation awarded to each Director is set in accordance with the rules indicated below:

(i) two units for each Director or Advisory Board member;

(ii) one additional unit for serving as a committee member;

(iii) two additional units for serving as both a committee member and a committee Chairman;

(iv) two additional units for serving as Chairman of the Company's Board of Directors;

with the understanding that the amount corresponding to one unit is obtained by dividing the sum allotted at the Shareholders' Meeting by the total number of units to be distributed.

The settlement of a portion of the compensation allocated to Directors and Advisory Board members is contingent upon their attendance at meetings of the Board of Directors and any committees on which they serve. A reduction in the amount to be paid is applied to two-thirds of the compensation described under (i) above, proportional to the number of Board meetings the Director in question does not attend. In addition, for committee members, a reduction in the amount to be paid is applied to the additional compensation described under (ii) and (iii) above, proportional to the number of committee meetings the Director in question does not attend.

The Governance & Compensation Committee is kept informed, where applicable, of the amount of compensation for serving as a Director paid to senior executive officers of the Company by Group subsidiaries in respect of their term(s) of office as a Director at these subsidiaries.

No fixed or variable compensation other than that stated hereinabove may be paid by the Company to non-senior-executive company officers in respect of their appointment.

Exceptional compensation

Exceptional compensation may be awarded by the Board of Directors to certain Directors, with respect to specific missions with which they have been entrusted. The amount shall be determined by the Board of Directors and reported to the Company's Statutory Auditors.

No fixed or variable compensation other than that stated hereinabove may be paid by the Company to non-senior-executive company officers in respect of their appointment.

Employment contracts or service agreements entered into with the Company

No employment contract or service agreement may be entered into by the Company with non-senior-executive company officers.

Some Directors may have employment contracts with other companies controlled by the Group and thereby receive compensation governed by the French Labor Code.

Obligations under company pension and provident insurance plans

In return for their duties at controlled companies, non-senior-executive company officers qualify for the mandatory company provident insurance plan and statutory basic and supplementary pension plans applicable to these companies' employees.

Supplementary pension plan

As from January 1, 1997, LVMH SE set up a supplementary pension plan for members of the LVMH Group's Executive Committee. The plan's potential recipients included certain non-senior-executive company officers of Christian Dior by virtue of their status as members of the Executive Committee. Pursuant to the Order of July 3, 2019, this supplementary pension plan has been closed, and the rights frozen as of December 31, 2019.

This plan provides for the payment of a supplementary pension to its members who were employees or senior executives of companies covered by the supplementary pension plan rules and who had, as of December 31, 2019, been members of the LVMH Group's Executive Committee for at least six years, provided they begin to draw any pensions acquired under external pension plans immediately upon terminating their duties with the LVMH Group. However, this condition shall not apply to members who leave the LVMH Group at its request after the age of 55, as long as they do not take up any other professional activity until such time as they have begun to draw external pensions.

This supplementary pension is determined on the basis of a reference amount of compensation, which is equal to gross annual base pay plus the gross annual bonus received by the recipient from January 1, 2019 to December 31, 2019. In any event, the reference amount of compensation may not exceed the average of the three highest amounts of annual compensation received during the course of their career with the LVMH Group, capped at 35 times the annual social security ceiling for 2019 (i.e. 1,418,340 euros as of December 31, 2019). The annual supplementary pension benefit is equal to the difference between 60% of the aforementioned reference amount of compensation, capped if applicable, and all gross annuity payments received under external pension plans, as defined in the rules. In any event, the amount of this supplementary pension is limited to a maximum of 51% of the reference amount of compensation. Furthermore, a discount is applied to this amount based on the recipient's age on December 31, 2019.

2.1.2 Senior executive officers

Compensation and benefits awarded to senior executive officers mainly reflect the degree of responsibility attached to their roles, their individual performance and the Group's results, and the achievement of targets. They also take into account compensation paid by companies of a similar size, industry sector and international presence.

Compensation payable to senior executive officers is determined with reference to the principles laid down in the AFEP/MEDEF Code.

This compensation is broken down as follows:

Annual fixed/variable compensation

The Chief Executive Officer's gross annual compensation is comprised of fixed compensation, with no variable component.

Award of share options and bonus shares

The granting of share purchase or share subscription options as well as the granting of bonus share awards are means to reward and retain the Group's employees and senior executive officers who contribute most directly to the results of its operations by allowing them to share in the Group's future performance.

No option plan has been set up by the Company since the May 14, 2009 plan, which carried performance conditions and expired on May 13, 2019.

If any new stock option plans were to be set up by the Board of Directors, both the Chairman of the Board of Directors and the Chief Executive Officer would be eligible for these plans, the vesting of options would be subject to continued service and performance conditions, and a specific holding requirement would apply to the options exercised by the Chairman of the Board of Directors and the Chief Executive Officer, under terms to be determined by the Board, until the end of their respective terms of office.

The Chairman of the Board of Directors and the Chief Executive Officer are eligible for the bonus share plans set up by the Board of Directors for the Group's managers and senior executives.

No bonus share plans have been set up by the Company since the December 6, 2016 plan, which expired on December 6, 2019.

If new bonus share plans were set up by the Board of Directors, the Chairman of the Board of Directors and the Chief Executive Officer would be eligible for such plans. However, they may only be granted bonus share awards that vest subject to performance conditions as determined by the Board of Directors based on a proposal submitted by the Governance & Compensation Committee. In the event of the vesting of their shares, they would be subject to a specific holding requirement. They must retain possession of a number of shares, in registered form and until the end of their respective terms of office, under terms to be determined by the Board.

The Charter of the Board of Directors prohibits senior executive officers from engaging in any hedging transactions on their share subscription or purchase options, shares acquired from the exercise of options, or performance shares; this restriction shall apply until the end of their respective holding periods set by the Board of Directors.

Benefits in kind

Christian Dior SE does not award any benefits in kind to the Chairman of the Board of Directors or the Chief Executive Officer.

Compensation for serving as a company officer

Like the other members of the Board of Directors, the Chairman of the Board of Directors and Chief Executive Officer receive compensation for serving as a Director in accordance with the rules for the allocation of this compensation presented in §2.1.1 "Compensation for serving as a company officer".

Employment contracts or service agreements entered into with the Company

No employment contract or service agreement may be entered into by the Company with its senior executive officers.

Some Directors may have employment contracts with companies controlled by the Company and thereby receive compensation governed by the French Labor Code.

Severance benefits

Neither the Chairman of the Board of Directors nor the Chief Executive Officer benefit from provisions granting them specific compensation upon leaving the Company.

Obligations under company pension and provident insurance plans

In return for their duties at controlled companies, senior executive officers qualify for the mandatory company provident insurance plan and statutory basic and supplementary pension plans applicable to employees at the companies concerned. The Chief Executive Officer also benefits from these plans by virtue of his appointment as a company officer at Christian Dior SE.

Supplementary pension plan

On January 1, 1997, LVMH SE set up a supplementary pension plan for members of the LVMH Group's Executive Committee. Pursuant to the Order No. 2019-697 of July 3, 2019 concerning supplementary occupational pension plans, this supplementary pension plan has been closed, and the rights frozen as of December 31, 2019.

This plan provides for the payment of a supplementary pension to its members who were employees or senior executive officers of companies covered by the rules of the supplementary pension plan, and who had been members of the committee for at least six years as of December 31, 2019, provided they begin to draw any pensions acquired under external pension plans immediately upon terminating their duties with the LVMH Group. However, this condition shall not apply to members who leave the LVMH Group at its request after the age of 55, as long as they do not take up any other professional activity until such time as they have begun to draw external pensions.

This supplementary pension is determined on the basis of a reference amount of compensation, which is equal to gross annual base pay plus the gross annual bonus received by the recipient from January 1, 2019 to December 31, 2019. In any event, the reference amount of compensation may not exceed the average of the three highest amounts of annual compensation received during the course of their career with the LVMH Group, capped at 35 times the annual social security ceiling for 2019 (i.e. 1,418,340 euros as of December 31, 2019). The annual supplementary pension benefit is equal to the difference between 60% of the aforementioned reference amount of compensation, capped if applicable, and all gross annuity payments received under external pension plans, as defined in the rules. In any event, the amount of this supplementary pension is limited to a maximum of 51% of the reference amount of compensation. Furthermore, a discount is applied to this amount based on the recipient's age on December 31, 2019.

Given the characteristics of the pension plan presented above and Bernard Arnault's personal circumstances, in 2019 his potential supplementary pension no longer entitled him to the annual vesting of any additional rights, such that the Order of July 3, 2019 had no impact on his potential supplementary pension. It remains subject to the arrangements presented above that LVMH put in place.

2.1.3 Vote on the compensation policy

In accordance with Article L. 22-10-8 II of the French Commercial Code, at the Shareholders' Meeting of April 17, 2025, the shareholders will be asked to approve the compensation policy for Directors, as well as that for senior executive officers.

These compensation policies approved by the Board of Directors at its meeting on January 28, 2025, on the recommendation of the Governance & Compensation Committee, are set out in §2.1 above of the *Board of Directors' report on corporate governance*. 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 II of the French Commercial Code.

In accordance with the second paragraph of Article L. 22-10-8 III of the French Commercial Code, the Board of Directors may in exceptional circumstances depart from the compensation policy under the conditions described in §2 above.

2.2 Compensation paid during fiscal year 2024 and compensation awarded in respect of fiscal year 2024

The Shareholders' Meeting of April 18, 2024 approved, pursuant to the provisions of Article L. 22-10-8 II of the French Commercial Code, the compensation policy applicable to company officers.

The information provided hereinafter meets the requirements of the provisions of Article L. 22-10-9 I of the French Commercial Code.

2.2.1 Non-senior-executive company officers

2.2.1.1 Summary of compensation awarded and paid for service on the Board of Directors, other compensation and benefits in kind paid, and commitments given to non-senior-executive company officers,

Compensation for serving as a Director[(a)]

Directors *(EUR)*	**Gross compensation awarded in respect of fiscal year 2024/paid in 2024**				**Gross compensation awarded in respect of fiscal year 2023/paid in 2023**			
	Awarded		**Paid**		**Awarded**		**Paid**	
	By Christian Dior SE	**By controlled companies**	**By Christian Dior SE[(b)]**	**By controlled companies**	**By Christian Dior SE**	**By controlled companies**	**By Christian Dior SE[(b)]**	**By controlled companies**
Delphine Arnault	8,206	25,875	9,848	38,221	9,848	64,096	9,848	64,096
Nicolas Bazire	19,695	8,625	19,695	8,625	19,695	25,875	19,695	25,875
Hélène Desmarais	19,695	-	19,695	-	19,695	-	19,695	-
Renaud Donnedieu de Vabres	14,772	-	14,772	-	14,772	-	14,772	-
Ségolène Gallienne	8,206	-	8,206	-	8,206	-	8,535	-
Christian de Labriffe	24,619	-	24,619	-	24,619	-	24,619	-
Maria Luisa Loro Piana	9,848	-	9,848	-	9,848	-	9,848	-

(a) Gross compensation awarded in respect of the Director's term of office by the Company and companies controlled by it, as provided for in Article L. 22-10-9 of the French Commercial Code, and received by the company officer.
(b) Amount paid in respect of the prior fiscal year.

In addition, the gross compensation paid in 2024 by the Company to the Advisory Board member in respect of his term of office[(a)] amounted to:

Advisory Board member	*(EUR)*
Jaime de Marichalar y Sáenz de Tejada	9,848

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

In respect of fiscal year 2024, Christian Dior SE paid a total gross amount of 139,509 euros to the members of its Board of Directors and the Advisory Board member.

Compensation, benefits in kind and commitments given to non-senior-executive company officers

Delphine Arnault – Compensation, benefits in kind and commitments[(a)] (Table 3, Annex 4 of the AFEP/MEDEF Code)

Compensation *(EUR)*	2024		2023	
	Amounts allocated	**Amounts paid**	**Amounts allocated**	**Amount s paid**
Fixed compensation				
– Christian Dior	-	-	-	-
– Controlled companies	1,190,000	1,190,000	1,171,666	1,171,666
Variable compensation				
– Christian Dior	-	-	-	-
– Controlled companies	1,080,000	1,130,000 [(b)]	1,130,000	910,000 [(b)]
Exceptional compensation				
– Christian Dior	-	-	-	-
– Controlled companies	-	-	942,000 [(c)]	2,442,000 [(c) (d)]
Benefits in kind [(e)]				
– Christian Dior	-	-	-	-
– Controlled companies	19,343	19,343	17,047	17,047
Total	**2,289,343**	**2,339,343**	**3,260,713**	**4,540,713**

(a) A breakdown of equity securities or securities giving access to equity allocated to company officers during the fiscal year is set out in §2.2.1.3 below.
(b) Amounts paid in respect of the prior fiscal year.
(c) Multi-year medium-term incentive plan awarded and paid in 2023.
(d) Multi-year medium-term incentive plan awarded in 2022 and paid in 2022 and 2023.
(e) Benefits in kind: Company car.

Nicolas Bazire – Compensation, benefits in kind and commitments[(a)] (Table 3, Annex 4 of the AFEP/MEDEF Code)

Compensation *(EUR)*	2024		2023	
	Amounts allocated	**Amounts paid**	**Amounts allocated**	**Amounts paid**
Fixed compensation				
– Christian Dior	-	-	-	-
– Controlled companies	1,235,000	1,235,000	1,235,000	1,235,000
Variable compensation				
– Christian Dior	-	-	-	-
– Controlled companies	2,700,000	2,700,000 [(b)]	2,700,000	2,700,000 [(b)]
Exceptional compensation				
– Christian Dior	-	-	-	-
– Controlled companies	-	-	-	-
Benefits in kind [(c) (d)]				
– Christian Dior	-	-	-	-
– Controlled companies	14,888	14,888	12,107	12,107
Total	**3,949,888**	**3,949,888**	**3,947,107**	**3,947,107**

(a) A breakdown of equity securities or securities giving access to equity allocated to company officers during the fiscal year is set out in §2.2.1.3 below.
(b) Amounts paid in respect of the prior fiscal year.
(c) Benefits in kind: Company car.
(d) Other benefits: Supplementary pension, as described in §2.1.1.

2.2.1.2 Options granted to and options exercised by non-senior-executive company officers of the Company

No new option plans were set up in 2024, and no option plans were in force in 2024.

2.2.1.3 Performance shares allocated to non-senior-executive company officers of the Company during the fiscal year – Table 6, Annex 4 of the AFEP/MEDEF Code

Shares provisionally allocated to non-senior-executive company officers of the Company during the fiscal year

Recipients	Company having allocated the shares	Plan date	Number of performance shares
Delphine Arnault	LVMH	10/24/2024	1,848
Nicolas Bazire	LVMH	10/24/2024	3,519

Shares vested to non-senior-executive company officers of the Company during the fiscal year

Recipients	Company having allocated the shares	Plan date	Number of performance shares
Delphine Arnault	LVMH	10/28/2021	1,671
Nicolas Bazire	LVMH	10/28/2021	3,183

2.2.1.4 Draft resolutions concerning the compensation of company officers

Pursuant to Article L. 22-10-34 I of the French Commercial Code, a proposal will be made at the Shareholders' Meeting of April 17, 2025 to approve the disclosures relating to the compensation of company officers required by Article L. 22-10-9 I of the French Commercial Code, as presented in §2.2.1 above.

2.2.2 Senior executive officers

2.2.2.1 Summary of compensation and benefits of any kind paid to senior executive officers

2.2.2.1.1 Summary of compensation, options and bonus shares granted to senior executive officers[a]

Bernard Arnault – Chairman of the Board of Directors – Table 1, Annex 4 of the AFEP/MEDEF Code

(EUR)	2024	2023
Compensation awarded in respect of the fiscal year (cf. §2.2.2.2)[b]	3,467,733	3,466,747
Valuation of options awarded during the fiscal year	-	-
Valuation of bonus performance shares provisionally allocated during the fiscal year[c]	4,483,313	4,483,473

Antoine Arnault – Chief Executive Officer – Table 1, Annex 4 of the AFEP/MEDEF Code

(EUR)	2024	2023
Compensation awarded in respect of the fiscal year (cf. §2.2.2.2)	1,636,973	3,417,034
Valuation of options awarded during the fiscal year	-	-
Valuation of bonus performance shares provisionally allocated during the fiscal year[c]	301,148	301,797

(a) Gross compensation and benefits in kind paid or borne by the Company and companies controlled by it, as provided for in Article L. 22-10-9 of the French Commercial Code.
(b) Compensation due or paid by the LVMH Group, with no compensation being due or paid by Christian Dior.
(c) A breakdown of any equity securities or securities giving access to equity allocated to senior executive officers during the fiscal year is set out in §2.2.2.1.5 below (see also §2.2.2 in the "Information about the issuer" section of the 2024 Annual Report).

2.2.2.1.2 Summary of compensation paid to each senior executive officer

Christian Dior SE did not pay any fixed or variable compensation to Bernard Arnault in respect of fiscal year 2024. The amounts of fixed and variable compensation listed below correspond solely to compensation due or paid to him by the LVMH Group.

Bernard Arnault – Chairman of the Board of Directors[(a)] *- Table 2, Annex 4 of the AFEP/MEDEF Code*

Compensation *(EUR)*	**2024**		**2023**	
	Amounts allocated	**Amounts paid**	**Amounts allocated**	**Amounts paid**
Fixed compensation[(b)]	**-**	**-**	**-**	**-**
– Christian Dior	-	-	-	-
– Controlled companies	1,138,307	1,138,307	1,138,307	1,138,307
Variable compensation[(b)]				
– Christian Dior	-	-	-	-
– Controlled companies	2,200,000[(c)]	2,200,000[(d)]	2,200,000	2,200,000
Exceptional compensation				
– Christian Dior	-	-	-	-
– Controlled companies	-	-	-	-
Compensation for serving as a Director[(e)]	**90,755**	**90,755**	**90,755**	**92,068**
– Christian Dior	13,130	13,130	13,130	14,443
– Controlled companies	77,625	77,625	77,625	77,625
Benefits in kind[(f)]				
– Christian Dior	-	-	-	-
– Controlled companies	38,671	38,671	37,685	37,685
Total	**3,467,733**	**3,467,733**	**3,466,747**	**3,468,060**

(a) Gross compensation and benefits in kind paid or borne by the Company and companies controlled by it, as provided for in Article L. 22-10-9 of the French Commercial Code.
(b) Compensation due or paid by the LVMH Group, with no compensation being due or paid by Christian Dior.
(c) Subject to approval at the LVMH Shareholders' Meeting of April 17, 2025.
(d) Amount approved at the LVMH Shareholders' Meeting of April 18, 2024 and paid by LVMH in respect of the previous fiscal year.
(e) The rules for awarding compensation for serving as a Director at the Company are presented in §2.1.1 above.
(f) Company car.

Antoine Arnault – Chief Executive Officer(a) - Table 2, Annex 4 of the AFEP/MEDEF Code

Compensation *(EUR)*	**2024**		**2023**	
	Amounts allocated	**Amounts paid**	**Amounts allocated**	**Amounts paid**
Fixed compensation	**1,030,000**	**1,030,000**	**1,030,000**	**1,030,000**
– Christian Dior	200,000	200,000	200,000	200,000
– Controlled companies	830,000	830,000	830,000	830,000
Variable compensation				
– Christian Dior	-	-	-	-
– Controlled companies	300,000.	400,000 (b)	400,000	325,000 (b)
Exceptional compensation				
– Christian Dior	-	-	-	-
– Controlled companies	250,000	1,925,000 (b) (e)	1,925,000 (e)	125,000 (b)
Compensation for serving as a Director (c)	**35,723**	**35,723**	**35,723**	**26,496**
– Christian Dior	9,848	9,848	9,848	621
– Controlled companies	25,875	25,875	25,875	25,875
Benefits in kind (d)				
– Christian Dior	-	-	-	-
– Controlled companies	21,250	21,250	26,311	26,311
Total	**1,636,973**	**3,411,973**	**3,417,034**	**1,532,807**

(a) Gross compensation and benefits in kind paid or borne by the Company and companies controlled by it, as provided for in Article L. 22-10-9 of the French Commercial Code.
(b) Amounts paid in respect of the prior fiscal year.
(c) The rules for awarding compensation for serving as a Director at the Company are presented in §2.1.1 above.
(d) Company car.
(e) Including 1,800,000 euros for an exceptional multi-year bonus.

The variable portion of compensation paid to senior executive officers is based on the achievement of both quantifiable and qualitative targets. The variable portion of annual compensation paid to the Chairman of the Board of Directors is paid by the LVMH Group.

2.2.2.1.3 Employment contracts, specific pensions, severance benefits and non-compete clauses for senior executive officers – Table 11, Annex 4 of the AFEP/MEDEF Code

Senior executive officers	**Employment contract**		**Supplementary pension plan**		**Bonuses or benefits due or likely to become due upon ceasing or changing duties**		**Compensation under a non-compete clause**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Bernard Arnault Chairman of the Board of Directors		✓	✓			✓		✓
Antoine Arnault Chief Executive Officer	✓ (a)			✓		✓		✓

(a) Employment contract with a controlled company.

LVMH SE has set up a defined-benefit pension plan, in accordance with the provisions of Article L. 137-11 of the French Social Security Code, for senior executives, the characteristics of which are described in §2.1.2 of this report.

The impact of the plan in fiscal year 2024 is included in the amount shown for post-employment benefits under Note 33.4 to the consolidated financial statements.

2.2.2.1.4 Options granted to and options exercised by senior executive officers

No new option plans were set up in 2024, and no plans were in force in 2024.

See also §2.2.2 in the "*Information about the issuer*" section of the 2024 Annual Report for the holding arrangements for senior executive officers' shares resulting from the exercise of their options for plans set up since 2007.

2.2.2.1.5 Shares allocated to senior executive officers during the fiscal year

See also §2.2.2 in the "*Information about the issuer*" section of the Annual Report for holding arrangements.

Shares provisionally allocated to senior executive officers of the Company during the fiscal year – Table 6, Annex 4 of the AFEP/MEDEF Code

Recipients	Company having allocated the shares	Date of Shareholders' Meeting	Plan date	Number of performance shares	% of share capital as of 12/31/2024	Valuation of shares *(EUR)*
Bernard Arnault	LVMH	04/18/2024	10/24/2024	7,801	0.0016	4,483,313
Antoine Arnault	LVMH	04/18/2024	10/24/2024	524	0.0001	301,148

Shares vested to senior executive officers of the Company – Table 7, Annex 4 of the AFEP/MEDEF Code

Recipients	Company having allocated the shares	Plan date	Number of bonus shares	Number of performance shares
Bernard Arnault	LVMH	10/28/2021		7,057
Antoine Arnault	LVMH	10/28/2021	-	474

2.2.2.1.6 Prior allocations of options

Share subscription option plans

No share subscription option plans were in effect in 2024.

Share purchase option plans

No option plans have been set up by the Company since the May 14, 2009 share purchase option plan, which carried performance conditions and expired on May 13, 2019.

No share purchase option plans were in effect as of December 31, 2024.

For the plans set up since 2007, the Chairman of the Board of Directors and the Chief Executive Officer, if they are recipients of such options, must retain possession, in registered form, of a number of shares resulting from the exercise of their options representing a sliding percentage of between 50% and 30% (according to the date at which the options were exercised) of the notional capital gain, net of tax and social security contributions (determined on the basis of the closing share price on the day before the exercise date), until the total value of the shares held exceeds twice the gross amount of their most recently disclosed fixed and variable compensation as of the date the options are exercised. This holding requirement ends upon termination of the recipient's duties at Christian Dior; given the change of Chief Executive Officer in 2022, this means this provision now applies only to the Chairman of the Board of Directors.

2.2.2.1.7 Bonus share and performance share plans set up in previous years

No bonus share plans have been set up by the Company since the December 6, 2016 plan, which expired on December 5, 2019.

No bonus share plans were in effect as of December 31, 2024.

For plans set up since 2010, if their shares vest, the Chairman of the Board of Directors and the Chief Executive Officer, if they are recipients of such shares, must retain possession, in registered form, of a number of shares corresponding to one-half of the notional capital gain, net of tax and social security contributions, calculated at the vesting date of those shares (determined on the basis of the opening share price on the vesting date for plans set up before 2013, and on the basis of the closing share price on the day before the vesting date for plans set up since 2013). This holding requirement ends upon termination of the recipient's duties at Christian Dior; given the change of Chief Executive Officer in 2022, this means this provision now applies only to the Chairman of the Board of Directors.

2.2.2.2 Presentation of the draft resolutions concerning the compensation of senior executive officers

Pursuant to Article L. 22-10-34 II of the French Commercial Code, at the Shareholders' Meeting of April 17, 2025, the shareholders will be asked to approve the disclosures required under Article L. 22-10-9 I of said Code as well as the components of the total compensation and any benefits in kind paid during the fiscal year ended December 31, 2024 or awarded in respect of said fiscal year to Bernard Arnault, as Chairman of the Board; and to Antoine Arnault, as Chief Executive Officer, it being specified that (i) no fixed, variable or exceptional compensation, other than that paid or awarded in respect of his term of office, was paid or awarded to Bernard Arnault in his capacity as Chairman of the Board of Directors of Christian Dior SE during or in respect of fiscal year 2024; and (ii) no variable or exceptional compensation was paid or awarded to Antoine Arnault in his capacity as Chief Executive Officer of Christian Dior SE during or in respect of fiscal year 2024.

Summary of compensation paid to each senior executive officer

With the exception of compensation for serving as a Director, Christian Dior SE did not pay any fixed or variable compensation to Bernard Arnault in respect of fiscal year 2024.

Bernard Arnault

Items of compensation *(EUR)*	**Gross amount awarded in respect of fiscal year 2024**	**Gross amount paid during fiscal year 2024**	**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	13,130	13,130 [(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, as a member of its Executive Committee.

Antoine Arnault

Items of compensation *(EUR)*	**Gross amount awarded in respect of fiscal year 2024**	**Gross amount paid during fiscal year 2024**	**Remarks**
Fixed compensation	200,000	200,000	The Governance & Compensation Committee observed that the gross annual fixed compensation does not entail any change to compensation policy in respect of 2024.
Variable compensation	-	-	None
Medium-term incentive plan	-	-	None
Exceptional compensation	-	-	None
Bonus performance shares	-	-	None
Compensation for serving as a Director	9,848	9,848 (a)	
Benefits in kind	-	-	None
Severance pay	-	-	None
Non-compete payment	-	-	None
Supplementary pension plan	-	-	None

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

3. Additional information

3.1 Participation in Shareholders' Meetings

The terms and conditions of participation by shareholders in Shareholders' Meetings, and in particular conditions for the allocation of double voting rights to the holders of registered shares, are set out in the "*Information about the issuer*" section (§1.3 in the "*Information about the issuer*" section of the 2024 Annual Report).

3.2 Information on the related-party agreements covered by Article L. 225-37-4 2° of the French Commercial Code

To the best of the Company's knowledge, no agreements falling within the purview of Article L. 225-37-4 2° were entered into during the 2024 fiscal year.

3.3 Application of the AFEP/MEDEF Code of Corporate Governance: Summary table

The following table presents the Company's explanations concerning AFEP/MEDEF Code recommendations that are not strictly followed:

Recommendations of the AFEP/MEDEF Code	Explanations
Article 10 of the Code: Independent Directors §10.5.6: Not to have been a Director of the Company for more than 12 years.	The Board of Directors reviewed each of the four Directors' respective situations and contributions to the Board's work, based on the analysis and opinion of the Governance & Compensation Committee, in order to assess whether the duration of their term of office on the Company's Board of Directors had affected their independence. The Board first considered the profile, personality, professional situation and career path of each of the Directors concerned. It found that none of them had engaged in any professional activity related to the Company. With regard to each of their contributions to the Board's work, and, where applicable, to the work of the committees of which they are members, the Board recognized the critical analysis skills as well as the depth and insightfulness demonstrated by these Board members. The Board found that the relevance of their observations and questions was underpinned by their ability to look at issues and decisions over the long term, which is a key element of a family business strategy. Following this review, the Board concluded that, despite having been on the Board for over 12 years, each of the four Directors concerned still demonstrated the integrity and good judgment, as well as the freedom of spirit, speech and critical thinking to be considered independent.

Business and financial review for the fiscal year

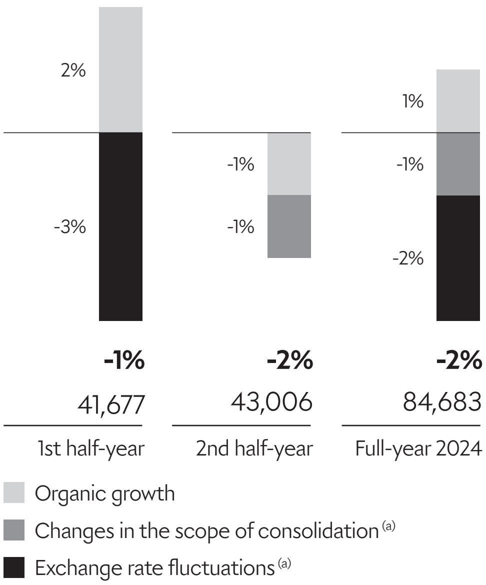
The Group

1. Comments on the consolidated income statement

1.1 Breakdown of revenue

Change in revenue per half-year period

(EUR millions and as %)



(a) The principles used to determine the impact of exchange rate fluctuations on the revenue of entities reporting in foreign currencies and the impact of changes in the scope of consolidation are described on page 295.

Revenue for the 2024 fiscal year was 84,683 million euros, down 2% from the previous fiscal year. It was adversely affected by 2 points as a result of many of the Group's invoicing currencies weakening on average against the euro, in particular the Japanese yen, the Argentine peso and the Turkish lira.

The following changes to the Group's consolidation scope took place after January 1, 2023: in the Fashion and Leather Goods business group, the disposal of Off-White in September 2024; in the Watches and Jewelry business group, the consolidation of Pedemonte in March 2024; in the Selective Retailing business group, the disposal of Starboard in December 2023. These changes in the scope of consolidation had a negative 1-point effect on the Group's full-year revenue growth.

On a constant consolidation scope and currency basis, revenue increased by 1%.

Revenue by invoicing currency

(as %)	**2024**	**2023**	**2022**
Euro	21	20	19
US dollar	28	28	30
Japanese yen	9	7	7
Hong Kong dollar	2	3	2
Other currencies	40	42	42
Total	**100**	**100**	**100**

The breakdown of revenue by invoicing currency changed as follows with respect to the previous fiscal year: the contribution of the Japanese yen grew by 2 points to 9%, while that of the euro increased by 1 point to 21%. The contribution of the US dollar remained stable at 28%, while the contributions of "Other currencies" and the Hong Kong dollar fell by 2 points and 1 point, respectively, to 40% and 2%.

Revenue by geographic region of delivery

(as %)	**2024**	**2023**	**2022**
France	8	8	8
Europe (excl. France)	17	17	16
United States	25	25	27
Japan	9	7	7
Asia (excl. Japan)	28	31	30
Other markets	13	12	12
Total	**100**	**100**	**100**

By geographic region of delivery, the relative contribution of Japan to Group revenue rose by 2 points to 9%, and the contribution of "Other markets" rose by 1 point to 13%. The relative contributions of the United States, Europe (excluding France) and France remained stable at 25%, 17% and 8%, respectively, while that of Asia (excluding Japan) fell 3 points to 28%.

Revenue by business group

(EUR millions)	**2024**	**2023**	**2022**
Wines and Spirits	5,862	6,602	7,099
Fashion and Leather Goods	41,060	42,169	38,648
Perfumes and Cosmetics	8,418	8,271	7,722
Watches and Jewelry	10,577	10,902	10,581
Selective Retailing	18,262	17,885	14,852
Other activities and eliminations	504	324	281
Total	**84,683**	**86,153**	**79,184**

The breakdown of Group revenue by business group changed as follows: the contributions of Wines and Spirits, Fashion and Leather Goods, and Watches and Jewelry fell by 1 point each to 7%, 48% and 12%, respectively, while the contributions of Selective Retailing and Perfumes and Cosmetics increased by 1 point each to 22% and 10%, respectively.

Revenue for Wines and Spirits decreased by 11% based on published figures. Affected by a negative 3-point exchange rate impact, revenue for this business group was down 8% on a constant consolidation scope and currency basis. Revenue from champagne and wines decreased 8% based on published figures and 3% on a constant consolidation scope and currency basis; revenue from cognac and spirits was down 15% based on published figures and 14% on a constant consolidation scope and currency basis. Europe, the United States and China were the regions most affected by lower consumer demand.

Revenue for Fashion and Leather Goods was down 1% in terms of organic growth and 3% based on published figures. Japan delivered an excellent performance and Europe (excluding France) posted slight growth, while revenue declined in the United States and Asia (excluding Japan). Loewe, Loro Piana and Rimowa achieved outstanding results.

Revenue for Perfumes and Cosmetics increased by 4% in terms of organic growth and by 2% based on published figures. Japan, the Middle East and Europe were the regions where revenue increased the most.

Revenue for Watches and Jewelry decreased by 2% in terms of organic growth and by 3% based on published figures. The most buoyant regions were Japan, France and the Middle East.

Revenue for Selective Retailing increased by 6% in terms of organic growth and by 2% based on published figures. Sephora turned in an excellent performance in most regions, particularly in Europe, the United States and the Middle East.

1.2 Profit from recurring operations

(EUR millions)	**2024**	**2023**	**2022**
Revenue	84,683	86,153	79,184
Cost of sales	(27,918)	(26,876)	(24,988)
Gross margin	56,765	59,277	54,196
Marketing and selling expenses	(31,000)	(30,767)	(28,150)
General and administrative expenses	(6,228)	(5,721)	(5,033)
Income/(Loss) from joint ventures and associates	28	7	37
Profit from recurring operations	**19,565**	**22,796**	**21,050**
Current operating margin *(%)*	**23.1**	**26.5**	**26.6**

The Group's gross margin came to 56,765 million euros, down 4% compared to the previous fiscal year; as a percentage of revenue, the gross margin was 67.0%, down 1.8 points with respect to 2023.

Marketing and selling expenses totaled 31,000 million euros, up 1% based on published figures and up 2% on a constant consolidation scope and currency basis. The level of these expenses expressed as a percentage of revenue came to 36.6%, up 0.9 points with respect to the previous fiscal year.

This increase in marketing and selling expenses was mainly due to the development of the Maisons' retail networks. Among these marketing and selling expenses, advertising and promotion expenses amounted to 11.5% of revenue, decreasing by 3% on a constant consolidation scope and currency basis.

The geographic breakdown of stores is as follows:

(number)	**2024**	**2023**	**2022**
France	553	550	518
Europe (excl. France)	1,254	1,213	1,108
United States	1,193	1,128	1,054
Japan	510	497	496
Asia (excl. Japan)	2,019	2,003	1,829
Other markets	778	706	659
Total	**6,307**	**6,097**	**5,664**

General and administrative expenses totaled 6,228 million euros, up 9% based on published figures and up 10% on a constant consolidation scope and currency basis. The increase in these expenses arose in large part from costs related to the 2024 Paris Olympics partnership, the LVMH Shares employee share ownership plan and, for lower amounts, various non-recurring costs. They amounted to 7.3% of revenue.

Profit from recurring operations by business group

(EUR millions)	2024	2023	2022
Wines and Spirits	1,356	2,109	2,155
Fashion and Leather Goods	15,230	16,836	15,709
Perfumes and Cosmetics	671	713	660
Watches and Jewelry	1,546	2,162	2,017
Selective Retailing	1,385	1,391	788
Other activities and eliminations	(623)	(415)	(279)
Total	**19,565**	**22,796**	**21,050**

The Group's profit from recurring operations was 19,565 million euros, down 14% from the previous fiscal year. The Group's current operating margin as a percentage of revenue was 23.1%, down 3.4 points with respect to the previous fiscal year.

Exchange rate fluctuations had a negative overall impact of 1,079 million euros on profit from recurring operations compared to the previous fiscal year. This total comprises the following three items: (i) the impact of exchange rate fluctuations on export and import sales and purchases by Group companies, (ii) the change in the net impact of the Group's policy of hedging its commercial exposure to various currencies, and (iii) the impact of exchange rate fluctuations on the consolidation of profit from recurring operations of subsidiaries outside the eurozone.

Wines and Spirits

	2024	2023	2022
Revenue *(EUR millions)*	5,862	6,602	7,099
Profit from recurring operations *(EUR millions)*	1,356	2,109	2,155
Current operating margin *(%)*	23.1	31.9	30.4

Profit from recurring operations for Wines and Spirits was 1,356 million euros, down 36% relative to 2023. Champagne and wines contributed 766 million euros, while cognac and spirits accounted for 589 million euros. The business group's current operating margin as a percentage of revenue came to 23.1%.

Fashion and Leather Goods

	2024	2023	2022
Revenue *(EUR millions)*	41,060	42,169	38,648
Profit from recurring operations *(EUR millions)*	15,230	16,836	15,709
Current operating margin *(%)*	37.1	39.9	40.6

Fashion and Leather Goods posted profit from recurring operations of 15,230 million euros, down 10% compared with the previous fiscal year. Louis Vuitton and Christian Dior Couture maintained an exceptional level of profitability. The business group's current operating margin as a percentage of revenue was 37.1%.

Perfumes and Cosmetics

	2024	2023	2022
Revenue *(EUR millions)*	8,418	8,271	7,722
Profit from recurring operations *(EUR millions)*	671	713	660
Current operating margin *(%)*	8.0	8.6	8.5

Profit from recurring operations for Perfumes and Cosmetics was 671 million euros, down 6% compared to the previous fiscal year. The business group's current operating margin as a percentage of revenue was 8.0%.

Watches and Jewelry

	2024	2023	2022
Revenue *(EUR millions)*	10,577	10,902	10,581
Profit from recurring operations *(EUR millions)*	1,546	2,162	2,017
Current operating margin *(%)*	14.6	19.8	19.1

Profit from recurring operations for Watches and Jewelry was 1,546 million euros, down 28% relative to 2023. The business group's current operating margin as a percentage of revenue was 14.6%.

Selective Retailing

	2024	2023	2022
Revenue *(EUR millions)*	18,262	17,885	14,852
Profit from recurring operations *(EUR millions)*	1,385	1,391	788
Current operating margin *(%)*	7.6	7.8	5.3

Profit from recurring operations for Selective Retailing was 1,385 million euros, remaining stable with respect to 2023, with the very good performance achieved by Sephora worldwide dampened by the deterioration observed at DFS. The business group's current operating margin as a percentage of revenue was 7.6%.

Other activities

The loss from recurring operations of "Other activities and eliminations" was 623 million euros, compared with a loss of 415 million euros in fiscal year 2023. In addition to headquarters expenses, this heading includes the results of the hotel and media divisions, Royal Van Lent yachts, and the Group's real estate activities. In 2024, it included costs related to the 2024 Paris Olympics partnership and the LVMH employee share ownership plan, which was a major success.

1.3 Other income statement items

(EUR millions)	**2024**	**2023**	**2022**
Profit from recurring operations	19,565	22,796	21,050
Other operating income and expenses	(664)	(242)	(54)
Operating profit	18,901	22,554	20,996
Net financial income/(expense)	(800)	(926)	(901)
Income taxes	(5,193)	(5,707)	(5,393)
Net profit before minority interests	**12,908**	**15,921**	**14,702**
Minority interests	(7,700)	(9,617)	(8,905)
Net profit, Group share	**5,208**	**6,304**	**5,797**

"Other operating income and expenses" amounted to a net expense of 664 million euros, compared with 242 million euros in 2023. In 2024, this item mainly included depreciation, amortization and impairment charges for brands, goodwill and other fixed assets, as well as gains and losses on disposals of consolidated companies.

The Group's operating profit was 18,901 million euros, down 16% from the previous fiscal year.

"Net financial income/(expense)" amounted to a net expense of 800 million euros in 2024, compared with a net expense of 926 million euros in 2023. This item comprised the following:

- the aggregate cost of net financial debt, which was a cost of 439 million euros, versus 363 million euros in fiscal year 2023, representing a negative change of 76 million euros, mainly due to the increase in interest rates;
- interest on lease liabilities recognized under IFRS 16, which increased in particular due to the change in interest rates, amounting to an expense of 510 million euros, compared with an expense of 393 million euros a year earlier;
- other financial income and expenses, which amounted to net income of 149 million euros, compared to an expense of 170 million euros in fiscal year 2023. Included in this amount was the expense related to the cost of foreign exchange derivatives, 282 million euros, versus an expense of 399 million euros a year earlier. In addition, fair value adjustments of available for sale financial assets amounted to net income of 470 million euros, compared to net income of 268 million euros in 2023.

The Group's effective tax rate in 2024 was 28.7%, up 2.3 points from fiscal year 2023, mainly due to the change in the geographic breakdown of income and certain non-deductible expenses in 2024. It also included the implementation, starting in 2024, of the global minimum tax, known as Pillar Two, for a non-material amount.

Profit attributable to minority interests totaled 7,700 million euros, compared to 9,617 million euros in 2023. Minority interests are essentially composed of LVMH SE shareholders excluding Christian Dior's controlling interest, i.e. shareholders owning 58% of LVMH SE, and minority interests in Moët Hennessy.

The Group's share of net profit was 5,208 million euros in 2024, down 17% relative to 2023, when it totaled 6,304 million euros.

Comments on the determination of the impact of exchange rate fluctuations and changes in the scope of consolidation

The impact of exchange rate fluctuations is determined by translating the financial statements for the fiscal year of entities with a functional currency other than the euro at the prior fiscal year's exchange rates, without any other restatements.

The impact of changes in the scope of consolidation is determined by deducting from revenue for the fiscal year:

- for the fiscal year's acquisitions, revenue generated during that fiscal year by the acquired entities, as of their initial consolidation;
- for the prior fiscal year's acquisitions, revenue generated over the months during which the acquired entities were not consolidated in the prior fiscal year;

and by adding:

- for the fiscal year's disposals, prior fiscal year revenue generated over the months during which the divested entities were no longer consolidated in the fiscal year;
- for the prior fiscal year's disposals, revenue generated in the prior fiscal year by the divested entities.

Profit from recurring operations is restated in accordance with the same principles.

2. Comments on the consolidated balance sheet

(EUR millions)	2024	2023	Change
Intangible assets	44,193	47,216	(3,023)
Property, plant and equipment	29,253	26,697	2,556
Right-of-use assets	16,613	15,673	941
Other non-current assets	8,626	7,363	1,263
Non-current assets	**98,686**	**96,950**	**1,736**
Inventories	23,669	22,952	717
Cash and cash equivalents	9,760	7,921	1,840
Other current assets	14,228	13,051	1,177
Current assets	**47,657**	**43,923**	**3,734**
Assets	**146,343**	**140,873**	**5,470**

(EUR millions)	2024	2023	Change
Equity	**66,853**	**60,293**	**6,559**
Long-term borrowings	12,091	11,227	864
Non-current lease liabilities	14,860	13,810	1,050
Other non-current liabilities	18,824	22,379	(3,555)
Non-current liabilities	**45,775**	**47,416**	**(1,641)**
Short-term borrowings	10,866	10,696	170
Current lease liabilities	2,972	2,728	244
Other current liabilities	19,877	19,740	138
Current liabilities	**33,715**	**33,164**	**552**
Liabilities and equity	**146,343**	**140,873**	**5,470**

The Group's consolidated balance sheet totaled 146.3 billion euros as of end-December 2024, up 5.5 billion euros from December 31, 2023.

Intangible assets totaled 44.2 billion euros, down 3.0 billion euros from year-end 2023. The negative 4.4 billion euro impact of the revaluation of purchase commitments for minority interests was partly offset by the positive 1.1 billion euro impact of exchange rate fluctuations and by the positive 0.1 billion euro impact of changes in the scope of consolidation. The impact of exchange rate fluctuations mainly arose from changes in the US-dollar-to-euro exchange rate between year-end 2023 and year-end 2024.

Property, plant and equipment were up 2.6 billion euros and totaled 29.3 billion euros as of the fiscal year-end. This increase resulted from (i) 2.0 billion euros in investments, net of depreciation charges and disposals (the comments on the cash flow statement provide further information on investments); (ii) an additional 0.1 billion euro increase due to changes in the scope of consolidation during the fiscal year; and (iii) 0.4 billion euros in exchange rate fluctuations during the period.

Right-of-use assets totaled 16.6 billion euros, up 0.9 billion euros from December 31, 2023. The effect of new leases entered into and of updating lease liabilities during the terms of leases was 0.5 billion euros higher than depreciation for the fiscal year. Exchange rate fluctuations between January 1 and December 31, 2024 had a positive 0.4 billion euro impact. Store leases accounted for 79% of right-of-use assets.

Other non-current assets came to 8.6 billion euros as of December 31, 2024. This 1.3 billion euro increase resulted in particular from the 0.6 billion euro increase in deferred tax assets and the 0.4 billion euro increase in non-current available for sale financial assets and investments in joint ventures and associates.

Inventories were up 0.7 billion euros, mainly due to the change in business activity during the fiscal year, partially offset by the 0.8 billion euro impact of provisions for impairment, net of reversals. Exchange rate fluctuations over the period had a positive 0.4 billion euro impact on inventories. See also the "Comments on the consolidated cash flow statement" section.

Other current assets increased by 1.2 billion euros, amounting to 14.2 billion euros, resulting in particular from the 0.5 billion euro increase in the market value of current available for sale financial assets.

Lease liabilities recognized in accordance with IFRS 16 were up 1.3 billion euros relative to December 31, 2023. This change resulted in particular from a 0.8 billion euro increase arising from net new leases and a 0.5 billion euro increase arising from exchange rate fluctuations.

Other non-current liabilities totaled 18.8 billion euros, down 3.6 billion euros from 22.4 billion euros as of year-end 2023. This change included the 4.0 billion euro impact of the decrease in the liability in respect of purchase commitments for minority interests' shares, which amounted to 8.1 billion euros, following changes in the metrics used to measure these commitments. It also included, conversely, the 0.3 billion euro increase in deferred tax liabilities.

Lastly, other current liabilities increased by 0.1 billion euros to 22.4 billion euros.

Net financial debt and equity

(EUR millions or as %)	2024	2023	Change
Long-term borrowings	12,091	11,227	864
Short-term borrowings and derivatives	10,740	10,799	(59)
Gross borrowings after derivatives	**22,831**	**22,026**	**805**
Cash, cash equivalents and current available for sale financial assets	(13,773)	(11,478)	(2,295)
Net financial debt	**9,058**	**10,548**	**(1,490)**
Total equity (Group share and minority interests)	**66,852**	**60,293**	**6,559**
Net financial debt/ Total equity ratio	**13.5%**	**17.5%**	**(4.0) pts**

Total equity amounted to 66.9 billion euros as of end-December 2024, up 6.6 billion euros from year-end 2023. Net profit for the fiscal year, after the distribution of dividends, contributed 6.2 billion euros to this increase. Exchange rate fluctuations, particularly in relation to the US dollar, had a positive 1.4 billion euro impact.

As of end-December 2024, net financial debt came to 9.1 billion euros and was equal to 13.5% of total equity, compared to 17.5% as of year-end 2023, down 4.0 points.

Gross borrowings after derivatives totaled 22.8 billion euros as of end-December 2024, up 0.8 billion euros compared with year-end 2023, arising in particular from the issue of four bond tranches by LVMH during the fiscal year for a total of 3.0 billion euros, which exceeded the repayment of 2.5 billion euros in two LVMH bonds maturing in the first half of 2024 (1.3 billion euro bond issued in 2020 and 1.2 billion euro bond issued in 2017). Short-term negotiable debt securities – euro- and US dollar-denominated commercial paper (NEU CP and USCP) – outstanding remained relatively stable over the period. Cash, cash equivalents and current available for sale financial assets totaled 13.8 billion euros as of December 31, 2024, up 2.3 billion euros from 11.5 billion euros as of year-end 2023. Net financial debt thus decreased by 1.5 billion euros during the fiscal year.

As of December 31, 2024, in addition to the amount of 13.8 billion euros in cash, cash equivalents and current available for sale financial assets, the Group had access to undrawn confirmed credit lines totaling 11.0 billion euros. The latter amount exceeded the outstanding portion of its short-term negotiable debt securities (NEU CP and USCP) programs, which came to 7.2 billion euros as of end-December 2024.

3. Comments on the consolidated cash flow statement

(EUR millions)	2024	2023	Change
Cash from operations before changes in working capital	**27,212**	**29,511**	**(2,300)**
Cost of net financial debt: interest paid or received	(354)	(453)	99
Lease liabilities: interest paid	(483)	(356)	(127)
Tax paid	(5,531)	(5,729)	197
Change in working capital	(1,925)	(4,577)	2,651
Net cash from operating activities	**18,919**	**18,397**	**522**
Operating investments	(5,531)	(7,478)	1,947
Repayment of lease liabilities	(2,915)	(2,818)	(97)
Operating free cash flow [(a)]	**10,473**	**8,101**	**2,372**
Financial investments and purchase and sale of consolidated investments	(1,008)	(832)	(176)
Equity-related transactions	(7,731)	(8,884)	1,153
Change in cash before financing activities	**1,734**	**(1,616)**	**3,349**

(a) "Operating free cash flow" is defined in the consolidated cash flow statement. In addition to net cash from operating activities, it includes operating investments and repayment of lease liabilities, both of which the Group considers as components of its operating activities.

Cash from operations before changes in working capital totaled 27,212 million euros for the fiscal year, down 2,300 million euros from 29,511 million euros a year earlier, mainly due to the decrease in operating profit.

After tax and interest paid on net financial debt and lease liabilities, and after the change in working capital, net cash from operating activities amounted to 18,919 million euros, compared with 18,397 million euros in fiscal year 2023.

Interest paid on net financial debt amounted to a net cash outflow of 354 million euros, compared to 453 million euros a year earlier; this change arose in particular from the contractual terms governing the payment of interest and issues of short-term negotiable debt securities (NEU CP and USCP) in fiscal year 2023.

Tax paid on operating activities came to 5,531 million euros, 197 million euros lower than the 5,729 million euros paid in 2023, in connection with the change in business activity and profit.

The change in working capital in 2024 resulted in a cash requirement of 1,925 million euros, 2,651 million euros lower than in 2023. The change in working capital in 2024 mainly arose from the increase in inventories (1,114 million euros), while the decrease in trade accounts payable generated a requirement of 664 million euros. Other receivables and payables generated an additional financing requirement of 389 million euros. These effects were partly offset by the decrease in trade accounts receivable (243 million euros). All the business groups contributed to these cash requirements, in particular Wines and Spirits and Fashion and Leather Goods. The change in inventories reflected a balance between actions taken to manage inventory levels and to meet anticipated future demand, in particular for Wines and Spirits.

Operating investments net of disposals resulted in an outflow of 5,531 million euros in fiscal year 2024, down 1,947 million euros compared to the outflow of 7,478 million euros in fiscal year 2023, which had included sizeable acquisitions of buildings in Paris and London. Purchases of property, plant and equipment mainly included investments by the Group's brands – notably Louis Vuitton, Christian Dior, Tiffany and Sephora – in their retail networks. They also included investments by the champagne houses, Hennessy and Parfums Christian Dior in their production equipment, as well as investments relating to the Group's hotel activities. In addition, a building was acquired in Tokyo, mainly in order to operate stores in it.

Repayment of lease liabilities totaled 2,915 million euros in 2024, up 97 million euros with respect to the 2,818 million euros recorded as of end-December 2023.

In fiscal year 2024, "Operating free cash flow" [(1)] amounted to a net inflow of 10,473 million euros, up relative to fiscal year 2023, mainly due to the change in the level of operating investments and the change in working capital.

In 2024, financial investments accounted for an outflow of 1,008 million euros, including an outflow of 438 million euros for purchases of consolidated investments.

Equity-related transactions generated an outflow of 7,731 million euros. A portion of this amount, 2,345 million euros, arose from dividends paid during the fiscal year by Christian Dior SE, excluding the amount attributable to treasury shares, as well as tax related to dividends paid between Group companies for 294 million euros and 4,342 million euros in dividends paid to minority shareholders in consolidated subsidiaries (essentially the shareholders of LVMH SE, excluding Christian Dior's controlling interest, i.e. 58% of LVMH SE, and Diageo as a result of its 34% stake in Moët Hennessy). Net cash used in purchases of minority interests' shares, including transactions in LVMH shares, came to 784 million euros.

The cash surplus generated after all transactions relating to operating activities, investing activities and equity-related transactions thus totaled 1,734 million euros. Financing activities relating to loans and borrowings, as well as current available for sale financial assets, generated a net outflow of 80 million euros in the fiscal year. After the positive 80 million euro impact of exchange rate fluctuations on cash balances, the period-end cash balance was up 1,734 million euros compared to year-end 2023. It totaled 9,399 million euros as of the 2024 fiscal year-end.

(1) "Operating free cash flow" is defined in the consolidated cash flow statement. In addition to net cash from operating activities, it includes operating investments and repayment of lease liabilities, both of which the Group considers as components of its operating activities.

4. Financial policy

During the fiscal year, the Group's financial policy focused on the following areas:

- improving the Group's financial structure and flexibility, as evidenced by the following key indicators:
  – a significant reserve of undrawn confirmed credit lines totaling 11.0 billion euros,
  – the Group's access to liquidity under short-term negotiable debt securities programs (NEU CP and US dollar-denominated commercial paper), as well as its ability to tap the bond markets for medium- to long-term maturities, with issue spreads slightly up overall during the year in an environment of declining interest rates,
  – total equity before appropriation of profit was on the rise, totaling 66.9 billion euros as of year-end 2024, versus 60.3 billion euros a year earlier;
- preserving the Group's assets:
  – maintaining a significant level of cash and cash equivalents with a diversified range of top-tier banking partners as well as money market funds and other short-term, very high-quality credit assets. In a wider context of high rates, particular attention was paid to the return on these investments,
  – maintaining a prudent foreign exchange and interest rate risk management policy designed primarily to hedge the risks generated directly and indirectly by the Group's business activity and to hedge its debt. With regard to foreign exchange risks, the Group continued to hedge the risks of its exporting companies by buying options or collars, which protect against the negative impact of currency depreciation while retaining some of the gains in the event of currency appreciation,
  – continued concentration of Group liquidity owing to the rollout of cash pooling practices worldwide, ensuring the fluidity of cash flows within the Group and optimal management of surplus cash;
- a dynamic dividend policy for shareholders, enabling them to share in the 2024 results:
  – an interim dividend for 2024 of 5.50 euros was paid in December 2024,
  – a proposed total dividend per share of 13.00 euros for fiscal year 2024 (i.e. a final dividend of 7.50 euros to be distributed in April 2025). The distribution to shareholders of Christian Dior SE in respect of fiscal year 2024 thus totals 2.3 billion euros.

Net debt came to 9.1 billion euros as of year-end 2024, versus 10.5 billion euros a year earlier. Net debt decreased by 1.5 billion euros, with lower cash flows from operating activities offset by limited growth of the working capital requirement and controlled operating investments.

5. Operating investments

5.1 Communication and promotion expenses

Over the last three fiscal years the Group's total investments in communication, in absolute values and as a percentage of revenue, were as follows:

Communication and promotion expenses:	**2024**	**2023**	**2022**
– In millions of euros	9,762	10,221	9,584
– As % of revenue	11.5	11.9	12.1

These expenses mainly correspond to advertising campaign costs, especially for the launch of new products, public relations and promotional events, and expenses incurred by marketing teams responsible for all of these activities.

5.2 Research and development costs

The Group's research and development investments in the last three fiscal years were as follows:

(EUR millions)	**2024**	**2023**	**2022**
Research and development costs	205	202	172

Most of these amounts cover scientific research and development costs for skincare and makeup products of the Perfumes and Cosmetics business group.

5.3 Investments in production facilities and retail networks

Operating investments are geared towards improving and developing retail networks as well as guaranteeing adequate production capabilities.

Acquisitions of property, plant and equipment and intangible assets for the last three fiscal years were as follows, in absolute values and as a percentage of the Group's cash from operations before changes in working capital:

Acquisitions of intangible assets and property, plant and equipment:	**2024**	**2023**	**2022**
– In millions of euros	5,519	7,536	4,948
– As % of cash from operations before changes in working capital	20	26	18

Following the model of the Group's Selective Retailing companies, which directly operate their own stores, Louis Vuitton distributes its products exclusively through its own stores. The products of the Group's other brands are marketed by agents, wholesalers, or distributors in the case of wholesale business, and by a network of directly operated stores or franchises for retail sales.

In 2024, apart from acquisitions of property assets, operating investments mainly related to points of sale. The total number of stores in the Group's network rose from 6,097 in 2023 to 6,307 in 2024.

In Wines and Spirits, in addition to necessary replacements of barrels and production equipment, investments in 2024 were related to ongoing investments in the Champagne region (initiated in 2012) as well as the construction of barrel rooms, primarily for Hennessy and Glenmorangie.

6. Main locations and properties

6.1 Production

6.1.1 Wines and Spirits

The surface areas of vineyards in France and abroad that are owned by the Group are as follows:

(in hectares)	**2024**		**2023**	
	Total	***Of which: Under production***	**Total**	***Of which: Under production***
France				
Champagne appellation	1,868	*1,665*	1,870	*1,650*
Cognac appellation	185	*164*	185	*162*
Vineyards in Provence	391	*303*	395	*310*
Vineyards in Bordeaux	201	*153*	201	*150*
Vineyards in Burgundy	12	*12*	11	*11*
International				
California (United States)	644	*466*	623	*454*
Argentina	1,525	*849*	1,714	*919*
Australia, New Zealand	609	*530*	601	*581*
Brazil	198	*121*	198	*121*
Spain	119	*74*	119	*74*
China	68	*60*	68	*60*
India	4	*2*	4	*2*

In the table above, the total number of hectares owned is determined exclusive of areas not usable for winegrowing. The difference between the total number of hectares owned and the number of hectares under production represents areas that are planted but not yet productive, and areas left fallow.

The Group also owns industrial buildings, wineries and distilleries, cellars, warehouses, offices and visitor and customer centers for each of its main Wines and Spirits brands or production operations in France, the United Kingdom, Poland, Argentina, the United States, Australia, China, New Zealand, Brazil, India and Spain. The total surface area is approximately 1,168,500 square meters in France and 368,900 square meters abroad.

6.1.2 Fashion and Leather Goods

Louis Vuitton owns thirty-six leather goods and shoe production facilities, in addition to its fragrance laboratory. Most of them are in France, but there are also major workshops located in Spain (near Barcelona), Portugal (near Porto), Italy (in Fiesso) and the United States (in San Dimas and Irwindale, California, and Alvarado, Texas). Overall, production facilities and warehouses owned by the Group represent approximately 249,100 square meters.

Fendi owns its leather goods and shoe manufacturing facilities near Florence and in Fermo, Italy, as well as the Palazzo Fendi building in Rome, which houses its historic boutique and a hotel.

Celine also owns manufacturing and logistics facilities as well as offices at Vigonza, Radda and Greve in Chianti (Italy).

Berluti's shoe production factory in Ferrara, Italy, is owned by the Group.

Loro Piana has several manufacturing workshops in Italy, as well as a site in Ulaanbaatar, Mongolia.

Rimowa owns its offices, production facilities and warehouses in Germany, the Czech Republic and Canada. This property represents approximately 70,500 square meters.

Christian Dior Couture owns eleven manufacturing workshops (eight in Italy, one in Germany and two in France) and a warehouse in France. Overall, this property represents approximately 71,100 square meters.

LVMH Métiers d'Art owns several farms in Australia and the United States, with a total surface area of about 220 hectares, as well as tanneries and production facilities covering about 37,300 square meters in France, Italy and Portugal. Thélios has two eyewear factories, one in Italy measuring 20,000 square meters and one in France, measuring 1,600 square meters.

The other facilities used by this business group are leased.

6.1.3 Perfumes and Cosmetics

Buildings located near Orléans and in Chartres, France, housing the Group's Research and Development operations for Perfumes and Cosmetics as well as the manufacturing and distribution activities of Parfums Christian Dior, are owned by Parfums Christian Dior and total around 171,100 square meters.

Guerlain has a 20,000-square-meter production site in Chartres. The brand also owns another production site in Orphin, France, measuring 10,500 square meters.

Parfums Givenchy owns two plants in France – one in Beauvais and the other in Vervins – with a total surface area of 19,000 square meters. The Vervins plant handles the production of Givenchy and Kenzo product lines. The Company also owns distribution facilities in Hersham, in the United Kingdom.

6.1.4 Watches and Jewelry

TAG Heuer has two workshops in Switzerland, one in Cornol and the other in Chevenez, together totaling about 4,700 square meters.

Zenith owns the manufacture which houses its movement and watch manufacturing facilities in Le Locle, Switzerland.

Hublot owns its production facilities in Switzerland and its office premises.

Bulgari owns its production facilities in Italy and Switzerland as well as around 54,300 square meters of land in Italy.

Chaumet owns a number of production facilities in Valenza (Italy), totaling around 5,100 square meters.

Tiffany owns its production facilities in the United States, France, Cambodia, Vietnam, Mauritius and Botswana, as well as a warehouse in the United States. Overall, this property represents approximately 74,500 square meters.

Pedemonte owns four production facilities in Italy, together totaling around 8,700 square meters.

The facilities used by the business group's other brands are leased.

6.2 Distribution

Retail distribution of the Group's products is most often carried out through exclusive stores. Most of the stores in the Group's retail network are leased and only in exceptional cases does the Group own the buildings that house its stores. During fiscal year 2024, a building was acquired in Tokyo by the Group's holding companies, mainly in order to operate stores in it.

6.2.1 Fashion and Leather Goods

Louis Vuitton owns certain buildings that house its stores in Paris, Tokyo, Osaka, Hawaii, Guam, Seoul, Cannes, Saint-Tropez and Genoa, for a total surface area of nearly 23,100 square meters.

Christian Dior Couture owns certain buildings that house its stores in France, South Korea, Japan, England, Australia, Switzerland and Spain, for a total surface area of more than 21,000 square meters.

Celine, Fendi and Berluti also own stores in Paris and Italy.

6.2.2 Watches and Jewelry

Tiffany owns the premises of one of its stores in the United States.

6.2.3 Selective Retailing

Le Bon Marché owns its stores, which total approximately 79,700 square meters.

La Samaritaine owns the store with around 30,700 square meters in space in Paris.

DFS owns its stores in Guam, the Mariana Islands and Hawaii.

6.2.4 Other activities

The Group owns the Cheval Blanc hotels in Saint-Barthélemy and Paris, as well as the Résidence de la Pinède in Saint-Tropez, France.

Belmond owns twenty-five hotels, eight of which are in Italy.

As of December 31, 2024, the Group's store network broke down as follows:

(number of stores)	**2024**	**2023**	**2022**
France	553	550	518
Europe (excl. France)	1,254	1,213	1,108
United States	1,193	1,128	1,054
Japan	510	497	496
Asia (excl. Japan)	2,019	2,003	1,829
Other markets	778	706	659
Total	**6,307**	**6,097**	**5,664**

(number of stores)	**2024**	**2023**	**2022**
Fashion and Leather Goods	2,357	2,271	2,155
Perfumes and Cosmetics	747	739	536
Watches and Jewelry	958	920	865
Selective Retailing	2,219	2,145	2,086
Of which: Sephora	*2,175*	*2,100*	*2,037*
Other, including DFS	*41*	*45*	*49*
Other	26	22	22
Total	**6,307**	**6,097**	**5,664**

6.3 Administrative sites and investment property

Most of the Group's administrative buildings are leased, with the exception of the headquarters of certain brands, particularly those of Louis Vuitton, Christian Dior Couture, Parfums Christian Dior, and Zenith.

The Group owns the building housing the LVMH headquarters on Avenue Montaigne in Paris. It also owns three buildings in New York totaling about 20,400 square meters of office space and four buildings in London with about 3,500 square meters of office space. These buildings are occupied by Group entities.

The Group also owns investment properties with office space in Osaka, Paris and London, which total about 2,000, 1,200 and 1,000 square meters, respectively. These buildings are leased to third parties.

La Samaritaine and Le Bon Marché own office space in Paris totaling 31,475 and 18,900 square meters, respectively.

7. Stock option and bonus share plans

Detailed information on the stock option and bonus share plans is provided in the *Information about the issuer* section, §2.2.

8. Subsequent events

No significant subsequent events occurred between December 31, 2024 and January 28, 2025, the date at which the financial statements were approved for publication by the Board of Directors.

9. Recent developments and outlook

Despite a geopolitical and macroeconomic environment that remains uncertain, the Group remains confident and will pursue its brand development-focused strategy, underpinned by continued innovation and investment as well as an extremely exacting quest for desirability and quality in its products and their highly selective distribution.

Driven by the agility of its teams, their entrepreneurial spirit and its well-diversified presence across the geographic areas in which its customers are located, the Christian Dior Group once again sets an objective of reinforcing its global leadership position in luxury goods in 2025.

Business and financial review for the fiscal year

Christian Dior SE

1. Key events during the fiscal year

None.

2. Comments on the financial statements

The balance sheet, income statement and notes to the financial statements of Christian Dior SE for the fiscal year ended December 31, 2024 have been prepared in accordance with current French legal requirements.

The income statement includes three main components of profit or loss: "Net financial income/(expense)", "Operating profit/(loss)" and "Net exceptional income/(expense)". The total of "Net financial income/(expense)" and "Operating profit/(loss)" corresponds to "Recurring profit before tax".

"Net financial income/(expense)" includes net income from managing subsidiaries and investments as well as the net proceeds or cost of cash and financial debt.

"Operating profit/(loss)" includes costs related to the management of the Company and personnel costs.

"Net financial income/(expense)" and "Operating profit/(loss)" include items relating to the financial management of the Company or administrative operations.

"Net exceptional income/(expense)" thus comprises only those transactions that, due to their nature, may not be included in "Net financial income/(expense)" or "Operating profit/(loss)".

Invoices received or issued, not yet paid and past due at the fiscal year-end date (Table provided for in Article D. 441-4 I of the French Commercial Code)

	Article D. 441 I.-1°: Invoices received, not yet paid and past due at the fiscal year-end date						Article D. 441 I.-2°: Invoices issued, not yet paid and past due at the fiscal year-end date					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and up	Total (1 day and up)	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and up	Total (1 day and up)
(A) Past-due invoices												
Number of invoices concerned	-	2	-	-	-	2	-	-	-	-	-	-
Total amount of invoices concerned including VAT	-	€74,884	-	-	-	€74,884	-	-	-	-	-	-
Percentage of total purchases for the fiscal year including VAT	-	1.144%	-	-	-	1.144%	-	-	-	-	-	-
Percentage of revenue for the fiscal year including VAT	-	-	-	-	-	-	-	-	-	-	-	-
(B) Invoices excluded from (A) relating to payables and receivables that are disputed or not recognized in the accounts												
Number of invoices excluded	-	-	-	-	-	-	-	-	-	-	-	-
Total amount of invoices excluded	-	-	-	-	-	-	-	-	-	-	-	-
(C) Standard payment terms (contractual or legal deadline – Article L. 441-14 or Article L. 443-1 of the French Commercial Code)												
Standard payment terms used to calculate late payments	✗ Contractual deadline: ✓ Legal deadline: 60 days from invoice date						✗ Contractual deadline: ✓ Legal deadline: 60 days from invoice date					

3. Appropriation of net profit

In 2024, the results of Christian Dior SE mainly consisted of dividend income related to its investment in LVMH Moët Hennessy Louis Vuitton SE.

Net financial income was 2,713.7 million euros, compared with 2,617.0 million euros in 2023. It mainly consisted of dividends received from subsidiaries totaling 2,720.6 million euros, less the provisions for the impairment of securities in the amount of 10.3 million euros and financial income of 4.7 million euros.

"Operating profit/(loss)" was a net loss of 7.5 million euros, compared with a net loss of 7.4 million euros in the previous year.

The tax expense was 34.3 million euros, compared with 33.0 million euros a year earlier.

Net profit was 2,672.0 million euros, compared with 2,576.6 million euros a year earlier.

The following appropriation of the amount available for distribution in respect of the fiscal year ended December 31, 2024, is proposed:

Amount available for distribution *(EUR)*	
Net profit	2,671,978,431.39
Retained earnings	2,434,257,445.73
Distributable earnings	**5,106,235,877.12**
Proposed appropriation	
Distribution of a gross dividend of 13 euros per share	2,346,597,708.00
Retained earnings	2,759,638,169.12
Total	**5,106,235,877.12**

For information, as of December 31, 2024, the Company held 96,936 of its own shares.

A gross cash dividend of 13 euros per share is being proposed for the fiscal year ended December 31, 2024.

If the proposed appropriation is approved at the Shareholders' Meeting of April 17, 2025, and taking into account the interim cash dividend of 5.50 euros per share paid on December 4, 2024, the final dividend per share will be 7.50 euros. The ex-dividend date will be April 24, 2025 and the final dividend paid on April 28, 2025.

Based on the tax legislation applicable to securities income as it stands since January 1, 2019, these dividends carry an entitlement to a tax deduction of 40% for French tax residents who have opted for their income on all eligible securities income to be taxed at a progressive rate.

Lastly, should the Company hold any treasury shares at the time of payment of this final dividend, the corresponding amount of unpaid dividends will be allocated to retained earnings.

Distribution of dividends

As required by law, we remind you that the gross cash dividends per share paid out in respect of the past three fiscal years were as follows:

Fiscal year	Type	Payment date	Gross dividend *(EUR)*
December 31, 2023	Interim	December 6, 2023	5.50
	Final	April 25, 2024	7.50
	Total		**13.00**
December 31, 2022	Interim	December 5, 2022	5.00
	Final	April 27, 2023	7.00
	Total		**12.00**
December 31, 2021	Interim	December 2, 2021	3.00
	Final	April 26, 2022	7.00
	Total		**10.00**

Consolidated financial statements

As table totals are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded component figures.

1. Consolidated income statement

(EUR millions, except for earnings per share)	Notes	2024	2023	2022
Revenue	24-25	**84,683**	**86,153**	**79,184**
Cost of sales		(27,918)	(26,876)	(24,988)
Gross margin		**56,765**	**59,277**	**54,196**
Marketing and selling expenses		(31,000)	(30,767)	(28,150)
General and administrative expenses		(6,228)	(5,721)	(5,033)
Income/(Loss) from joint ventures and associates	8	28	7	37
Profit from recurring operations	24-25	**19,565**	**22,796**	**21,050**
Other operating income and expenses	26	(664)	(242)	(54)
Operating profit		**18,901**	**22,554**	**20,996**
Cost of net financial debt		(439)	(363)	(15)
Interest on lease liabilities		(510)	(393)	(254)
Other financial income and expenses		149	(170)	(632)
Net financial income/(expense)	27	**(800)**	**(926)**	**(901)**
Income taxes	28	(5,193)	(5,707)	(5,393)
Net profit before minority interests		**12,908**	**15,921**	**14,702**
Minority interests	18	7,700	9,617	8,905
Net profit, Group share		**5,208**	**6,304**	**5,797**
Basic Group share of net earnings per share *(EUR)*	29	**28.87**	**34.94**	**32.13**
Number of shares on which the calculation is based		180,410,580	180,410,580	180,410,580
Diluted Group share of net earnings per share *(EUR)*	29	**28.86**	**34.93**	**32.11**
Number of shares on which the calculation is based		180,410,580	180,410,580	180,410,580

2. Consolidated statement of comprehensive gains and losses

(EUR millions)	Notes	2024	2023	2022
Net profit before minority interests		**12,908**	**15,921**	**14,702**
Translation adjustments		1,470	(1,083)	1,311
Amounts transferred to income statement		(25)	(21)	(32)
Tax impact		-	-	(4)
	16.5, 18	**1,445**	**(1,104)**	**1,275**
Change in value of hedges of future foreign currency cash flows		11	477	28
Amounts transferred to income statement		(230)	(523)	290
Tax impact		50	13	(73)
		(169)	**(33)**	**245**
Change in value of the ineffective portion of hedging instruments (including cost of hedging)		(357)	(237)	(309)
Amounts transferred to income statement		253	362	340
Tax impact		26	(29)	(11)
		(78)	**96**	**21**
Gains and losses recognized in equity, transferable to income statement		**1,198**	**(1,041)**	**1,542**
Change in value of vineyard land	6	23	53	(72)
Amounts transferred to consolidated reserves		-	-	-
Tax impact		(2)	(11)	18
		21	**41**	**(53)**
Employee benefit obligations: Change in value resulting from actuarial gains and losses		73	30	301
Tax impact		(22)	(7)	(77)
		51	**23**	**223**
Gains and losses recognized in equity, not transferable to income statement		**72**	**64**	**170**
Total gains and losses recognized in equity		**1,270**	**(977)**	**1,712**
Comprehensive income		**14,178**	**14,944**	**16,414**
Minority interests		8,469	9,036	9,941
Comprehensive income, Group share		**5,709**	**5,908**	**6,473**

3. Consolidated balance sheet

Assets

(EUR millions)	Notes	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Brands and other intangible assets	3	25,417	24,724	24,565
Goodwill	4	18,776	22,492	23,250
Property, plant and equipment	6	29,253	26,697	22,414
Right-of-use assets	7	16,613	15,673	14,609
Investments in joint ventures and associates	8	1,343	991	1,066
Non-current available for sale financial assets	9	1,632	1,363	1,109
Other non-current assets	10	1,106	1,017	1,187
Deferred tax	28	4,545	3,992	3,661
Non-current assets		**98,686**	**96,950**	**91,861**
Inventories and work in progress	11	23,669	22,952	20,319
Trade accounts receivable	12	4,730	4,728	4,258
Income taxes		986	533	375
Other current assets	13	8,512	7,790	7,550
Cash and cash equivalents	15	9,760	7,921	7,588
Current assets		**47,657**	**43,923**	**40,090**
Total assets		**146,343**	**140,873**	**131,951**

Liabilities and equity

(EUR millions)	Notes	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Equity, Group share	16.1	24,294	21,527	19,038
Minority interests	18	42,558	38,766	35,276
Equity		**66,852**	**60,293**	**54,314**
Long-term borrowings	19	12,091	11,227	10,380
Non-current lease liabilities	7	14,860	13,810	12,776
Non-current provisions and other liabilities	20	3,820	3,844	3,866
Deferred tax	28	6,948	6,616	6,553
Purchase commitments for minority interests' shares	21	8,056	11,919	12,489
Non-current liabilities		**45,775**	**47,416**	**46,064**
Short-term borrowings	19	10,866	10,696	9,375
Current lease liabilities	7	2,972	2,728	2,632
Trade accounts payable	22.1	8,630	9,049	8,788
Income taxes		1,234	1,150	1,224
Current provisions and other liabilities	22.2	10,014	9,541	9,554
Current liabilities		**33,716**	**33,164**	**31,573**
Total liabilities and equity		**146,343**	**140,873**	**131,951**

4. Consolidated statement of changes in equity

(EUR millions)	Number of shares	Share capital	Share premium account	Christian Dior treasury shares	Cumulative translation adjustment	Revaluation reserves				Net profit and other reserves	Total equity		
						Available for sale financial assets	Hedges of future foreign currency cash flows and cost of hedging	Vineyard land	Employee benefit commitments		Group share	Minority interests	Total
Notes		16.2	16.1	16.3	16.5							18	
As of December 31, 2021	**180,507,516**	**361**	**194**	**(17)**	**579**	**-**	**(98)**	**484**	**(12)**	**13,880**	**15,372**	**30,995**	**46,367**
Gains and losses recognized in equity					506		103	(18)	85	-	676	1,036	1,712
Net profit										5,797	5,797	8,905	14,702
Comprehensive income					**506**	**-**	**103**	**(18)**	**85**	**5,797**	**6,473**	**9,941**	**16,414**
Expenses related to bonus share and similar plans										53	53	79	132
(Acquisition)/disposal of Christian Dior shares										-	-	-	-
Capital increase in subsidiaries										-	-	28	28
Interim and final dividends paid										(2,165)	(2,165)	(3,905)	(6,070)
Changes in control of consolidated entities										3	3	10	13
Acquisition and disposal of minority interests' shares					2		(1)	2	2	(536)	(531)	(1,068)	(1,599)
Purchase commitments for minority interests' shares										(166)	(166)	(804)	(970)
As of December 31, 2022	**180,507,516**	**361**	**194**	**(17)**	**1,087**	**-**	**4**	**468**	**75**	**16,866**	**19,038**	**35,276**	**54,314**
Gains and losses recognized in equity					(441)	-	24	13	8	-	(396)	(581)	(977)
Net profit										6,304	6,304	9,617	15,921
Comprehensive income					**(441)**	**-**	**24**	**13**	**8**	**6,304**	**5,908**	**9,036**	**14,944**
Expenses related to bonus share and similar plans										47	47	70	117
(Acquisition)/disposal of Christian Dior shares										-	-	-	-
Capital increase in subsidiaries										-	-	19	19
Interim and final dividends paid										(2,255)	(2,255)	(4,153)	(6,408)
Changes in control of consolidated entities										-	-	10	10
Acquisition and disposal of minority interests' shares					6	-	-	2	-	(970)	(962)	(1,073)	(2,035)
Purchase commitments for minority interests' shares										(249)	(249)	(419)	(668)
As of December 31, 2023	**180,507,516**	**361**	**194**	**(17)**	**652**	**-**	**28**	**483**	**83**	**19,743**	**21,527**	**38,766**	**60,293**
Gains and losses recognized in equity					569	-	(95)	7	20	-	501	769	1,270
Net profit										5,208	5,208	7,700	12,908
Comprehensive income					**569**	**-**	**(95)**	**7**	**20**	**5,208**	**5,709**	**8,469**	**14,178**
Expenses related to bonus share and similar plans										78	78	113	191
(Acquisition)/disposal of Christian Dior shares										-	-	-	-
Capital increase in subsidiaries										-	-	33	33
Interim and final dividends paid										(2,345)	(2,345)	(4,327)	(6,672)
Changes in control of consolidated entities										-	-	111	111
Acquisition and disposal of minority interests' shares					2	-	-	1	-	(483)	(480)	(217)	(697)
Purchase commitments for minority interests' shares										(195)	(195)	(390)	(585)
As of December 31, 2024	**180,507,516**	**361**	**194**	**(17)**	**1,223**	**-**	**(67)**	**491**	**103**	**22,006**	**24,294**	**42,558**	**66,852**

5. Consolidated cash flow statement

(EUR millions)	Notes	2024	2023	2022
I. OPERATING ACTIVITIES				
Operating profit		18,901	22,554	20,996
(Income)/Loss and dividends received from joint ventures and associates	8	29	42	26
Net increase in depreciation, amortization and provisions		4,567	4,144	3,219
Depreciation of right-of-use assets	7.1	3,228	3,031	3,007
Other adjustments and computed expenses		488	(260)	(483)
Cash from operations before changes in working capital		**27,212**	**29,511**	**26,765**
Cost of net financial debt: interest paid		(354)	(453)	(73)
Lease liabilities: interest paid		(483)	(356)	(240)
Tax paid		(5,531)	(5,729)	(5,603)
Change in working capital	15.2	(1,925)	(4,577)	(3,019)
Net cash from/(used in) operating activities		**18,919**	**18,397**	**17,830**
II. INVESTING ACTIVITIES				
Operating investments	15.3	(5,531)	(7,478)	(4,969)
Purchase and proceeds from sale of consolidated investments	2.4	(438)	(721)	(809)
Dividends received		9	5	7
Tax paid related to non-current available for sale financial assets and consolidated investments		-	-	-
Purchase and proceeds from sale of non-current available for sale financial assets	9	(579)	(116)	(149)
Net cash from/(used in) investing activities		**(6,539)**	**(8,310)**	**(5,920)**
III. FINANCING ACTIVITIES				
Interim and final dividends paid	15.4	(6,982)	(6,849)	(6,465)
Purchase and proceeds from sale of minority interests	2.4	(784)	(2,051)	(2,010)
Other equity-related transactions	15.4	35	15	12
Proceeds from borrowings	19	3,595	5,990	3,774
Repayment of borrowings	19	(3,676)	(3,968)	(3,891)
Repayment of lease liabilities	7.2	(2,915)	(2,818)	(2,751)
Purchase and proceeds from sale of current available for sale financial assets	14	(1)	144	(1,165)
Net cash from/(used in) financing activities		**(10,728)**	**(9,536)**	**(12,495)**
IV. EFFECT OF EXCHANGE RATE CHANGES		**80**	**(273)**	**55**
Net increase/(decrease) in cash and cash equivalents (I+II+III+IV)		**1,734**	**278**	**(530)**
Cash and cash equivalents at beginning of period	15.1	**7,666**	**7,388**	**7,918**
Cash and cash equivalents at end of period	15.1	**9,399**	**7,666**	**7,388**
Total tax paid		**(5,825)**	**(6,150)**	**(5,959)**

Alternative performance measure

The following table presents the reconciliation between "Net cash from operating activities" and "Operating free cash flow" for the fiscal years presented:

(EUR millions)	2024	2023	2022
Net cash from operating activities	18,919	18,397	17,830
Operating investments	(5,531)	(7,478)	(4,969)
Repayment of lease liabilities	(2,915)	(2,818)	(2,751)
Operating free cash flow (a)	**10,473**	**8,101**	**10,110**

(a) Under IFRS 16, fixed lease payments are treated partly as interest payments and partly as principal repayments. For its own operational management purposes, the Group treats all lease payments as components of its "Operating free cash flow", whether the lease payments made are fixed or variable. In addition, for its own operational management purposes, the Group treats operating investments as components of its "Operating free cash flow".

6. Notes to the consolidated financial statements

Note 1. Accounting policies

1.1 General framework and environment

The consolidated financial statements for fiscal year 2024 were established in accordance with the international accounting standards and interpretations (IAS/IFRS) adopted by the European Union and applicable on December 31, 2024.

These standards and interpretations have been applied consistently to the fiscal years presented. The consolidated financial statements for fiscal year 2024 were approved by the Board of Directors on January 28, 2025.

1.2 Changes in the accounting framework applicable to the Group

The application of standards, amendments and interpretations that took effect on January 1, 2024 did not have a material impact on the Group's financial statements.

1.3 Taking into account climate change risks

The Group's current exposure to the consequences of climate change is limited. As such, at this stage, the impact of climate change on the financial statements is not material.

As part of the LIFE 360 program, which puts the environmental strategy into practice, the Group – via LVMH, which comprises all of the Group's operating activities – has launched a plan to transform its value chains.

The implementation of this program is reflected in the financial statements in the form of operating investments, research and development expenses and corporate philanthropy expenses.

In addition, profit from recurring operations in particular will be affected by changes in raw material prices; production, transport and distribution costs; and costs related to the end-of-life phase of its products.

The short-term effects have been incorporated into the Group's strategic plans, which form the basis for conducting impairment tests on intangible assets with indefinite useful lives (see Note 5). The long-term effects of these changes are not quantifiable at this stage.

1.4 First-time adoption of IFRS

The first accounts prepared by the Group in accordance with IFRS were the financial statements for the year ended December 31, 2005, with a transition date of January 1, 2004. IFRS 1 allowed for exceptions to the retrospective application of IFRS at the transition date. The procedures implemented by the Group with respect to these exceptions include the following:

- business combinations: the exemption from retrospective application was not applied. The Christian Dior Group retrospectively restated acquisitions made since 1988, the date of the initial consolidation of LVMH, and all subsequent acquisitions were restated in accordance with IFRS 3. IAS 36 Impairment of Assets and IAS 38 Intangible Assets were applied retrospectively as of that date;
- foreign currency translation of the financial statements of subsidiaries outside the eurozone: translation reserves relating to the consolidation of subsidiaries that prepare their accounts in foreign currency were reset to zero as of January 1, 2004 and offset against "Other reserves".

1.5 Presentation of the financial statements

Definitions of "Profit from recurring operations" and "Other operating income and expenses"

The Group's main business is the management and development of its brands and trade names. "Profit from recurring operations" is derived from these activities, whether they are recurring or non-recurring, core or incidental transactions.

"Other operating income and expenses" comprises income statement items, which – due to their nature, amount or frequency – may not be considered inherent to the Group's recurring operations or its profit from recurring operations. This caption reflects in particular the impact of changes in the scope of consolidation, the impairment of goodwill, and the impairment and amortization of brands and trade names.

It also includes any significant amounts relating to the impact of certain unusual transactions, such as gains or losses arising on the disposal of fixed assets, restructuring costs, costs in respect of disputes, or any other non-recurring income or expense that may otherwise distort the comparability of profit from recurring operations from one period to the next.

Cash flow statement

Net cash from operating activities is determined on the basis of operating profit, adjusted for non-cash transactions. In addition:

- dividends received are presented according to the nature of the underlying investments, thus in "Net cash from operating activities" for dividends from joint ventures and associates and in "Net cash from financial investments" for dividends from other unconsolidated entities;
- tax paid is presented according to the nature of the transaction from which it arises, thus in "Net cash from operating activities" for the portion attributable to operating transactions; in "Net cash from financial investments" for the portion attributable to transactions in available for sale financial assets, notably tax paid on gains from their sale; and in "Net cash from transactions relating to equity" for the portion attributable to transactions in equity, notably distribution taxes arising on the payment of dividends.

1.6 Use of estimates

For the purpose of preparing the consolidated financial statements, the measurement of certain balance sheet and income statement items requires the use of assumptions, estimates or other forms of judgment. This is particularly true of the valuation of intangible assets (see Notes 1.16 and 5); the measurement of leases (see Notes 1.15 and 7) and purchase commitments for minority interests' shares (see Notes 1.13 and 21); the determination of the amount of provisions for contingencies and losses, and uncertain tax positions (see Note 20) or for impairment of inventories (see Notes 1.18 and 11); and, if applicable, deferred tax assets (see Note 28). Such assumptions, estimates or other forms of judgment made on the basis of the information available or the situation prevailing at the date at which the financial statements are prepared may subsequently prove different from actual events.

1.7 Methods of consolidation

The subsidiaries in which the Group holds a direct or indirect *de facto* or *de jure* controlling interest are fully consolidated.

Jointly controlled companies and companies where the Group has significant influence but no controlling interest are accounted for using the equity method. Although jointly controlled, those entities are fully integrated within the Group's operating activities. The Group discloses their net profit – as well as that of entities using the equity method (see Note 8) – on a separate line, which forms part of profit from recurring operations.

When an investment in a joint venture or associate accounted for using the equity method involves a payment tied to meeting specific performance targets, known as an earn-out payment, the estimated amount of this payment is included in the initial purchase price recorded in the balance sheet, with an offsetting entry under financial liabilities. Any difference between the initial estimate and the actual payment made is recorded as part of the value of investments in joint ventures and associates, without any impact on the income statement.

The assets, liabilities, income and expenses of the Wines and Spirits distribution subsidiaries held jointly with the Diageo group are consolidated only in proportion to the Group's share of operations (see Note 1.27).

The consolidation on an individual or collective basis of companies that are not consolidated (see "Companies not included in the scope of consolidation") would not have a significant impact on the Group's main aggregates.

1.8 Foreign currency translation of the financial statements of entities outside the eurozone

The consolidated financial statements are presented in euros; the financial statements of entities presented in a different functional currency are translated into euros:

- at the period-end exchange rates for balance sheet items;
- at the average rates for the period for income statement items.

Translation adjustments arising from the application of these rates are recorded in equity under "Cumulative translation adjustment".

In the event of hyperinflation, IAS 29 is applied.

1.9 Foreign currency transactions and hedging of exchange rate risks

Transactions of consolidated companies denominated in a currency other than their functional currencies are translated to their functional currencies at the exchange rates prevailing at the transaction dates.

Accounts receivable, accounts payable and debts denominated in currencies other than the entities' functional currencies are translated at the applicable exchange rates at the fiscal year-end. Gains and losses resulting from this translation are recognized:

- within "Cost of sales" for commercial transactions;
- within "Net financial income/(expense)" for financial transactions.

Foreign exchange gains and losses arising from the translation or elimination of intra-Group transactions or receivables and payables denominated in currencies other than the entity's functional currency are recorded in the income statement unless they relate to long-term intra-Group financing transactions, which can be considered equity-related transactions. In the latter case, translation adjustments are recorded in equity under "Cumulative translation adjustment".

Derivatives used to hedge commercial, financial or investment transactions are recognized in the balance sheet at their market value (see Note 1.10) at the balance sheet date. Changes in the value of the effective portions of these derivatives are recognized as follows:

- for hedges that are commercial in nature:
  - within "Cost of sales" for hedges of receivables and payables recognized in the balance sheet at the end of the period,
  - within equity under "Revaluation reserves" for hedges of future cash flows; this amount is transferred to cost of sales upon recognition of the hedged trade receivables and payables;
- for hedges relating to the acquisition of fixed assets: within equity under "Revaluation reserves" for hedges of future cash flows; this amount is transferred to the asset side of the balance sheet, as part of the initial cost of the hedged item when accounting for the latter, and then to the income statement in the event of the disposal or impairment of the hedged item;
- for hedges that are tied to the Group's investment portfolio (hedging the net worth of subsidiaries whose functional currency is not the euro): within equity under "Cumulative translation adjustment"; this amount is transferred to the income statement upon the sale or liquidation (whether partial or total) of the subsidiary whose net worth is hedged;
- for hedges that are financial in nature: within "Net financial income/(expense)", under "Other financial income and expenses".

Changes in the value of these derivatives related to forward points associated with forward contracts, as well as in the time value component of options, are recognized as follows:

- for hedges that are commercial in nature: within equity under "Revaluation reserves". The cost of the forward contracts (forward points) and of the options (premiums) is transferred to "Cost of foreign exchange derivatives" within "Net financial income/(expense)" upon realization of the hedged transaction;
- for hedges that are tied to the Group's investment portfolio or financial in nature: expenses and income arising from discounts or premiums are recognized in "Borrowing costs" on a pro rata basis over the term of the hedging instruments. The difference between the amounts recognized in "Net financial income/(expense)" and the change in the value of forward points is recognized in equity under "Revaluation reserves".

Market value changes of derivatives not designated as hedges are recorded within "Net financial income/(expense)".

See also Note 1.22 for the definition of the concepts of effective and ineffective portions.

1.10 Fair value measurement

Fair value (or market value) is the price that would be obtained from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants.

The assets and liabilities measured at fair value in the balance sheet are as follows:

	Approaches to determining fair value	**Amounts recorded at balance sheet date**
Vineyard land	Based on recent transactions in similar assets. See Note 1.14.	Note 6
Grape harvests	Based on purchase prices for equivalent grapes. See Note 1.18.	Note 11
Derivatives	Based on market data and according to commonly used valuation models. See Note 1.23.	Note 23
Borrowings hedged against changes in value due to interest rate fluctuations	Based on market data and according to commonly used valuation models. See Note 1.22.	Note 19
Liabilities in respect of purchase commitments for minority interests' shares priced according to fair value	Generally based on the market multiples of comparable companies. See Note 1.13.	Note 21
Available for sale financial assets	Quoted investments: price quotations at the close of trading on the balance sheet date. Unquoted investments: estimated net realizable value, either according to formulas based on market data or based on private quotations. See Note 1.17.	Note 9, Note 14
Cash and cash equivalents (SICAV and FCP funds)	Based on the liquidation value at the balance sheet date. See Note 1.20.	Note 15

No other assets or liabilities have been remeasured at market value at the balance sheet date.

1.11 Brands and other intangible assets

Only acquired brands and trade names that are well known and individually identifiable are recorded as assets based on their market values at their dates of acquisition.

Brands and trade names are chiefly valued using the forecast discounted cash flow method, or based on comparable transactions (i.e. using the revenue and net profit coefficients employed for recent transactions involving similar brands) or stock market multiples observed for related businesses. Other complementary methods may also be employed: the relief from royalty method, involving equating a brand's value with the present value of the royalties required to be paid for its use; the margin differential method, applicable when a measurable difference can be identified in the amount of revenue generated by a branded product in comparison with a similar unbranded product; and finally the equivalent brand reconstitution method involving, in particular, estimation of the amount of advertising and promotion expenses required to generate a similar brand.

Costs incurred in creating a new brand or developing an existing brand are expensed.

Brands, trade names and other intangible assets with finite useful lives are amortized over their estimated useful lives. The classification of a brand or trade name as an asset of finite or indefinite useful life is generally based on the following criteria:

- the brand or trade name's overall positioning in its market expressed in terms of volume of activity, international presence and reputation;
- its expected long-term profitability;
- its degree of exposure to changes in the economic environment;
- any major event within its business segment liable to compromise its future development;
- its age.

Amortizable lives of brands and trade names with finite useful lives range from 5 to 20 years, depending on their anticipated period of use.

Impairment tests are carried out for brands, trade names and other intangible assets using the methodology described in Note 1.16.

Research expenditure is not capitalized. New product development expenditure is not capitalized unless the final decision has been made to launch the product.

Intangible assets other than brands and trade names are amortized over the following periods:

- rights attached to sponsorship agreements and media partnerships are amortized over the life of the agreements, depending on how the rights are used;
- development expenditure is amortized over 3 years at most;
- software and websites are amortized over 1 to 5 years.

1.12 Changes in ownership interests in consolidated entities

When the Group takes *de jure* or *de facto* control of a business, its assets, liabilities and contingent liabilities are estimated at their market value as of the date when control is obtained; the difference between the cost of taking control and the Group's share of the market value of those assets, liabilities and contingent liabilities is recognized as goodwill.

The cost of taking control is the price paid by the Group in the context of an acquisition, or an estimate of this price if the transaction is carried out without any payment of cash, excluding acquisition costs, which are disclosed under "Other operating income and expenses".

The difference between the carrying amount of minority interests purchased after control is obtained and the price paid for their acquisition is deducted from equity.

Goodwill is accounted for in the functional currency of the acquired entity.

Goodwill is not amortized but is subject to annual impairment testing using the methodology described in Note 1.16. Any impairment expense recognized is included within "Other operating income and expenses".

1.13 Purchase commitments for minority interests' shares

The Group has granted put options to minority shareholders of certain fully consolidated subsidiaries.

Pending specific guidance from IFRSs regarding this issue, the Group recognizes these commitments as follows:

- the value of the commitment at the balance sheet date appears in "Purchase commitments for minority interests' shares", as a liability on its balance sheet;
- the corresponding minority interests are canceled;
- for commitments granted prior to January 1, 2010, the difference between the amount of the commitments and canceled minority interests is maintained as an asset on the balance sheet under goodwill, as are subsequent changes in this difference. For commitments granted as from January 1, 2010, the difference between the amount of the commitments and minority interests is deducted from equity, under "Other reserves".

This recognition method has no effect on the presentation of minority interests within the income statement.

1.14 Property, plant and equipment

With the exception of vineyard land, the gross value of property, plant and equipment is stated at acquisition cost.

Vineyard land is recognized at the market value at the balance sheet date. This valuation is based on official published data for recent transactions in the same region. Any difference compared to historical cost is recognized within equity in “Revaluation reserves”. If the market value falls below the acquisition cost, the resulting impairment is charged to the income statement.

Buildings mostly occupied by third parties are reported as investment property, at acquisition cost. Investment property is thus not remeasured at market value.

The depreciable amount of property, plant and equipment comprises the acquisition cost of their components less residual value, which corresponds to the estimated disposal price of the asset at the end of its useful life.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. For leased assets, the depreciation period cannot be longer than that used for the calculation of the lease liability.

The estimated useful lives are as follows:

- buildings including investment property: 20 to 100 years;
- machinery and equipment: 3 to 25 years;
- leasehold improvements: 3 to 10 years;
- producing vineyards: 18 to 25 years.

Expenses for maintenance and repairs are charged to the income statement as incurred.

1.15 Leases

The Group has applied IFRS 16 Leases since January 1, 2019. The initial application was carried out using the “modified retrospective” approach to transition. See Note 1.2 to the 2019 consolidated financial statements for details of this initial application procedure for IFRS 16 and the impact of its initial application on the 2019 financial statements.

When entering into a lease, a liability is recognized in the balance sheet, measured at the discounted present value of future payments of the fixed portion of lease payments and offset against a right-of-use asset depreciated over the lease term. The amount of the liability depends to a large degree on the assumptions used for the lease term and, to a lesser extent, the discount rate. The Group’s extensive geographic coverage means it encounters a wide range of different legal conditions when entering into contracts.

The lease term generally used to calculate the liability is the term of the initially negotiated lease, not taking into account any early termination options, except in special circumstances. When leases contain extension options, the term used for the calculation of the liability may include these periods, mainly when the anticipated period of use of the fixed assets, whether under a new or existing lease, is greater than the initial contractual lease term.

The lease term to be used in accounting for lease liabilities when the underlying assets are capitalized even though the obligation to make lease payments covers a period of less than twelve months is consistent with the anticipated period of use of the invested assets. Most often, this involves leases for retail locations that are automatically renewable on an annual basis.

The standard requires that the discount rate be determined for each lease using the incremental borrowing rate of the subsidiary entering into the lease. In practice, given the structure of the Group’s financing – virtually all of which is held or guaranteed by LVMH SE – this incremental borrowing rate is generally the total of the risk-free rate for the currency of the lease, with reference to its term, and the Group’s credit risk for this same currency and over the same term.

Leasehold rights and property, plant and equipment related to restoration obligations for leased facilities are presented within “Right-of-use assets” and subject to depreciation under the same principles as those described above.

The Group has implemented a dedicated IT solution to gather lease data and run the calculations required by the standard.

Since the application of IFRS 16 had a significant impact on the cash flow statement given the importance of fixed lease payments to the Group’s activities, specific indicators are used for internal performance monitoring requirements and financial communication purposes in order to present consistent performance measures, independently of the fixed or variable nature of lease payments. One such alternative performance measure is “Operating free cash flow”, which is calculated by deducting capitalized fixed lease payments in their entirety from cash flow. The reconciliation between “Net cash from operating activities” and “Operating free cash flow” is presented in the consolidated cash flow statement.

1.16 Impairment testing of fixed assets

Property, plant and equipment, intangible assets, and all leased fixed assets are subject to impairment testing whenever there is any indication that an asset may be impaired (particularly following major changes in the asset’s operating conditions), and in any event at least annually in the case of intangible assets with indefinite useful lives (mainly brands, trade names and goodwill). When the carrying amount of assets with indefinite useful lives is greater than the higher of their value in use or market value, the resulting impairment loss is recognized within “Other operating income and expenses”, allocated on a priority basis to any existing goodwill.

Value in use is based on the present value of the cash flows expected to be generated by these assets, taking into account their residual value. Market value is estimated by comparison with recent similar transactions or on the basis of valuations performed by independent experts for the purposes of a disposal transaction.

Cash flows are forecast at Group level for each business segment, defined as one or several brands or trade names under the responsibility of a dedicated management team; in general, a business segment as defined above corresponds to a Maison within the Group. Smaller-scale cash-generating units, such as a group of stores, may be distinguished within a particular business segment.

The forecast data required for the discounted cash flow method is based on annual budgets and multi-year business plans prepared by the management of the business segments concerned. Detailed forecasts cover a five-year period, which may be extended for brands undergoing strategic repositioning or whose production cycle exceeds five years. An estimated terminal value is added to the value resulting from discounted forecast cash flows, which corresponds to the capitalization in perpetuity of cash flows most often arising from the last year of the plan. Discount rates are set for each business group with reference to companies engaged in comparable businesses. Forecast cash flows are discounted on the basis of the rate of return to be expected by an investor in the applicable business and an assessment of the risk premium associated with that business. When several forecast scenarios are developed, the probability of occurrence of each scenario is assessed.

1.17 Available for sale financial assets

Available for sale financial assets are classified as current or non-current based on their type.

Non-current available for sale financial assets comprise strategic and non-strategic investments whose estimated period and form of ownership justify such classification.

Current available for sale financial assets (presented in “Other current assets”; see Note 13) include temporary investments in shares, shares of SICAVs, FCPs and other mutual funds, excluding investments made as part of day-to-day cash management, which are accounted for as “Cash and cash equivalents” (see Note 1.20).

Available for sale financial assets are measured at their listed value at the fiscal year-end date in the case of quoted investments, and in the case of unquoted investments at their estimated net realizable value, assessed either according to formulas based on market data or based on private quotations at the fiscal year-end date.

Positive or negative changes in value are recognized under “Net financial income/(expense)” (within “Other financial income and expenses”; see Note 27) for all shares held in the portfolio during the reported periods. By way of exception, changes in the value of non-current available for sale financial assets may be recognized within “Other items of comprehensive income, not transferable to income statement”.

At its level, Christian Dior integrates data from the LVMH Group without restatement. Regarding its own available for sale financial assets, as it is authorized to do under IFRS 9, Christian Dior reserves the right to choose, for each accounting item, the method for recognizing their change in market value: either within “Net financial income/(expense)” or directly in equity.

1.18 Inventories and work in progress

Inventories other than wine produced by the Group are recorded at the lower of cost (excluding interest expense) and net realizable value; cost comprises manufacturing cost (finished goods) or purchase price, plus incidental costs (raw materials, merchandise).

Wine produced by the Group, including champagne, is measured on the basis of the applicable harvest market value, which is determined by reference to the average purchase price of equivalent grapes, as if the grapes harvested had been purchased from third parties. Until the date of the harvest, the value of grapes is calculated on a pro rata basis, in line with the estimated yield and market value.

Inventories are valued using either the weighted average cost or the FIFO method, depending on the type of business.

Due to the length of the aging process required for champagnes, spirits (cognac, whisky and rum, in particular) and wines, the holding period for these inventories generally exceeds one year. However, in accordance with industry practices, these inventories are classified as current assets.

Provisions for impairment of inventories are chiefly recognized for businesses other than Wines and Spirits. They are generally required because of product obsolescence (end of season or collection, expiration date approaching, etc.) or lack of sales prospects.

1.19 Trade accounts receivable, loans and other receivables

Trade accounts receivable, loans and other receivables are recorded at amortized cost, which corresponds to their face value. Impairment is recognized for the portion of loans and receivables not covered by credit insurance when such receivables are recorded, in the amount of the losses expected upon maturity. This reflects the probability of counterparty default and the expected loss rate, measured using historical statistical data, information provided by credit bureaus, or ratings by credit rating agencies, depending on the specific case.

The amount of long-term loans and receivables (i.e. those falling due in more than one year) is subject to discounting, the effects of which are recognized under “Net financial income/(expense)”, using the effective interest method.

1.20 Cash and cash equivalents

Cash and cash equivalents comprise cash and highly liquid money-market investments subject to an insignificant risk of changes in value over time.

Money-market investments are measured at their market value, based on price quotations at the close of trading and on the exchange rate prevailing at the fiscal year-end date, with any changes in value recognized as part of “Net financial income/(expense)”.

1.21 Provisions

A provision is recognized whenever an obligation exists towards a third party resulting in a probable disbursement for the Group, the amount of which may be reliably estimated. See also Notes 1.25 and 20.

If the date at which this obligation is to be discharged is in more than one year, the provision amount is discounted, the effects of which are recognized in “Net financial income/(expense)” using the effective interest method.

1.22 Borrowings

Borrowings are measured at amortized cost, i.e. nominal value net of issue premiums and issuance costs, which are charged over time to “Net financial income/(expense)” using the effective interest method.

In the case of hedging against fluctuations in the value of borrowings resulting from changes in interest rates, both the hedged amount of borrowings and the related hedging instruments are measured at their market value at the balance sheet date, with any changes in those values recognized within “Net financial income/(expense)”, under “Fair value adjustment of borrowings and interest rate hedges”. See Note 1.10 regarding the measurement of hedged borrowings at market value. Interest income and expenses related to hedging instruments are recognized within “Net financial income/(expense)”, under “Borrowing costs”.

In the case of hedging against fluctuations in future interest payments, the related borrowings remain measured at their amortized cost while any changes in value of the effective hedge portions are taken to equity as part of “Revaluation reserves”.

Changes in value of non-hedging derivatives, and of the ineffective portions of hedges, are recognized within “Net financial income/(expense)”.

Net financial debt comprises short- and long-term borrowings, the market value at the balance sheet date of interest rate derivatives, less the amount at the balance sheet date of non-current available for sale financial assets used to hedge financial debt, current available for sale financial assets, cash and cash equivalents, in addition to the market value at that date of foreign exchange derivatives related to any of the aforementioned items.

1.23 Derivatives

The Group enters into derivative transactions as part of its strategy for hedging foreign exchange, interest rate and precious metal price risks.

To hedge against commercial, financial and investment foreign exchange risk, the Group uses options, forward contracts, foreign exchange swaps and cross-currency swaps. The time value of options, the forward point component of forward contracts and foreign exchange swaps, as well as the foreign currency basis spread component of cross-currency swaps are systematically excluded from the hedge relation. Consequently, only the intrinsic value of the instruments is considered a hedging instrument. Regarding hedged items (future foreign currency cash flows, commercial or financial liabilities and accounts receivable in foreign currencies, subsidiaries’ equity denominated in a functional currency other than the euro), only their change in value in respect of foreign exchange risk is considered a hedged item. As such, aligning the hedging instruments’ main features (nominal values, currencies, maturities) with those of the hedged items makes it possible to perfectly offset changes in value.

Derivatives are recognized in the balance sheet at their market value at the balance sheet date. Changes in their value are accounted for as described in Note 1.9 in the case of foreign exchange hedges and as described in Note 1.22 in the case of interest rate hedges.

Market value is based on market data and commonly used valuation models.

Derivatives with maturities in excess of 12 months are disclosed as non-current assets and liabilities.

1.24 Christian Dior and LVMH treasury shares

Christian Dior treasury shares

Christian Dior shares held by the Group are measured at their acquisition cost and recognized as a deduction from consolidated equity, irrespective of the purpose for which they are held.

In the event of disposal, the cost of the shares disposed of is determined by allocation category (see Note 16.3) using the FIFO method, with the exception of shares held under stock option plans, for which the calculation is performed for each plan using the weighted average cost method.

Gains and losses on disposal, net of income taxes, are taken directly to equity.

LVMH treasury shares

Purchases and sales by LVMH of its own shares, as well as LVMH SE capital increases reserved for recipients of share subscription options, resulting in changes in the percentage held by the Christian Dior Group in LVMH, are accounted for in the consolidated financial statements of the Christian Dior Group as changes in ownership interests in consolidated entities.

As from January 1, 2010, in accordance with the revised version of IFRS 3, changes in the Christian Dior Group's ownership interest in LVMH have been taken to equity.

As this standard is applied prospectively, goodwill recognized as of December 31, 2009 has been maintained as an asset on the balance sheet.

1.25 Pensions, contribution to medical costs and other employee benefit commitments

When plans related to retirement bonuses, pensions, contributions to medical costs, or other employee benefit commitments entail the payment by the Group of contributions to third-party organizations that assume sole responsibility for subsequently paying such retirement bonuses, pensions or contributions to medical costs, these contributions are expensed in the fiscal year in which they fall due, with no liability recorded on the balance sheet.

When the payment of retirement bonuses, pensions, contributions to medical costs, or other employee benefit commitments is to be borne by the Group, a provision is recorded in the balance sheet in the amount of the corresponding actuarial commitment (see Note 30). Changes in this provision are recognized as follows:

- the portion related to the cost of services rendered by employees and net interest for the fiscal year is recognized in profit from recurring operations for the fiscal year;
- the portion related to changes in actuarial assumptions and to differences between projected and actual data (experience adjustments) is recognized in gains and losses taken to equity.

If this commitment is partially or fully funded by payments made by the Group to external financial organizations, these dedicated funds are deducted from the actuarial commitment recorded in the balance sheet.

The actuarial commitment is calculated based on assessments that are specifically designed for the country and the Group company concerned. In particular, these assessments include assumptions regarding discount rates, salary increases, inflation, life expectancy and staff turnover.

1.26 Current and deferred tax

The tax expense comprises current tax payable by consolidated companies, deferred tax resulting from temporary differences, and the change in uncertain tax positions.

Deferred tax is recognized in respect of temporary differences arising between the value of assets and liabilities for purposes of consolidation and the value resulting from the application of tax regulations.

Deferred tax is measured on the basis of the income tax rates enacted at the balance sheet date; the effect of changes in rates is recognized during the periods in which changes are enacted.

Future tax savings from tax losses carried forward are recorded as deferred tax assets on the balance sheet and impaired if they are deemed not recoverable; only amounts for which future use is deemed probable are recognized.

Deferred tax assets and liabilities are not discounted.

Taxes payable in respect of the distribution of retained earnings of subsidiaries give rise to provisions if distribution is deemed probable.

1.27 Revenue recognition

Definition of revenue

Revenue mainly comprises retail sales within the Group's store network (including e-commerce websites) and wholesale sales through agents and distributors. Sales made in stores owned by third parties are treated as retail transactions if the risks and rewards of ownership of the inventories are retained by the Group.

Direct sales to customers are mostly made through retail stores in Fashion and Leather Goods and Selective Retailing, as well as certain Watches and Jewelry and Perfumes and Cosmetics brands. The Group recognizes revenue when title transfers to third-party customers, which is generally at the time of purchase by retail customers.

Wholesale sales mainly concern the Wines and Spirits businesses, as well as certain Perfumes and Cosmetics and Watches and Jewelry brands. The Group recognizes revenue when title transfers to third-party customers.

Revenue includes shipment and transportation costs re-billed to customers only when these costs are included in products' selling prices as a lump sum.

Sales of services, mainly involved in the Group's "Other activities" segment, are recognized as the services are provided.

Revenue is presented net of all forms of discount. In particular, payments made in order to have products referenced or, in accordance with agreements, to participate in advertising campaigns with the distributors, are deducted from related revenue.

Provisions for product returns

Perfumes and Cosmetics companies and, to a lesser extent, Fashion and Leather Goods and Watches and Jewelry companies may accept the return of unsold or outdated products from their customers and distributors. Retail sales, and in particular online sales, also result in product returns from customers.

Where these practices are applied, revenue is reduced by the estimated amount of such returns, and a provision is recognized within "Other current liabilities" (see Note 22.2), along with a corresponding entry made to inventories. The estimated rate of returns is based on historical statistical data.

Businesses undertaken in partnership with Diageo

A significant proportion of revenue for the Group's Wines and Spirits businesses is generated within the framework of distribution agreements with Diageo, generally taking the form of shared entities that sell and deliver both groups' products to customers. The income statement and balance sheet of these entities is apportioned between the Group and Diageo based on distribution agreements. According to those agreements, the assets, liabilities, income and expenses of such entities are consolidated only in proportion to the Group's share of operations.

1.28 Advertising and promotion expenses

Advertising and promotion expenses include the costs of producing advertising media, purchasing media space, manufacturing samples, publishing catalogs and, in general, the cost of all activities designed to promote the Group's brands and products.

Advertising and promotion expenses are recorded within marketing and selling expenses upon receipt or production of goods or upon completion of services rendered.

1.29 Bonus share and similar plans

The expected gain for bonus share plans is calculated on the basis of the closing share price on the day before the Board of Directors' meeting at which the plan is instituted, less the amount of dividends expected to accrue during the vesting period. For any bonus share plans subject to performance conditions, the expense for the fiscal year includes provisional allocations for which the conditions are deemed likely to be met.

For all plans, the amortization expense is apportioned on a straight-line basis in the income statement over the vesting period, with a corresponding impact on reserves in the balance sheet.

For any cash-settled compensation plans index-linked to the change in the LVMH share price, the gain over the vesting period is estimated at each balance sheet date based on the LVMH share price at that date and is charged to the income statement on a pro rata basis over the vesting period, with a corresponding balance sheet impact on provisions. Between that date and the settlement date, the change in the expected gain resulting from the change in the LVMH share price is recorded in the income statement.

For the LVMH Shares plan, the fair value of the benefit granted to employees (discount and matching employer contribution) is calculated on the basis of the share price on the date the shares are allocated.

1.30 Earnings per share

Earnings per share are calculated based on the weighted average number of shares outstanding during the fiscal year, excluding treasury shares.

Where applicable, diluted earnings per share are calculated based on the weighted average number of shares before dilution. Dilutive instruments issued by subsidiaries are also taken into consideration for the purposes of determining the Group's share of net profit after dilution.

Note 2. Changes in ownership interests in consolidated entities

2.1 Fiscal year 2024

Partnership with Accor to develop Orient Express

In June 2024, LVMH and Accor entered into a strategic partnership to accelerate the development of Orient Express, in particular through the operation of trains, hotels and sailing ships.

Other

In January 2024, LVMH acquired a majority stake in Nuti Ivo SpA, an Italian company founded in 1955, specializing in leather-working. Throughout the year, LVMH acquired majority stakes, for non-material amounts, in companies specializing in a range of different craft expertise, including leather-working, jewelry, metal parts and watch movements.

In June 2024, LVMH acquired the entire share capital of Swiza, the owner of high-end Swiss clock manufacturer L'Epée 1839.

In June 2024, LVMH acquired an additional 10% stake in Maison Francis Kurkdjian.

In September 2024, LVMH sold 100% of Off-White.

In October 2024, LVMH acquired the entire share capital of weekly magazine *Paris Match*, one of France's most high-profile press publications, launched in March 1949, and acquired an additional 5% stake in Sephora's Middle East business.

Equity investments newly consolidated in 2024 did not have a significant impact on revenue or profit from recurring operations for the fiscal year.

2.2 Fiscal year 2023

Minuty

In January 2023, Moët Hennessy took a majority stake in the share capital of Minuty SAS and acquired control of the company's winegrowing assets. Château Minuty is renowned worldwide for its rosé wine, which has been a *Grand Cru Classé* since 1955, and is located in Gassin on the peninsula of Saint-Tropez (France).

Starboard & Onboard Cruise Services

In December 2023, LVMH sold an 80% stake in Cruise Line Holdings Co. – the holding company of the Starboard & Onboard Cruise Services businesses – to a group of private investors.

Other

In September 2023, LVMH acquired a majority stake in the Platinum Invest group, a French high jewelry manufacturer, in order to reinforce its production capacity, in particular for Tiffany.

In September 2023 and November 2023, Thélios acquired all the shares in the companies that own the iconic French and American eyewear brands Vuarnet and Barton Perreira, respectively.

LVMH Métiers d'Art acquired a majority stake in Spanish tannery Verdeveleno in October 2023, and in December 2023 it acquired all the shares in Menegatti, an Italian company specializing in the production of metal parts.

In May 2023, LVMH entered into an agreement to acquire a majority stake in Nuti Ivo SpA.

Equity investments newly consolidated in 2023 did not have a significant impact on revenue or profit from recurring operations for the fiscal year.

2.3 Fiscal year 2022

Joseph Phelps

In August 2022, the Group acquired the entire share capital of Joseph Phelps, a California estate offering a collection of Napa Valley and Sonoma Coast red wines. The price paid, which totaled 587 million US dollars (587 million euros), was mainly allocated to the Joseph Phelps brand, in the amount of 169 million euros, and to producing vineyards for 119 million euros. Final goodwill came to 186 million euros.

Sephora

In October 2022, Sephora disposed of all its shares in its Russian subsidiary.

Off-White

In September 2022, LVMH acquired an additional 40% stake in Off-White, bringing its ownership interest to 100%.

Pedemonte

In November 2022, LVMH announced the acquisition of Pedemonte Group, a jewelry manufacturer with locations in Italy and France, from the Equinox III SLP SIF investment fund. This equity investment was consolidated in 2023.

Equity investments newly consolidated in 2022 did not have a significant impact on revenue or profit from recurring operations for the fiscal year.

2.4 Impact on net cash and cash equivalents of changes in ownership interests in consolidated entities

(EUR millions)	**2024**	**2023**	**2022**
Purchase price of consolidated investments and of minority interests' shares	(1,474)	(2,918)	(3,147)
Positive cash balance/(net overdraft) of companies acquired	91	80	14
Proceeds from sale of consolidated investments	164	69	334
(Positive cash balance)/net overdraft of companies sold	(3)	(2)	(20)
Impact of changes in ownership interests in consolidated entities on net cash and cash equivalents	**(1,223)**	**(2,771)**	**(2,819)**
Of which: Purchase and proceeds from sale of consolidated investments	*(438)*	*(721)*	*(809)*
Purchase and proceeds from sale of minority interests	*(784)*	*(2,051)*	*(2,010)*

In 2024, the impact on net cash and cash equivalents of changes in ownership interests in consolidated entities primarily arose from the acquisition of controlling interests in Orient Express, Paris Match, Nuti Ivo and Swiza, partially offset by the disposal of Off-White. It also included the cash impact of acquisitions of LVMH shares by Group companies and the impact of the LVMH liquidity contract.

In 2023, the impact on net cash and cash equivalents of changes in ownership interests in consolidated entities arose in particular from the acquisitions of Minuty, Platinum Invest, Barton Perreira and Vuarnet. In addition to the net cash impact of the purchase and sale of consolidated investments, the Group may take on the borrowings of entities acquired (see Note 19). In most cases, such borrowings are repaid to third-party lenders. It also included the cash impact of LVMH share buyback programs, the main purpose of which is to retire the shares purchased.

In 2022, the impact on net cash and cash equivalents of changes in ownership interests in consolidated entities arose in particular from the acquisition of Joseph Phelps. It also included the cash impact of LVMH share buyback programs.

Note 3. Brands, trade names and other intangible assets

(EUR millions)			Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
	Gross	**Amortization and impairment**	**Net**	**Net**	**Net**
Brands	21,805	(810)	20,995	20,625	20,685
Trade names	4,205	(1,737)	2,467	2,336	2,410
License rights	50	(42)	8	12	17
Software, websites	4,398	(3,168)	1,230	1,035	926
Other	1,793	(1,077)	716	717	528
Total	**32,251**	**(6,834)**	**25,417**	**24,724**	**24,565**

3.1 Changes during the fiscal year

The carrying amounts of brands, trade names and other intangible assets changed as follows during the fiscal year:

Gross value *(EUR millions)*	**Brands**	**Trade names**	**Software, websites**	**Other intangible assets**	**Total**
As of December 31, 2023	**21,438**	**3,972**	**3,946**	**1,616**	**30,972**
Acquisitions	-	-	393	444	837
Disposals and retirements	(2)	-	(322)	(87)	(411)
Changes in the scope of consolidation	(91)	-	4	126	39
Translation adjustment	459	233	81	10	783
Reclassifications	-	-	297	(267)	30
As of December 31, 2024	**21,805**	**4,205**	**4,398**	**1,843**	**32,251**

Amortization and impairment *(EUR millions)*	**Brands**	**Trade names**	**Software, websites**	**Other intangible assets**	**Total**
As of December 31, 2023	**(813)**	**(1,636)**	**(2,912)**	**(888)**	**(6,248)**
Amortization expense	(7)	-	(511)	(295)	(813)
Impairment expense	20	-	(3)	1	17
Disposals and retirements	2	-	322	87	411
Changes in the scope of consolidation	-	-	(3)	(12)	(14)
Translation adjustment	(12)	(101)	(60)	(6)	(180)
Reclassifications	-	-	(2)	(5)	(7)
As of December 31, 2024	**(810)**	**(1,737)**	**(3,168)**	**(1,119)**	**(6,834)**
Carrying amount as of December 31, 2024	**20,995**	**2,467**	**1,230**	**724**	**25,417**

Translation adjustments mainly related to brands and trade names recognized in US dollars, based on fluctuations in the US dollar-to-euro exchange rate between January 1 and December 31, 2024.

3.2 Changes during prior fiscal years

The carrying amounts of brands, trade names and other intangible assets changed as follows during prior fiscal years:

Carrying amount *(EUR millions)*	**Brands**	**Trade names**	**Software, websites**	**Other intangible assets**	**Total**
As of December 31, 2021	**20,013**	**2,285**	**849**	**536**	**23,684**
Acquisitions	-	-	319	366	685
Disposals and retirements	-	-	-	(1)	(1)
Changes in the scope of consolidation	187	-	(1)	6	192
Amortization expense	(7)	-	(425)	(171)	(603)
Impairment expense	(11)	-	(4)	(1)	(16)
Translation adjustment	502	125	20	12	660
Reclassifications	-	-	168	(203)	(35)
As of December 31, 2022	**20,685**	**2,410**	**926**	**544**	**24,565**
Acquisitions	-	-	352	648	1,000
Disposals and retirements	-	-	-	-	-
Changes in the scope of consolidation	110	-	1	13	124
Amortization expense	(7)	-	(454)	(258)	(719)
Impairment expense	-	-	3	(1)	2
Translation adjustment	(163)	(75)	(16)	2	(252)
Reclassifications	-	-	223	(220)	3
As of December 31, 2023	**20,625**	**2,336**	**1,035**	**729**	**24,724**

3.3 Brands and trade names

The breakdown of brands and trade names by business group is as follows:

(EUR millions)			**December 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2022**
	Gross	**Amortization and impairment**	**Net**	**Net**	**Net**
Wines and Spirits	3,577	(164)	3,413	3,362	3,267
Fashion and Leather Goods	5,347	(316)	5,030	5,216	5,225
Perfumes and Cosmetics	1,397	(100)	1,298	1,300	1,309
Watches and Jewelry	10,969	(105)	10,864	10,458	10,594
Selective Retailing	4,157	(1,690)	2,467	2,336	2,410
Other activities	563	(173)	390	290	290
Brands and trade names	**26,009**	**(2,547)**	**23,462**	**22,961**	**23,095**

The brands and trade names recognized are those that the Group has acquired. As of December 31, 2024, the principal acquired brands and trade names were:

- Wines and Spirits: Hennessy, Moët & Chandon, Dom Pérignon, Veuve Clicquot, Krug, Château d'Yquem, Belvedere, Glenmorangie, Newton Vineyard, Bodega Numanthia, Château d'Esclans, Armand de Brignac, Joseph Phelps and Château Minuty;
- Fashion and Leather Goods: Louis Vuitton, Fendi, Celine, Loewe, Givenchy, Kenzo, Berluti, Pucci, Loro Piana and Rimowa;
- Perfumes and Cosmetics: Parfums Christian Dior, Guerlain, Parfums Givenchy, Make Up For Ever, Benefit Cosmetics, Fresh, Acqua di Parma, KVD Vegan Beauty, Fenty, Ole Henriksen, Maison Francis Kurkdjian and Officine Universelle Buly 1803;
- Watches and Jewelry: Tiffany, Bulgari, TAG Heuer, Zenith, Hublot, Chaumet, Fred, L'Epée 1839 and Repossi;
- Selective Retailing: DFS Galleria, Sephora and Le Bon Marché;
- Other activities: the publications of the media group Les Echos-Investir, the *Le Parisien-Aujourd'hui en France* daily newspaper, *Paris Match* magazine, the Royal Van Lent-Feadship brand, La Samaritaine, the hotel group Belmond and the Cova pastry shop brand.

These brands and trade names are recognized in the balance sheet at their value determined as of the date of their acquisition by the Group, which may be much less than their value in use or their market value as of the closing date for the Group's consolidated financial statements. This is notably the case for the brands Louis Vuitton, Christian Dior Couture, Veuve Clicquot and Parfums Christian Dior, and the trade name Sephora, with the understanding that this list must not be considered exhaustive.

See also Note 5 for the impairment testing of brands, trade names and other intangible assets with indefinite useful lives.

Note 4. Goodwill

(EUR millions)			December 31, 2024	Dec. 31, 2023	Dec. 31, 2022
	Gross	**Impairment**	**Net**	**Net**	**Net**
Goodwill arising on consolidated investments	19,290	(1,752)	17,538	16,810	16,351
Goodwill arising on purchase commitments for minority interests' shares	1,239	-	1,239	5,682	6,899
Total	**20,529**	**(1,752)**	**18,776**	**22,492**	**23,250**

Changes in net goodwill during the fiscal years presented break down as follows:

(EUR millions)			2024	2023	2022
	Gross	**Impairment**	**Net**	**Net**	**Net**
As of January 1	**24,195**	**(1,703)**	**22,492**	**23,250**	**24,371**
Changes in the scope of consolidation	156	-	156	713	604
Changes in purchase commitments for minority interests' shares	(4,378)	-	(4,378)	(1,235)	(2,204)
Changes in impairment	-	(12)	(12)	-	(27)
Translation adjustment	556	(37)	519	(236)	506
As of December 31	**20,529**	**(1,752)**	**18,776**	**22,492**	**23,250**

See Note 21 for goodwill arising on purchase commitments for minority interests' shares.

Changes in the scope of consolidation mainly resulted from the acquisition of Swiza and Nuti Ivo, the investment in Orient Express, and various acquisitions carried out in prior periods but that had not yet been consolidated as of December 31, 2023, partially offset by the disposal of Off-White. See Note 2.

Translation adjustments mainly related to goodwill recognized in US dollars, based on fluctuations in the US dollar-to-euro exchange rate between January 1 and December 31, 2024.

In 2023, changes in the scope of consolidation mainly resulted from the acquisitions of Minuty, Platinum Invest, Barton Perreira and Vuarnet. See Note 2.

In 2022, changes in the scope of consolidation mainly arose from the acquisition of Joseph Phelps as well as the consolidation of acquisitions made prior to 2022, in particular Officine Universelle Buly and Feelunique, and from Sephora's disposal of its subsidiary in Russia. See Note 2.

Note 5. Impairment testing of intangible assets with indefinite useful lives

Brands, trade names and other intangible assets with indefinite useful lives as well as the goodwill arising on acquisition were subject to annual impairment testing. No significant impairment expenses were recognized in respect of these items during the course of fiscal year 2024.

As described in Note 1.16, these assets are generally valued on the basis of the present value of forecast cash flows determined in the context of multi-year business plans drawn up each fiscal year. The consequences of the macroeconomic environment continue to disrupt the commercial operations of certain Maisons and vary by geographic region and business group. However, the Group believes that these disruptions are not likely to affect the achievement of objectives set in multi-year business plans.

The main assumptions used to determine these forecast cash flows are as follows:

Business group *(as %)*	**2024**				**2023**			**2022**		
	Discount rate		**Annual growth rate for revenue during the plan period**	**Growth rate for the period after the plan**	**Post-tax discount rate**	**Annual growth rate for revenue during the plan period**	**Growth rate for the period after the plan**	**Post-tax discount rate**	**Annual growth rate for revenue during the plan period**	**Growth rate for the period after the plan**
	Post-tax	**Pre-tax**								
Wines and Spirits	6.9 to 7.4	9.3 to 10.0	4.8	2.0	6.9 to 10.9	6.3	2.5	7.1 to 11.9	8.2	2.0
Fashion and Leather Goods	8.3 to 9.1	11.2 to 12.3	8.2	2.8	8.6 to 8.8	10.1	3.3	9.6 to 11.0	9.4	2.0
Perfumes and Cosmetics	8.3 to 8.9	11.2 to 12.0	7.2	2.7	8.5 to 9.1	10.1	3.0	8.3 to 8.5	10.9	2.0
Watches and Jewelry	8.3 to 8.9	11.2 to 12.0	6.1	2.5	8.6 to 9.1	10.4	3.0	8.8 to 9.0	8.8	2.0 to 2.5
Selective Retailing	9.4 to 10.0	12.7 to 13.5	6.1	1.5/2.0	9.0 to 9.5	8.4	2.5	9.7 to 9.8	9.5	2.0
Other	8.8 to 9.3	11.9 to 12.6	5.5	1.5 to 2.6	8.7 to 9.3	3.5	2.0	8.5 to 9.7	4.7	2.0

Plans generally cover a five-year period, but may be prolonged up to ten years in the case of brands for which the production cycle exceeds five years or brands undergoing strategic repositioning.

Annual growth rates applied for the period not covered by the plans are based on market estimates for the business groups concerned.

As of December 31, 2024, the intangible assets with indefinite useful lives that are the most significant in terms of their carrying amounts and the criteria used for impairment testing are as follows:

(EUR millions)	**Brands and trade names**	**Goodwill**	**Total**	**Post-tax discount rate** *(as %)*	**Growth rate for the period after the plan** *(as %)*	**Period covered by the forecast cash flows**
Louis Vuitton	2,060	630	2,690	8.9	2.8	5 years
Loro Piana	1,300	1,048	2,348	8.9	2.8	5 years
Fendi	713	417	1,129	8.9	2.8	5 years
Tiffany [(a)]	7,027	8,242	15,269	8.7	2.5	10 years
Bulgari	2,100	1,547	3,647	8.9	2.5	5 years
TAG Heuer [(a)]	1,318	250	1,568	8.9	2.5	10 years
DFS [(a)]	2,203	-	2,203	10.0	2.0	10 years
Sephora	265	717	981	9.4	1.5	5 years
Belmond [(a)]	126	792	918	9.3	1.5	10 years
Hennessy	1,067	47	1,114	6.9	2.0	5 years

(a) These Maisons are considered to be undergoing strategic repositioning, based on a 10-year business plan.

As of December 31, 2024, three Maisons disclosed intangible assets with a carrying amount close to their recoverable amount. Impairment tests relating to intangible assets with indefinite useful lives in these Maisons have been carried out based on value in use. The amount of these intangible assets as of December 31, 2024 and the impairment loss that would result from a 1.5-point increase in the post-tax discount rate, a 1.0-point decrease in the growth rate for the period not covered by the plans, or a 4.0-point decrease in the annual growth rate for revenue compared to rates used as of December 31, 2024, break down as follows:

(EUR millions)	Amount of intangible assets concerned as of December 31, 2024	Amount of impairment if:		
		Post-tax discount rate increases by 1.5 points	Annual growth rate for revenue decreases by 4 points	Growth rate for the period after the plans decreases by 1.0 point
Watches and Jewelry (a)	16,837	(4,044)	(5,161)	(1,360)
Selective Retailing (b)	2,203	(142)	(119)	-
Total	**19,040**	**(4,186)**	**(5,280)**	**(1,360)**

(a) Concerns Tiffany and TAG Heuer.
(b) Concerns DFS.

The Group considers that changes in excess of those mentioned above would entail assumptions at a level not deemed relevant in view of the current economic environment and medium- to long-term growth prospects for the business segments concerned. Moreover, a four-point decrease in the average growth rate for revenue over the plan period is a pessimistic assumption with a very low probability of occurrence.

As of December 31, 2024, the gross and net values of brands, trade names and goodwill giving rise to amortization and/or impairment charges in 2024 were 588 million euros and 287 million euros, respectively (51 million euros and 16 million euros as of December 31, 2023).

Impairment and amortization expenses recognized during fiscal year 2024 in respect of intangible assets with indefinite useful lives amounted to a net reversal of 1 million euros. See Note 26.

Note 6. Property, plant and equipment

(EUR millions)	December 31, 2024			Dec. 31, 2023	Dec. 31, 2022
	Gross	Depreciation and impairment	Net	Net	Net
Land	7,995	(24)	7,971	7,393	4,947
Vineyard land and producing vineyards (a)	3,179	(141)	3,038	2,948	2,729
Buildings	8,901	(3,417)	5,484	5,160	4,720
Investment property	378	(57)	321	318	437
Leasehold improvements, machinery and equipment	23,472	(15,744)	7,728	6,653	5,773
Assets in progress	2,394	(74)	2,320	2,080	1,809
Other property, plant and equipment	3,017	(626)	2,391	2,145	2,000
Total	**49,336**	**(20,083)**	**29,253**	**26,697**	**22,414**
Of which: Historical cost of vineyard land	*1,030*	-	*1,030*	*924*	*760*

(a) Almost all of the carrying amount of “Vineyard land and producing vineyards” corresponds to vineyard land.

6.1 Changes during the fiscal year

Changes in property, plant and equipment during the fiscal year broke down as follows:

Gross value *(EUR millions)*	**Vineyard land and producing vineyards**	**Land and buildings**	**Investment property**	**Leasehold improvements, machinery and equipment**			**Assets in progress**	**Other property, plant and equipment**	**Total**
				Stores and hotels	**Production, logistics**	**Other**			
As of December 31, 2023	**3,084**	**15,631**	**370**	**14,309**	**4,245**	**2,326**	**2,125**	**2,743**	**44,833**
Acquisitions	28	646	2	1,210	230	175	2,169	256	4,716
Change in the market value of vineyard land	23	-	-	-	-	-	-	-	23
Disposals and retirements	(9)	(73)	-	(747)	(91)	(172)	(2)	(57)	(1,151)
Changes in the scope of consolidation	-	23	-	(3)	67	6	43	2	138
Translation adjustment	34	214	5	366	59	50	38	30	796
Other movements, including transfers	18	454	1	1,001	249	194	(1,979)	44	(18)
As of December 31, 2024	**3,179**	**16,896**	**378**	**16,135**	**4,759**	**2,578**	**2,394**	**3,017**	**49,336**

Depreciation and impairment *(EUR millions)*	**Vineyard land and producing vineyards**	**Land and buildings**	**Investment property**	**Leasehold improvements, machinery and equipment**			**Assets in progress**	**Other property, plant and equipment**	**Total**
				Stores and hotels	**Production, logistics**	**Other**			
As of December 31, 2023	**(136)**	**(3,077)**	**(52)**	**(9,753)**	**(2,899)**	**(1,575)**	**(45)**	**(598)**	**(18,136)**
Depreciation expense	(9)	(399)	(5)	(1,537)	(291)	(225)	-	(84)	(2,549)
Impairment expense	-	(2)	-	(80)	(1)	(6)	(29)	1	(117)
Disposals and retirements	3	68	-	744	87	172	-	56	1,130
Changes in the scope of consolidation	-	(6)	-	4	(48)	(4)	-	(1)	(56)
Translation adjustment	(1)	(41)	(1)	(243)	(23)	(39)	(1)	(5)	(353)
Other movements, including transfers	-	17	-	(69)	(9)	51	1	6	(2)
As of December 31, 2024	**(141)**	**(3,441)**	**(57)**	**(10,934)**	**(3,183)**	**(1,626)**	**(74)**	**(626)**	**(20,083)**
Carrying amount as of December 31, 2024	**3,038**	**13,455**	**321**	**5,201**	**1,576**	**951**	**2,320**	**2,391**	**29,253**

"Other property, plant and equipment" included in particular the works of art owned by the Group.

As of December 31, 2024, purchases of property, plant and equipment mainly included investments by the Group's Maisons – notably Louis Vuitton, Christian Dior Couture, Tiffany and Sephora – in their retail networks. They also included investments by the champagne houses, Hennessy and Parfums Christian Dior in their production equipment, as well as investments relating to the Group's hotel activities. In addition, buildings were acquired in Tokyo and Paris by the Group's holding companies and Maisons, mainly in order to operate stores in them.

Translation adjustments on property, plant and equipment mainly related to fixed assets recognized in US dollars and pounds sterling, based on fluctuations in the exchange rates of these currencies with respect to the euro between January 1 and December 31, 2024.

The market value of investment property, according to appraisals by independent third parties, was at least 0.6 billion euros as of December 31, 2024. The valuation methods used are based on market data.

6.2 Changes during prior fiscal years

Changes in property, plant and equipment during prior fiscal years broke down as follows:

Carrying amount *(EUR millions)*	**Vineyard land and producing vineyards**	**Land and buildings**	**Investment property**	**Leasehold improvements, machinery and equipment**			**Assets in progress**	**Other property, plant and equipment**	**Total**
				Stores and hotels	**Production, logistics**	**Other**			
As of December 31, 2021	**2,623**	**8,272**	**323**	**3,398**	**1,152**	**564**	**1,302**	**1,909**	**19,543**
Acquisitions	26	1,062	115	909	204	161	1,770	152	4,398
Disposals and retirements	-	1	-	(1)	(2)	(2)	(4)	(51)	(60)
Depreciation expense	(7)	(292)	(6)	(1,260)	(240)	(185)	-	(66)	(2,056)
Impairment expense	(1)	(49)	-	(10)	1	-	(1)	(2)	(62)
Change in the market value of vineyard land	(72)	-	-	-	-	-	-	-	(72)
Changes in the scope of consolidation	119	83	-	5	22	2	3	7	239
Translation adjustment	3	49	4	40	8	6	13	14	137
Other movements, including transfers	39	541	-	772	119	112	(1,274)	38	347
As of December 31, 2022	**2,729**	**9,667**	**437**	**3,853**	**1,263**	**657**	**1,809**	**2,000**	**22,414**
Acquisitions	83	2,553	2	1,163	218	182	2,449	176	6,824
Disposals and retirements	(12)	(4)	(110)	(3)	(3)	(3)	(6)	4	(136)
Depreciation expense	(9)	(331)	(6)	(1,335)	(264)	(194)	-	(71)	(2,209)
Impairment expense	(1)	(6)	-	(5)	(2)	-	(45)	(1)	(60)
Change in the market value of vineyard land	53	-	-	-	-	-	-	-	53
Changes in the scope of consolidation	84	66	-	(6)	14	1	1	1	161
Translation adjustment	(12)	(126)	(3)	(139)	(8)	(10)	(38)	(12)	(348)
Other movements, including transfers	33	734	(2)	1,030	127	119	(2,090)	48	(1)
As of December 31, 2023	**2,948**	**12,553**	**318**	**4,556**	**1,346**	**750**	**2,080**	**2,145**	**26,697**

In 2023, purchases of property, plant and equipment mainly included investments by the Group's Maisons – notably Louis Vuitton, Christian Dior Couture, Tiffany and Sephora – in their retail networks. They also included investments by the champagne houses, Hennessy and Louis Vuitton in their production equipment, as well as investments relating to the Group's hotel activities. In addition, buildings were acquired in Paris and London by the Group's holding companies and Maisons, mainly in order to operate stores in them. At the end of April 2023, Tiffany's iconic store on Fifth Avenue in New York reopened after several years of renovation.

In 2022, purchases of property, plant and equipment mainly included investments by the Group's Maisons – notably Christian Dior Couture, Louis Vuitton, Tiffany and Sephora – in their retail networks. They also included investments by the champagne houses, Hennessy and Louis Vuitton in their production equipment, as well as investments relating to the Group's hotel activities. In the second half of 2022, an investment was made in several buildings in Paris, which resulted in particular in the Group acquiring full ownership of the premises serving as its headquarters, in which it had previously held a 40% stake, recognized under "Investments in joint ventures and associates". The previously held stake was remeasured (see Note 26) and the corresponding investment (see Note 8) was reclassified under "Property, plant and equipment" at its new value.

Changes in the scope of consolidation in 2022 mainly resulted from the acquisition of Joseph Phelps. See Note 2.3.

Note 7. Leases

7.1 Right-of-use assets

Right-of-use assets break down as follows, by type of underlying asset:

(EUR millions)			December 31, 2024	Dec. 31, 2023	Dec. 31, 2022
	Gross	**Depreciation and impairment**	**Net**	**Net**	**Net**
Stores	23,054	(10,070)	12,984	12,206	11,202
Offices	3,754	(1,453)	2,300	2,253	2,274
Other	1,567	(524)	1,043	896	856
Capitalized fixed lease payments	**28,375**	**(12,048)**	**16,327**	**15,355**	**14,332**
Leasehold rights	929	(643)	286	317	277
Total	**29,304**	**(12,691)**	**16,613**	**15,673**	**14,609**

The carrying amounts of right-of-use assets changed as follows during the fiscal year:

Carrying amount *(EUR millions)*			Capitalized fixed lease payments		**Leasehold rights**	**Total**
	Stores	**Offices**	**Other**	**Total**		
As of December 31, 2023	**12,206**	**2,253**	**896**	**15,355**	**317**	**15,673**
New leases entered into	2,346	282	275	2,903	28	2,931
Changes in assumptions	698	104	34	837	-	837
Leases ended or canceled	(19)	(1)	(7)	(26)	(3)	(29)
Depreciation expense	(2,587)	(383)	(160)	(3,130)	(56)	(3,186)
Impairment expense	(47)	13	(5)	(38)	(4)	(42)
Changes in the scope of consolidation	-	(1)	8	7	-	7
Translation adjustment	358	37	18	413	2	414
Other movements, including transfers	27	(4)	(17)	7	1	8
As of December 31, 2024	**12,984**	**2,300**	**1,043**	**16,327**	**286**	**16,613**

"New leases entered into" involved store leases, in particular for Louis Vuitton, Christian Dior Couture, Tiffany and Sephora. They also included leases of office space, mainly for Louis Vuitton. Changes in assumptions mainly resulted from adjustments to estimated lease terms. These two types of changes led to corresponding increases in right-of-use assets and lease liabilities.

Translation adjustments mainly related to leases recognized in US dollars and Hong Kong dollars, based on fluctuations in the exchange rates of these currencies with respect to the euro between January 1 and December 31, 2024.

7.2 Lease liabilities

Lease liabilities break down as follows:

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Non-current lease liabilities	14,860	13,810	12,776
Current lease liabilities	2,972	2,728	2,632
Total	**17,832**	**16,538**	**15,408**

The change in lease liabilities during the fiscal year breaks down as follows:

(EUR millions)	Stores	Offices	Other	Total
As of December 31, 2023	**13,083**	**2,546**	**910**	**16,538**
New leases entered into	2,321	272	275	2,868
Principal repayments	(2,401)	(335)	(139)	(2,875)
Change in accrued interest	17	6	3	26
Leases ended or canceled	(21)	(2)	(8)	(32)
Changes in assumptions	686	104	33	824
Changes in the scope of consolidation	-	(1)	11	11
Translation adjustment	408	45	22	475
Other movements, including transfers	5	(3)	(6)	(4)
As of December 31, 2024	**14,099**	**2,633**	**1,101**	**17,832**

The following table presents the contractual schedule of disbursements for lease liabilities as of December 31, 2024:

(EUR millions)		As of December 31, 2024 Total minimum future payments
Maturity:	2025	3,399
	2026	3,025
	2027	2,583
	2028	2,231
	2029	1,829
	Between 2030 and 2034	5,278
	Between 2035 and 2039	1,281
	Thereafter	1,075
Total minimum future payments		**20,702**
Impact of discounting		(2,869)
Total lease liability		**17,832**

7.3 Breakdown of lease expense

The lease expense for the fiscal year breaks down as follows:

(EUR millions)	2024	2023	2022
Depreciation and impairment of capitalized fixed lease payments	3,168	2,980	2,950
Interest on lease liabilities	510	393	254
Capitalized fixed lease expense	3,678	3,373	3,204
Variable lease payments	2,509	2,788	2,445
Short-term leases and/or low-value leases	582	548	458
Other lease expenses	3,091	3,336	2,902
Total	**6,769**	**6,710**	**6,107**

In certain countries, leases for stores entail the payment of both minimum amounts and variable amounts, especially for stores with lease payments indexed to revenue. As required by IFRS 16, only the minimum fixed lease payments are capitalized. “Other lease expenses” mainly relate to variable lease payments.

For leases not required to be capitalized, there is little difference between the expense recognized and the payments made.

7.4 Changes during prior fiscal years

The change in right-of-use assets during the previous fiscal years breaks down as follows, by type of underlying asset:

Carrying amount *(EUR millions)*	**Capitalized fixed lease payments**				**Leasehold rights**	**Total**
	Stores	**Offices**	**Other**	**Total**		
As of December 31, 2021	**10,636**	**1,991**	**771**	**13,398**	**301**	**13,699**
New leases entered into	2,737	805	176	3,718	36	3,754
Changes in assumptions	160	(171)	71	60	-	60
Leases ended or canceled	(64)	(18)	(21)	(102)	(5)	(107)
Depreciation expense	(2,452)	(355)	(129)	(2,936)	(61)	(2,998)
Impairment expense	(16)	2	-	(14)	5	(9)
Changes in the scope of consolidation	(46)	(3)	(20)	(69)	-	(68)
Translation adjustment	262	25	12	299	1	300
Other movements, including transfers	(17)	(1)	(3)	(22)	(1)	(23)
As of December 31, 2022	**11,202**	**2,274**	**856**	**14,332**	**277**	**14,609**
New leases entered into	2,900	621	164	3,686	78	3,763
Changes in assumptions	753	45	40	838	-	838
Leases ended or canceled	(99)	(2)	-	(100)	-	(101)
Depreciation expense	(2,477)	(377)	(137)	(2,991)	(55)	(3,046)
Impairment expense	4	7	-	11	4	15
Changes in the scope of consolidation	-	(7)	(2)	(9)	-	(9)
Translation adjustment	(335)	(40)	(23)	(398)	-	(399)
Other movements, including transfers	259	(268)	(3)	(12)	14	2
As of December 31, 2023	**12,206**	**2,253**	**896**	**15,355**	**317**	**15,673**

The change in lease liabilities during the previous fiscal years breaks down as follows:

(EUR millions)	**Stores**	**Offices**	**Other**	**Total**
As of December 31, 2021	**11,309**	**2,198**	**768**	**14,275**
New leases entered into	2,698	793	165	3,656
Principal repayments	(2,291)	(302)	(118)	(2,711)
Change in accrued interest	10	2	2	14
Leases ended or canceled	(70)	(18)	(23)	(111)
Changes in assumptions	147	(172)	71	45
Changes in the scope of consolidation	(47)	(2)	(26)	(75)
Translation adjustment	288	30	16	334
Other movements, including transfers	(20)	1	-	(20)
As of December 31, 2022	**12,024**	**2,530**	**854**	**15,408**
New leases entered into	2,861	602	163	3,626
Principal repayments	(2,338)	(320)	(118)	(2,777)
Change in accrued interest	27	8	2	37
Leases ended or canceled	(142)	(5)	(1)	(147)
Changes in assumptions	750	46	40	835
Changes in the scope of consolidation	(1)	(9)	(2)	(11)
Translation adjustment	(352)	(44)	(24)	(420)
Other movements, including transfers	254	(262)	(4)	(12)
As of December 31, 2023	**13,083**	**2,546**	**910**	**16,538**

7.5 Off-balance sheet commitments

Off-balance sheet commitments relating to leases with fixed lease payments break down as follows:

(EUR millions)	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2022**
Contracts commencing after the balance sheet date	725	888	872
Low-value leases and short-term leases	293	286	207
Total undiscounted future payments	**1,018**	**1,174**	**1,078**

As part of the active management of its retail network, the Group negotiates and enters into leases with commencement dates after the balance sheet date. Obligations to make payments under these leases are reported as off-balance sheet commitments rather than being recognized as lease liabilities.

In addition, the Group may enter into leases or concession contracts that have variable guaranteed amounts, which are not reflected in the commitments above.

7.6 Discount rate

The average discount rate for lease liabilities breaks down as follows for leases in effect as of December 31, 2024:

(as %)	**Average rate for leases in effect as of December 31, 2024**	**Average rate for leases entered into in 2024**
Euro	2.2	3.2
US dollar	3.8	4.7
Japanese yen	0.8	1.5
Hong Kong dollar	3.8	4.2
Other currencies	3.5	3.8
Average rate for the Group	**3.1**	**3.7**

7.7 Termination and renewal options

The term used to calculate the lease liability is generally the contractual term of the lease. Special cases may exist where an early termination option or a renewal option is reasonably certain to be exercised, and as such the lease term used to calculate the lease liability is reduced or extended, respectively.

The table below presents the impact of these assumptions on lease liabilities recognized as of December 31, 2024:

(EUR millions)				**As of December 31, 2024**	
	Lease liabilities	***Of which:***		**Impact of options not taken into account** [(a)]	
		Impact of early termination options	***Impact of renewal options***	**Renewal options**	**Early termination options**
Lease liabilities related to contracts:					
– with options	7,085	*(236)*	*2,001*	1,845	(844)
– without options	10,747				
Total	**17,832**	**(236)**	**2,001**	**1,845**	**(844)**

(a) The impact of options not taken into account presented in the table above was calculated by discounting future lease payments on the basis of the last known contractual term.

Note 8. Investments in joint ventures and associates

(EUR millions)	2024		2023		2022	
	Net	*Of which: Joint arrangements*	Net	*Of which: Joint arrangements*	Net	*Of which: Joint arrangements*
Share of net assets of joint ventures and associates as of January 1	**991**	***495***	**1,066**	***496***	**1,084**	***432***
Share of net profit/(loss) for the period	28	*18*	7	*4*	37	*4*
Dividends paid	(55)	*(11)*	(50)	*(9)*	(60)	*(9)*
Changes in the scope of consolidation	379	-	63	-	30	*31*
Capital increases subscribed	22	*11*	11	*5*	28	*26*
Translation adjustment	30	*9*	(16)	*(6)*	15	*8*
Impairment of goodwill and brands recognized by joint ventures and associates	(67)	*(26)*	(98)	-	-	-
Other, including transfers	15	*2*	8	*5*	(69)	*3*
Share of net assets of joint ventures and associates as of December 31	**1,343**	***498***	**991**	***495***	**1,066**	***496***

Changes in the scope of consolidation mainly resulted from the Group's additional investment – previously presented within "Non-current available for sale financial assets" (see Note 9) – in a company that is a joint shareholder of a commercial property complex, as well as the strategic partnership entered into with Accor to develop Orient Express.

Impairment of goodwill and brands recognized by joint ventures and associates is presented within "Other operating income and expenses" in the consolidated income statement (see Note 26).

As of December 31, 2024, investments in joint ventures and associates consisted primarily of the following:

- For joint arrangements:
  - a 50% stake in the Château Cheval Blanc wine estate (Gironde, France), which produces the eponymous Saint-Émilion *Grand Cru Classé A*;
  - a 50% stake in hotel and rail transport activities operated by Belmond in Peru.
- For other companies:
  - a 40% stake in L Catterton Management, an investment fund management company created in December 2015 in partnership with Catterton;
  - a 49% stake in Stella McCartney, a London-based ready-to-wear brand;
  - a 30% stake in Phoebe Philo, a London-based ready-to-wear brand;
  - a 49% stake in Editions Assouline, a French publishing house.

Changes in the scope of consolidation in fiscal year 2022 mainly resulted from the acquisition of a controlling interest in Mongoual SA, a real estate company that owns an office building in Paris (France).

Note 9. Non-current available for sale financial assets

(EUR millions)	2024	2023	2022
As of January 1	**1,363**	**1,109**	**1,363**
Acquisitions	638	212	369
Disposals at net realized value	(50)	(30)	(98)
Changes in market value (a)	47	211	(125)
Changes in the scope of consolidation	(376)	(120)	(410)
Translation adjustment	11	(19)	10
As of December 31	**1,632**	**1,363**	**1,109**

(a) Recognized within "Net financial income/(expense)".

Changes in the scope of consolidation in 2024 related to the initial consolidation of various acquisitions carried out prior to December 31, 2023 but that had not yet been consolidated as of that date, as well as the consolidation using the equity method of an investment that was previously classified as a non-current available for sale financial asset, following its development (see Note 8).

In September 2024, LVMH and Remo Ruffini – Chairman and CEO of Moncler – entered into an investment agreement under which LVMH plans to acquire, over a period of 19 months, up to 22% of the share capital and voting rights in Double R, the holding company that controls Moncler, owned by Mr. Ruffini. Double R will hold up to an 18.50% stake in Moncler.

As of December 31, 2024, securities to be consolidated constituted a relatively non-material amount. Most of these investments will be consolidated in 2025.

Note 10. Other non-current assets

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Warranty deposits	602	577	554
Derivatives (a)	105	99	97
Loans and receivables	271	243	444
Other	127	98	91
Total	**1,106**	**1,017**	**1,187**

(a) See Note 23.

Note 11. Inventories and work in progress

(EUR millions)			December 31, 2024	Dec. 31, 2023	Dec. 31, 2022
	Gross	Impairment	Net	Net	Net
Wines and *eaux-de-vie* in the process of aging	7,086	(51)	7,035	6,582	5,932
Other raw materials and work in progress	5,354	(981)	4,373	4,559	4,187
	12,440	**(1,032)**	**11,408**	**11,141**	**10,120**
Goods purchased for resale	3,091	(334)	2,757	2,650	2,410
Finished products	11,749	(2,245)	9,504	9,161	7,790
	14,840	**(2,579)**	**12,261**	**11,811**	**10,200**
Total	**27,280**	**(3,611)**	**23,669**	**22,952**	**20,319**

The change in net inventories for the fiscal years presented breaks down as follows:

(EUR millions)			2024	2023	2022
	Gross	Impairment	Net	Net	Net
As of January 1	**26,124**	**(3,172)**	**22,952**	**20,319**	**16,549**
Change in gross inventories	1,114	-	1,114	4,230	4,169
Impact of provision for returns (a)	3	-	3	(10)	(17)
Impact of marking harvests to market	(43)	-	(43)	54	24
Changes in provision for impairment	-	(834)	(834)	(986)	(574)
Changes in the scope of consolidation	107	(10)	97	(80)	53
Translation adjustment	431	(55)	376	(571)	129
Other, including reclassifications	(456)	459	3	(5)	(13)
As of December 31	**27,280**	**(3,611)**	**23,669**	**22,952**	**20,319**

(a) See Note 1.27.

The impact of marking harvests to market on Wines and Spirits' cost of sales and value of inventory is as follows:

(EUR millions)	2024	2023	2022
Impact of marking the fiscal year's harvest to market	(27)	62	40
Impact of inventory sold during the fiscal year	(16)	(8)	(16)
Net impact on cost of sales for the fiscal year	**(43)**	**54**	**24**
Net impact on the value of inventory as of December 31	**93**	**136**	**82**

See Notes 1.10 and 1.18 on the method of marking harvests to market.

Note 12. Trade accounts receivable

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Trade accounts receivable, nominal amount	4,856	4,843	4,369
Provision for impairment	(125)	(115)	(111)
Net amount	**4,730**	**4,728**	**4,258**

The change in trade accounts receivable for the fiscal years presented breaks down as follows:

(EUR millions)			2024	2023	2022
	Gross	Impairment	Net	Net	Net
As of January 1	**4,843**	**(115)**	**4,728**	**4,258**	**3,787**
Changes in gross receivables	(137)	-	(137)	695	394
Changes in provision for impairment	-	(15)	(15)	(19)	6
Changes in the scope of consolidation	85	(3)	83	27	42
Translation adjustment	35	(1)	34	(217)	49
Reclassifications	29	9	38	(17)	(20)
As of December 31	**4,856**	**(125)**	**4,730**	**4,728**	**4,258**

The trade accounts receivable balance is comprised essentially of receivables from wholesalers or agents, who are limited in number and with whom the Group maintains long-term relationships.

As of December 31, 2024, the breakdown of the nominal amount of trade accounts receivable and of provisions for impairment by age was as follows:

(EUR millions)		Nominal amount of receivables	Impairment	Net amount of receivables
Not due:	– Less than 3 months	4,071	(59)	4,012
	– More than 3 months	120	(9)	110
		4,191	**(69)**	**4,122**
Overdue:	– Less than 3 months	502	(8)	494
	– More than 3 months	163	(49)	114
		665	**(57)**	**608**
Total		**4,856**	**(125)**	**4,730**

The present value of trade accounts receivable is identical to their carrying amount.

Note 13. Other current assets

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Current available for sale financial assets [a]	4,013	3,557	3,614
Derivatives [b]	319	543	462
Tax accounts receivable, excluding income taxes	2,029	1,833	1,602
Advances and payments on account to vendors	281	326	386
Prepaid expenses	839	681	613
Other receivables	1,031	850	875
Total	**8,512**	**7,790**	**7,550**

(a) See Note 14.
(b) See Note 23.

Note 14. Current available for sale financial assets

The carrying amount of current available for sale financial assets changed as follows during the fiscal years presented:

(EUR millions)	2024	2023	2022
As of January 1	**3,557**	**3,614**	**2,544**
Acquisitions	1	17	1,525
Disposals at net realized value	-	(161)	(360)
Changes in market value [a]	455	87	(95)
Changes in the scope of consolidation	-	-	-
Translation adjustment	-	-	-
Reclassifications	-	-	-
As of December 31	**4,013**	**3,557**	**3,614**
Of which: Historical cost of current available for sale financial assets	*3,117*	*3,147*	*3,275*

(a) Recognized within "Net financial income/(expense)" (see Note 27).

Note 15. Cash and change in cash

15.1 Cash and cash equivalents

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Term deposits (less than 3 months)	2,200	1,396	1,088
SICAV and FCP funds	566	283	287
Ordinary bank accounts	6,994	6,241	6,213
Cash and cash equivalents per balance sheet	**9,760**	**7,921**	**7,588**

The reconciliation between cash and cash equivalents as shown in the balance sheet and net cash and cash equivalents appearing in the cash flow statement is as follows:

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Cash and cash equivalents	9,760	7,921	7,588
Bank overdrafts	(361)	(255)	(200)
Net cash and cash equivalents per cash flow statement	**9,399**	**7,666**	**7,388**

15.2 Change in working capital

The change in working capital breaks down as follows for the fiscal years presented:

(EUR millions)	Notes	2024	2023	2022
Change in inventories and work in progress	11	(1,114)	(4,230)	(4,169)
Change in trade accounts receivable	12	137	(695)	(394)
Change in customer deposits and balance of amounts owed to customers	22.1	106	24	6
Change in trade accounts payable	22.1	(664)	434	1,532
Change in other receivables and payables		(389)	(107)	8
Change in working capital (a)		**(1,925)**	**(4,577)**	**(3,019)**

(a) Increase/(Decrease) in cash and cash equivalents.

15.3 Operating investments

Operating investments comprise the following elements for the fiscal years presented:

(EUR millions)	Notes	2024	2023	2022
Purchase of intangible assets	3	(837)	(1,000)	(685)
Purchase of property, plant and equipment	6	(4,715)	(6,807)	(4,398)
Change in accounts payable related to fixed asset purchases		29	324	161
Initial direct costs	7	4	(53)	(27)
Net cash used in purchases of fixed assets		**(5,519)**	**(7,536)**	**(4,948)**
Net cash from fixed asset disposals		21	136	73
Guarantee deposits paid and other cash flows related to operating investments		(33)	(78)	(94)
Operating investments (a)		**(5,531)**	**(7,478)**	**(4,969)**

(a) Increase/(Decrease) in cash and cash equivalents.

15.4 Interim and final dividends paid and other equity-related transactions

Interim and final dividends paid comprise the following elements for the fiscal years presented:

(EUR millions)	2024	2023	2022
Interim and final dividends paid by Christian Dior SE	(2,345)	(2,255)	(2,165)
Interim and final dividends paid to minority interests in consolidated subsidiaries	(4,342)	(4,172)	(3,944)
Tax paid related to interim and final dividends paid (a)	(294)	(422)	(356)
Interim and final dividends paid	**(6,982)**	**(6,849)**	**(6,465)**

(a) Tax paid related to interim and final dividends paid is exclusively related to intra-Group dividends; see Note 28.

Other equity-related transactions comprise the following elements for the fiscal years presented:

(EUR millions)	Notes	2024	2023	2022
Capital increases of subsidiaries subscribed by minority interests		35	15	12
Acquisition and disposal of Christian Dior shares	16.3	-	-	-
Other equity-related transactions		**35**	**15**	**12**

Note 16. Equity

16.1 Equity

(EUR millions)	Notes	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Share capital	16.2	361	361	361
Share premium account		194	194	194
Christian Dior shares	16.3	(17)	(17)	(17)
Cumulative translation adjustment	16.5	1,223	652	1,087
Revaluation reserves		528	594	547
Other reserves		16,797	13,438	11,068
Net profit, Group share		5,208	6,304	5,797
Equity, Group share		**24,294**	**21,527**	**19,038**

16.2 Share capital

As of December 31, 2024, the share capital consisted of 180,507,516 fully paid-up shares (180,507,516 as of both December 31, 2023 and December 31, 2022), with a par value of 2 euros per share, including 176,474,116 shares with double voting rights (176,489,760 as of December 31, 2023 and 130,155,394 as of December 31, 2022). Double voting rights are attached to registered shares held for more than three years.

16.3 Christian Dior shares

The portfolio of Christian Dior shares is allocated as follows:

(number of shares or EUR millions)	December 31, 2024		Dec. 31, 2023	Dec. 31, 2022
	Number	Amount	Amount	Amount
Coverage of share purchase option plans	-	-	-	-
Coverage of bonus share and performance share plans	-	-	-	-
Coverage of future plans	96,936	17	17	17
Christian Dior shares	**96,936**	**17**	**17**	**17**

No portfolio movements of Christian Dior shares took place during the fiscal year ended December 31, 2024.

16.4 Dividends paid by the parent company, Christian Dior SE

In accordance with French regulations, dividends are taken from the profit for the fiscal year and the distributable reserves of the parent company, after deducting applicable withholding tax and the cost of treasury shares.

As of December 31, 2024, the distributable amount was 4,291 million euros; after taking into account the proposed dividend distribution in respect of the 2024 fiscal year, it was 2,937 million euros.

(EUR millions)	2024	2023	2022
Interim dividend for the current fiscal year			
(2024: 5.50 euros; 2023: 5.50 euros; 2022: 5.00 euros)	992	992	902
Impact of treasury shares	-	-	-
Gross amount disbursed for the fiscal year	**992**	**992**	**902**
Final dividend for the previous fiscal year			
(2023: 7.50 euros; 2022: 7.00 euros; 2021: 7.00 euros)	1,354	1,264	1,264
Impact of treasury shares	(1)	(1)	(1)
Gross amount disbursed for the previous fiscal year	**1,353**	**1,263**	**1,263**
Total gross amount disbursed during the fiscal year [(a)]	**2,345**	**2,255**	**2,165**

(a) Excluding the impact of tax regulations applicable to the recipient.

A total gross dividend of 13 euros per share in respect of fiscal year 2024 will be proposed at the Shareholders' Meeting of April 17, 2025. Taking into account the interim dividend paid in December 2024, the final dividend is 7.50 euros per share, representing a total of 1,354 million euros before deduction of the amount attributable to treasury shares held at the ex-dividend date.

16.5 Cumulative translation adjustment

The change in "Cumulative translation adjustment" recognized within "Equity, Group share", net of hedging effects of net assets denominated in foreign currency, breaks down as follows by currency:

(EUR millions)	Dec. 31, 2024	Change	Dec. 31, 2023	Dec. 31, 2022
US dollar	961	537	424	705
Swiss franc	488	(28)	516	441
Japanese yen	(71)	(18)	(53)	(5)
Hong Kong dollar	182	49	133	211
Pound sterling	5	37	(33)	(51)
Other currencies	(259)	(7)	(252)	(131)
Foreign currency net investment hedges	(83)	-	(83)	(82)
Total, Group share	**1,223**	**571**	**652**	**1,087**

16.6 Strategy relating to the Group's financial structure

The Group believes that the management of its financial structure, together with the development of the companies it owns and the management of its brand portfolio, helps create value for its shareholders. Maintaining a suitable-quality credit rating is a core objective for the Group, ensuring good access to markets under favorable conditions, allowing it to seize opportunities and procure the resources it needs to develop its business.

To this end, the Group monitors a certain number of financial ratios and aggregate measures of financial risk, including:

- net financial debt (see Note 19) to equity;
- cash from operations before changes in working capital to net financial debt;
- net cash from operating activities;
- operating free cash flow (see the consolidated cash flow statement);
- long-term resources to fixed assets;
- proportion of long-term borrowings in net financial debt.

Long-term resources are understood to correspond to the sum of equity and non-current liabilities.

Where applicable, these indicators are adjusted to reflect the Group's off-balance sheet financial commitments.

The Group also promotes financial flexibility by maintaining numerous and varied banking relationships, through frequent recourse to several negotiable debt markets (both short- and long-term), by holding a large amount of cash and cash equivalents, and through the existence of sizable amounts of undrawn confirmed credit lines, intended to cover (and exceed) the outstanding portion of its short-term negotiable debt securities programs, while continuing to represent a reasonable cost for the Group.

Note 17. Bonus share and similar plans

17.1 General characteristics of plans

Bonus share and performance share plans

At the Shareholders' Meeting of April 18, 2024, the shareholders renewed the authorization given to the Board of Directors, for a period of twenty-six months expiring in June 2026, to grant existing or newly issued shares as bonus shares to Group company employees and/or senior executives, on one or more occasions, in an amount not to exceed 1% of the Company's share capital on the date of this authorization.

No Christian Dior bonus share or performance share plans have been set up since December 6, 2016.

17.2 Bonus share and performance share plans

No bonus share plans were in effect in fiscal year 2024.

17.3 Expense for the fiscal year

Expenses recognized for the fiscal year for LVMH bonus share plans and the LVMH Shares employee share ownership plan in 2024 break down as follows:

(EUR millions)	**2024**	**2023**	**2022**
LVMH bonus share plans	127	117	132
LVMH employee share ownership plan: LVMH Shares	64	-	-
Expense for the fiscal year	**191**	**117**	**132**

See Note 1.29 regarding the method used to determine the accounting expense.

LVMH

The following table presents the main characteristics of the plans set up by LVMH during fiscal year 2024, including the LVMH closing share price the day before the grant date of the 2024 plans and the average unit value of provisionally allocated bonus shares in fiscal year 2024:

Plan commencement date	Number of shares awarded initially	*Of which: Performance shares*	Vesting period of rights	LVMH closing share price the day before the grant date	Average unit value of provisionally allocated bonus shares
January 25, 2024	28,000	*28,000*	4 years and 2 months	683.4	627.5
January 25, 2024	15,000	-	1 year	683.4	670.3
April 18, 2024	28,000	*28,000*	4 years	804.0	748.0
July 23, 2024	28,000	*28,000*	3 years and 8 months	692.1	644.7
July 23, 2024	5,200	-	1 year	692.1	678.9
October 24, 2024	158,744	*158,744*	3 years	613.6	574.7
October 24, 2024	28,000	*28,000*	3 years and 5 months	613.6	569.1
Total	**290,944**	***270,744***			

Christian Dior

No share purchase option, bonus share or performance share plans involving Christian Dior shares were set up in fiscal year 2024.

Note 18. Minority interests

(EUR millions)	2024	2023	2022
As of January 1	**38,766**	**35,276**	**30,995**
Minority interests' share of net profit	7,700	9,617	8,905
Dividends paid to minority interests	(4,327)	(4,153)	(3,905)
Impact of changes in control of consolidated entities	111	10	10
Impact of acquisition and disposal of minority interests' shares	(217)	(1,073)	(1,068)
Capital increases subscribed by minority interests	33	19	28
Minority interests' share in gains and losses recognized in equity	769	(581)	1,036
Minority interests' share in bonus share plan-related expenses	113	70	79
Impact of changes in minority interests with purchase commitments	(390)	(419)	(804)
As of December 31	**42,558**	**38,766**	**35,276**

The change in minority interests' share in gains and losses recognized in equity, including the tax impact, breaks down as follows:

(EUR millions)	Cumulative translation adjustment	Hedges of future foreign currency cash flows and cost of hedging	Vineyard land	Employee benefit commitments	Minority interests' share in cumulative translation adjustment and revaluation reserves
As of December 31, 2021	**956**	**(165)**	**963**	**(50)**	**1,704**
Changes during the fiscal year	770	163	(35)	138	1,036
Changes due to LVMH SE treasury shares	(2)	1	(3)	1	(3)
As of December 31, 2022	**1,723**	**(1)**	**925**	**89**	**2,737**
Changes during the fiscal year	(663)	39	28	15	(581)
Changes due to LVMH SE treasury shares	(6)	-	(2)	-	(9)
As of December 31, 2023	**1,054**	**38**	**950**	**104**	**2,146**
Changes during the fiscal year	876	(151)	14	31	769
Changes due to LVMH SE treasury shares	(2)	-	(1)	-	(3)
As of December 31, 2024	**1,928**	**(113)**	**963**	**135**	**2,912**

Minority interests are essentially composed of LVMH SE shareholders excluding Christian Dior SE's controlling interest, i.e. shareholders owning 58% of LVMH SE. They were paid a total of 3,771 million euros in dividends during the fiscal year.

Minority interests also include Diageo's 34% stake in Moët Hennessy SAS and Moët Hennessy International SAS ("Moët Hennessy"), and the 39% stake held by Mari-Cha Group Ltd in DFS. Since the 34% stake held by Diageo in Moët Hennessy is subject to a purchase commitment, it is reclassified at the period-end within "Purchase commitments for minority interests' shares" under "Other non-current liabilities" and is therefore excluded from the total amount of minority interests at the period-end. See Note 1.13 and Note 21 below.

Dividends paid to Diageo in fiscal year 2024 amounted to 241 million euros in respect of fiscal year 2023. Net profit attributable to Diageo for fiscal year 2024 was 276 million euros, and its share in accumulated minority interests (before recognition of the purchase commitment granted to Diageo) came to 4,332 million euros as of December 31, 2024. As of that date, the condensed consolidated balance sheet of Moët Hennessy was as follows:

(EUR billions)	Dec. 31, 2024
Property, plant and equipment and intangible assets	6.8
Other non-current assets	1.0
Non-current assets	**7.8**
Inventories and work in progress	8.2
Other current assets	1.8
Cash and cash equivalents	1.9
Current assets	**11.8**
Total assets	**19.6**

(EUR billions)	Dec. 31, 2024
Equity	12.7
Non-current liabilities	2.5
Equity and non-current liabilities	**15.2**
Short-term borrowings	2.3
Other current liabilities	2.1
Current liabilities	**4.4**
Total liabilities and equity	**19.6**

No dividends were paid to Mari-Cha Group Ltd in 2024. Net profit attributable to Mari-Cha Group Ltd for fiscal year 2024 was a loss of 165 million euros, and its share in accumulated minority interests as of December 31, 2024 came to 1,231 million euros.

Note 19. Borrowings

19.1 Net financial debt

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Bonds and Euro Medium-Term Notes (EMTNs)	11,611	11,027	10,185
Bank borrowings	480	200	194
Long-term borrowings	**12,091**	**11,227**	**10,380**
Bonds and Euro Medium-Term Notes (EMTNs)	2,507	2,685	1,486
Current bank borrowings	329	338	222
Short-term negotiable debt securities [(a)]	7,190	7,291	7,247
Other borrowings and credit facilities	426	167	160
Bank overdrafts	361	255	200
Accrued interest	51	(40)	60
Short-term borrowings	**10,866**	**10,696**	**9,375**
Gross borrowings	**22,957**	**21,923**	**19,755**
Interest rate risk derivatives	73	96	144
Foreign exchange risk derivatives	(200)	7	170
Gross borrowings after derivatives	**22,831**	**22,026**	**20,069**
Current available for sale financial assets [(b)]	(4,013)	(3,557)	(3,614)
Cash and cash equivalents [(c)]	(9,760)	(7,921)	(7,588)
Net financial debt	**9,058**	**10,548**	**8,867**

(a) Euro- and US dollar-denominated commercial paper (NEU CP and USCP).
(b) See Note 14.
(c) See Note 15.1.

Net financial debt does not include purchase commitments for minority interests' shares (see Note 21) or lease liabilities (see Note 7).

The change in gross borrowings after derivatives during the fiscal year breaks down as follows:

(EUR millions)	Dec. 31, 2023	Impact on cash [(a)]	Translation adjustment	Impact of market value changes	Changes in the scope of consolidation	Reclassifications and other	Dec. 31, 2024
Long-term borrowings	11,227	3,312	84	1	22	(2,555)	12,091
Short-term borrowings	10,696	(2,865)	391	7	113	2,524	10,866
Gross borrowings	**21,923**	**447**	**475**	**8**	**135**	**(31)**	**22,957**
Derivatives	103	(2)	(3)	(225)	-	-	(127)
Gross borrowings after derivatives	**22,026**	**445**	**473**	**(217)**	**135**	**(30)**	**22,831**

(a) Including 3,595 million euros in respect of proceeds from borrowings, 3,676 million euros in respect of repayment of borrowings and 106 million euros due to an increase in bank overdrafts.

During the first half of 2024, LVMH repaid the 1,250 million euro bond issued in February 2020, as well as the 1,200 million euro bond issued in May 2017. The hedging swaps associated with the latter bond matured on redemption.

In addition, LVMH carried out the following issues under its EMTN program:

- in June 2024, a bond issue in two tranches: an 850 million euro tranche maturing in February 2030, with a coupon of 3.375%; and a 650 million euro tranche maturing in October 2034, with a coupon of 3.50%;
- in November 2024, a bond issue in two tranches: an 800 million euro tranche maturing in November 2027, with a coupon of 2.75%; and a 700 million euro tranche maturing in November 2032, with a coupon of 3.125%.

The market value of gross borrowings, based on market data and commonly used valuation models, was 22,416 million euros as of December 31, 2024 (20,746 million euros as of December 31, 2023 and 18,033 million euros as of December 31, 2022), including 10,860 million euros in short-term borrowings (10,418 million euros as of December 31, 2023 and 9,373 million euros as of December 31, 2022) and 11,556 million euros in long-term borrowings (10,327 million euros as of December 31, 2023 and 8,660 million euros as of December 31, 2022).

As of December 31, 2024, 2023 and 2022, no financial debt was recognized using the fair value option. See Note 1.23.

19.2 Bonds and EMTNs

Nominal amount *(in currency)*	**Year issued**	**Maturity**	**Initial effective interest rate** (a) *(%)*	**Dec. 31, 2024** *(EUR millions)*	**Dec. 31, 2023** *(EUR millions)*	**Dec. 31, 2022** *(EUR millions)*
GBP 700,000,000	2020	2023	1.000	-	-	786
EUR 700,000,000	2019	2023	0.260	-	-	700
EUR 1,250,000,000	2020	2024	-	-	1,250	1,250
EUR 1,200,000,000	2017	2024	0.820	-	1,195	1,187
EUR 1,500,000,000	2020	2025	0.750	1,500	1,498	1,497
EUR 1,000,000,000	2023	2025	3.375	999	999	-
EUR 1,250,000,000	2020	2026	-	1,249	1,247	1,246
GBP 850,000,000	2020	2027	1.125	947	886	824
EUR 800,000,000	2024	2027	2.750	797	-	-
EUR 1,750,000,000	2020	2028	0.125	1,744	1,738	1,727
EUR 1,000,000,000	2023	2029	3.250	994	993	-
EUR 850,000,000	2024	2030	3.375	847	-	-
EUR 1,500,000,000	2020	2031	0.375	1,492	1,491	1,489
EUR 700,000,000	2024	2032	3.125	697	-	-
EUR 1,500,000,000	2023	2033	3.500	1,497	1,496	-
EUR 650,000,000	2024	2034	3.500	646	-	-
Other				711	918	964
Total bonds and EMTNs				**14,119**	**13,712**	**11,672**

(a) Before the impact of interest rate hedges implemented when or after the bonds were issued.

19.3 Breakdown of gross borrowings by payment date and type of interest rate

(EUR millions)		**Gross borrowings**			**Impact of derivatives**			**Gross borrowings after derivatives**		
		Fixed rate	**Floating rate**	**Total**	**Fixed rate**	**Floating rate**	**Total**	**Fixed rate**	**Floating rate**	**Total**
Maturity:	December 31, 2025	2,832	8,035	10,866	(35)	(98)	(132)	2,797	7,937	10,734
	December 31, 2026	1,388	290	1,678	(18)	(4)	(22)	1,369	286	1,655
	December 31, 2027	1,889	-	1,889	(24)	71	47	1,865	71	1,937
	December 31, 2028	1,790	-	1,790	(27)	7	(20)	1,763	7	1,770
	December 31, 2029	1,006	-	1,006	-	-	-	1,006	-	1,006
	December 31, 2030	862	-	862	-	-	-	862	-	862
	Thereafter	4,870	(4)	4,866	-	-	-	4,870	(4)	4,866
Total		**14,637**	**8,321**	**22,957**	**(104)**	**(23)**	**(127)**	**14,533**	**8,297**	**22,831**

See Note 23.3 regarding the market value of interest rate risk derivatives.

The breakdown by quarter of gross borrowings falling due in 2025 is as follows:

(EUR millions)	Falling due in 2025
First quarter	6,670
Second quarter	2,623
Third quarter	223
Fourth quarter	1,350
Total	**10,866**

19.4 Breakdown of gross borrowings by currency after derivatives

The purpose of foreign currency borrowings is to finance the development of the Group's activities outside the eurozone, as well as the Group's assets denominated in foreign currency.

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Euro	14,362	15,663	14,851
US dollar	3,953	4,048	4,564
Swiss franc	651	375	(26)
Japanese yen	150	4	309
Other currencies	3,715	1,936	371
Total (a)	**22,831**	**22,026**	**20,069**

(a) The amounts presented above include the impact of swaps to convert Group-level financing into subsidiaries' functional currencies, whether these subsidiaries are borrowers or lenders in the currency concerned.

19.5 Undrawn confirmed credit lines and covenants

During fiscal year 2024, LVMH SE renegotiated all of its syndicated credit facilities into a single 10 billion euro facility, securing favorable market conditions. As such, as of December 31, 2024, the Group's undrawn confirmed credit lines, including bilateral credit facilities, came to 11.0 billion euros; this amount exceeded the outstanding portion of the short-term negotiable debt securities programs (NEU CP and USCP), which together totaled 7.2 billion euros.

In connection with certain credit lines, the Group may undertake to maintain certain financial ratios. As of December 31, 2024, no significant credit lines were concerned by these provisions.

19.6 Sensitivity

On the basis of debt as of December 31, 2024:

- an instantaneous 1.5-point increase in the yield curves of the Group's debt currencies would raise the annual cost of net financial debt by approximately 124 million euros after hedging, and would lower the market value of gross fixed-rate borrowings by 840 million euros after hedging;
- an instantaneous 1.5-point decrease in these same yield curves would lower the annual cost of net financial debt by approximately 124 million euros after hedging, and would raise the market value of gross fixed-rate borrowings by 840 million euros after hedging.

19.7 Guarantees and collateral

As of December 31, 2024, borrowings secured by collateral amounted to less than 350 million euros.

Note 20. Provisions and other non-current liabilities

Non-current provisions and other liabilities comprise the following:

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Non-current provisions	1,632	1,529	1,529
Uncertain tax positions	1,312	1,402	1,364
Derivatives[a]	105	130	206
Employee profit sharing	129	132	123
Other liabilities	642	650	644
Non-current provisions and other liabilities	**3,820**	**3,844**	**3,866**

(a) See Note 23.

Provisions concern the following types of contingencies and losses:

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Provisions for pensions, medical costs and similar commitments	650	609	622
Provisions for contingencies and losses	982	920	907
Non-current provisions	**1,632**	**1,529**	**1,529**
Provisions for pensions, medical costs and similar commitments	14	17	17
Provisions for contingencies and losses	653	578	539
Current provisions	**667**	**595**	**556**
Total	**2,299**	**2,125**	**2,085**

Provisions changed as follows during the fiscal year:

(EUR millions)	Dec. 31, 2023	Increases	Amounts used	Amounts released	Changes in the scope of consolidation	Other[a]	Dec. 31, 2024
Provisions for pensions, medical costs and similar commitments	627	160	(121)	(3)	5	(4)	664
Provisions for contingencies and losses	1,498	536	(325)	(134)	8	52	1,635
Total	**2,125**	**696**	**(446)**	**(137)**	**13**	**48**	**2,299**

(a) Including the impact of translation adjustment and change in revaluation reserves. See Note 30 regarding "Provisions for pensions, medical costs and similar commitments".

Provisions for contingencies and losses correspond to the estimate of the impact on assets and liabilities of risks, disputes (see Note 32), or actual or probable litigation arising from the Group's activities; such activities are carried out worldwide, within what is often an imprecise regulatory framework that is different for each country, changes over time and applies to areas ranging from product composition and packaging to relations with the Group's partners (distributors, suppliers, shareholders in subsidiaries, etc.).

Non-current liabilities related to uncertain tax positions include an estimate of the risks, disputes, and actual or probable litigation related to the income tax computation. The Group's entities in France and abroad may be subject to tax inspections and, in certain cases, to rectification claims from local administrations. A liability is recognized for these rectification claims, together with any uncertain tax positions that have been identified but not yet officially notified, the amount of which is regularly reviewed in accordance with the criteria of the application of IFRIC 23 Uncertainty over Income Tax Treatments.

Note 21. Purchase commitments for minority interests' shares

As of December 31, 2024, purchase commitments for minority interests' shares mainly included the put option granted by LVMH to Diageo for its 34% share in Moët Hennessy for 80% of the fair value of Moët Hennessy at the exercise date of the option. This option may be exercised at any time subject to a six-month notice period. The fair value of this commitment was calculated by applying the share price multiples of comparable firms to Moët Hennessy's consolidated operating results.

Moët Hennessy SAS and Moët Hennessy International SAS ("Moët Hennessy") hold the LVMH Group's investments in the Wines and Spirits businesses, with the exception of the equity investments in Château d'Yquem, Château Cheval Blanc, Clos des Lambrays and Colgin Cellars, and excluding certain champagne vineyards.

Purchase commitments for minority interests' shares also include commitments relating to minority shareholders in Loro Piana (15%), and distribution subsidiaries in various countries, mainly in the Middle East.

Note 22. Trade accounts payable and other current liabilities

22.1 Trade accounts payable

The change in trade accounts payable for the fiscal years presented breaks down as follows:

(EUR millions)	**2024**	**2023**	**2022**
As of January 1	**9,049**	**8,788**	**7,086**
Change in trade accounts payable	(670)	428	1,532
Change in amounts owed to customers	30	24	6
Changes in the scope of consolidation	87	-	62
Translation adjustment	137	(175)	81
Reclassifications	(3)	(17)	21
As of December 31	**8,630**	**9,049**	**8,788**

22.2 Current provisions and other liabilities

(EUR millions)	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2022**
Current provisions [(a)]	667	595	556
Derivatives [(b)]	208	149	300
Employees and social security	2,818	2,671	2,448
Employee profit sharing	339	317	266
Taxes other than income taxes	1,535	1,393	1,261
Advances and payments on account from customers	1,131	1,167	1,224
Provisions for product returns [(c)]	650	646	653
Deferred payment for non-current assets	907	936	787
Deferred income	257	291	275
Loyalty programs and gift cards	786	651	543
Other lease liabilities and subsidies	430	431	321
Other liabilities	284	293	919
Total	**10,014**	**9,541**	**9,554**

(a) See Note 20.
(b) See Note 23.
(c) See Note 1.27.

Note 23. Financial instruments and market risk management

23.1 Organization of foreign exchange, interest rate and equity market risk management

Financial instruments are mainly used by the Group to hedge risks arising from Group activity and protect its assets.

The management of foreign exchange and interest rate risk, in addition to transactions involving shares and financial instruments, is centralized at each sub-consolidation level.

The Group has implemented a stringent policy and rigorous management guidelines to manage, measure and monitor these market risks.

These activities are organized based on a segregation of duties between risk measurement (middle office), hedging (front office), administration (back office) and financial control.

This organization relies on information systems that allow transactions to be checked quickly.

Hedging decisions are made according to an established process that includes regular presentations to the management bodies concerned and detailed documentation.

Counterparties are selected based on their rating and in accordance with the Group's risk diversification strategy.

23.2 Summary of derivatives

Derivatives are recorded in the balance sheet for the amounts and in the captions detailed as follows:

(EUR millions)			Notes	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2022**
Interest rate risk	Assets:	Non-current		4	2	-
		Current		23	23	34
	Liabilities:	Non-current		(86)	(100)	(159)
		Current		(14)	(21)	(19)
			23.3	**(73)**	**(96)**	**(144)**
Foreign exchange risk	Assets:	Non-current		101	97	97
		Current		273	509	421
	Liabilities:	Non-current		(20)	(31)	(47)
		Current		(189)	(126)	(277)
			23.4	**164**	**450**	**193**
Other risks	Assets:	Non-current		-	-	-
		Current		24	10	7
	Liabilities:	Non-current		-	-	-
		Current		(5)	(2)	(3)
			23.5	**19**	**9**	**4**
Total	Assets:	Non-current	10	105	99	97
		Current	13	319	543	462
	Liabilities:	Non-current	20	(105)	(130)	(206)
		Current	22	(208)	(149)	(300)
				111	**363**	**53**

Derivatives used to manage "Other risks" mainly concern futures and/or options contracts to hedge the price of certain precious metals, in particular gold, platinum and silver.

23.3 Derivatives used to manage interest rate risk

The aim of the Group's debt management policy is to adapt the debt maturity profile to the characteristics of the assets held and its repayment capacity to curb borrowing costs, and to protect net profit from the impact of significant changes in interest rates.

For these purposes, the Group uses interest rate swaps and options.

Derivatives used to manage interest rate risk outstanding as of December 31, 2024 break down as follows:

(EUR millions)	Nominal amounts by maturity				Market value (a) (b)			
	Less than 1 year	**From 1 to 5 years**	**More than 5 years**	**Total**	**Future cash flow hedges**	**Fair value hedges**	**Not allocated**	**Total**
Interest rate swaps, floating-rate payer	-	1,225	-	1,225	-	(80)	-	(80)
Interest rate swaps, fixed-rate payer	-	-	-	-	-	-	-	-
Foreign currency swaps, euro-rate payer	-	1,025	-	1,025	-	-	7	7
Foreign currency swaps, euro-rate receiver	-	-	-	-	-	-	-	-
Interest rate options	-	500	-	500	-	-	-	-
Total					**-**	**(80)**	**7**	**(73)**

(a) Gain/(Loss).
(b) See Note 1.10 regarding the methodology used for market value measurement.

23.4 Derivatives used to manage foreign exchange risk

A significant portion of Group companies' sales to customers and to their own distribution subsidiaries as well as certain purchases are denominated in currencies other than their functional currency; the majority of these foreign currency-denominated cash flows are intra-Group cash flows. Hedging instruments are used to reduce the foreign exchange risks arising from the fluctuations of currencies against the exporting and importing companies' functional currencies, and are allocated to either trade receivables or payables (fair value hedges) for the fiscal year, or to transactions anticipated for future fiscal years (hedges of future cash flows).

Future foreign currency-denominated cash flows are broken down as part of the budget preparation process and are hedged progressively over a period not exceeding one year unless a longer period is justified by probable commitments. As such, and according to market trends, identified foreign exchange risks are hedged using forward contracts or options.

In addition, the Group is exposed to foreign exchange risk with respect to the Group's net assets, as it owns assets denominated in currencies other than the euro. This foreign exchange risk may be hedged either partially or in full through foreign currency borrowings or by hedging the net worth of subsidiaries outside the eurozone, using appropriate financial instruments with the aim of limiting the impact of foreign currency fluctuations against the euro on consolidated equity.

Derivatives used to manage foreign exchange risk outstanding as of December 31, 2024 break down as follows:

(EUR millions)	Nominal amounts by fiscal year of allocation (a)				Market value (b) (c)			
	2024	2025	Thereafter	Total	Future cash flow hedges	Fair value hedges	Not allocated	Total
Options purchased								
Call USD	-	-	-	-	-	-	-	-
Put JPY	2	-	-	2	-	-	-	-
Put CNY	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
	2	**-**	**-**	**2**	**-**	**-**	**-**	**-**
Collars								
Written USD	712	5,901	427	7,039	(52)	(2)	-	(54)
Written JPY	188	2,121	138	2,447	23	3	-	26
Written GBP	92	646	43	782	3	-	-	3
Written HKD	118	659	46	824	(7)	(1)	-	(9)
Written CNY	471	2,954	185	3,610	5	-	-	5
	1,581	**12,281**	**840**	**14,702**	**(29)**	**-**	**-**	**(29)**
Forward exchange contracts								
USD	(23)	461	-	438	(14)	-	-	(15)
JPY	18	130	-	148	2	1	-	3
KRW	69	31	-	100	2	6	-	8
BRL	-	68	-	68	-	5	-	5
Other	(101)	83	-	(18)	-	(2)	-	(2)
	(37)	**773**	**-**	**736**	**(10)**	**10**	**-**	**(1)**
Foreign exchange swaps								
USD	74	(2,781)	-	(2,707)	-	155	-	155
GBP	2	673	(674)	1	-	(4)	-	(4)
JPY	1	(226)	212	(12)	-	54	-	54
CNY	36	1,677	-	1,713	-	(15)	-	(15)
HKD	8	(186)	-	(177)	-	2	-	2
Other	-	1,488	-	1,488	-	4	-	4
	122	**646**	**(461)**	**306**	**-**	**195**	**-**	**195**
Total	**1,668**	**13,700**	**378**	**15,746**	**(40)**	**205**	**-**	**165**

(a) Sale/(Purchase).
(b) See Note 1.10 regarding the methodology used for market value measurement.
(c) Gain/(Loss).

23.5 Financial instruments used to manage other risks

The Group's investment policy is designed to take advantage of a long-term investment horizon. Occasionally, the Group may invest in equity-based financial instruments with the aim of enhancing the dynamic management of its investment portfolio.

The Group is exposed to risks of share price changes either directly (as a result of its holding of subsidiaries, equity investments and current available for sale financial assets) or indirectly (as a result of its holding of funds, which are themselves partially invested in shares).

The Group may also use equity-based derivatives to synthetically create an economic exposure to certain assets, to hedge cash-settled compensation plans index-linked to the LVMH share price, or to hedge certain risks related to changes in the LVMH share price. As of December 31, 2024, there were no equity-based derivatives outstanding.

The Group – mainly through its Watches and Jewelry business group – may be exposed to changes in the prices of certain precious metals, such as silver, gold and platinum. In certain cases, in order to ensure visibility with regard to production costs, hedges may be implemented. This is achieved either by negotiating the forecast price of future deliveries of alloys with precious metal refiners, or the price of semi-finished products with producers; or by entering into hedges with top-ranking banks. In the latter case, hedges consist of futures and/or options, with cash payment on delivery. With a nominal value of 130 million euros, derivatives outstanding relating to the hedging of precious metal prices as of December 31, 2024 had a positive market value of 19 million euros. A uniform 1% decrease in these financial instruments' underlying assets' prices as of December 31, 2024 would have a negative net impact on the Group's consolidated reserves of 2 million euros. They will mature in 2025.

23.6 Financial assets and liabilities recognized at fair value by measurement method

(EUR millions)	December 31, 2024			December 31, 2023			December 31, 2022		
	Available for sale financial assets	Derivatives	Cash and cash equivalents (SICAV and FCP money market funds)	Available for sale financial assets	Derivatives	Cash and cash equivalents (SICAV and FCP money market funds)	Available for sale financial assets	Derivatives	Cash and cash equivalents (SICAV and FCP money market funds)
Valuation based on: (a)									
Published price quotations	3,737	-	9,760	3,416	-	7,921	3,452	-	7,588
Valuation model based on market data	550	424	-	10	642	-	18	559	-
Private quotations	1,358	-	-	1,492	-	-	1,254	-	-
Assets	**5,645**	**424**	**9,760**	**4,920**	**642**	**7,921**	**4,722**	**559**	**7,588**
Valuation based on: (a)									
Published price quotations		-			-			-	
Valuation model based on market data		314			279			506	
Private quotations		-			-			-	
Liabilities		**314**			**279**			**506**	

(a) See Note 1.10 for information on the valuation approaches used.

Derivatives used by the Group are measured at fair value according to commonly used valuation models and based on market data. The counterparty risk associated with these derivatives (i.e. the credit valuation adjustment) is assessed on the basis of credit spreads from observable market data, as well as on the basis of the derivatives' market value adjusted by flat-rate add-ons depending on the type of underlying and the maturity of the derivative. It was not significant as of December 31, 2024, December 31, 2023 and December 31, 2022.

The amount of financial assets valued on the basis of private quotations changed as follows in 2024:

(EUR millions)	**2024**
As of January 1	**1,492**
Acquisitions	244
Disposals (at net realized value)	(48)
Gains and losses recognized in the income statement	34
Translation adjustment	12
Reclassifications	-
Changes in the scope of consolidation [(a)]	(376)
As of December 31	**1,358**

(a) See Note 9.

23.7 Impact of financial instruments on the consolidated statement of comprehensive gains and losses

The impact of financial instruments on the consolidated statement of comprehensive gains and losses for the fiscal year breaks down as follows:

(EUR millions)	Foreign exchange risk [(a)]						Interest rate risk [(b)]			Total [(c)]
	Revaluation of effective portions, of which:				Revaluation of cost of hedging	Total	Revaluation of effective portions	Ineffective portion	Total	
	Hedges of future foreign currency cash flows	Fair value hedges	Foreign currency net investment hedges	Total						
Changes in the income statement	-	435	-	435	-	435	21	-	21	456
Changes in consolidated gains and losses	(219)	-	-	(219)	(104)	(323)	-	-	-	(323)

(a) See Notes 1.10 and 1.23 on the principles of fair value adjustments to foreign exchange risk hedging instruments.
(b) See Notes 1.22 and 1.23 on the principles of fair value adjustments to interest rate risk derivatives.
(c) Gain/(Loss).

Since fair value adjustments to hedged items recognized in the balance sheet offset the effective portions of fair value hedging instruments (see Note 1.22), no ineffective portions of foreign exchange hedges were recognized during the fiscal year.

23.8 Sensitivity analysis

The impact on the income statement of gains and losses on hedges of future cash flows, as well as the future cash flows hedged using these instruments, will mainly be recognized in 2025; the amount will depend on exchange rates at that date. The impact on net profit for fiscal year 2024 of a 10% change in the value of the US dollar, the Japanese yen, the pound sterling and the Hong Kong dollar against the euro, including impact of foreign exchange derivatives outstanding during the fiscal year, compared with the rates applying to transactions in 2024, would have been as follows:

(EUR millions)	US dollar		Japanese yen		Pound sterling		Hong Kong dollar	
	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
Impact of:								
– change in exchange rates of cash receipts in respect of foreign currency-denominated sales	229	(74)	35	(3)	8	(16)	23	(8)
– conversion of net profit of entities outside the eurozone	168	(168)	91	(91)	14	(14)	21	(21)
Impact on net profit	**397**	**(242)**	**126**	**(94)**	**22**	**(30)**	**44**	**(29)**

The data presented in the table above should be assessed on the basis of the characteristics of the hedging instruments outstanding in fiscal year 2024, mainly comprising options and collars.

As of December 31, 2024, forecast cash collections for 2025 in US dollars and Japanese yen were 69% and 76% hedged, respectively. For the hedged portion, due to the optional nature of the hedging instruments, the exchange rate upon sale will be more favorable than 1.10 EUR/USD for the US dollar and 168 EUR/JPY for the Japanese yen.

The Group's net equity (excluding net profit) exposure to foreign currency fluctuations as of December 31, 2024 can be assessed by measuring the impact of a 10% change in the value of the US dollar, the Japanese yen, the pound sterling and the Hong Kong dollar against the euro compared to the rates applying as of the same date:

(EUR millions)	US dollar		Japanese yen		Pound sterling		Hong Kong dollar	
	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
Conversion of foreign currency-denominated net assets	1,955	(1,955)	121	(121)	192	(192)	166	(166)
Change in market value of net investment hedges, after tax	(485)	166	(4)	100	(46)	27	(54)	24
Net impact on equity, excluding net profit	**1,470**	**(1,789)**	**117**	**(21)**	**146**	**(165)**	**112**	**(142)**

23.9 Liquidity risk

In addition to local liquidity risks, which are generally immaterial, the Group's exposure to liquidity risk can be assessed in relation to the amount of its short-term borrowings excluding derivatives, i.e. 10.9 billion euros, lower than the 13.8 billion euro balance of cash and cash equivalents and current available for sale financial assets; or in relation to the outstanding amount of its short-term negotiable debt securities programs, i.e. 7.2 billion euros. Should any of these borrowing facilities not be renewed, the Group has access to undrawn confirmed credit lines totaling 11.0 billion euros.

The Group's liquidity is based on the amount of its investments, its capacity to secure long-term borrowings, the diversity of its investor base (short-term paper and bonds), and the quality of its banking relationships, whether evidenced or not by confirmed lines of credit.

The following table presents the contractual schedule of disbursements for financial liabilities (excluding derivatives) recognized as of December 31, 2024, at nominal value and with interest, excluding discounting effects:

(EUR millions)	2025	2026	2027	2028	2029	More than 5 years	Total
Bonds and Euro Medium-Term Notes (EMTNs)	2,759	1,534	2,095	1,936	1,185	6,325	15,833
Bank borrowings	329	342	87	37	3	10	809
Other borrowings and credit facilities	426	-	-	-	-	-	426
Short-term negotiable debt securities	7,190	-	-	-	-	-	7,190
Bank overdrafts	361	-	-	-	-	-	361
Gross borrowings	**11,067**	**1,876**	**2,181**	**1,973**	**1,189**	**6,335**	**24,621**
Other current and non-current liabilities [(a)]	8,602	163	44	140	29	36	9,014
Trade accounts payable	8,630	-	-	-	-	-	8,630
Other financial liabilities	**17,232**	**163**	**44**	**140**	**29**	**36**	**17,644**
Total financial liabilities	**28,299**	**2,039**	**2,225**	**2,113**	**1,218**	**6,371**	**42,265**

(a) Corresponds to "Other current liabilities" (excluding derivatives, deferred income and loyalty programs) for 8,602 million euros and to "Other non-current liabilities" (excluding derivatives and deferred income) for 412 million euros.

See also Note 7 for the schedule of lease payments.

See Note 31.2 regarding contractual maturity dates of collateral and other guarantee commitments, Notes 19.4 and 23.4 regarding foreign exchange derivatives, and Note 23.3 regarding interest rate risk derivatives.

Note 24. Segment information

The Group's brands and trade names are organized into six business groups. Four business groups – Wines and Spirits, Fashion and Leather Goods, Perfumes and Cosmetics, and Watches and Jewelry – comprise brands dealing with the same category of products that use similar production and distribution processes. Information on Louis Vuitton, Bulgari and Tiffany is presented according to the brand's main business, namely the Fashion and Leather Goods business group for Louis Vuitton and the Watches and Jewelry business group for Bulgari and Tiffany.

The Selective Retailing business group comprises the Group's own-label retailing activities. The "Other and holding companies" business group comprises brands and businesses that are not associated with any of the above-mentioned business groups, particularly the media division, the Dutch luxury yacht maker Royal Van Lent, hotel operations and holding or real estate companies.

24.1 Information by business group

Fiscal year 2024

(EUR millions)	**Wines and Spirits**	**Fashion and Leather Goods**	**Perfumes and Cosmetics**	**Watches and Jewelry**	**Selective Retailing**	**Other and holding companies**	**Eliminations and not allocated** [(a)]	**Total**
Sales outside the Group	5,853	40,990	7,281	10,458	18,167	1,934	-	84,683
Intra-Group sales	10	70	1,137	118	95	69	(1,500)	-
Total revenue	**5,862**	**41,060**	**8,418**	**10,577**	**18,262**	**2,003**	**(1,500)**	**84,683**
Profit from recurring operations	1,356	15,230	671	1,546	1,385	(631)	8	19,565
Other operating income and expenses	(31)	(508)	(16)	(4)	(129)	22	-	(664)
Depreciation, amortization and impairment expenses	(308)	(2,922)	(548)	(1,100)	(1,531)	(450)	159	(6,701)
Of which: Right-of-use assets	*(34)*	*(1,637)*	*(181)*	*(549)*	*(874)*	*(110)*	*159*	*(3,228)*
Other	*(274)*	*(1,285)*	*(367)*	*(551)*	*(657)*	*(340)*	-	*(3,473)*
Intangible assets and goodwill [(b)]	5,559	8,721	2,489	21,569	3,742	2,119	(5)	44,193
Right-of-use assets	214	9,073	745	3,051	3,978	905	(1,353)	16,613
Property, plant and equipment	4,442	7,373	987	2,915	1,698	11,845	(8)	29,253
Inventories and work in progress	8,240	5,621	1,066	5,873	3,030	141	(302)	23,669
Other operating assets	1,712	3,363	1,655	1,850	970	2,169	20,896 [(c)]	32,615
Total assets	**20,167**	**34,151**	**6,942**	**35,258**	**13,419**	**17,179**	**19,229**	**146,343**
Equity	-	-	-	-	-	-	66,852	66,852
Lease liabilities	236	9,631	819	3,156	4,319	1,023	(1,351)	17,832
Other liabilities	1,935	7,659	3,031	2,461	4,474	1,887	40,212 [(d)]	61,659
Total liabilities and equity	**2,171**	**17,290**	**3,850**	**5,617**	**8,793**	**2,910**	**105,713**	**146,343**
Operating investments [(e)]	(332)	(2,150)	(477)	(939)	(631)	(1,002)	-	(5,531)

Fiscal year 2023

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations and not allocated [(a)]	Total
Sales outside the Group	6,587	42,089	7,126	10,811	17,781	1,759	-	86,153
Intra-Group sales	14	80	1,145	91	104	62	(1,497)	-
Total revenue	**6,602**	**42,169**	**8,271**	**10,902**	**17,885**	**1,821**	**(1,497)**	**86,153**
Profit from recurring operations	2,109	16,836	713	2,162	1,391	(403)	(12)	22,796
Other operating income and expenses	(15)	(117)	(25)	(5)	(109)	27	-	(242)
Depreciation, amortization and impairment expenses	(273)	(2,599)	(507)	(1,012)	(1,377)	(388)	138	(6,017)
Of which: Right-of-use assets	*(31)*	*(1,475)*	*(164)*	*(536)*	*(851)*	*(113)*	*138*	*(3,031)*
Other	*(241)*	*(1,124)*	*(343)*	*(476)*	*(526)*	*(276)*	-	*(2,986)*
Intangible assets and goodwill [(b)]	4,586	8,670	2,261	20,668	3,404	7,632	(5)	47,216
Right-of-use assets	221	8,118	644	2,562	4,182	926	(982)	15,673
Property, plant and equipment	4,248	6,439	897	2,411	1,695	11,014	(8)	26,697
Inventories and work in progress	7,703	5,635	1,118	5,758	2,966	94	(323)	22,952
Other operating assets	1,712	3,529	1,561	1,761	949	1,666	17,157 [(c)]	28,334
Total assets	**18,471**	**32,391**	**6,482**	**33,160**	**13,197**	**21,332**	**15,840**	**140,873**
Equity	-	-	-	-	-	-	60,293	60,293
Lease liabilities	239	8,474	700	2,637	4,444	1,023	(978)	16,538
Other liabilities	2,114	7,841	2,938	2,482	4,196	1,739	42,732 [(d)]	64,042
Total liabilities and equity	**2,353**	**16,315**	**3,638**	**5,119**	**8,640**	**2,762**	**102,048**	**140,873**
Operating investments [(e)]	(538)	(3,025)	(432)	(871)	(571)	(2,041)	(1)	(7,478)

Fiscal year 2022

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations and not allocated [(a)]	Total
Sales outside the Group	7,086	38,576	6,701	10,512	14,774	1,536	-	79,184
Intra-Group sales	13	72	1,021	70	79	51	(1,305)	-
Total revenue	**7,099**	**38,648**	**7,722**	**10,581**	**14,852**	**1,586**	**(1,305)**	**79,184**
Profit from recurring operations	2,155	15,709	660	2,017	788	(272)	(7)	21,050
Other operating income and expenses	(12)	(7)	(12)	(5)	(208)	190	-	(54)
Depreciation, amortization and impairment expenses	(260)	(2,431)	(480)	(994)	(1,427)	(291)	112	(5,771)
Of which: Right-of-use assets	*(34)*	*(1,422)*	*(160)*	*(523)*	*(883)*	*(96)*	*112*	*(3,007)*
Other	*(226)*	*(1,008)*	*(321)*	*(471)*	*(544)*	*(194)*	-	*(2,764)*
Intangible assets and goodwill [(b)]	10,906	8,463	2,415	20,594	3,609	1,834	(5)	47,815
Right-of-use assets	234	7,132	646	2,277	4,284	922	(886)	14,609
Property, plant and equipment	3,822	4,730	839	2,005	1,688	9,339	(8)	22,414
Inventories and work in progress	6,892	4,793	1,033	5,051	2,805	72	(327)	20,319
Other operating assets	1,674	3,297	1,493	1,720	775	1,436	16,398 [(c)]	26,794
Total assets	**23,528**	**28,415**	**6,426**	**31,646**	**13,161**	**13,602**	**15,173**	**131,951**
Equity	-	-	-	-	-	-	54,314	54,314
Lease liabilities	247	7,426	695	2,363	4,537	1,019	(879)	15,408
Other liabilities	2,161	7,731	2,953	2,583	3,651	1,744	41,406 [(d)]	62,229
Total liabilities and equity	**2,408**	**15,157**	**3,648**	**4,946**	**8,188**	**2,763**	**94,841**	**131,951**
Operating investments [(e)]	(440)	(1,872)	(409)	(654)	(523)	(1,074)	1	(4,969)

(a) Eliminations correspond to sales between business groups; these generally consist of sales to Selective Retailing from other business groups. Selling prices between the different business groups correspond to the prices applied in the normal course of business for sales transactions to wholesalers or retailers outside the Group.
(b) Intangible assets and goodwill correspond to the carrying amounts shown in Notes 3 and 4.
(c) Assets not allocated include available for sale financial assets, other financial assets, and current and deferred tax assets.
(d) Liabilities not allocated include financial debt, current and deferred tax liabilities, and liabilities related to purchase commitments for minority interests' shares.
(e) Increase/(Decrease) in cash and cash equivalents.

24.2 Information by geographic region

Revenue by geographic region of delivery breaks down as follows:

(EUR millions)	2024	2023	2022
France	7,009	6,830	6,071
Europe (excl. France)	14,538	14,145	12,717
United States	21,554	21,764	21,542
Japan	7,475	6,314	5,436
Asia (excl. Japan)	23,246	26,577	23,785
Other countries	10,861	10,523	9,632
Revenue	**84,683**	**86,153**	**79,184**

Operating investments by geographic region are as follows:

(EUR millions)	2024	2023	2022
France	1,653	3,575	1,891
Europe (excl. France)	1,062	1,318	905
United States	999	1,095	955
Japan	473	202	133
Asia (excl. Japan)	918	844	761
Other countries	425	444	324
Operating investments	**5,531**	**7,478**	**4,969**

No geographic breakdown of segment assets is provided since a significant portion of these assets consists of brands and goodwill, which must be analyzed on the basis of the revenue generated by these assets in each region, and not in relation to the region of their legal ownership.

24.3 Quarterly information

Quarterly revenue by business group breaks down as follows:

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations	Total
First quarter	1,417	10,490	2,182	2,466	4,175	362	(397)	20,694
Second quarter	1,391	10,281	1,953	2,685	4,457	553	(337)	20,983
Third quarter	1,386	9,151	2,012	2,386	3,927	588	(373)	19,076
Fourth quarter	1,669	11,139	2,270	3,041	5,703	501	(392)	23,930
Total for 2024	**5,862**	**41,060**	**8,418**	**10,577**	**18,262**	**2,003**	**(1,500)**	**84,683**
First quarter	1,694	10,728	2,115	2,589	3,961	341	(394)	21,035
Second quarter	1,486	10,434	1,913	2,839	4,394	491	(351)	21,206
Third quarter	1,509	9,750	1,993	2,524	4,076	513	(399)	19,964
Fourth quarter	1,912	11,257	2,250	2,951	5,454	476	(353)	23,948
Total for 2023	**6,602**	**42,169**	**8,271**	**10,902**	**17,885**	**1,821**	**(1,497)**	**86,153**
First quarter	1,638	9,123	1,905	2,338	3,040	282	(322)	18,003
Second quarter	1,689	9,013	1,714	2,570	3,591	441	(291)	18,726
Third quarter	1,899	9,687	1,959	2,666	3,465	443	(364)	19,755
Fourth quarter	1,873	10,825	2,145	3,006	4,757	420	(327)	22,699
Total for 2022	**7,099**	**38,648**	**7,722**	**10,581**	**14,852**	**1,586**	**(1,304)**	**79,184**

Note 25. Revenue and expenses by nature

25.1 Breakdown of revenue

Revenue consists of the following:

(EUR millions)	2024	2023	2022
Revenue generated by brands and trade names	84,046	85,538	78,761
Royalties and license revenue	131	157	135
Income from investment property	30	24	25
Other revenue	475	434	262
Total	**84,683**	**86,153**	**79,184**

The portion of total revenue generated by the Group at its own stores, including sales through e-commerce websites, was approximately 78% in 2024 (77% in 2023 and 75% in 2022), i.e. 65,733 million euros in 2024 (66,416 million euros in 2023 and 59,383 million euros in 2022).

25.2 Expenses by nature

Profit from recurring operations includes the following expenses:

(EUR millions)	**2024**	**2023**	**2022**
Advertising and promotion expenses	9,762	10,221	9,584
Personnel costs	15,361	14,349	12,649

See also Note 7 regarding the breakdown of lease expenses.

Advertising and promotion expenses mainly consist of the cost of media campaigns and point-of-sale advertising; they also include the personnel costs dedicated to this function. As of December 31, 2024, a total of 6,307 stores were operated by the Group worldwide (6,097 in 2023, 5,664 in 2022), particularly by Fashion and Leather Goods and Selective Retailing.

Personnel costs consist of the following elements:

(EUR millions)	**2024**	**2023**	**2022**
Salaries and social security contributions	14,993	14,082	12,360
Pensions, contribution to medical costs and expenses in respect of defined-benefit plans [(a)]	177	150	157
Expenses related to bonus share and similar plans [(b)]	191	117	132
Personnel costs	**15,361**	**14,349**	**12,649**

(a) See Note 30.
(b) See Note 17.3.

The average full-time equivalent workforce broke down as follows by job category during the fiscal years presented:

(in number and as %)	**2024**	**%**	**2023**	**%**	**2022**	**%**
Executives and managers	48,331	24	44,519	23	39,181	23
Technicians and supervisors	17,316	9	17,767	9	16,703	10
Administrative and sales staff	100,250	50	96,497	50	86,980	50
Production workers	34,622	17	33,504	17	30,627	18
Total	**200,518**	**100**	**192,287**	**100**	**173,492**	**100**

25.3 Statutory Auditors' fees

The amount of fees paid to the Statutory Auditors of Christian Dior SE and members of their networks recorded in the consolidated income statement for the 2024 fiscal year breaks down as follows:

(EUR millions, excluding VAT)	2024		
	Deloitte	**Forvis Mazars**	**Total**
Audit-related fees	**16**	**18**	**34**
Tax services	1	-	1
Other	2	1	3
Non-audit-related fees	**3**	**1**	**4**
Total	**19**	**19**	**37**

Audit-related fees include other services related to the certification of the consolidated and parent company financial statements, for non-material amounts. They also include specific checks run at the Group's request, mainly in countries where statutory audit is not required, or at the request of certain partners.

In addition to tax services – which are mainly performed outside Europe to ensure that the Group's subsidiaries meet their local tax filing obligations – non-audit-related services include various types of certifications, mainly those required by lessors concerning the revenue of certain stores and certification of sustainability reporting (CSRD).

Note 26. Other operating income and expenses

(EUR millions)	2024	2023	2022
Net gains/(losses) on disposals	(199)	(102)	(210)
Restructuring costs	(70)	(9)	3
Remeasurement of shares acquired prior to their initial consolidation	1	2	232
Transaction costs relating to the acquisition of consolidated companies	(10)	(14)	(25)
Impairment or amortization of brands, trade names, goodwill and other fixed assets	(422)	(105)	(50)
Other items, net	35	(14)	(3)
Other operating income and expenses	**(664)**	**(242)**	**(54)**

"Net gains/(losses) on disposals" mainly related to the disposal of Off-White in September 2024. See Notes 5, 6 and 8 for impairment and amortization expenses recorded in 2024.

In 2023, "Net gains/(losses) on disposals" mainly related to the disposal of the 80% stake in Cruise Line Holdings Co. (see Note 2).

In 2022, "Net gains/(losses) on disposals" mainly related to Sephora's sale of its subsidiary in Russia, which was finalized in October 2022. The remeasurement of shares acquired prior to their initial consolidation in 2022 resulted from the acquisition of the remaining 60% stake in Mongoual SA, in which the Group previously held a 40% stake, recognized under "Investments in joint ventures and associates".

Note 27. Net financial income/(expense)

(EUR millions)	2024	2023	2022
Borrowing costs	(677)	(581)	(129)
Income from cash, cash equivalents and current available for sale financial assets	236	217	116
Fair value adjustment of borrowings and interest rate hedges	2	1	(2)
Cost of net financial debt	**(439)**	**(363)**	**(15)**
Interest on lease liabilities	**(510)**	**(393)**	**(254)**
Dividends received from non-current available for sale financial assets	9	5	8
Cost of foreign exchange derivatives	(282)	(399)	(358)
Fair value adjustment of available for sale financial assets	470	268	(240)
Other items, net	(48)	(44)	(42)
Other financial income and expenses	**149**	**(170)**	**(632)**
Net financial income/(expense)	**(800)**	**(926)**	**(901)**

Income from cash, cash equivalents and current available for sale financial assets comprises the following items:

(EUR millions)	2024	2023	2022
Income from cash and cash equivalents	154	139	49
Income from current available for sale financial assets [(a)]	82	78	67
Income from cash, cash equivalents and current available for sale financial assets	**236**	**217**	**116**

(a) Including 52 million euros related to dividends received in 2024 (62 million euros in 2023 and 52 million euros in 2022).

The fair value adjustment of borrowings and interest rate hedges is attributable to the following items:

(EUR millions)	2024	2023	2022
Hedged financial debt	(21)	(60)	139
Hedging instruments	21	60	(135)
Unallocated derivatives	2	1	(6)
Fair value adjustment of borrowings and interest rate hedges	**2**	**1**	**(2)**

The cost of foreign exchange derivatives breaks down as follows:

(EUR millions)	2024	2023	2022
Cost of commercial foreign exchange derivatives	(276)	(405)	(348)
Cost of foreign exchange derivatives related to net investments denominated in foreign currency	-	-	(12)
Cost and other items related to other foreign exchange derivatives	(7)	5	3
Cost of foreign exchange derivatives	**(282)**	**(399)**	**(358)**

Note 28. Income taxes

28.1 Breakdown of the income tax expense

(EUR millions)	2024	2023	2022
Current income taxes for the fiscal year	(5,452)	(6,093)	(5,908)
Current income taxes relating to previous fiscal years	-	8	(18)
Current income taxes	**(5,452)**	**(6,085)**	**(5,927)**
Change in deferred income taxes	258	378	534
Impact of changes in tax rates on deferred income taxes	-	-	-
Deferred income taxes	**258**	**378**	**534**
Total tax expense per income statement	**(5,193)**	**(5,707)**	**(5,393)**
Tax on items recognized in equity	**52**	**(34)**	**(147)**

28.2 Breakdown of the net deferred tax asset/(liability)

The net deferred tax asset/(liability) broke down as follows:

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Deferred tax assets	4,545	3,992	3,661
Deferred tax liabilities	(6,948)	(6,616)	(6,553)
Net deferred tax asset/(liability)	**(2,403)**	**(2,624)**	**(2,891)**

28.3 Breakdown of the difference between statutory and effective tax rates

The effective tax rate is as follows:

(EUR millions)	2024	2023	2022
Profit before tax	18,101	21,628	20,095
Total tax expense	(5,193)	(5,707)	(5,393)
Effective tax rate	**28.7%**	**26.4%**	**26.8%**

The statutory tax rate – which is the rate applicable by law to the Group's French companies, including the 3.3% social security contribution – may be reconciled as follows to the effective tax rate disclosed in the consolidated financial statements:

(as % of income before tax)	2024	2023	2022
French statutory tax rate	**25.8**	**25.8**	**25.8**
Changes in tax rates	-	-	-
Differences in tax rates for foreign companies	(1.2)	(2.0)	(1.3)
Tax losses and tax loss carryforwards, and other changes in deferred tax	0.4	0.2	0.2
Differences between consolidated and taxable income, and income taxable at reduced rates	1.9	0.5	0.3
Tax on distribution [(a)]	1.7	1.9	1.8
Effective tax rate of the Group	**28.7**	**26.4**	**26.8**

(a) Tax on distribution is mainly related to intra-Group dividends.

The Group's effective tax rate was 28.7% for fiscal year 2024, compared with 26.4% for fiscal year 2023. As of December 31, 2024, the effective tax rate was up 2.3 points from December 31, 2023, mainly due to the change in the geographic breakdown of income and certain non-deductible expenses.

The international tax reform drawn up by the OECD, known as Pillar Two, aimed in particular at establishing a minimum tax rate of 15%, takes effect in France starting in fiscal year 2024. The financial consequences mainly concern countries in the Middle East for relatively non-material amounts.

28.4 Sources of deferred tax

In the income statement [a]

(EUR millions)	2024	2023	2022
Valuation of brands	(20)	(40)	(47)
Other revaluation adjustments	(4)	29	(51)
Gains and losses on available for sale financial assets	(129)	(30)	56
Gains and losses on hedges of future foreign currency cash flows	(2)	-	6
Provisions for contingencies and losses	86	107	18
Intra-Group margin included in inventories	85	118	268
Other consolidation adjustments	186	184	267
Losses carried forward	55	10	18
Total	**258**	**378**	**534**

(a) Income/(Expenses).

Change in deferred tax recognized in equity [a]

(EUR millions)	2024	2023	2022
Fair value adjustment of vineyard land	(2)	(11)	18
Gains and losses on available for sale financial assets	-	-	-
Gains and losses on hedges of future foreign currency cash flows	77	(16)	(85)
Gains and losses on employee benefit commitments	(22)	(7)	(80)
Total	**52**	**(34)**	**(147)**

(a) Gains/(Losses).

In the balance sheet [a]

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Valuation of brands	(5,468)	(5,304)	(5,300)
Fair value adjustment of vineyard land	(592)	(588)	(578)
Other revaluation adjustments	(401)	(381)	(415)
Gains and losses on available for sale financial assets	(249)	(120)	(90)
Gains and losses on hedges of future foreign currency cash flows	56	(19)	(2)
Provisions for contingencies and losses	1,040	948	882
Intra-Group margin included in inventories	1,416	1,320	1,209
Other consolidation adjustments	1,586	1,367	1,250
Losses carried forward	210	155	153
Total	**(2,403)**	**(2,624)**	**(2,891)**

(a) Asset/(Liability).

28.5 Losses carried forward

As of December 31, 2024, unused tax loss carryforwards and tax credits for which no assets were recognized (deferred tax assets or receivables) represented potential tax savings of 406 million euros (511 million euros in 2023 and 398 million euros in 2022).

28.6 Tax consolidation

France's tax consolidation system allows French companies belonging to the same tax consolidation group to combine their taxable profits to calculate the overall tax expense, for which only the consolidating parent company is liable.

Since January 1, 2018, Christian Dior SE and its French subsidiaries in which it has an ownership interest of more than 95% have been part of a tax consolidation group, the parent company of which is Agache SCA.

LVMH SE and most of its French subsidiaries in which it has an ownership interest of more than 95% comprise another tax consolidation group, the consolidating parent company of which is LVMH SE. This tax consolidation system generated current tax savings of 352 million euros in 2024 (compared with 266 million euros in 2023 and 66 million euros in 2022).

The other tax consolidation systems in place, notably in the United States, generated current tax savings of 80 million euros in 2024 (80 million euros in 2023 and 54 million euros in 2022).

Note 29. Earnings per share

	2024	2023	2022
Net profit, Group share *(EUR millions)*	5,208	6,304	5,797
Impact of dilutive instruments on subsidiaries *(EUR millions)*	(2)	(2)	(4)
Net profit, diluted Group share *(EUR millions)*	5,206	6,302	5,793
Average number of shares outstanding during the fiscal year	180,507,516	180,507,516	180,507,516
Average number of Christian Dior treasury shares held during the fiscal year	(96,936)	(96,936)	(96,936)
Average number of shares on which the calculation before dilution is based	**180,410,580**	**180,410,580**	**180,410,580**
Basic Group share of net earnings per share *(EUR)*	**28.87**	**34.94**	**32.13**
Average number of shares outstanding on which the above calculation is based	180,410,580	180,410,580	180,410,580
Dilutive effect of bonus share and performance share plans	-	-	-
Average number of shares on which the calculation after dilution is based	**180,410,580**	**180,410,580**	**180,410,580**
Diluted Group share of net earnings per share *(EUR)*	**28.86**	**34.93**	**32.11**

No events occurred between December 31, 2024 and the date at which the financial statements were approved for publication that would have significantly affected the number of shares outstanding or the potential number of shares.

Note 30. Provisions for pensions, contribution to medical costs and other employee benefit commitments

30.1 Expense for the fiscal year

The expense recognized in the fiscal years presented for provisions for pensions, contribution to medical costs and other employee benefit commitments is as follows:

(EUR millions)	2024	2023	2022
Service cost	137	122	136
Net interest cost	19	23	15
Actuarial gains and losses	7	1	(3)
Changes in plans	14	4	8
Total expense for the fiscal year for defined-benefit plans	**177**	**150**	**157**

30.2 Net recognized commitment

(EUR millions)	Notes	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Benefits covered by plan assets		2,323	2,185	2,205
Benefits not covered by plan assets		439	380	362
Defined-benefit obligation		**2,762**	**2,566**	**2,567**
Market value of plan assets		**(2,188)**	**(2,006)**	**(2,005)**
Net recognized commitment		**574**	**559**	**562**
Of which: Non-current provisions	20	*650*	*609*	*622*
Current provisions	20	*14*	*17*	*17*
Other assets		*(90)*	*(68)*	*(77)*
Total		**574**	**559**	**562**

30.3 Breakdown of the change in the net recognized commitment

(EUR millions)	Defined-benefit obligation	Market value of plan assets	Net recognized commitment
As of December 31, 2023	**2,566**	**(2,006)**	**559**
Service cost	137	-	137
Net interest cost	95	(75)	19
Payments to recipients	(151)	106	(44)
Contributions to plan assets	-	(95)	(95)
Employee contributions	15	(15)	-
Changes in scope and reclassifications	37	-	37
Changes in plans	14	-	14
Actuarial gains and losses, of which:	(18)	(46)	(64)
– *Experience adjustments*[(a)]	*14*	*(46)*	*(32)*
– *Changes in demographic assumptions*[(a)]	*8*	-	*8*
– *Changes in financial assumptions*[(a)]	*(40)*	-	*(40)*
Translation adjustment	68	(57)	10
As of December 31, 2024	**2,762**	**(2,188)**	**574**

(a) (Gains)/Losses.

Actuarial gains and losses resulting from experience adjustments related to the four previous fiscal years were as follows:

(EUR millions)	2023	2022	2021	2020
Experience adjustments on the defined-benefit obligation	50	49	(64)	(12)
Experience adjustments on the market value of plan assets	(7)	428	(112)	(67)
Actuarial gains and losses resulting from experience adjustments [(a)]	**43**	**477**	**(176)**	**(79)**

(a) (Gains)/Losses.

The actuarial assumptions applied to estimate commitments for the fiscal years presented in the main countries concerned were as follows:

(as %)	December 31, 2024					December 31, 2023					December 31, 2022				
	France	United States	United Kingdom	Japan	Switzerland	France	United States	United Kingdom	Japan	Switzerland	France	United States	United Kingdom	Japan	Switzerland
Discount rate [(a)]	3.45	5.45	5.49	2.13	1.23	3.27	5.17	4.77	1.83	1.85	3.38	5.18	4.78	1.27	1.50
Future salary increase rate	3.00	3.91	N/A	2.24	2.31	3.00	4.48	N/A	2.12	2.28	3.00	4.52	N/A	2.10	2.12

(a) Discount rates were determined with reference to market yields of AA-rated corporate bonds at the year-end in the countries concerned. Bonds with maturities comparable to those of the commitments were used.
N/A: Not applicable.

The assumed rate of increase of medical expenses in the United States is 7.0%.

A 1-point increase in the discount rate would result in a 220 million euro reduction in the amount of the defined-benefit obligation as of December 31, 2024; a 1-point decrease in the discount rate would result in a 256 million euro increase.

30.4 Breakdown of benefit obligations

The breakdown of the defined-benefit obligation by type of benefit plan is as follows:

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Supplementary pensions	2,153	2,047	2,102
Retirement bonuses and similar benefits	433	353	308
Medical costs of retirees	106	106	100
Length-of-service bonuses and other	69	60	57
Defined-benefit obligation	**2,762**	**2,566**	**2,567**

The geographic breakdown of the defined-benefit obligation is as follows:

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
France	655	606	577
Europe (excl. France)	694	639	568
United States	1,166	1,123	1,183
Japan	134	133	148
Asia (excl. Japan)	57	54	49
Other countries	56	11	42
Defined-benefit obligation	**2,762**	**2,566**	**2,567**

The main components of the Group's net commitment for retirement and other defined-benefit obligations as of December 31, 2024 are as follows:

- In France:
  - these commitments include the commitment to the Group's senior executives and members of LVMH's Executive Committee, who were covered by a supplementary pension plan after a certain number of years of service, the amount of which was determined on the basis of the average of their three highest amounts of annual compensation. Pursuant to the Order of July 3, 2019, this supplementary pension plan has been closed, and the rights frozen as of December 31, 2019;
  - they also include end-of-career bonuses and long-service awards, the payment of which is determined by French law and collective bargaining agreements, respectively upon retirement or after a certain number of years of service.
- In Europe (excluding France), commitments concern defined-benefit pension plans set up in the United Kingdom by certain Group companies; participation by Group companies in Switzerland in the mandatory Swiss occupational pension plan, the LPP *(Loi pour la Prévoyance Professionnelle)*; and in Italy the TFR *(Trattamento di Fine Rapporto)*, a legally required end-of-service allowance, paid regardless of the reason for the employee's departure from the company.
- In the United States, the commitment relates to defined-benefit pension plans or retiree healthcare coverage set up by certain Group companies, Tiffany in particular. Most of the commitment concerns qualified pension plans as defined in the United States Internal Revenue Code.

30.5 Breakdown of related plan assets

The breakdown of the market value of plan assets by type of investment is as follows:

(as % of market value of related plan assets)	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2022**
Shares	23	23	26
Bonds			
– Private issues	34	32	34
– Public issues	9	10	12
Cash, investment funds, real estate and other assets	34	35	28
Total	**100**	**100**	**100**

These assets do not include debt securities issued by Group companies, nor any LVMH or Christian Dior shares for significant amounts.

The Group plans to increase the related plan assets in 2025 by paying in approximately 109 million euros.

Note 31. Off-balance sheet commitments

31.1 Purchase commitments

(EUR millions)	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2022**
Grapes, wines and *eaux-de-vie*	3,486	3,463	3,138
Other purchase commitments for raw materials	701	803	810
Industrial and commercial fixed assets	2,403	1,432	1,173
Investments in joint venture shares and non-current available for sale financial assets (a)	661	367	181

(a) See also Note 2.

Some Wines and Spirits companies have contractual purchase arrangements with various local producers for the future supply of grapes, still wines and *eaux-de-vie*. These commitments are valued, depending on the nature of the purchases, on the basis of the contractual terms or known fiscal year-end prices and estimated production yields.

Purchase commitments for industrial and commercial fixed assets include multi-annual commitments to purchase services in the field of communications and marketing.

As of December 31, 2024, the maturity schedule of these commitments was as follows:

(EUR millions)	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Grapes, wines and *eaux-de-vie*	993	2,322	171	3,486
Other purchase commitments for raw materials	439	222	40	701
Industrial and commercial fixed assets	729	993	681	2,403
Investments in joint venture shares and non-current available for sale financial assets	576	80	5	661

31.2 Collateral and other guarantees

As of December 31, 2024, these commitments broke down as follows:

(EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Securities and deposits	716	643	415
Other guarantees	337	327	328
Guarantees given	**1,052**	**970**	**744**
Guarantees received	**(91)**	**(42)**	**(53)**

The maturity dates of these commitments are as follows:

(EUR millions)	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Securities and deposits	217	448	51	716
Other guarantees	128	127	81	337
Guarantees given	**345**	**575**	**132**	**1,052**
Guarantees received	**(66)**	**(16)**	**(9)**	**(91)**

31.3 Other commitments

The Group is not aware of any significant off-balance sheet commitments other than those described above.

Note 32. Exceptional events and litigation

As part of its day-to-day management, the Group may be party to various legal proceedings concerning trademark rights, personal data protection, the protection of intellectual property rights, the protection of selective retailing networks, consumer protection, licensing agreements, employee relations, tax audits, and any other matters inherent to its business. The Group believes that the provisions recorded in the balance sheet in respect of these risks, litigation proceedings and disputes that are in progress and any others of which it is aware at the year-end, are sufficient to avoid its consolidated financial position being materially impacted in the event of an unfavorable outcome.

To the best of the Company's knowledge, there are no pending or impending administrative, judicial or arbitration procedures that are likely to have, or have had over the twelve-month period under review, any significant impact on the Group's financial position or profitability.

Note 33. Related-party transactions

33.1 Relations of the Christian Dior Group with Agache and its subsidiaries

The Christian Dior Group is consolidated in the accounts of Financière Agache, which is owned by Agache SCA.

Agache SCA, which has specialist teams, provides assistance to the Christian Dior Group, primarily in the areas of financial engineering, strategy, development, and corporate and real estate law.

The Christian Dior Group provides various administrative and operational services and leases real estate and movable property assets to Agache SCA, its subsidiaries (excluding the LVMH Group) and Agache Commandité SAS (hereinafter collectively referred to as “Agache”). Conversely, Agache leases real estate and movable property assets to the Christian Dior Group.

Transactions between the Christian Dior Group and Agache may be summarized as follows:

(EUR millions)	**2024**	**2023**	**2022**
– Amounts billed by Agache to the Christian Dior Group	(5)	(6)	(4)
Amount payable outstanding as of December 31	-	(1)	(1)
– Amounts billed by the Christian Dior Group to Agache	19	14	12
Amount receivable outstanding as of December 31	6	5	4

33.2 Relations of the Christian Dior Group with Diageo

Moët Hennessy SAS and Moët Hennessy International SAS (hereinafter referred to as “Moët Hennessy”) hold the LVMH Group’s investments in the Wines and Spirits business group, with the exception of Château d’Yquem, Château Cheval Blanc, Domaine du Clos des Lambrays, Colgin Cellars and certain champagne vineyards. Diageo holds a 34% stake in Moët Hennessy. When that holding was acquired in 1994, an agreement was entered into between Diageo and LVMH for the apportionment of shared holding company costs between Moët Hennessy and the other holding companies of the LVMH Group.

Under this agreement, Moët Hennessy assumed 10% of shared costs in 2024 (11% in 2023 and 12% in 2022), and accordingly re-invoiced the excess costs incurred to LVMH SE. After re-invoicing, the amount of shared costs assumed by Moët Hennessy came to 35 million euros for 2024 (30 million euros in 2023 and 21 million euros in 2022).

33.3 Relations with the Fondation Louis Vuitton

In 2014, the Fondation Louis Vuitton opened a modern and contemporary art museum in Paris. The LVMH Group finances the Fondation as part of its corporate giving initiatives. Its net contributions to this project are included in “Property, plant and equipment” and are depreciated from the time the museum opened (2014) over the remaining duration of the public property use agreement awarded by the City of Paris.

33.4 Executive bodies

The total compensation paid to the members of the Board of Directors in respect of their functions within the Group breaks down as follows:

(EUR millions)	**2024**	**2023**	**2022**
Gross compensation, employer social security contributions and benefits in kind	18	18	25
Post-employment benefits	-	-	-
Other long-term benefits	-	-	-
End-of-contract bonuses	-	-	-
Cost of bonus share and similar plans	7	7	9
Total	**25**	**25**	**34**

The commitment recognized as of December 31, 2024 for post-employment benefits net of related plan assets equated to a net asset of 3 million euros (compared with a net asset of 2 million euros as of December 31, 2023 and a net commitment of 7 million euros as of December 31, 2022).

Note 34. Subsequent events

No significant subsequent events occurred between December 31, 2024 and January 28, 2025, the date at which the financial statements were approved for publication by the Board of Directors.

7. Consolidated companies

WINES AND SPIRITS

Company	Registered office	Method of consolidation	Ownership interest
Moët Hennessy Hellas Single Member	Athens, Greece	FC	28%
MHCS	Épernay, France	FC	28%
Moët Hennessy Italia SpA	Milan, Italy	FC	28%
Société Civile des Crus de Champagne	Reims, France	FC	28%
Moët Hennessy UK	London, United Kingdom	FC	28%
Moët Hennessy Panama SA	Panama City, Panama	FC	28%
Moët Hennessy España	Barcelona, Spain	FC	28%
Moët Hennessy Portugal	Lisbon, Portugal	FC	28%
Moët Hennessy (Suisse)	Eysins, Switzerland	FC	28%
Moët Hennessy Deutschland GmbH	Munich, Germany	FC	28%
Moët Hennessy Entreprise Adaptée	Épernay, France	FC	28%
SCEA Les Fournettes	Monthelon, France	FC	28%
Champagne Des Moutiers	Épernay, France	FC	28%
Moët Hennessy de Mexico	Mexico City, Mexico	FC	28%
Chamfipar	Épernay, France	FC	28%
Société Viticole de Reims	Épernay, France	FC	28%
Compagnie Française du Champagne et du Luxe	Épernay, France	FC	28%
Champagne Bernard Breuzon	Épernay, France	FC	28%
Moët Hennessy Belux	Brussels, Belgium	FC	28%
Champagne De Mansin	Gyé-sur-Seine, France	FC	28%
Moët Hennessy ?sterreich	Vienna, Austria	FC	28%
Moët Hennessy Polska	Warsaw, Poland	FC	28%
Moët Hennessy Suomi	Helsinki, Finland	FC	28%
Moët Hennessy Czech Republic	Prague, Czech Republic	FC	28%
Moët Hennessy Sverige	Stockholm, Sweden	FC	28%
Moët Hennessy Norge	Sandvika, Norway	FC	28%
Moët Hennessy Denmark	Copenhagen, Denmark	FC	28%
Moët Hennessy Services UK	London, United Kingdom	FC	28%
Moët Hennessy Turkey	Istanbul, Turkey	FC	28%
Moët Hennessy South Africa Pty Ltd	Johannesburg, South Africa	FC	28%
SCEV 4F	Épernay, France	FC	28%
Moët Hennessy Nigeria	Lagos, Nigeria	FC	28%
SCI JVIGNOBLES	Épernay, France	FC	28%
Moët Hennessy Middle East FZE	Dubai, United Arab Emirates	FC	28%
Champagne Jacques Robert	Monthelon, France	FC	28%
SCI du Domaine de Saint-Antoine	Monthelon, France	FC	28%
Cotes de Saint Michel	Monthelon, France	FC	28%
Moët Hennessy Nederland	Baarn, Netherlands	FC	28%
Moët Hennessy USA	New York, USA	FC	28%
MH France – Moët Hennessy France	Courbevoie, France	FC	28%
SA du Château d'Yquem	Sauternes, France	FC	41%
SC du Château d'Yquem	Sauternes, France	FC	41%
Château Cheval Blanc	Saint-Émilion, France	EM	21%
Société du Domaine des Lambrays	Morey-Saint-Denis, France	FC	42%
Colgin Cellars	California, USA	FC	25%
Chandon International	Paris, France	FC	28%
Domaine Chandon, Inc.	California, USA	FC	28%
Moët Hennessy do Brasil – Vinhos e Destilados	São Paulo, Brazil	FC	28%
Bodegas Chandon Argentina	Buenos Aires, Argentina	FC	28%
Domaine Chandon Australia Pty	Coldstream, Victoria, Australia	FC	28%
Domaine Chandon (Ningxia) Moët Hennessy Co. Ltd	Yinchuan, China	FC	28%
Moët Hennessy Chandon (Ningxia) Co. Ltd	Yinchuan, China	FC	17%
Château d'Esclans	La Motte, France	FC	28%
Caves d'Esclans	La Motte, France	FC	28%
Esclans Estate	La Motte, France	FC	28%
Ace of Spades Holdings LLC	New York, USA	FC	14%
Cheval des Andes	Buenos Aires, Argentina	EM	14%
Veuve Clicquot Pties Pty Ltd	Margaret River, Australia	FC	28%
Cloudy Bay Vineyards Ltd	Blenheim, New Zealand	FC	28%
Moët Hennessy Shangri-La (Deqin) Winery Company	Deqin, China	FC	22%
Newton Vineyard LLC	California, USA	FC	28%
Château du Galoupet	La Londe-les-Maures, France	FC	28%
SCI du Domaine Cosson	Morey-Saint-Denis, France	FC	42%
Les Beaux Monts	Morey-Saint-Denis, France	FC	38%
Hugo	Morey-Saint-Denis, France	FC	42%
Minuty SAS	Gassin, France	FC	28%
La Bastide de Verez	Vidauban, France	FC	28%
Consorts Matton	Gassin, France	FC	28%
Elise	Gassin, France	FC	28%
Joseph Phelps Vineyards	California, USA	FC	28%
Jas Hennessy & Co.	Cognac, France	FC	27%
Distillerie de la Groie	Cognac, France	FC	27%
SICA de Bagnolet	Cognac, France	FC	1%
Sodepa	Cognac, France	FC	27%
Diageo Moët Hennessy BV	Amsterdam, Netherlands	JV	28%
Hennessy Dublin	Dublin, Ireland	FC	28%
Edward Dillon & Co. Ltd	Dublin, Ireland	EM	11%
Hennessy Far East	Hong Kong, China	FC	27%
Moët Hennessy Diageo Hong Kong	Hong Kong, China	JV	28%
Moët Hennessy Diageo Macau	Macao, China	JV	28%
Moët Hennessy Diageo Singapore Pte	Singapore	JV	28%
Moët Hennessy Diageo Malaysia Sdn.	Kuala Lumpur, Malaysia	JV	28%
Moët Hennessy Cambodia Co.	Phnom Penh, Cambodia	FC	14%
Moët Hennessy Philippines	Makati, Philippines	FC	21%
Diageo Moët Hennessy Thailand	Bangkok, Thailand	JV	28%
Moët Hennessy Shanghai	Shanghai, China	FC	28%
Moët Hennessy India	Mumbai, India	FC	28%
Jas Hennessy Taiwan	Taipei, Taiwan	FC	27%
Moët Hennessy Diageo China Company	Shanghai, China	JV	28%
Moët Hennessy Distribution Russia	Moscow, Russia	FC	28%
Moët Hennessy Vietnam Distribution Shareholding Co.	Ho Chi Minh City, Vietnam	FC	14%
Moët Hennessy Russia	Moscow, Russia	FC	28%
MH Champagnes and Wines Korea Ltd	Icheon, South Korea	FC	28%
Moët Hennessy (Hainan) Company Limited	Haikou, China	FC	28%
MH Wines & Spirits (Thailand) Limited	Bangkok, Thailand	FC	28%
MHD Moët Hennessy Diageo	Tokyo, Japan	JV	28%
Moët Hennessy Asia Pacific Pte Ltd	Singapore	FC	27%
Moët Hennessy Australia	Sydney, Australia	FC	27%
Polmos Żyrardów Sp. z o.o.	Żyrardów, Poland	FC	28%
The Glenmorangie Company	Edinburgh, United Kingdom	FC	28%
Macdonald & Muir Ltd	Edinburgh, United Kingdom	FC	28%
Ardbeg Distillery Limited	Edinburgh, United Kingdom	FC	28%
Glenmorangie Distillery Co. Ltd	Edinburgh, United Kingdom	FC	28%
James Martin & Company Ltd	Edinburgh, United Kingdom	FC	28%
Nicol Anderson & Co. Ltd	Edinburgh, United Kingdom	FC	28%
Woodinville Whiskey Company LLC	Washington, USA	FC	28%
RUM Entreprise	Paris, France	FC	28%
Davis Hogue Distilling Co.	New York, USA	FC	28%
SirDavis LLC	California, USA	FC	14%
Agrotequilera de Jalisco	Mexico City, Mexico	EM	14%
Dioniso Srl	Sesto San Giovanni, Italy	EM	14%
CRAVAN SASU	Paris, France	FC	28%
French Bloom SAS	Paris, France	EM	9%

FASHION AND LEATHER GOODS

Company	Registered office	Method of consolidation	Ownership interest
Manufacture de Souliers Louis Vuitton	Fiesso d'Artico, Italy	FC	42%
Louis Vuitton Malletier	Paris, France	FC	42%
Louis Vuitton Saint-Barthélemy	Saint-Barthélemy, French Antilles	FC	42%
Louis Vuitton Cantacilik Ticaret	Istanbul, Turkey	FC	42%
Louis Vuitton Editeur	Paris, France	FC	42%
Louis Vuitton International	Paris, France	FC	42%
Société des Ateliers Louis Vuitton	Paris, France	FC	42%
Les Ateliers Joailliers Louis Vuitton	Paris, France	FC	42%
Manufacture des Accessoires Louis Vuitton	Fiesso d'Artico, Italy	FC	42%
Louis Vuitton Bahrain WLL	Manama, Bahrain	FC	31%
Société Louis Vuitton Services	Paris, France	FC	42%
Louis Vuitton Qatar LLC	Doha, Qatar	FC	31%
Société des Magasins Louis Vuitton France	Paris, France	FC	42%
Belle Jardinière	Paris, France	FC	42%
La Fabrique du Temps Louis Vuitton	Meyrin, Switzerland	FC	42%
Louis Vuitton Monaco	Monte Carlo, Monaco	FC	42%
ELV	Paris, France	FC	42%
Louis Vuitton Services Europe	Brussels, Belgium	FC	42%
Louis Vuitton UK	London, United Kingdom	FC	42%
Louis Vuitton Ireland	Dublin, Ireland	FC	42%
Louis Vuitton Deutschland	Munich, Germany	FC	42%
Louis Vuitton Ukraine	Kyiv, Ukraine	FC	42%
Manufacture de Maroquinerie et Accessoires Louis Vuitton	Barcelona, Spain	FC	42%
Atepeli – Ateliers des Ponte de Lima	Calvelo, Portugal	FC	42%
Louis Vuitton Netherlands	Amsterdam, Netherlands	FC	42%
Louis Vuitton Belgium	Brussels, Belgium	FC	42%
Louis Vuitton Luxembourg	Luxembourg	FC	42%
Louis Vuitton Hellas	Athens, Greece	FC	42%
Louis Vuitton Portugal Maleiro	Lisbon, Portugal	FC	42%
Louis Vuitton Israel	Tel Aviv, Israel	FC	42%
Louis Vuitton Danmark	Copenhagen, Denmark	FC	42%
Louis Vuitton Aktiebolag	Stockholm, Sweden	FC	42%
Louis Vuitton Suisse	Geneva, Switzerland	FC	42%
Louis Vuitton Polska Sp. z o.o.	Warsaw, Poland	FC	42%
Louis Vuitton Ceska	Prague, Czech Republic	FC	42%
Louis Vuitton ?sterreich	Vienna, Austria	FC	42%
Louis Vuitton Kazakhstan	Almaty, Kazakhstan	FC	42%
Louis Vuitton US Manufacturing, Inc.	California, USA	FC	42%
Somarest	Sibiu, Romania	FC	42%
Louis Vuitton Hawaii, Inc.	Hawaii, USA	FC	42%
Louis Vuitton Guam, Inc.	Tamuning, Guam	FC	42%
Louis Vuitton Norge	Oslo, Norway	FC	42%
San Dimas Luggage Company	New York, USA	FC	42%
Louis Vuitton North America, Inc.	New York, USA	FC	42%
Louis Vuitton USA, Inc.	New York, USA	FC	42%
Louis Vuitton Liban Retail SAL	Beirut, Lebanon	FC	40%
Louis Vuitton Vietnam Company Limited	Hanoi, Vietnam	FC	42%
Louis Vuitton Suomi	Helsinki, Finland	FC	42%
Louis Vuitton Romania Srl	Bucharest, Romania	FC	42%
LVMH Fashion Group Brasil Ltda	São Paulo, Brazil	FC	42%
Louis Vuitton Panama, Inc.	Panama City, Panama	FC	42%
Louis Vuitton Mexico	Mexico City, Mexico	FC	42%
Louis Vuitton Chile SpA	Santiago de Chile, Chile	FC	42%
Louis Vuitton (Aruba)	Oranjestad, Aruba	FC	42%
Louis Vuitton República Dominicana	Santo Domingo, Dominican Republic	FC	42%
Louis Vuitton Argentina	Buenos Aires, Argentina	FC	42%
Louis Vuitton Peru Srl	Lima, Peru	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
Louis Vuitton Pacific	Hong Kong, China	FC	42%
Louis Vuitton Hong Kong Limited	Hong Kong, China	FC	42%
Louis Vuitton (Philippines) Inc.	Makati, Philippines	FC	42%
Louis Vuitton Singapore Pte Ltd	Singapore	FC	42%
LV Information & Operation Services Pte Ltd	Singapore	FC	42%
PT Louis Vuitton Indonesia	Jakarta, Indonesia	FC	42%
Louis Vuitton (Malaysia) Sdn. Bhd.	Kuala Lumpur, Malaysia	FC	42%
Louis Vuitton (Thailand) Société Anonyme	Bangkok, Thailand	FC	42%
Louis Vuitton Taiwan Ltd	Taipei, Taiwan	FC	42%
Louis Vuitton Australia Pty Ltd	Sydney, Australia	FC	42%
Louis Vuitton (China) Co. Ltd	Shanghai, China	FC	42%
Louis Vuitton New Zealand	Auckland, New Zealand	FC	42%
Louis Vuitton Kuwait WLL	Kuwait City, Kuwait	FC	15%
Louis Vuitton India Retail Private Limited	Gurugram, India	FC	42%
Louis Vuitton EAU LLC	Dubai, United Arab Emirates	FC	31%
Louis Vuitton Saudi Arabia Ltd	Jeddah, Saudi Arabia	FC	31%
Louis Vuitton Middle East	Dubai, United Arab Emirates	FC	31%
Louis Vuitton – Jordan PSC	Amman, Jordan	FC	40%
L.D. Manufacture Srl	Sant'Antimo, Italy	FC	42%
LV Qatar Airport QFZ LLC	Doha, Qatar	FC	42%
Louis Vuitton Korea Ltd	Seoul, South Korea	FC	42%
LV Investments SAS	Paris, France	FC	42%
Gérald G. SA	Meyrin, Switzerland	FC	42%
Daniel R. SA	Meyrin, Switzerland	FC	42%
Manufacture de Souliers des Marches Srl	Civitanova Marche, Italy	FC	42%
LV Industria Srl	Milan, Italy	FC	42%
LVMH Fashion Group Trading Korea Ltd	Seoul, South Korea	FC	42%
Manufacture de Textiles Louis Vuitton Srl	Milan, Italy	FC	42%
IRWINDALE ASSOCIATES LLC	New York, USA	FC	42%
Atelier Lutèce SAS	Paris, France	FC	26%
Adamantem SAS	Gueux, France	FC	21%
LV+	Paris, France	FC	42%
LVS + Pte Ltd	Singapore	FC	42%
Louis Vuitton Plus Commercial (Shanghai) Company Ltd	Shanghai, China	FC	42%
LVUS+ LLC	New York, USA	FC	42%
Comète Suisse SA	Meyrin, Switzerland	FC	42%
Louis Vuitton Hungaria Kft.	Budapest, Hungary	FC	42%
Louis Vuitton Vostok	Moscow, Russia	FC	42%
LV Colombia SAS	Santa Fé de Bogota, Colombia	FC	42%
Louis Vuitton Maroc	Casablanca, Morocco	FC	42%
Louis Vuitton South Africa	Johannesburg, South Africa	FC	42%
Louis Vuitton Macau Company Limited	Macao, China	FC	42%
Louis Vuitton Japan KK	Tokyo, Japan	FC	42%
Louis Vuitton Services KK	Tokyo, Japan	FC	42%
Louis Vuitton Canada, Inc.	Toronto, Canada	FC	42%
Louis Vuitton Italia Srl	Milan, Italy	FC	42%
Marc Jacobs International	New York, USA	FC	33%
Marc Jacobs International (UK)	London, United Kingdom	FC	33%
Marc Jacobs Trademarks	New York, USA	FC	33%
Marc Jacobs Japan	Tokyo, Japan	FC	33%
Marc Jacobs International France	Paris, France	FC	33%
Marc Jacobs Commercial and Trading (Shanghai) Co.	Shanghai, China	FC	33%
Marc Jacobs Hong Kong	Hong Kong, China	FC	33%
Marc Jacobs Holdings	New York, USA	FC	33%
Marc Jacobs Hong Kong Distribution Company	Hong Kong, China	FC	33%
Marc Jacobs Macau Distribution Company	Macao, China	FC	33%
Marc Jacobs Canada	Toronto, Canada	FC	33%
Marc Jacobs International Netherlands BV	Roermond, Netherlands	FC	33%
Marc Jacobs Italy	Milan, Italy	FC	33%
Loewe	Madrid, Spain	FC	42%
Loewe Hermanos	Madrid, Spain	FC	42%
Manufacturas Loewe	Madrid, Spain	FC	42%
LVMH Fashion Group France	Paris, France	FC	42%
Loewe Hermanos UK	London, United Kingdom	FC	42%
Loewe Hong Kong	Hong Kong, China	FC	42%
Loewe Commercial and Trading (Shanghai) Co.	Shanghai, China	FC	42%
Loewe Fashion	Singapore	FC	42%
Loewe Taiwan	Taipei, Taiwan	FC	42%
Loewe Macau Company	Macao, China	FC	42%
Loewe Alemania	Frankfurt, Germany	FC	42%
Loewe Italy	Milan, Italy	FC	42%
Loewe Holanda BV	Amsterdam, Netherlands	FC	42%
Loewe LLC	New York, USA	FC	42%
Loewe Canada Inc.	Toronto, Canada	FC	42%
Loewe Australia	Sydney, Australia	FC	42%
Loewe Thailand Ltd	Bangkok, Thailand	FC	42%
Loewe Korea Ltd	Seoul, South Korea	FC	42%
Loewe Suecia AB	Stockholm, Sweden	FC	42%
Loewe Dinamarca Aps	Copenhagen, Denmark	FC	42%
Loewe Switzerland SA	Geneva, Switzerland	FC	42%
Loewe GmbH	Vienna, Austria	FC	42%
LVMH Fashion Group Support	Paris, France	FC	42%
LVMH FG Bahrain WLL	Manama, Bahrain	FC	42%
Berluti SA	Paris, France	FC	42%
Manifattura Berluti Srl	Ferrara, Italy	FC	42%
Berluti LLC	New York, USA	FC	42%
Berluti UK Limited (Company)	London, United Kingdom	FC	42%
Berluti Deutschland GmbH	Munich, Germany	FC	42%
Berluti Macau Company Limited	Macao, China	FC	42%
Berluti Singapore Private Ltd	Singapore	FC	42%
Berluti (Shanghai) Company Limited	Shanghai, China	FC	42%
Berluti Taiwan Ltd	Taipei, Taiwan	FC	42%
Berluti Hong Kong Company Limited	Hong Kong, China	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
Berluti Orient FZ LLC	Ras Al Khaimah, United Arab Emirates	FC	27%
Berluti EAU LLC	Dubai, United Arab Emirates	FC	27%
Berluti Korea Company Ltd	Seoul, South Korea	FC	36%
Berluti Australia	Sydney, Australia	FC	42%
Berluti Japan KK	Tokyo, Japan	FC	42%
Berluti Italia Srl	Milan, Italy	FC	42%
LVMH Fashion Group Services	Paris, France	FC	42%
Interlux Company	Hong Kong, China	FC	42%
LVMH Fashion Group Japan GK	Tokyo, Japan	FC	42%
John Galliano SA	Paris, France	FC	42%
Loro Piana	Quarona, Italy	FC	36%
Loro Piana Switzerland	Lugano, Switzerland	FC	36%
Loro Piana France	Paris, France	FC	36%
Loro Piana	Munich, Germany	FC	36%
Loro Piana GB	London, United Kingdom	FC	36%
LG Distribution LLC	Delaware, USA	FC	36%
Warren Corporation	Connecticut, USA	FC	36%
Loro Piana & C.	Delaware, USA	FC	36%
Loro Piana USA	New York, USA	FC	36%
Loro Piana (HK)	Hong Kong, China	FC	36%
Loro Piana (Shanghai) Commercial Co.	Shanghai, China	FC	36%
Loro Piana (Shanghai) Textile Trading Co.	Shanghai, China	FC	36%
Loro Piana Mongolia	Ulaanbaatar, Mongolia	FC	36%
Loro Piana Korea Co.	Seoul, South Korea	FC	36%
Loro Piana (Macau)	Macao, China	FC	36%
Loro Piana Monaco	Monte Carlo, Monaco	FC	36%
Loro Piana España SLU	Madrid, Spain	FC	36%
Loro Piana Japan Co.	Tokyo, Japan	FC	36%
Loro Piana Far East	Singapore	FC	36%
Loro Piana Peru SAC	Lucanas, Peru	FC	36%
Loro Piana Oesterreich	Vienna, Austria	FC	36%
Loro Piana Canada	Toronto, Canada	FC	36%
Cashmere Lifestyle Luxury Trading LLC	Dubai, United Arab Emirates	FC	21%
Loro Piana Mexico SA de CV	Naucalpan, Mexico	FC	36%
Vicuna Trading WLL	Lusail, Qatar	FC	22%
Loro Piana Kuwait	Kuwait City, Kuwait	FC	21%
Loro Piana (Thailand) Limited	Bangkok, Thailand	FC	36%
Loro Piana Hellas Single – Member P.C.	Athens, Greece	FC	36%
Loro Piana Bahrain WLL	Manama, Bahrain	FC	35%
Loro Piana Shared Service Management – FZ LLC	Dubai, United Arab Emirates	FC	36%
Jawahir Look Trading Company	Riyadh, Saudi Arabia	FC	36%
Valsesia Luxury SPV Limited	Abu Dhabi, United Arab Emirates	FC	36%
HLI Holding Pte Ltd	Singapore	FC	42%
Heng Long International Ltd	Singapore	FC	42%
Heng Long Leather Co. Pte Ltd	Singapore	FC	42%
Heng Long Leather (Guangzhou) Co. Ltd	Guangzhou, China	FC	42%
HL Australia Proprietary Ltd	Sydney, Australia	FC	42%
Starke Holding	Florida, USA	FC	42%
Cypress Creek Farms	Florida, USA	FC	42%
The Florida Alligator Company	Florida, USA	FC	42%
Pellefina	Florida, USA	FC	42%
Heng Long Italy Srl	Pieve a Nievole, Italy	FC	42%
RGMA Skin Services SL	Montornès del Vallès, Spain	FC	34%
Curtidos Riba-Guixà SLU	Montornès del Vallès, Spain	FC	34%
Numa Srl	Santa Croce sull'Arno, Italy	FC	23%
Conceria Nuti Ivo SpA	Santa Croce sull'Arno, Italy	FC	23%
Everest Srl	Santa Croce sull'Arno, Italy	FC	23%
Conceria Lloyd Srl	Santa Croce sull'Arno, Italy	FC	21%
Conceria Papete Srl	San Miniato, Italy	FC	22%
Novakem Srl	Bientina, Italy	FC	14%
Blu Himalaya SL	Bétera, Spain	FC	23%
Verde Veleno SL	Bétera, Spain	FC	23%
Tracking Leather SL	Bétera, Spain	FC	23%
Verdeveleno Italia Srl	Santa Croce sull'Arno, Italy	FC	23%
Verlos Pte Ltd	Singapore	FC	23%
Verlos Indonesia Leather PT.	Banyuwangi, Indonesia	FC	23%
Monde	Villaverla, Italy	FC	42%
LVMH Métiers d'Art	Paris, France	FC	42%
Tanneries Roux	Romans-sur-Isère, France	FC	42%
Jade Creaction	Albergaria-a-Velha, Portugal	FC	23%
Jade Jewellery	Paris, France	FC	23%
Fonderie Sylvain Compagnon	Chaumontel, France	FC	23%
Jean Patou SAS	Paris, France	FC	29%
Rimowa GmbH	Cologne, Germany	FC	42%
Rimowa GmbH & Co. Distribution KG	Cologne, Germany	FC	42%
Rimowa Electronic Tag GmbH	Cologne, Germany	FC	42%
Rimowa CZ spol. s r.o.	Pelhrimov, Czech Republic	FC	42%
Rimowa America do Sul Malas de Viagem Ltda	São Paulo, Brazil	FC	42%
Rimowa North America Inc.	Cambridge, Canada	FC	42%
Rimowa Distribution Inc.	New York, USA	FC	42%
Rimowa Far East Limited	Hong Kong, China	FC	42%
Rimowa Macau Limited	Macao, China	FC	42%
Rimowa Japan Co. Ltd	Tokyo, Japan	FC	42%
Rimowa France SARL	Paris, France	FC	42%
Rimowa Italy Srl	Milan, Italy	FC	42%
Rimowa Netherlands BV	Amsterdam, Netherlands	FC	42%
Rimowa Spain SLU	Madrid, Spain	FC	42%
Rimowa Great Britain Limited	London, United Kingdom	FC	42%
Rimowa Austria GmbH	Innsbruck, Austria	FC	42%
Rimowa Schweiz AG	Dübendorf, Switzerland	FC	42%
Rimowa China	Shanghai, China	FC	42%
Rimowa International	Paris, France	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
Rimowa Group Services	Paris, France	FC	42%
Rimowa Middle East FZ-LLC	Dubai, United Arab Emirates	FC	42%
Rimowa Korea Ltd	Seoul, South Korea	FC	42%
Rimowa Orient Trading-LLC	Dubai, United Arab Emirates	FC	42%
Rimowa Singapore	Singapore	FC	42%
Rimowa Australia	Sydney, Australia	FC	42%
Rimowa Group GmbH	Cologne, Germany	FC	42%
Rimowa Malaysia Sdn. Bhd.	Kuala Lumpur, Malaysia	FC	42%
Rimowa Thailand Ltd	Bangkok, Thailand	FC	42%
Rimowa Belgium SA	Brussels, Belgium	FC	42%
Anin Star Holding Limited	London, United Kingdom	EM	21%
Stella McCartney Limited	London, United Kingdom	EM	21%
Stella McCartney America, Inc.	Delaware, USA	EM	21%
Stella McCartney France SAS	Paris, France	EM	21%
Stella McCartney Spain SL	Barcelona, Spain	EM	21%
Stella McCartney Italia Srl a socio unico	Milan, Italy	EM	21%
Stella McCartney (Shanghai) Trading Limited	Shanghai, China	EM	21%
Stella McCartney Japan Limited	Tokyo, Japan	EM	21%
Stella McCartney Hong Kong Limited	Harbour City, China	EM	21%
Thélios	Longarone, Italy	FC	42%
Mykita Holding GmbH	Berlin, Germany	EM	13%
Thélios France	Paris, France	FC	42%
Thélios USA Inc.	New Jersey, USA	FC	42%
Thélios Asia Pacific Limited	Harbour City, China	FC	42%
Thélios Deutschland GmbH	Cologne, Germany	FC	42%
Thélios Switzerland GmbH	Zurich, Switzerland	FC	42%
Thélios Iberian Peninsula SL	Barcelona, Spain	FC	42%
Thélios Portugal, Unipessoal Lda	Lisbon, Portugal	FC	42%
Thélios UK Limited	London, United Kingdom	FC	42%
Thélios Eyewear (Shanghai) Co. Ltd	Shanghai, China	FC	42%
Thélios Nordics AB	Stockholm, Sweden	FC	42%
Thélios Australia Pty Ltd	Brisbane, Australia	FC	42%
Distribuidora de Lentes de Lujo Thélios	Álvaro Obregón – Mexico City, Mexico	FC	42%
Thélios Benelux	Brussels, Belgium	FC	42%
Thélios Middle East FZ-LLC	Dubai, United Arab Emirates	FC	42%
Thélios Japan GK	Tokyo, Japan	FC	42%
Barton Perreira LLC	Irvine, USA	FC	42%
Barton Perreira Retail LLC	Colorado, USA	FC	29%
Barton Perreira Retail IV LLC	New York, USA	FC	42%
BPR V LLC	Kansas, USA	FC	34%
Barton Perreira Retail VI LLC	New York, USA	FC	42%
Barton Perreira Retail VII LLC	Montana, USA	FC	34%
Financière Skilynx	Paris, France	FC	42%
Sporoptic Pouilloux SA	Paris, France	FC	42%
Comitec SA	Meaux, France	FC	42%
Vuarnet Inc.	New York, USA	FC	42%
LBM Investment SARL	Luxembourg	FC	42%
Christian Dior Couture Korea Ltd	Seoul, South Korea	FC	42%
Christian Dior GK	Tokyo, Japan	FC	42%
Christian Dior Inc.	New York, USA	FC	42%
Christian Dior Far East Ltd	Hong Kong, China	FC	42%
Christian Dior Hong Kong Ltd	Hong Kong, China	FC	42%
Christian Dior Fashion (Malaysia) Sdn. Bhd.	Kuala Lumpur, Malaysia	FC	42%
Christian Dior Singapore Pte Ltd	Singapore	FC	42%
Christian Dior Australia Pty Ltd	Sydney, Australia	FC	42%
Christian Dior New Zealand Ltd	Auckland, New Zealand	FC	42%
Christian Dior Taiwan Limited	Taipei, Taiwan	FC	42%
OTELINE	Rillieux-la-Pape, France	FC	38%
161 NBS Ltd	London, United Kingdom	FC	42%
Christian Dior Couture Cyprus	Nicosia, Cyprus	FC	42%
FG Manufacture	Villeurbanne, France	FC	42%
Christian Dior Couture Sweden	Stockholm, Sweden	FC	42%
Rubens	Florence, Italy	FC	42%
Art Lab	Santa Croce sull'Arno, Italy	FC	29%
Neri Sport	Venice, Italy	FC	23%
Manifattura Salento AF	Casarano, Italy	FC	17%
Pelleterie Eiffel	Florence, Italy	EM	21%
Christian Dior (Thailand) Co. Ltd	Bangkok, Thailand	FC	42%
Pespow SpA	San Martino di Lupari, Italy	FC	34%
Pespow Italy Srl	San Martino di Lupari, Italy	FC	34%
Flinders	Luxembourg	FC	42%
Christian Dior Couture Sp. z o.o. w organizacji	Warsaw, Poland	FC	42%
Dior Creations	Selvazzano Dentro, Italy	FC	42%
Almandine 150 CE	Paris, France	FC	42%
Di Sarno 4.0	Naples, Italy	FC	23%
Christian Dior Saipan Ltd	Saipan, Northern Mariana Islands	FC	42%
Sanser Group Srl	San Miniato, Italy	FC	42%
Christian Dior Guam Ltd	Tumon Bay, Guam	FC	42%
Christian Dior Española	Madrid, Spain	FC	42%
Christian Dior UK Limited	London, United Kingdom	FC	42%
Christian Dior Italia Srl	Milan, Italy	FC	42%
Christian Dior Suisse SA	Geneva, Switzerland	FC	42%
Christian Dior GmbH	Pforzheim, Germany	FC	42%
Christian Dior Fourrure M.C.	Monte Carlo, Monaco	FC	42%
PT Christian Dior Indonesia	Jakarta, Indonesia	FC	34%
Christian Dior do Brasil Ltda	São Paulo, Brazil	FC	42%
Christian Dior Belgique	Brussels, Belgium	FC	42%
Christian Dior Couture CZ	Prague, Czech Republic	FC	42%
Ateliers AS	Pierre-Bénite, France	EM	10%
Christian Dior Couture	Paris, France	FC	42%
Christian Dior Couture FZE	Dubai, United Arab Emirates	FC	42%
Christian Dior Couture Maroc	Casablanca, Morocco	FC	42%
Christian Dior Macau Single Shareholder Company Limited	Macao, China	FC	42%
Christian Dior S. de R.L. de C.V.	Mexico City, Mexico	FC	42%
Les Ateliers Bijoux GmbH	Pforzheim, Germany	FC	42%
Christian Dior Commercial (Shanghai) Co. Ltd	Shanghai, China	FC	42%
Christian Dior Trading India Private Limited	Mumbai, India	FC	42%
Christian Dior Couture Stoleshnikov	Moscow, Russia	FC	42%
CDCH SA	Luxembourg	FC	36%
CDC Abu Dhabi LLC Couture	Abu Dhabi, United Arab Emirates	FC	36%
Dior Grèce Société Anonyme Garments Trading	Athens, Greece	FC	42%
Christian Dior Istanbul Magazacilik Anonim Sirketi	Istanbul, Turkey	FC	42%
Christian Dior Couture Qatar LLC	Doha, Qatar	FC	35%
Christian Dior Couture Bahrain WLL	Manama, Bahrain	FC	35%
PT Fashion Indonesia Trading Company	Jakarta, Indonesia	FC	42%
Christian Dior Couture Ukraine	Kiev, Ukraine	FC	42%
CDCG FZCO	Dubai, United Arab Emirates	FC	36%
Christian Dior Netherlands BV	Amsterdam, Netherlands	FC	42%
Christian Dior Vietnam Limited Liability Company	Hanoi, Vietnam	FC	42%
Vermont	Paris, France	FC	42%
Christian Dior Couture Kazakhstan	Almaty, Kazakhstan	FC	42%
Christian Dior Austria GmbH	Vienna, Austria	FC	42%
Manufactures Dior Srl	Milan, Italy	FC	42%
Christian Dior Couture Azerbaijan	Baku, Azerbaijan	FC	42%
Draupnir SA	Luxembourg	FC	42%
Myolnir SA	Luxembourg	FC	42%
CD Philippines	Makati, Philippines	FC	42%
Christian Dior Couture Luxembourg SA	Luxembourg	FC	42%
Les Ateliers Horlogers Dior	La Chaux-de-Fonds, Switzerland	FC	42%
Dior Montres	Paris, France	FC	42%
Christian Dior Couture Canada Inc.	Toronto, Canada	FC	42%
IDMC Manufacture	Limoges, France	FC	42%
GINZA SA	Luxembourg	FC	42%
CDC Kuwait Fashion Accessories WLL	Kuwait City, Kuwait	FC	36%
Aurelia Solutions Srl	Milan, Italy	FC	42%
Lemanus	Luxembourg	FC	42%
LikeABee	Lisbon, Portugal	FC	42%
CD Norway AS	Oslo, Norway	FC	42%
CADOR	Florence, Italy	FC	42%
Christian Dior Couture Arabia Trading	Riyadh, Saudi Arabia	FC	36%
Christian Dior Couture Ireland	Dublin, Ireland	FC	42%
Christian Dior Portugal, Unipessoal Lda	Lisbon, Portugal	FC	42%
CD Montenegro	Podgorica, Montenegro	FC	42%
Christian Dior Couture ME SPV Ltd	Abu Dhabi, United Arab Emirates	FC	36%
Christian Dior Couture Travel Retail Company	Doha, Qatar	FC	42%
Christian Dior Couture Saint-Barthélemy	Saint-Barthélemy, French Antilles	FC	42%
JW Anderson Limited	London, United Kingdom	EM	19%
JW Anderson China	Shanghai, China	EM	19%
Celine SA	Paris, France	FC	42%
Avenue M International SCA	Paris, France	FC	42%
Enilec Gestion SARL	Paris, France	FC	42%
Celine Montaigne SAS	Paris, France	FC	42%
Celine Monte-Carlo SA	Monte Carlo, Monaco	FC	42%
Celine Germany GmbH	Berlin, Germany	FC	42%
Celine Production Srl	Florence, Italy	FC	42%
Celine Suisse SA	Geneva, Switzerland	FC	42%
Celine UK Ltd	London, United Kingdom	FC	42%
Celine Inc.	New York, USA	FC	42%
Celine (Hong Kong) Limited	Hong Kong, China	FC	42%
Celine Commercial and Trading (Shanghai) Co. Ltd	Shanghai, China	FC	42%
Celine Distribution Singapore	Singapore	FC	42%
Celine Boutique Taiwan Co. Ltd	Taipei, Taiwan	FC	42%
CPC Macau Company Limited	Macao, China	FC	42%
LVMH FG Services UK	London, United Kingdom	FC	42%
Celine Distribution Spain SLU	Madrid, Spain	FC	42%
RC Diffusion Rive Droite SARL	Paris, France	FC	42%
Celine Netherlands BV	Baarn, Netherlands	FC	42%
Celine Australia Ltd Co.	Sydney, Australia	FC	42%
Celine Sweden AB	Stockholm, Sweden	FC	42%
Celine Czech Republic	Prague, Czech Republic	FC	42%
Celine Canada	Toronto, Canada	FC	42%
Celine Thailand	Bangkok, Thailand	FC	42%
Celine Philippines	Makati, Philippines	FC	42%
Celine Denmark	Copenhagen, Denmark	FC	42%
LMP LLC	New York, USA	FC	42%
Celine Korea Ltd	Seoul, South Korea	FC	42%
Rossimoda	Vigonza, Italy	FC	42%
Rossimoda Romania	Cluj-Napoca, Romania	FC	42%
Celine Service Italia Srl	Milan, Italy	FC	42%
Celine Italia	Milan, Italy	FC	42%
Phoebe Philo Ltd	London, United Kingdom	EM	13%
Givenchy SA	Paris, France	FC	42%
Givenchy Corporation	New York, USA	FC	42%
Givenchy China Co.	Hong Kong, China	FC	42%
Givenchy Couture Ltd	London, United Kingdom	FC	42%
Givenchy (Shanghai) Commercial and Trading Co.	Shanghai, China	FC	42%
GCCL Macau Co.	Macao, China	FC	42%
Givenchy Italia Srl	Florence, Italy	FC	42%
Givenchy Germany	Cologne, Germany	FC	42%
Givenchy Taiwan	Taipei, Taiwan	FC	42%
LVMH FG QT WLL	Doha, Qatar	FC	22%
LVMH FG ME FZ LLC	Dubai, United Arab Emirates	FC	27%
LVMH FG EAU LLC	Dubai, United Arab Emirates	FC	27%
LVMH FG Arabia Limited	Riyadh, Saudi Arabia	FC	25%
Givenchy Singapore	Singapore	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
Givenchy Korea Ltd	Seoul, South Korea	FC	42%
Givenchy (Thailand) Ltd	Bangkok, Thailand	FC	42%
Kenzo SA	Paris, France	FC	42%
Kenzo Paris Netherlands	Amsterdam, Netherlands	FC	42%
Kenzo UK Limited	London, United Kingdom	FC	42%
Kenzo Italia Srl	Milan, Italy	FC	42%
Kenzo Paris Singapore	Singapore	FC	42%
Kenzo Paris Japan KK	Tokyo, Japan	FC	42%
Kenzo Paris Hong Kong Company	Hong Kong, China	FC	42%
Kenzo Paris USA LLC	New York, USA	FC	42%
Kenzo Paris Macau Company Ltd	Macao, China	FC	42%
Holding Kenzo Asia	Hong Kong, China	FC	42%
Kenzo Paris Shanghai	Shanghai, China	FC	42%
LVMH Fashion Group Malaysia	Kuala Lumpur, Malaysia	FC	42%
Outshine Mexico S. de R.L. de C.V.	Mexico City, Mexico	FC	42%
Fendi Timepieces SA	Neuchâtel, Switzerland	FC	42%
Fendi Prague s.r.o.	Prague, Czech Republic	FC	42%
Luxury Kuwait for Ready Wear Company WLL	Kuwait City, Kuwait	FC	27%
Fun Fashion Qatar LLC	Doha, Qatar	FC	34%
Fendi Netherlands BV	Baarn, Netherlands	FC	42%
Fendi Australia Pty Ltd	Sydney, Australia	FC	42%
Fendi Brasil-Comercio de Artigos de Luxo	São Paulo, Brazil	FC	42%
Fendi RU LLC	Moscow, Russia	FC	42%
Fendi Canada Inc.	Toronto, Canada	FC	42%
Sabins SAS	Paris, France	FC	42%
Fendi Doha LLC	Doha, Qatar	FC	27%
Fendi Spain SL	Madrid, Spain	FC	42%
Fendi Monaco S.A.M.	Monte Carlo, Monaco	FC	42%
Fun Fashion Emirates LLC	Dubai, United Arab Emirates	FC	34%
Borgo Srl	Pienza, Italy	EM	13%
Fashion Furniture Design SpA	Milan, Italy	EM	8%
Fendi Greece Single Member SA	Glyfada, Greece	FC	42%
Fashion Furniture Design UK Limited	London, United Kingdom	EM	8%
FF Design USA, Inc.	New York, USA	EM	8%
Fendi Vietnam Company Limited	Ho Chi Minh City, Vietnam	FC	42%
Fendi Qatar QFZ LLC	Doha, Qatar	FC	42%
Maglificio Matisse Srl	Sant'Egidio alla Vibrata, Italy	FC	25%
Fashion Furniture Design (Shanghai) Co. Ltd	Shanghai, China	EM	8%
Fun Fashion Bahrain Co. WLL	Manama, Bahrain	FC	34%
Fendi Srl	Rome, Italy	FC	42%
Fendi Dis Ticaret Ltd Sti	Istanbul, Turkey	FC	42%
Fendi Philippines Corp.	Makati, Philippines	FC	42%
Fendi Italia Srl	Rome, Italy	FC	42%
Fendi UK Ltd	London, United Kingdom	FC	42%
Fendi France SAS	Paris, France	FC	42%
Fendi North America Inc.	New York, USA	FC	42%
Fendi (Thailand) Company Limited	Bangkok, Thailand	FC	42%
Fendi Korea Ltd	Seoul, South Korea	FC	42%
Fendi Taiwan Ltd	Taipei, Taiwan	FC	42%
Fendi Hong Kong Limited	Hong Kong, China	FC	42%
Fendi (Singapore) Pte Ltd	Singapore	FC	42%
Fendi Fashion (Malaysia) Sdn. Bhd.	Kuala Lumpur, Malaysia	FC	42%
Fendi Switzerland SA	Mendrisio, Switzerland	FC	42%
Fun Fashion FZCO	Dubai, United Arab Emirates	FC	34%
Fendi Macau Company Limited	Macao, China	FC	42%
Fendi Germany GmbH	Munich, Germany	FC	42%
Fendi Austria GmbH	Vienna, Austria	FC	42%
Fendi (Shanghai) Co. Ltd	Shanghai, China	FC	42%
Fendi Saudi for Trading LLC	Jeddah, Saudi Arabia	FC	34%
Fun Fashion India Private Ltd	Mumbai, India	FC	34%
Interservices & Trading SA	Mendrisio, Switzerland	FC	42%
Fendi Japan KK	Tokyo, Japan	FC	42%
Emilio Pucci Srl	Milan, Italy	FC	42%
Emilio Pucci International	Baarn, Netherlands	FC	42%
Emilio Pucci Ltd	New York, USA	FC	42%
Emilio Pucci UK Limited	London, United Kingdom	FC	42%
Emilio Pucci France SAS	Paris, France	FC	42%
Emilio Pucci International Srl	Milan, Italy	FC	42%

PERFUMES AND COSMETICS

Company	Registered office	Method of consolidation	Ownership interest
Perfumes Loewe SA	Madrid, Spain	FC	42%
Parfums Christian Dior	Paris, France	FC	42%
LVMH Perfumes and Cosmetics (Thailand) Ltd	Bangkok, Thailand	FC	21%
LVMH P&C do Brasil	São Paulo, Brazil	FC	42%
France Argentine Cosmetic	Buenos Aires, Argentina	FC	42%
LVMH P&C Commercial & Trade (Shanghai)	Shanghai, China	FC	42%
LVMH P&C (Shanghai) Co.	Shanghai, China	FC	42%
Shang Pu Ecommerce (Shanghai)	Shanghai, China	FC	42%
Parfums Christian Dior Finland	Helsinki, Finland	FC	42%
LVMH P&C Hainan	Haikou, China	FC	42%
LVMH Recherche	Saint-Jean-de-Braye, France	FC	42%
PCIS	Neuilly-sur-Seine, France	FC	42%
SNC du 33 Avenue Hoche	Paris, France	FC	42%
LVMH Fragrances and Cosmetics (Singapore)	Singapore	FC	42%
Parfums Christian Dior Orient Co.	Dubai, United Arab Emirates	FC	25%
Parfums Christian Dior Emirates	Dubai, United Arab Emirates	FC	20%
OOO Seldico	Moscow, Russia	FC	42%
DP Seldico	Kiev, Ukraine	FC	42%
LVMH Cosmetics	Tokyo, Japan	FC	42%
Parfums Christian Dior Arabia	Jeddah, Saudi Arabia	FC	25%
EPCD	Warsaw, Poland	FC	42%
EPCD CZ & SK	Prague, Czech Republic	FC	42%
EPCD RO Distribution	Bucharest, Romania	FC	42%
EPCD Hungaria	Budapest, Hungary	FC	42%
LVMH P&C Kazakhstan	Almaty, Kazakhstan	FC	42%
LVMH Perfumes e Cosmética	Lisbon, Portugal	FC	42%
L Beauty Pte	Singapore	FC	21%
PT L Beauty Brands	Jakarta, Indonesia	FC	21%
L Beauty Luxury Asia	Taguig City, Philippines	FC	21%
SCI Annabell	Paris, France	FC	42%
Parfums Christian Dior UK	London, United Kingdom	FC	42%
L Beauty Vietnam	Ho Chi Minh City, Vietnam	FC	21%
SCI Rose Blue	Paris, France	FC	42%
PCD St Honoré	Paris, France	FC	42%
LVMH Perfumes & Cosmetics Macau	Macao, China	FC	42%
PCD Dubai General Trading	Dubai, United Arab Emirates	FC	25%
PCD Doha Perfumes & Cosmetics	Doha, Qatar	FC	24%
Parfums Christian Dior BV	Rotterdam, Netherlands	FC	42%
Parfums Christian Dior S.A.B.	Brussels, Belgium	FC	42%
LVMH P&C Luxembourg	Luxembourg	FC	42%
Parfums Christian Dior (Ireland)	Dublin, Ireland	FC	42%
Parfums Christian Dior Hellas	Athens, Greece	FC	42%
Parfums Christian Dior	Zurich, Switzerland	FC	42%
Christian Dior Perfumes	New York, USA	FC	42%
Parfums Christian Dior Canada	Montreal, Canada	FC	42%
LVMH P&C de Mexico	Mexico City, Mexico	FC	42%
Parfums Christian Dior Japon	Tokyo, Japan	FC	42%
Parfums Christian Dior (Singapore)	Singapore	FC	42%
LVMH P&C Asia Pacific	Hong Kong, China	FC	42%
Fa Hua Frag. & Cosm. Taiwan	Taipei, Taiwan	FC	42%
P&C (Shanghai)	Shanghai, China	FC	42%
LVMH P&C Korea	Seoul, South Korea	FC	42%
Parfums Christian Dior Hong Kong	Hong Kong, China	FC	42%
LVMH P&C Malaysia Sdn. Berhad	Petaling Jaya, Malaysia	FC	42%
Fa Hua Fragance & Cosmetic Co.	Hong Kong, China	FC	42%
Pardior	Mexico City, Mexico	FC	42%
Parfums Christian Dior Denmark	Copenhagen, Denmark	FC	42%
LVMH Perfumes & Cosmetics Group	Sydney, Australia	FC	42%
Parfums Christian Dior	Sandvika, Norway	FC	42%
Parfums Christian Dior	Stockholm, Sweden	FC	42%
LVMH Perfumes & Cosmetics (New Zealand)	Auckland, New Zealand	FC	42%
Parfums Christian Dior Austria	Vienna, Austria	FC	42%
LVMH Profumi e Cosmetici Italia Srl	Milan, Italy	FC	42%
Cosmetics of France	Florida, USA	FC	42%
LVMH Fragrance Brands Singapore	Singapore	FC	42%
LVMH Fragrance Brands	Levallois-Perret, France	FC	42%
LVMH Fragrance Brands	Hersham, United Kingdom	FC	42%
LVMH Fragrance Brands	Düsseldorf, Germany	FC	42%
LVMH Fragrance Brands	New York, USA	FC	42%
LVMH Fragrance Brands Canada	Toronto, Canada	FC	42%
LVMH Fragrance Brands	Tokyo, Japan	FC	42%
LVMH Fragrance Brands WHD	Florida, USA	FC	42%
LVMH Fragrance Brands Hong Kong	Hong Kong, China	FC	42%
Parfums Francis Kurkdjian SAS	Paris, France	FC	33%
Parfums Francis Kurkdjian LLC	New York, USA	FC	33%
Maison Francis Kurkdjian UK	London, United Kingdom	FC	33%
Benefit Cosmetics LLC	California, USA	FC	42%
Benefit Cosmetics Ireland Ltd	Dublin, Ireland	FC	42%
Benefit Cosmetics UK Ltd	Chelmsford, United Kingdom	FC	42%
Benefit Cosmetics Services Canada Inc.	Toronto, Canada	FC	42%
Benefit Cosmetics Korea	Seoul, South Korea	FC	42%
Benefit Cosmetics SAS	Paris, France	FC	42%
Benefit Cosmetics Hong Kong Ltd	Hong Kong, China	FC	42%
Fresh Canada	Montreal, Canada	FC	42%
Fresh	New York, USA	FC	42%
Fresh	Neuilly-sur-Seine, France	FC	42%
Fresh Cosmetics	London, United Kingdom	FC	42%
Fresh Hong Kong	Hong Kong, China	FC	42%
Fresh Korea	Seoul, South Korea	FC	42%
L Beauty Sdn. Bhd.	Kuala Lumpur, Malaysia	FC	21%
L Beauty (Thailand) Co. Ltd	Bangkok, Thailand	FC	20%
Guerlain SA	Paris, France	FC	42%
LVMH Parfums & Kosmetik Deutschland GmbH	Düsseldorf, Germany	FC	42%
Guerlain GmbH	Vienna, Austria	FC	42%
Guerlain Benelux SA	Brussels, Belgium	FC	42%
Guerlain Ltd	London, United Kingdom	FC	42%
PC Parfums Cosmétiques SA	Zurich, Switzerland	FC	42%
Guerlain Inc.	New York, USA	FC	42%
Guerlain (Canada) Ltd	Saint-Jean, Canada	FC	42%
Guerlain de Mexico	Mexico City, Mexico	FC	42%
Guerlain (Asia Pacific) Limited	Hong Kong, China	FC	42%
Guerlain KK	Tokyo, Japan	FC	42%
Guerlain Oceania Australia Pty Ltd	Botany, Australia	FC	42%
PT Guerlain Cosmetics Indonesia	Jakarta, Indonesia	FC	21%
Guerlain KSA SAS	Levallois-Perret, France	FC	42%
Guerlain Orient DMCC	Dubai, United Arab Emirates	FC	42%
Guerlain Saudi Limited	Jeddah, Saudi Arabia	FC	42%
Guerlain Polska sp. z o.o.	Warsaw, Poland	FC	42%
Guerlain CZ & SK s.r.o.	Prague, Czech Republic	FC	42%
Guerlain Romania Srl	Bucharest, Romania	FC	42%
Guerlain Hungary KFT	Budapest, Hungary	FC	42%
G Beauty Orient LLC	Dubai, United Arab Emirates	FC	13%
Acqua di Parma	Milan, Italy	FC	42%
Acqua di Parma	New York, USA	FC	42%
Acqua di Parma Canada Inc.	Toronto, Canada	FC	42%
Acqua di Parma	London, United Kingdom	FC	42%
Acqua di Parma Srl (Paris Branch)	Paris, France	FC	42%
Make Up For Ever	Paris, France	FC	42%
SCI Edison	Paris, France	FC	42%
Make Up For Ever Academy China	Shanghai, China	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
Make Up For Ever	New York, USA	FC	42%
Make Up For Ever Canada	Montreal, Canada	FC	42%
Make Up For Ever UK Limited	London, United Kingdom	FC	42%
Kendo Holdings Inc.	California, USA	FC	42%
Fenty Skin LLC	California, USA	FC	21%
Fenty Hair Products LLC	California, USA	FC	21%
Fenty Fragrance LLC	California, USA	FC	21%
Ole Henriksen of Denmark Inc.	California, USA	FC	42%
SLF USA Inc.	California, USA	FC	42%
Susanne Lang Fragrance	Toronto, Canada	FC	42%
BHUS Inc.	California, USA	FC	42%
KVD Beauty LLC	California, USA	FC	42%
Fenty Beauty LLC	California, USA	FC	21%
Kendo Brands Ltd	Bicester, United Kingdom	FC	42%
Kendo Brands SAS	Paris, France	FC	42%
Kendo Hong Kong Limited	Hong Kong, China	FC	42%
Kendo Singapore Limited	Singapore	FC	42%
Buly France SAS	Paris, France	FC	42%
Buly UK Ltd	London, United Kingdom	FC	42%
Buly Japan KK	Tokyo, Japan	FC	42%
Buly HK Limited	Hong Kong, China	FC	42%
Biocreation Cosmetic SAS	Saintigny, France	FC	42%

WATCHES AND JEWELRY

Company	Registered office	Method of consolidation	Ownership interest
Fred Paris	Paris, France	FC	42%
Fred Joaillier	Monte Carlo, Monaco	FC	42%
Fred Joaillier	New York, USA	FC	42%
Fred Londres	Manchester, United Kingdom	FC	42%
Fred Trading	Dubai, United Arab Emirates	FC	42%
Fred & Chaumet Italia	Milan, Italy	FC	42%
TAG Heuer International	La Chaux-de-Fonds, Switzerland	FC	42%
LVMH W&J FZ LLC	Dubai, United Arab Emirates	FC	42%
LVMH Watch & Jewelry Thailand Ltd	Bangkok, Thailand	FC	42%
TAG Heuer Korea Ltd	Seoul, South Korea	FC	42%
LVMH Relojería y Joyería España SA	Madrid, Spain	FC	42%
LVMH Montres & Joaillerie France	Paris, France	FC	42%
LVMH Watch & Jewelry UK	Manchester, United Kingdom	FC	42%
LVMH Watch & Jewelry Canada	Richmond, Canada	FC	42%
LVMH Watch & Jewelry Singapore	Singapore	FC	42%
LVMH Watch & Jewelry Malaysia	Kuala Lumpur, Malaysia	FC	42%
LVMH Watch & Jewelry Japan	Tokyo, Japan	FC	42%
LVMH Watch & Jewelry Australia Pty Ltd	Melbourne, Australia	FC	42%
LVMH Watch & Jewelry Hong Kong	Hong Kong, China	FC	42%
LVMH Watch & Jewelry Taiwan	Taipei, Taiwan	FC	42%
TAG Heuer Connected	Besançon, France	FC	42%
LVMH Watch & Jewelry India	New Delhi, India	FC	42%
LVMH Watch & Jewelry USA	Illinois, USA	FC	42%
LVMH Watch & Jewelry Central Europe	Oberursel, Germany	FC	42%
TAG Heuer Boutique Outlet Store Roermond	Oberursel, Germany	FC	42%
LVMH Watch & Jewelry (Shanghai) Commercial Co.	Shanghai, China	FC	42%
LVMH Watch & Jewelry Russia LLC	Moscow, Russia	FC	42%
Artecad	Tramelan, Switzerland	FC	42%
Golfcoders	Paris, France	FC	42%
LVMH W&J Trading LLC	Dubai, United Arab Emirates	FC	42%
LVMH Watch & Jewelry Italy SpA	Milan, Italy	FC	42%
Chaumet International	Paris, France	FC	42%
Chaumet London	London, United Kingdom	FC	42%
Chaumet Horlogerie	Nyon, Switzerland	FC	42%
LVMH Watch & Jewelry Korea	Seoul, South Korea	FC	42%
Chaumet Australia	Sydney, Australia	FC	42%
Chaumet Monaco	Monte Carlo, Monaco	FC	42%
Chaumet Middle East	Dubai, United Arab Emirates	FC	29%
Chaumet UAE	Dubai, United Arab Emirates	FC	29%
Chaumet Arabia Limited	Jeddah, Saudi Arabia	FC	29%
LVMH Watch & Jewelry Macau Company	Macao, China	FC	42%
Chaumet Iberia SL	Madrid, Spain	FC	42%
BMC SpA	Valenza, Italy	FC	25%
Big Bag Srl	Valenza, Italy	FC	15%
B&G Srl	Valenza, Italy	FC	15%
Chaumet Russia LLC	Moscow, Russia	FC	42%
LVMH Swiss Manufactures	La Chaux-de-Fonds, Switzerland	FC	42%
Delano	La Chaux-de-Fonds, Switzerland	FC	42%
Hublot	Nyon, Switzerland	FC	42%
Bentim International SA	Nyon, Switzerland	FC	42%
Hublot SA Genève	Geneva, Switzerland	FC	42%
Hublot of America	Florida, USA	FC	42%
Benoit de Gorski SA	Geneva, Switzerland	FC	42%
Hublot Boutique Monaco	Monte Carlo, Monaco	FC	42%
Hublot Canada	Toronto, Canada	FC	42%
LVMH Relojería y Joyería de México	Mexico City, Mexico	FC	42%
ECCO Watch Co. Ltd	Seoul, South Korea	FC	29%
BonCera Co. Ltd	Seoul, South Korea	FC	29%
Bulgari SpA	Rome, Italy	FC	42%
Bulgari Italia	Rome, Italy	FC	42%
Bulgari Gioielli	Valenza, Italy	FC	42%
Bulgari International Corporation (BIC)	Amsterdam, Netherlands	FC	42%
Bulgari Corporation of America	New York, USA	FC	42%
Bulgari Horlogerie	Neuchâtel, Switzerland	FC	42%
Bulgari Japan	Tokyo, Japan	FC	42%
Bulgari (Deutschland)	Munich, Germany	FC	42%
Bulgari France	Paris, France	FC	42%
Bulgari Montecarlo	Monte Carlo, Monaco	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
Bulgari España	Madrid, Spain	FC	42%
Bulgari SA	Geneva, Switzerland	FC	42%
Bulgari South Asian Operations	Singapore	FC	42%
Bulgari (UK) Ltd	London, United Kingdom	FC	42%
Bulgari Belgium	Brussels, Belgium	FC	42%
Bulgari Australia	Sydney, Australia	FC	42%
Bulgari (Malaysia)	Kuala Lumpur, Malaysia	FC	42%
Bulgari Global Operations	Neuchâtel, Switzerland	FC	42%
Bulgari Denmark	Copenhagen, Denmark	FC	42%
Bulgari Asia Pacific	Hong Kong, China	FC	42%
Bulgari (Taiwan)	Taipei, Taiwan	FC	42%
Bulgari Korea	Seoul, South Korea	FC	42%
Bulgari Saint Barth	Saint-Barthélemy, French Antilles	FC	42%
Bulgari Commercial (Shanghai) Co.	Shanghai, China	FC	42%
Bulgari Hainan	Hainan, China	FC	42%
Bulgari Accessori	Florence, Italy	FC	42%
Bulgari (Austria) GmbH	Vienna, Austria	FC	42%
Bulgari (Thailand)	Bangkok, Thailand	FC	42%
Bulgari Qatar	Doha, Qatar	FC	21%
Gulf Luxury Trading	Dubai, United Arab Emirates	FC	21%
Bulgari do Brazil	São Paulo, Brazil	FC	42%
Bulgari Ireland	Dublin, Ireland	FC	42%
Bulgari Turkey Lüks Ürün Ticareti	Istanbul, Turkey	FC	42%
Lux Jewels Kuwait for Trading in Gold Jewelry and Precious Stones	Kuwait City, Kuwait	FC	34%
Lux Jewels Bahrain	Manama, Bahrain	FC	34%
India Luxco Retail	New Delhi, India	FC	42%
BK for Jewelry and Precious Metals and Stones Co.	Kuwait City, Kuwait	FC	34%
Bulgari Canada	Montreal, Canada	FC	42%
Bulgari Commercial Mexico	Mexico City, Mexico	FC	42%
Bulgari Russia	Moscow, Russia	FC	42%
Bulgari Prague	Prague, Czech Republic	FC	42%
Bulgari Portugal	Lisbon, Portugal	FC	42%
Bulgari Philippines	Makati, Philippines	FC	42%
Bulgari Vietnam	Ho Chi Minh City, Vietnam	FC	42%
Bulgari New Zealand	Auckland, New Zealand	FC	42%
Bulgari Saudi for Trading LLC	Riyadh, Saudi Arabia	FC	29%
Bulgari Distribuzione Srl	Florence, Italy	FC	42%
Bulgari Middle East DMCC	Dubai, United Arab Emirates	FC	42%
Bulgari Roma	Rome, Italy	FC	42%
Bulgari Hotels and Resorts Milano Srl	Rome, Italy	EM	21%
Repossi	Paris, France	FC	42%
LVMH W&J Jewelry Operations	Alessandria, Italy	FC	42%
VPA SpA Villa Pedemonte Atelier	Alessandria, Italy	FC	42%
Greco F.lli Srl	Alessandria, Italy	FC	42%
Orsini F.lli Gieffedi Srl	Alessandria, Italy	FC	42%
Callegaro F.lli Srl	Alessandria, Italy	FC	42%
Thea SARL	Paris, France	FC	42%
Valmanova SAS	Paris, France	FC	42%
Laurelton Sourcing, LLC	Delaware, USA	FC	42%
Laurelton Diamonds, Inc.	Delaware, USA	FC	42%
Tiffany & Co.	Delaware, USA	FC	42%
Tiffany and Company	New York, USA	FC	42%
Tiffany & Co. International	Delaware, USA	FC	42%
Tiffany Distribution Company LLC	Delaware, USA	FC	42%
Tiffany and Company U.S. Sales, LLC	Delaware, USA	FC	42%
East Pond Holdings, Inc.	Delaware, USA	FC	42%
Tiffany Atlantic City, Inc.	New Jersey, USA	FC	42%
Tiffany & Co. Luxembourg SARL	Luxembourg	FC	42%
Tiffany & Co. Holding I LLC	Delaware, USA	FC	42%
Tiffany & Co. Holding II LLC	Delaware, USA	FC	42%
Tiffany & Co. Asia Holdings LLC	Delaware, USA	FC	42%
Tiffany & Co. Limited	London, United Kingdom	FC	42%
Tiffany & Co. (GB)	London, United Kingdom	FC	42%
Tiffany & Co. (UK) Holdings Limited	London, United Kingdom	FC	42%
Tiffany and Company (Germany Branch)	Munich, Germany	FC	42%
Tiffany and Company (Zurich Branch)	Zurich, Switzerland	FC	42%
Tiffany & Co. (Switzerland) Jewelers SARL	Geneva, Switzerland	FC	42%
Tiffany Switzerland Watch Company SAGL	Chiasso, Switzerland	FC	42%
Tiffany & Co. Swiss Watches SAGL	Chiasso, Switzerland	FC	42%
TIF Watch Holdings SAGL	Chiasso, Switzerland	FC	42%
TIF Swiss Holdings GmbH	Chiasso, Switzerland	FC	42%
Tiffany & Co. Italia SpA	Milan, Italy	FC	42%
Tiffany & Co. (Italy) Srl	Milan, Italy	FC	42%
Tiffany & Co.	Paris, France	FC	42%
Tiffany & Co. (FR) Holdings SAS	Paris, France	FC	42%
Laurelton Diamonds Belgium BVBA	Antwerp, Belgium	FC	42%
Tiffany and Company (Austria Branch)	Vienna, Austria	FC	42%
Tiffany & Co. Netherlands BV	Amsterdam, Netherlands	FC	42%
Tiffany & Co. (CR) s.r.o.	Prague, Czech Republic	FC	42%
Tiffany & Co. Denmark ApS	Copenhagen, Denmark	FC	42%
TCO (NL) Logistics BV	Amsterdam, Netherlands	FC	42%
Tiffany & Co. Sweden AB	Sundsvall, Sweden	FC	42%
TCO Turkey Mucevherat Ticareti Limited Sirketi	Istanbul, Turkey	FC	42%
TCO Kuwait Jewelry Company WLL	Salmiya, Kuwait	FC	34%
TCO Kuwait Holding	Kuwait City, Kuwait	FC	34%
Tiffany & Co. of New York Limited	Hong Kong, China	FC	42%
Tiffany & Co. Hong Kong Holding LLC	Delaware, USA	FC	42%
Tiffany & Co. Pte Ltd	Singapore	FC	42%
Tiffany & Co. (Singapore SC) Private Ltd	Singapore	FC	42%
Tiffany & Co. International (Taiwan Branch)	Taipei, Taiwan	FC	42%
Tiffany Korea Ltd	Seoul, South Korea	FC	42%
Tiffany & Co. Korea Holding LLC	Delaware, USA	FC	42%
Tiffany & Co. (Australia) Pty Ltd	Sydney, Australia	FC	42%
Tiffany & Co. (NZ) Limited	Auckland, New Zealand	FC	42%
Tiffany & Co. Asia Pacific Limited	Hong Kong, China	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
Tiffany & Co. Jewelers Malaysia Sdn. Bhd.	Kuala Lumpur, Malaysia	FC	42%
Tiffany & Co. Pte Ltd (Malaysia Branch)	Kuala Lumpur, Malaysia	FC	42%
TCO Macau Limited	Macao, China	FC	42%
Tiffany & Co. (Shanghai) Commercial Company Limited	Shanghai, China	FC	42%
Tiffany & Co. (Shanghai) Management Consulting Company Limited	Shanghai, China	FC	42%
Tiffany & Co. Jewelers (Thailand) Company Limited	Bangkok, Thailand	FC	42%
TCO Jewelers Vietnam LLC	Ho Chi Minh City, Vietnam	FC	42%
Tiffany & Co. Philippines Corporation	Makati, Philippines	FC	42%
Tiffany & Co. Canada	Halifax, Canada	FC	42%
Tiffany & Co. (Canada) LP	Winnipeg, Canada	FC	42%
Tiffany & Co. Mexico, SA de CV	Mexico City, Mexico	FC	42%
Tiffany-Brasil Ltda.	São Paulo, Brazil	FC	42%
Tiffany & Co. Belgium SPRL	Brussels, Belgium	FC	42%
Tiffany & Co. (Jewellers) Limited	Dublin, Ireland	FC	42%
Tiffany of New York (Spain) SLU	Madrid, Spain	FC	42%
Tiffany & Co. Chile SpA	Santiago de Chile, Chile	FC	42%
Tiffany & Co. Puerto Rico	San Juan, Puerto Rico	FC	42%
Tiffany & Co. (Aruba) VBA	Oranjestad, Aruba	FC	42%
Tiffany & Co. DR SRL	Santo Domingo, Dominican Republic	FC	42%
Tiffany & Co. (Monaco) SAM	Monte Carlo, Monaco	FC	42%
Tiffany and Company (Dubai Branch)	Dubai, United Arab Emirates	FC	42%
TCO Damas Associates LLC	Dubai, United Arab Emirates	FC	42%
TCO Holdings Limited	Dubai, United Arab Emirates	FC	42%
Tiffany Russia LLC	Moscow, Russia	FC	42%
TCO Saudi for Trade	Jeddah, Saudi Arabia	FC	31%
TCO KSA Holdings BV	Amsterdam, Netherlands	FC	42%
Tiffany Japan	Tokyo, Japan	FC	42%
Tiffany & Co. Overseas Finance BV	Amsterdam, Netherlands	FC	42%
Tiffany NJ LLC	New Jersey, USA	FC	42%
Iridesse, Inc.	Delaware, USA	FC	42%
MVTCO, Inc.	Delaware, USA	FC	42%
DPFH Co. Ltd	Tortola, British Virgin Islands	FC	42%
Tiffco Investment Vehicle, Inc.	Tortola, British Virgin Islands	FC	42%
NHC, LLC	Delaware, USA	FC	42%
Laurelton Diamonds South Africa (Proprietary) Limited	Johannesburg, South Africa	FC	42%
Laurelton Diamonds Vietnam, LLC	Hai Duong, Vietnam	FC	42%
Laurelton Diamonds (Mauritius) Limited	Port Louis, Mauritius	FC	42%
BWHC, LLC	Delaware, USA	FC	42%
Laurelton Diamonds Botswana (Proprietary) Limited	Gaborone, Botswana	FC	34%
Laurelton Gems (Thailand) Ltd	Bangkok, Thailand	FC	42%
Laurelton Jewelry, SRL	Bajos de Haina, Dominican Republic	FC	42%
TCORD Holding Company LLC	Delaware, USA	FC	42%
Tiffany Thailand Holdings I LLC	Delaware, USA	FC	42%
Tiffany Thailand Holdings II LLC	Delaware, USA	FC	42%
Laurelton-Reign Diamonds (Pty) Ltd	Windhoek, Namibia	FC	42%
Laurelton Diamonds (Cambodia) Co. Ltd	Phnom Penh, Cambodia	FC	42%
Orest Group SAS	Erstein, France	FC	39%
Platinum Invest SAS	Erstein, France	FC	39%
Oriots Finance SAS	Paris, France	FC	39%
BD Product Manufacture SAS	Mamirolle, France	FC	39%
JAO	Paris, France	FC	29%
Abysse	Paris, France	FC	39%
Financière Abysse SAS	Paris, France	FC	39%
Hamard Vitau SAS	Paris, France	FC	39%
Atelier Bleu Platine SARL	Paris, France	FC	39%
Alain Foubert SAS	Paris, France	FC	39%

SELECTIVE RETAILING

Company	Registered office	Method of consolidation	Ownership interest
DFS Guam L.P.	Tamuning, Guam	FC	26%
LAX Duty Free Joint Venture 2000	California, USA	FC	19%
JFK Terminal 4 Joint Venture 2001	New York, USA	FC	21%
SFO Duty Free & Luxury Store Joint Venture	California, USA	FC	19%
SFOIT Specialty Retail Joint Venture	California, USA	FC	19%
DFS Merchandising Limited	Delaware, USA	FC	26%
DFS Group LP	Delaware, USA	FC	26%
DFS Korea Limited	Seoul, South Korea	FC	26%
DFS Cotai Limitada	Macao, China	FC	26%
DFS New Zealand Limited	Auckland, New Zealand	FC	26%
DFS Australia Pty Limited	Sydney, Australia	FC	26%
DFS Group Limited – USA	Delaware, USA	FC	26%
DFS Venture Singapore Pte Ltd	Singapore	FC	26%
DFS Vietnam (S) Pte Ltd	Singapore	FC	18%
New Asia Wave International (S) Pte Ltd	Singapore	FC	18%
Ipp Group (S) Pte Ltd	Singapore	FC	18%
DFS Van Don LLC	Van Don, Vietnam	FC	26%
DFS Vietnam Limited Liability Company	Ho Chi Minh City, Vietnam	FC	26%
DFS Venture Vietnam Company Limited	Ho Chi Minh City, Vietnam	FC	26%
DFS (Cambodia) Limited	Phnom Penh, Cambodia	FC	18%
DFS Singapore Pte Ltd	Singapore	FC	26%
DFS Middle East LLC	Abu Dhabi, United Arab Emirates	FC	26%
DFS Italia Srl	Venice, Italy	FC	26%
DFS Holdings Limited	Hamilton, Bermuda	FC	26%
DFS Okinawa KK	Okinawa, Japan	FC	26%
DFS Saipan Limited	Saipan, Northern Mariana Islands	FC	26%
Commonwealth Investment Company Inc.	Saipan, Northern Mariana Islands	FC	25%
Kinkai Saipan LP	Saipan, Northern Mariana Islands	FC	26%
DFS Liquor Retailing Limited	Delaware, USA	FC	26%
Twenty-Seven Twenty Eight Corp.	Delaware, USA	FC	26%
DFS Group Limited – HK	Hong Kong, China	FC	26%
DFS Retail (Hainan) Company Limited	Haikou, China	FC	26%
DFS Commerce & Trade (Hainan) Co. Ltd	Hainan, China	FC	26%
DFS Business Consulting (Shanghai) Co. Ltd	Shanghai, China	FC	26%
JAL/DFS Co. Ltd	Chiba, Japan	EM	10%
PT Sona Topas Tourism Industry Tbk	Jakarta, Indonesia	EM	12%
Central DFS Co. Ltd	Bangkok, Thailand	EM	13%
Shenzhen DFG E-Commerce Co. Ltd	Shenzhen, China	EM	6%
Big Ticket Holding RSC Limited	Abu Dhabi, United Arab Emirates	EM	6%
DFS France SAS	Paris, France	FC	42%
Sephora SAS	Neuilly-sur-Seine, France	FC	42%
Sephora Greece SA	Athens, Greece	FC	42%
Sephora Cosmetics Romania SA	Bucharest, Romania	FC	42%
Sephora Cosmetics Ltd (Serbia)	Belgrade, Serbia	FC	42%
Sephora Bulgaria EOOD	Sofia, Bulgaria	FC	42%
Sephora Danmark ApS	Copenhagen, Denmark	FC	42%
Sephora Sweden AB	Stockholm, Sweden	FC	42%
Sephora Switzerland SA	Geneva, Switzerland	FC	42%
Sephora Germany GmbH	Düsseldorf, Germany	FC	42%
Sephora UK	Northampton, United Kingdom	FC	42%
Feelunique Holding SAS	Neuilly-sur-Seine, France	FC	42%
Channel Island Commercial Group Limited	St. Helier, Jersey	FC	42%
Ocapel Limited	St. Helier, Jersey	FC	42%
Feelunique France SAS	Paris, France	FC	42%
Sephora Luxembourg SARL	Luxembourg	FC	42%
LVMH Iberia SL	Madrid, Spain	FC	42%
Sephora Italia Srl	Milan, Italy	FC	42%
Sephora Portugal Perfumaria Lda	Lisbon, Portugal	FC	42%
Sephora Polska Sp. z o.o.	Warsaw, Poland	FC	42%
Sephora Sro (Czech Republic)	Prague, Czech Republic	FC	42%
Sephora Monaco SAM	Monte Carlo, Monaco	FC	41%
Sephora Cosméticos España SL	Madrid, Spain	EM	21%
Sephora Kozmetik AS (Turquie)	Istanbul, Turkey	FC	42%
Sephora (Shanghai) Cosmetics Co. Ltd	Shanghai, China	FC	34%
Sephora (Beijing) Cosmetics Co. Ltd	Beijing, China	FC	34%
Sephora Xiangyang (Shanghai) Cosmetics Co. Ltd	Shanghai, China	FC	34%
Sephora Hong Kong Limited	Hong Kong, China	FC	42%
Le Bon Marché	Paris, France	FC	42%
SEGEP	Paris, France	FC	42%
Franck & Fils	Paris, France	FC	42%
Sephora Moyen-Orient SA	Fribourg, Switzerland	FC	31%
Sephora Middle East FZE	Dubai, United Arab Emirates	FC	31%
Sephora Emirates LLC	Dubai, United Arab Emirates	FC	31%
Sephora Bahrain WLL	Manama, Bahrain	FC	31%
Sephora Qatar WLL	Doha, Qatar	FC	28%
Sephora Arabia Limited	Jeddah, Saudi Arabia	FC	31%
Sephora Kuwait Co. WLL	Kuwait City, Kuwait	FC	27%
Sephora Holding South Asia	Singapore	FC	42%
Sephora Singapore Pte Ltd	Singapore	FC	42%
Beauty In Motion Sdn. Bhd.	Kuala Lumpur, Malaysia	FC	42%
Sephora Cosmetics Private Limited (India)	New Delhi, India	FC	42%
PT Sephora Indonesia	Jakarta, Indonesia	FC	42%
Sephora (Thailand) Company (Limited)	Bangkok, Thailand	FC	42%
Sephora Australia Pty Ltd	Sydney, Australia	FC	42%
Sephora Digital Pte Ltd	Singapore	FC	42%
Sephora Digital (Thailand) Ltd	Bangkok, Thailand	FC	42%
LX Services Pte Ltd	Singapore	FC	42%
PT MU and SC Trading (Indonesia)	Jakarta, Indonesia	FC	42%
Sephora Services Philippines (Branch)	Manila, Philippines	FC	42%
Sephora New Zealand Limited	Wellington, New Zealand	FC	42%
Sephora Korea Ltd	Seoul, South Korea	FC	42%
PT Cakradara Mulia Abadi	Jakarta, Indonesia	FC	42%
24 Sèvres	Paris, France	FC	42%
Sephora USA Inc.	California, USA	FC	42%
LGCS Inc.	New York, USA	FC	42%
Sephora Beauty Canada Inc.	Toronto, Canada	FC	42%
Sephora Puerto Rico LLC	California, USA	FC	42%
S+ SAS	Neuilly-sur-Seine, France	FC	42%
Sephora Mexico S. de R.L. de C.V.	Mexico City, Mexico	FC	42%
Servicios Ziphorah S. de R.L. de C.V.	Mexico City, Mexico	FC	42%
Dotcom Group Comércio de Presentes SA	Rio de Janeiro, Brazil	FC	42%
Avenue Hoche Varejista Limitada	São Paulo, Brazil	FC	42%

OTHER ACTIVITIES

Company	Registered office	Method of consolidation	Ownership interest
Amicitia	New York, USA	FC	21%
Lupicini	New York, USA	FC	20%
357 N. Beverly Drive LLC	New York, USA	FC	42%
1 Main Street East Hampton LLC	New York, USA	FC	42%
East 56th and East 57th Street LLC	New York, USA	FC	42%
Thélios Holdings LLC	New York, USA	FC	42%
22 Montaigne Entertainment LLC	New York, USA	FC	42%
Pasticceria Confetteria Cova	Milan, Italy	FC	34%
Cova Montenapoleone	Milan, Italy	FC	34%
Cova France SAS	Paris, France	FC	34%
Groupe Les Echos	Paris, France	FC	42%
Museec	Paris, France	FC	21%
Change Now	Paris, France	FC	23%
Media Management SAS	Paris, France	FC	42%
Radio Classique	Paris, France	FC	42%
Mezzo	Paris, France	FC	21%
Les Echos Le Parisien Medias	Paris, France	FC	42%
SFPA	Paris, France	FC	42%
Dematis	Paris, France	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
Les Echos Le Parisien Services	Paris, France	FC	42%
Les Echos	Paris, France	FC	42%
Pelham Media Ltd	London, United Kingdom	FC	42%
WordAppeal	Paris, France	FC	42%
Pelham Media SARL	Paris, France	FC	42%
L'Eclaireur	Paris, France	FC	42%
KCO Events	Paris, France	FC	42%
Pelham Media Production	Paris, France	FC	42%
Alto International SARL	Paris, France	FC	42%
LVMH Moët Hennessy Louis Vuitton	Paris, France	FC	42%
Bayard (Shanghai) Investment and Consultancy Co. Ltd	Shanghai, China	FC	42%
LVMH (Shanghai) Management & Consultancy Co. Ltd	Shanghai, China	FC	42%
LVMH Korea Ltd	Seoul, South Korea	FC	42%
LVMH South & South East Asia Pte Ltd	Singapore	FC	42%
Alderande	Paris, France	FC	24%
LVMH Group Treasury	Paris, France	FC	42%
Sofidiv Art Trading Company	New York, USA	FC	42%
Sofidiv Inc.	New York, USA	FC	42%
Probinvest	Paris, France	FC	42%
Glacea	Luxembourg	FC	42%
Naxara	Luxembourg	FC	42%
Ufipar	Paris, France	FC	42%
Pronos	Luxembourg	FC	42%
EUPALINOS 1850	Paris, France	FC	42%
L. Courtage Réassurance	Paris, France	FC	42%
Mongoual SA	Paris, France	FC	42%
SARL Daves Rue de la Paix	Paris, France	FC	42%
SARL Daves Place des Etats-Unis	Paris, France	FC	42%
SNC HÔTEL LES ANÉMONES	Courchevel, France	FC	42%
OMEGA	Paris, France	FC	42%
Anemone 1850	Paris, France	FC	42%
Société Montaigne Jean Goujon SAS	Paris, France	FC	42%
ENABLE	Paris, France	FC	42%
26 Cambon	Paris, France	FC	42%
MDD SA	Luxembourg	EM	21%
LVMH Luxury Ventures Advisors	Paris, France	FC	42%
White Investissement SAS	Paris, France	FC	42%
Grands Magasins de la Samaritaine	Paris, France	FC	41%
Photine	Paris, France	FC	42%
Villa Foscarini Srl	Milan, Italy	FC	42%
Vicuna Holding	Milan, Italy	FC	42%
Gorgias	Luxembourg	FC	42%
LC Investissements	Paris, France	FC	21%
LVMH Representações Ltda	São Paulo, Brazil	FC	42%
LVMH Investissements	Paris, France	FC	42%
Ufinvest	Paris, France	FC	42%
White 1921 Courchevel Société d'Exploitation Hôtelière	Courchevel, France	FC	42%
Delta	Paris, France	FC	42%
Société Immobilière Paris Savoie Les Tovets	Courchevel, France	FC	42%
Investissement Hôtelier Saint Barth Plage des Flamands	Saint-Barthélemy, French Antilles	FC	24%
P&C International	Paris, France	FC	42%
Dajbog SA	Luxembourg	FC	42%
LVMH Participations BV	Baarn, Netherlands	FC	42%
LVMH Services BV	Baarn, Netherlands	FC	42%
2181 Kalakaua Holdings LLC	Texas, USA	EM	21%
2181 Kalakaua LLC	Texas, USA	EM	21%
Polynomes	Paris, France	FC	35%
Breakfast Holdings Acquisition	New York, USA	FC	42%
L Catterton Management	London, United Kingdom	EM	9%
449 North Beverly Drive	New York, USA	FC	42%
Moët Hennessy	Paris, France	FC	28%
Moët Hennessy International	Paris, France	FC	28%
Osaka Fudosan Company	Tokyo, Japan	FC	42%
Moët Hennessy Inc.	New York, USA	FC	28%
One East 57th Street LLC	New York, USA	FC	42%
Creare	Luxembourg	FC	42%
LVMH Moët Hennessy Louis Vuitton KK	Tokyo, Japan	FC	42%
LVMH EU	Luxembourg	FC	42%
Marithé	Luxembourg	FC	42%
Delphine	Paris, France	FC	42%
Meadowland Florida LLC	New York, USA	FC	42%
461 North Beverly Drive	New York, USA	FC	42%
GIE CAPI13	Paris, France	FC	42%
LVMH Miscellanées	Paris, France	FC	42%
Sofidiv UK Limited	London, United Kingdom	FC	42%
Primae	Paris, France	FC	42%
LVMH Asia Pacific	Hong Kong, China	FC	42%
LVMH Canada	Toronto, Canada	FC	42%
LVMH Perfumes & Cosmetics Inc.	New York, USA	FC	42%
LVMH Moët Hennessy Louis Vuitton Inc.	New York, USA	FC	42%
Lafayette Art I LLC	New York, USA	FC	42%
Island Cay Inc.	New York, USA	FC	42%
Halls Pond Exuma Ltd	Nassau, Bahamas	FC	42%
598 Madison Leasing Corp.	New York, USA	FC	42%
Eutrope	Paris, France	FC	42%
468 North Rodeo Drive	New York, USA	FC	42%
Flavius Investissements	Paris, France	FC	42%
LVMH BH Holdings LLC	New York, USA	FC	42%
Rodeo Partners LLC	New York, USA	FC	42%
LBD Holding	Paris, France	FC	42%
LVMH MJ Holdings Inc.	New York, USA	FC	42%
Arbelos Insurance Inc.	New York, USA	FC	42%
1896 Corp.	New York, USA	FC	42%
313-317 N. Rodeo LLC	New York, USA	FC	42%
319-323 N. Rodeo LLC	New York, USA	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
420 N. Rodeo LLC	New York, USA	FC	42%
456 North Rodeo Drive	New York, USA	FC	42%
LVMH Services Limited	London, United Kingdom	FC	42%
Moët Hennessy Investissements	Paris, France	FC	28%
LVMH Moët Hennessy Louis Vuitton BV	Baarn, Netherlands	FC	42%
LVMH Italia SpA	Milan, Italy	FC	42%
Investir Publications	Paris, France	FC	42%
Les Echos Solutions	Paris, France	FC	42%
Les Echos Publishing	Paris, France	FC	42%
Editio	Paris, France	FC	42%
EuroArts Music International	Berlin, Germany	FC	42%
Agence d'Evénements Culturels	Paris, France	FC	23%
Opinion Way SAS	Paris, France	FC	32%
Datagora	Paris, France	FC	40%
Heliox	Paris, France	FC	42%
Pour l'Eco	Paris, France	FC	42%
Tamaris Holding	Paris, France	EM	21%
LVMH Hotel Management	Paris, France	FC	42%
Société d'Exploitation Hôtelière de la Samaritaine	Paris, France	FC	42%
Société d'Exploitation Hôtelière Isle de France	Saint-Barthélemy, French Antilles	FC	24%
Société d'Investissement Cheval Blanc Saint Barth Isle de France	Saint-Barthélemy, French Antilles	FC	24%
Société Cheval Blanc Saint-Tropez	Saint-Tropez, France	FC	42%
Villa Jacquemone	Saint-Tropez, France	FC	42%
Royal Van Lent Shipyard BV	Kaag, Netherlands	FC	42%
Tower Holding BV	Kaag, Netherlands	FC	42%
Green Bell BV	Kaag, Netherlands	FC	42%
Gebr. Olie Beheer BV	Waddinxveen, Netherlands	FC	42%
Van der Loo Yachtinteriors BV	Waddinxveen, Netherlands	FC	42%
Red Bell BV	Kaag, Netherlands	FC	42%
De Voogt Naval Architects BV	Haarlem, Netherlands	EM	21%
Feadship Holland BV	Amsterdam, Netherlands	EM	21%
Feadship America Inc.	Florida, USA	EM	21%
OGMNL BV	Nieuw-Lekkerland, Netherlands	EM	21%
Firstship BV	Amsterdam, Netherlands	EM	21%
RVL Holding BV	Kaag, Netherlands	FC	42%
Le Jardin d'Acclimatation	Paris, France	FC	34%
Türkisblo SA	Luxembourg	FC	42%
MONTAIGNE 1 BV	Amsterdam, Netherlands	FC	42%
Palladios Overseas Holding	London, United Kingdom	FC	42%
75 Sloane Street Services Limited	London, United Kingdom	FC	42%
Belmond (UK) Limited	London, United Kingdom	FC	42%
Belmond Dollar Treasury Limited	London, United Kingdom	FC	42%
Belmond Finance Services Limited	London, United Kingdom	FC	42%
Belmond Management Limited	London, United Kingdom	FC	42%
Blanc Restaurants Limited	London, United Kingdom	FC	42%
Belmond Britannic Explorer Limited	London, United Kingdom	FC	42%
The Great Scottish and Western Railway Company Limited	London, United Kingdom	FC	42%
Horatio Properties Limited	London, United Kingdom	FC	42%
Island Hotel (Madeira) Limited	London, United Kingdom	FC	42%
Mount Nelson Hotel Limited	London, United Kingdom	FC	42%
La Residencia Limited	London, United Kingdom	FC	42%
VSOE Holdings Limited	London, United Kingdom	FC	42%
Venice Simplon-Orient-Express Limited	London, United Kingdom	FC	42%
Belmond CJ Dollar Limited	London, United Kingdom	FC	42%
Croisieres Orex SAS	Saint-Usage, France	FC	42%
VSOE Voyages SA	Paris, France	FC	42%
VSOE Deutschland GmbH	Cologne, Germany	FC	42%
Ireland Luxury Rail Tours Ltd	Dublin, Ireland	FC	42%
Villa Margherita SpA	Florence, Italy	FC	42%
La Samanna SAS	Marigot, Saint Martin	FC	42%
Operadora de Hoteles Rivera Maya SA de CV	Riviera Maya, Mexico	FC	42%
Plan Costa Maya SA de CV	Riviera Maya, Mexico	FC	42%
Spa Residencial SA de CV	Riviera Maya, Mexico	FC	42%
Società Agricola SGG Srl	Fiesole, Italy	FC	42%
Luxury Trains Switzerland AG	Zurich, Switzerland	FC	42%
Gambetta SAS	Paris, France	FC	36%
Belmond (Shanghai) Management & Consultancy Co. Ltd	Shanghai, China	FC	42%
360 N. Rodeo Drive LLC	Illinois, USA	FC	42%
Eastern & Oriental Express Ltd	Hamilton, Bermuda	FC	42%
E&O Services (Singapore) Pte Ltd	Singapore	FC	42%
E&O Services (Thailand) Pte Ltd	Bangkok, Thailand	FC	42%
Belmond Katanchel, SA de CV	Guanajuato, Mexico	FC	42%
E&O Services (Malaysia) Sdn. Bhd.	Kuala Lumpur, Malaysia	FC	42%
Belmond Como Srl	Milan, Italy	FC	42%
Belmond Sicily SpA	Florence, Italy	FC	42%
Belmond Italia SpA	Genoa, Italy	FC	42%
Hotel Caruso SpA	Florence, Italy	FC	42%
Hotel Cipriani SpA	Venice, Italy	FC	42%
Hotel Splendido SpA	Portofino, Italy	FC	42%
Villa San Michele SpA	Florence, Italy	FC	42%
Luxury Trains Servizi Srl	Venice, Italy	FC	42%
Castello di Casole SpA	Querceto, Italy	FC	42%
Castello di Casole Agricoltura SpA	Querceto, Italy	FC	42%
Belmond Spanish Holdings SL	Madrid, Spain	FC	42%
Nomis Mallorcan Investments SA	Madrid, Spain	FC	42%
Son Moragues SA	Deià, Spain	FC	42%
Reid's Hoteis Lda	Funchal, Portugal	FC	42%
Europe Hotel LLC	Saint Petersburg, Russia	FC	42%
Belmond USA Inc.	Delaware, USA	FC	42%
21 Club Inc.	Delaware, USA	FC	42%
Belmond Pacific Inc.	Delaware, USA	FC	42%
Belmond Reservation Services Inc.	Delaware, USA	FC	42%

Company	Registered office	Method of consolidation	Ownership interest
El Encanto Inc.	Delaware, USA	FC	42%
Venice Simplon Orient Express Inc.	Delaware, USA	FC	42%
Belmond Cap Juluca Limited	Anguilla	FC	42%
Belmond Holdings 1 Ltd	Hamilton, Bermuda	FC	42%
Belmond Peru Ltd	Hamilton, Bermuda	FC	42%
Leisure Holdings Asia Ltd	Hamilton, Bermuda	FC	42%
Belmond Anguilla Holdings LLC	Hamilton, Bermuda	FC	42%
Belmond Anguilla Member LLC	Hamilton, Bermuda	FC	42%
Belmond Anguilla Owner LLC	Hamilton, Bermuda	FC	42%
Belmond Interfin Ltd	Hamilton, Bermuda	FC	42%
Belmond Ltd	Hamilton, Bermuda	FC	42%
Gametrackers (Botswana) (Pty) Ltd	Maun, Botswana	FC	42%
Game Viewers (Pty) Ltd	Maun, Botswana	FC	42%
Xaxaba Camp (Pty) Ltd	Gaborone, Botswana	FC	42%
Phoenix Argente SAS	Marigot, Saint Martin	FC	42%
CSN Immobiliaria SA de CV	San Miguel de Allende, Mexico	FC	42%
OEH Operadora San Miguel SA de CV	San Miguel de Allende, Mexico	FC	42%
CSN Real Estate 1 SA de CV	San Miguel de Allende, Mexico	FC	42%
OEH Servicios San Miguel SA de CV	San Miguel de Allende, Mexico	FC	42%
Miraflores Ventures Ltd SA de CV	Riviera Maya, Mexico	FC	42%
Belmond Brasil Hoteis SA	Foz do Iguaçu, Brazil	FC	42%
Companhia Hoteis Palace SA	Rio de Janeiro, Brazil	FC	41%
Iguassu Experiences Agencia de Turismo Ltda	Foz do Iguaçu, Brazil	FC	42%
Belmond Brasil Serviços Hoteleiros SA	Rio de Janeiro, Brazil	FC	42%
Robisi Empreendimentos e Participações SA	Rio de Janeiro, Brazil	EM	21%
Signature Boutique Ltda	Rio de Janeiro, Brazil	FC	42%
CSN (San Miguel) Holdings Ltd	Tortola, British Virgin Islands	FC	42%
Grupo Conceptos SA	Road Town, British Virgin Islands	FC	42%
Miraflores Ventures Ltd	Road Town, British Virgin Islands	FC	42%
Belmond Peru Management SA	Lima, Peru	FC	42%
Belmond Peru SA	Lima, Peru	FC	42%
Ferrocarril Transandino SA	Lima, Peru	EM	21%
Perurail SA	Lima, Peru	EM	21%
Peru Belmond Hotels SA	Lima, Peru	EM	21%
Peru Experiences Belmond SA	Lima, Peru	EM	21%
Belmond Japan Ltd	Tokyo, Japan	FC	42%
Belmond Pacific Ltd	Hong Kong, China	FC	42%
Belmond China Ltd	Hong Kong, China	FC	42%
Belmond Hong Kong Ltd	Hong Kong, China	FC	42%
Hosia Company Ltd	Hong Kong, China	FC	42%
Belmond Hotels Singapore Pte Ltd	Singapore	FC	42%
Belmond (Thailand) Company Ltd	Bangkok, Thailand	FC	42%
Fine Resorts Co. Ltd	Bangkok, Thailand	FC	42%
Samui Island Resort Co. Ltd	Koh Samui, Thailand	FC	42%
Myanmar Hotels & Cruises Ltd	Yangon, Myanmar	FC	42%
PT Bali Resort & Leisure Co. Ltd	Bali, Indonesia	FC	42%
Exclusive Destinations (Pty) Ltd	Cape Town, South Africa	FC	42%
Fraser's Helmsley Properties (Pty) Ltd	Cape Town, South Africa	FC	42%
Mount Nelson Commercial Properties (Pty) Ltd	Cape Town, South Africa	FC	42%
Mount Nelson Residential Properties (Pty) Ltd	Cape Town, South Africa	FC	42%
LVMH Client Services	Paris, France	FC	42%
LVMH GAÏA	Paris, France	FC	42%
LVMHappening SAS	Paris, France	FC	42%
LVMHappening LLC	New York, USA	FC	42%
Le Parisien Libéré	Saint-Ouen, France	FC	42%
Team Diffusion	Saint-Ouen, France	FC	42%
Team Media	Paris, France	FC	42%
Société Nouvelle Sicavic	Paris, France	FC	42%
L.P.M.	Paris, France	FC	42%
LP Management	Paris, France	FC	42%
2050 Now Le Media SAS	Paris, France	FC	42%
2050 Now La Maison SAS	Paris, France	FC	42%
Silenseas	Issy-les-Moulineaux, France	EM	14%
TourCo	Issy-les-Moulineaux, France	EM	14%
MarineCo	Issy-les-Moulineaux, France	EM	14%
ShipCo 2	Issy-les-Moulineaux, France	EM	14%
ShipCo 1	Issy-les-Moulineaux, France	EM	14%
Orient Express SAS	Issy-les-Moulineaux, France	FC	21%
O.E. Management Company	Issy-les-Moulineaux, France	FC	21%
Paris Match SAS	Paris, France	FC	42%
Editions Assouline SAS	Paris, France	EM	21%
Assouline Publishing Inc.	New York, USA	EM	21%
Assouline UK Ltd	London, United Kingdom	EM	21%
Assouline Italy SRL	Venice, Italy	EM	21%
Sadifa SA	Paris, France	FC	100%
Lakenbleker BV	Amsterdam, Netherlands	FC	100%
FJG	Paris, France	FC	100%
Christian Dior SE (a)	Paris, France	FC	Parent company

FC: Fully consolidated.
EM: Accounted for using the equity method.
JV: Joint venture company with Diageo: only the Moët Hennessy activity is consolidated. See also Notes 1.7 and 1.27 for the revenue recognition policy for these companies.

(a) Christian Dior is a Societas Europaea (SE). Its registered office is located at 30 avenue Montaigne, 75008 Paris, France. The term of the Company is 99 years as of October 8, 1946, i.e. until October 7, 2045.

8. Companies not included in the scope of consolidation

Company	Registered office	Ownership interest
CD Investissements	Paris, France	100%
Société d'Exploitation Hôtelière de Saint-Tropez	Paris, France	42%
Société Nouvelle de Libraire et de l'Edition	Paris, France	42%
BRN Invest NV	Baarn, Netherlands	42%
Toiltech	Paris, France	38%
Sephora Macau Limited	Macao, China	42%
SOFPAR 116	Paris, France	42%
SOFPAR 125	Paris, France	42%
SOFPAR 126	Paris, France	42%
SOFPAR 128	Bourg-de-Péage, France	42%
SOFPAR 132	Paris, France	42%
Nona Source	Paris, France	42%
SOFPAR 135	Paris, France	42%
SOFPAR 136	Paris, France	42%
SOFPAR 137	Paris, France	42%
SOFPAR 138	Paris, France	42%
SOFPAR 139	Paris, France	42%
SOFPAR 141	Paris, France	42%
Métiers d'Excellence	Paris, France	42%
Heristoria	Paris, France	42%
Moët Hennessy Wines & Spirits	Paris, France	42%
LVMH Holdings Inc.	New York, USA	42%
Prolepsis Investment Ltd	London, United Kingdom	42%
Innovación en Marcas de Prestigio SA	Mexico City, Mexico	27%
MS 33 Expansion	Paris, France	42%
Groupement Forestier des Bois de la Celle	Cognac, France	27%
Folio St. Barths	New York, USA	42%

Company	Registered office	Ownership interest
Éditions Croque Futur	Paris, France	17%
SOFPAR 154	Paris, France	42%
SOFPAR 160	Paris, France	42%
SOFPAR 161	Paris, France	42%
SOFPAR 162	Paris, France	42%
SOFPAR 163	Paris, France	42%
SOFPAR 164	Paris, France	42%
SOFPAR 165	Paris, France	42%
SOFPAR 166	Paris, France	42%
SOFPAR 167	Paris, France	42%
Les Amis de L'Ami Louis	Paris, France	34%
FIM	Paris, France	10%
Femilux	Brûlon, France	10%
Cardinalini	Montecastrilli, Italy	8%
Adsoft	Le Perreux-sur-Marne, France	15%
Ferdinanda	Vazzola, Italy	10%
Pact Europact	Maulévrier, France	17%
M.A.B.	Palombaro, Italy	17%
Publiesse Technique Srl	Ancona, Italy	8%
Tescon Srl	Alba Adriatica, Italy	15%
Robans Produzione	Ponsacco, Italy	8%
Masoni SpA	Santa Croce sull'Arno, Italy	17%
Samarinda Trading SL	Bétera, Spain	23%
Zhongshan Orest Industries	Zhongshan, China	42%
MGV International	Hong Kong, China	42%
LVMH Publica SA	Brussels, Belgium	42%

The companies which are not included in the scope of consolidation are either entities that are inactive and/or being liquidated, or entities whose individual or collective consolidation would not have a significant impact on the Group's main aggregates.

9. Statutory Auditors' report on the consolidated financial statements

To the Shareholders' Meeting of Christian Dior SE

I. Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Christian Dior SE for the fiscal year ended December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the Group's assets, liabilities and financial position as of December 31, 2024 and of the results of its operations for the fiscal year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Performance Audit Committee.

II. Basis for our opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the section of our report entitled "Statutory Auditors' responsibilities for the audit of the consolidated financial statements".

Independence

We conducted our audit engagement in compliance with the independence rules provided by the French Commercial Code *(Code de commerce)* and the French Code of Ethics *(Code de déontologie)* for Statutory Auditors, for the period from January 1, 2024 to the date of our report. We did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014.

III. Justification of assessments – Key audit matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement which, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fiscal year, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of fixed assets, in particular intangible assets

Risk identified

As of December 31, 2024, the value of the Group's fixed assets totaled 90,059 million euros. These fixed assets mainly comprise brands, trade names and goodwill recognized on external growth transactions; property, plant and equipment (land, vineyard land, buildings, and fixtures and fittings at stores and hotels in particular); and right-of-use assets.

We considered the valuation of these fixed assets – in particular intangible assets (brands, trade names and other intangible assets with indefinite useful lives, as well as goodwill) – to be a key audit matter, due to their significance in the Group's financial statements and because the determination of their recoverable amount, which is usually based on each Maison's discounted forecast cash flows, requires the use of assumptions, estimates and other forms of judgment, as specified in Notes 1.16 and 5 to the consolidated financial statements.

Our response

The Group tests these assets for impairment, as described in Notes 1.16 and 5 to the consolidated financial statements. In this context, we assessed the methods used to perform these impairment tests and focused our work primarily on the Maisons most affected by the negative changes in the current business environment, or where the carrying amount of intangible assets represents a high multiple of profit from recurring operations. In the context of our audit of the consolidated financial statements, our work, carried out in conjunction with our valuation experts, consisted in particular in:

- obtaining an understanding of the methods used to perform these impairment tests and assessing the relevance of the measurement method used by the Group with regard to the applicable accounting standard;
- reconciling the components of the carrying amount of the Maisons used to conduct impairment tests with the consolidated financial statements;
- assessing the reasonableness of the future cash flows used:
  - by analyzing the relevance and consistency of the process used to produce these estimates by comparing results with previous forecasts, and
  - by comparing the Maisons' business plans on which these cash flows were based with the budgets and forecasts approved by management as well as the market outlook;
- assessing the reasonableness, with regard to market data, of the perpetual growth rates and discount rates used for each Maison;
- conducting our own sensitivity analyses on the growth rates, margins and discount rates used to calculate value in use;
- corroborating the recoverable amounts estimated by comparison with recent similar transactions with the analyses provided and available market data;
- assessing the appropriateness of the information disclosed in the notes to the consolidated financial statements.

Valuation of inventories and work in progress

Risk identified

As of December 31, 2024, the gross value of inventories and work in progress and the total amount of impairment of inventories and work in progress came to 27,280 million euros and 3,611 million euros, respectively, as presented in Note 11 to the consolidated financial statements.

The success of the Group's products depends among other factors on its ability to identify new trends as well as changes in behaviors and tastes, enabling it to offer products that meet consumers' expectations. The Group determines the amount of impairment of inventories and work in progress on the basis of sales prospects in its various markets or due to product obsolescence, as specified in Note 1.18 to the consolidated financial statements.

We considered the valuation and impairment of inventories and work in progress to constitute a key audit matter since the aforementioned projections and any resulting impairment are intrinsically dependent on assumptions, estimates and other forms of judgment made by the Group, as indicated in Note 1.6 to the consolidated financial statements. Furthermore, inventories are present at a large number of subsidiaries, and determining their gross value and impairment depends in particular on estimated returns and on the monitoring of internal margins, which are eliminated in the consolidated financial statements unless and until inventories are sold to non-Group clients.

Our response

As part of our procedures, we analyzed sales prospects as estimated by the Group in light of past performance and the most recent budgets in order to assess the resulting impairment amounts. Where applicable, we assessed the assumptions made for the recognition of non-recurring impairment.

We also assessed the consistency of internal margins eliminated in the consolidated financial statements, by assessing in particular the margins generated with the various distribution subsidiaries and comparing them to the elimination percentage applied.

We assessed the appropriateness of the information disclosed in the notes to the consolidated financial statements.

Provisions for contingencies, losses and uncertain tax positions

Risk identified

The Group's activities are carried out worldwide, within what is often an imprecise regulatory framework that is different for each country, changes over time and applies to areas ranging from product composition and packaging to the income tax computation and relations with the Group's partners (distributors, suppliers, shareholders in subsidiaries, etc.). Within this context, the Group's activities may give rise to risks, disputes or litigation, and the Group's entities in France and abroad may be subject to tax inspections and, in certain cases, to rectification claims from local administrations.

As indicated in Notes 1.21 and 20 to the consolidated financial statements:

- provisions for contingencies and losses correspond to the estimate of the impact on assets and liabilities of risks, disputes, or actual or probable litigation arising from the Group's activities;
- non-current liabilities related to uncertain tax positions include an estimate of the risks, disputes and actual or probable litigation related to the income tax computation, in accordance with IFRIC 23.

We considered provisions for contingencies, losses and uncertain tax positions to constitute a key audit matter due to the significance of the amounts concerned (1,635 million euros and 1,312 million euros, respectively, as of December 31, 2024), the importance of monitoring ongoing regulatory changes and the level of judgment involved in evaluating these provisions in the context of a constantly evolving international regulatory environment.

Our response

In the context of our audit of the consolidated financial statements, our work consisted in particular in:

- assessing the procedures implemented by the Group to identify and catalogue all risks, disputes, litigation and uncertain tax positions;
- obtaining an understanding of the risk analysis performed by the Group and the corresponding documentation and, where applicable, reviewing written confirmations from external advisors;
- assessing – with our experts, tax specialists in particular – the main risks identified and assessing the assumptions made by Group management to estimate the amount of the provisions and of liabilities related to uncertain tax positions;
- carrying out a critical review of analyses relating to the use of provisions for contingencies and losses, and of liabilities related to uncertain tax positions, prepared by the Group;
- assessing – with our tax specialists – the evaluations drawn up by the Group's Tax Department relating to the consequences of changes in tax laws;
- assessing the appropriateness of information relating to these risks, disputes, litigation and uncertain tax positions disclosed in the Notes to the financial statements.

IV. Specific verifications

In accordance with professional standards applicable in France, we also performed the specific verifications required by laws and regulations of the information concerning the Group provided in the Management Report of the Board of Directors.

We have no matters to report as to this information's fair presentation and its consistency with the consolidated financial statements.

V. Other verifications or information required by laws and regulations

Presentation format for the consolidated financial statements included in the Annual Financial Report

In accordance with the professional standards governing the procedures to be carried out by the Statutory Auditor on parent company and consolidated financial statements presented in the European Single Electronic Format, we also checked compliance with this format as defined by Commission Delegated Regulation (EU) 2019/815 of December 17, 2018 in the presentation of the consolidated financial statements included in the Annual Financial Report mentioned in Article L. 451-1-2 I of the French Monetary and Financial Code *(Code monétaire et financier)*, prepared under the responsibility of the Chief Financial Officer, under delegation from the Chief Executive Officer. As this concerned consolidated financial statements, our work included checking the compliance of the tags used for these accounts with the format defined by the aforementioned regulation.

On the basis of our work, we concluded that the presentation of the consolidated financial statements to be included in the Annual Financial Report complies, in all material respects, with the European Single Electronic Format.

In addition, it is not our responsibility to check that the consolidated financial statements actually included by your Company in the Annual Financial Report filed with the AMF correspond to those on which we performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Christian Dior SE by the shareholders at the Shareholders' Meetings held on May 15, 2003 (for Forvis Mazars) and April 21, 2022 (for Deloitte & Associés).

As of December 31, 2024, Forvis Mazars was in the 22nd consecutive year of its engagement and Deloitte & Associés was in its third year.

VI. Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, for disclosing any matters related to going concern, and for using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Performance Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, internal audit, regarding accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Directors.

VII. Statutory Auditors' responsibilities for the audit of the consolidated financial statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance as to whether the consolidated financial statements taken as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code *(Code de commerce)*, our statutory audit does not include assurance on the viability or the quality of management of your Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit. The Statutory Auditor also:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; designs and performs audit procedures responsive to those risks; and obtains audit evidence considered to be sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or overriding internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- assesses the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of its audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to issue a qualified or adverse audit opinion;
- assesses the overall presentation of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the scope of consolidation to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these financial statements.

Report to the Performance Audit Committee

We submit a report to the Performance Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Performance Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements for the fiscal year and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Performance Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set out in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics *(Code de déontologie)* for Statutory Auditors. We discuss any risks that may reasonably be thought to bear on our independence, and the related safeguards, with the Performance Audit Committee.

Paris-La Défense, February 14, 2025

The Statutory Auditors

French original signed by

Forvis Mazars		Deloitte & Associés
Isabelle Sapet	Guillaume Machin	Guillaume Troussicot

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French. It is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required under European regulations and French law, such as information about the appointment of the Statutory Auditors and the verification of information concerning the Group presented in the Management Report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Parent company financial statements: Christian Dior

1. Income statement

Income/(Expenses) *(EUR millions)*	Notes	2024	2023
Financial income from subsidiaries and investments		2,720.6	2,611.0
Investment portfolio: Impairment and provisions		(10.3)	2.5
Other		(1.3)	(1.6)
Income from managing subsidiaries and investments	4.1	**2,709.0**	**2,611.8**
Income from/(cost of) net financial debt	4.2	4.7	5.2
Other financial income and expenses		-	-
NET FINANCIAL INCOME/(EXPENSE)	4	**2,713.7**	**2,617.0**
Personnel costs	5	(0.4)	(0.4)
Other management charges	6	(7.0)	(6.9)
OPERATING PROFIT/(LOSS)		**(7.5)**	**(7.4)**
RECURRING PROFIT BEFORE TAX		**2,706.3**	**2,609.6**
NET EXCEPTIONAL INCOME/(EXPENSE)		**-**	**-**
Income tax income/(expense)	7	(34.3)	(33.0)
NET PROFIT		**2,672.0**	**2,576.6**

2. Balance sheet

Assets

(EUR millions)	Notes	Gross	Depreciation, amortization and impairment	2024 Net	2023 Net
Intangible assets		0.0	0.0	0.0	0.0
Property, plant and equipment		0.3	0.3	-	-
Intangible assets and property, plant and equipment		**0.3**	**0.3**	**0.0**	**0.0**
Equity investments	8	4,604.5	69.3	4,535.2	4,173.6
Receivables from equity investments	9	27.4	-	27.4	46.4
Other non-current financial assets		0.0	-	0.0	0.0
Non-current financial assets		**4,632.0**	**69.3**	**4,562.7**	**4,220.0**
NON-CURRENT ASSETS		**4,632.3**	**69.6**	**4,562.7**	**4,220.1**
Receivables	10	20.2	-	20.2	0.0
Short-term investments	11	16.7	-	16.7	16.7
Cash and cash equivalents		129.0	-	129.0	145.8
CURRENT ASSETS		**165.9**	**-**	**165.9**	**162.5**
Prepayments and accrued income		0.1	-	0.1	0.1
TOTAL ASSETS		**4,798.2**	**69.6**	**4,728.7**	**4,382.6**

Liabilities and equity

(EUR millions)	Notes	2024 Before appropriation	2023 Before appropriation
Share capital (fully paid up)	12.1	361.0	361.0
Share premium account		194.2	194.2
Reserves and revaluation adjustments		36.4	36.4
Retained earnings (a)		2,434.3	2,203.0
Interim dividend		(992.8)	(992.8)
Net profit for the fiscal year		**2,672.0**	**2,576.6**
EQUITY	12	**4,705.1**	**4,378.4**
Other debt	14	23.6	4.2
OTHER LIABILITIES		**23.6**	**4.2**
Accruals and deferred income		0.0	0.0
TOTAL LIABILITIES AND EQUITY		**4,728.7**	**4,382.6**

(a) Dividends attributable to treasury shares were reclassified under “Retained earnings” as of December 31, 2023 and December 31, 2024.

3. Cash flow statement

(EUR millions)		2024	2023
I. OPERATING ACTIVITIES			
Net profit		2,672	2,577
Net depreciation, amortization, impairment and provisions		10	(2)
Dividends in kind received		-	-
Net gain/(loss) on disposals		0	0
Cash from operations before changes in working capital		**2,682**	**2,574**
Change in current assets		(20)	0
Change in current liabilities		19	(11)
Change in working capital		**(1)**	**(11)**
Net cash from operating activities	**I**	**2,681**	**2,470**
II. INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment and intangible assets		-	-
Acquisitions of equity investments		(372)	(449)
Acquisitions of other long-term investments		-	-
Net change in other non-current financial assets		19	(0)
Net cash from/(used in) investing activities	**II**	**(353)**	**(449)**
III. FINANCING ACTIVITIES			
Capital increase		-	-
Proceeds from new loans and borrowings		-	-
Repayments of loans and borrowings		-	-
Change in current accounts		-	-
Net cash from/(used in) financing activities	**III**	**-**	**-**
IV. DIVIDENDS PAID DURING THE FISCAL YEAR	**IV**	**(2,345)**	**(2,255)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**I + II + III + IV**	**(17)**	**(141)**
Cash and cash equivalents at beginning of fiscal year		**163**	**304**
Cash and cash equivalents at end of fiscal year		**146**	**163**

The cash flow statement breaks down the changes in cash from one fiscal year to the next (after deducting bank overdrafts) as well as cash equivalents comprised of short-term investments, net of any impairment.

4. Notes to the parent company financial statements

Amounts are expressed in millions of euros unless otherwise indicated.

Note 1. Business activity and key events during the fiscal year

Christian Dior SE is a listed holding company that, as of December 31, 2024, directly owned a 41.87% equity stake in LVMH Moët Hennessy Louis Vuitton SE, a listed company.

Note 2. Accounting policies and methods

2.1 General framework and changes in accounting policies

The parent company financial statements have been prepared in accordance with Regulation 2014-03 dated June 5, 2014 of the Autorité des Normes Comptables, France's accounting standards authority, in accordance with the same accounting principles and methods as those used for the previous fiscal year.

General accounting conventions have been applied observing the principle of prudence in conformity with the basic assumptions of going concern, consistency of accounting methods, and accrual basis, and in conformity with the general rules for the preparation and presentation of parent company financial statements; it should be noted that the presentation of the income statement was modified in 2019.

The presentation of the income statement includes three main components of profit or loss: "Net financial income/(expense)", "Operating profit/(loss)" and "Net exceptional income/(expense)". The total of "Net financial income/(expense)" and "Operating profit/(loss)" corresponds to "Recurring profit before tax".

"Net financial income/(expense)" includes net income from managing subsidiaries and investments, the net proceeds or cost of cash and financial debt, and other items resulting from the management of subsidiaries or of debt. Net income from managing subsidiaries and investments includes all portfolio management items: dividends, changes in impairment of securities, changes in provisions for contingencies and losses related to the portfolio, and gains or losses arising on the disposal of securities.

"Operating profit/(loss)" includes costs related to the management of the Company and to the Group's management and coordination costs, personnel costs or other administrative costs.

"Net financial income/(expense)" and "Operating profit/(loss)" include items relating to the financial management of the Company or administrative operations, irrespective of their amounts or their occurrence. "Net exceptional income/(expense)" thus comprises only those transactions that, due to their nature, may not be included in "Net financial income/(expense)" or "Operating profit/(loss)".

The accounting items recorded have been evaluated using the historical cost method.

2.2 Intangible assets

Software is amortized using the straight-line method over one year.

2.3 Property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over the following estimated useful lives:

- furniture: 10 years.

2.4 Non-current financial assets

Equity investments and other long-term investments are stated at acquisition cost (excluding incidental costs) or at contribution value. If their value in use as of the fiscal year-end is lower than the carrying amount, an impairment loss is recorded in the amount of the difference.

For investments in listed companies, the value in use is generally estimated on the basis of market capitalization, the share of the company's adjusted net asset value and/or discounted forecast cash flows.

The value in use of unlisted investments is generally estimated on the basis of the share of the adjusted net asset value of the companies concerned, market comparables and/or discounted forecast cash flows.

Christian Dior shares purchased for retirement are recorded under "Non-current financial assets" and are not impaired.

Gains or losses on sales of equity investments are calculated according to the weighted average cost method and disclosed under "Income from managing subsidiaries and investments" in "Net financial income/(expense)".

In accordance with Regulation 2015-06 dated November 23, 2015 of the Autorité des Normes Comptables (France's accounting standards authority), merger losses allocated to non-current financial assets are recognized under a specific line item within the asset category concerned: "Merger losses on financial assets". Technical losses, in the amount of the equity investment previously held by the absorbing entity, correspond to unrealized gains on assets, whether recognized or not in the accounts of the absorbed entity, after deducting, unless otherwise required under accounting rules, liabilities not recognized in the accounts of the absorbed entity.

At the end of each fiscal year, the net carrying amount of each asset transferred, plus the associated technical loss, is assessed. Where applicable, if this value is lower than the real value of these assets, impairment is recorded.

Technical losses are reduced proportionately upon the sale or disposal of the assets concerned.

2.5 Receivables and payables

Receivables and payables are recorded at their face value. Impairment is recorded if their net realizable value, based on the probability of their collection, is lower than their carrying amount.

2.6 Short-term investments

Short-term investments are valued at their acquisition cost. Impairment is recorded if their acquisition cost is higher than their market value determined as follows:

- listed securities: average listed share price during the last month of the fiscal year;
- other securities: estimated realizable value or liquidation value.

2.7 Equity

In accordance with the recommendations of the French National Institute of Statutory Auditors *(Compagnie Nationale des Commissaires aux Comptes)*, interim dividends are recorded as a deduction from equity.

2.8 Provisions for contingencies and losses

The Company establishes a provision for definite and likely contingencies and losses at the end of each fiscal year, observing the principle of prudence.

2.9 Net financial income/(expense)

Due to its type of activity, the Company records sales of securities according to the following principles:

- gains or losses on sales of equity investments *(titres de participation)* are calculated according to the weighted average cost method;
- gains or losses on sales of short-term investments *(valeurs mobilières de placement)* are calculated using the "first in, first out" (FIFO) method.

Note 3. Subsequent events

As of January 28, 2025, the date on which the financial statements were approved for publication, no subsequent events had occurred that would call into question the assumptions used in preparing the financial statements for the fiscal year ended December 31, 2024.

Note 4. Net financial income/(expense)

4.1 Income from managing subsidiaries and investments

The income from managing subsidiaries and investments breaks down as follows:

(EUR millions)	**2024**	**2023**
Dividends received	2,720.6	2,611.0
Financial income from subsidiaries and investments	**2,720.6**	**2,611.0**
Changes in impairment	(10.3)	2.5
Changes in provisions for contingencies and losses	-	-
Impairment and provisions related to subsidiaries and investments	**(10.3)**	**2.5**
Other	(1.3)	(1.6)
Income from managing subsidiaries and investments	**2,709.0**	**2,611.8**

See also Note 13 concerning the change in impairment and provisions.

4.2 Cost of net financial debt

The cost of net financial debt breaks down as follows:

(EUR millions)	2024	2023
Interest on borrowings	(0.4)	(0.4)
Other financial income/(expenses)	2.8	3.5
Proceeds/(cost) of non-Group net financial debt	**2.4**	**3.0**
Intra-Group interest expense	-	-
Intra-Group interest income	2.3	2.1
Proceeds/(cost) of intra-Group net financial debt	**2.3**	**2.1**
Proceeds/(cost) of net financial debt	**4.7**	**5.2**

Note 5. Personnel costs

In 2024, personnel costs included gross compensation and employer social security contributions.

During the 2024 fiscal year, gross compensation of 200 thousand euros was paid to the Chief Executive Officer. In addition, in January 2025, 138 thousand euros was paid in compensation for serving as a Director in fiscal year 2024.

Note 6. Other management charges

Other management charges mainly consist of expenses under the assistance agreement entered into with Agache SCA.

Note 7. Income taxes

7.1 Breakdown of corporate income tax

Corporate income tax breaks down as follows, according to the presentation adopted for profit before tax:

(EUR millions)	Pre-tax	Tax (expense)/ income	Post-tax
Recurring profit	2,706.3	(34.3)	2,672.0
Net exceptional income/(expense)	-	-	-
	2,706.3	**(34.3)**	**2,672.0**

7.2 Tax position

Since January 1, 2018, Christian Dior SE has been a member of the tax consolidation group of which Agache SCA is the consolidating parent company.

Christian Dior calculates and recognizes its tax expense as if it were individually subject to tax, and remits this amount to the consolidating parent company.

Note 8. Equity investments

(EUR millions)	**Dec. 31, 2024**	**Dec. 31, 2023**
Gross amount of equity investments	4,604.5	4,232.6
Impairment expense	(69.3)	(58.9)
Carrying amount of equity investments	**4,535.2**	**4,173.6**

The change in the carrying amount of equity investments was mainly due to the acquisition of LVMH Moët Hennessy Louis Vuitton SE shares.

A breakdown of the investment portfolio is presented in the “Subsidiaries and equity investments” table.

The methods used to calculate the valuation and impairment of equity investments are described in Note 2.4.

The change in impairment of the investment portfolio is broken down in Note 13.

Note 9. Receivables from equity investments

The balance of receivables from equity investments breaks down as follows:

(EUR millions)	**December 31, 2024**			**Gross amounts by maturity**		***Of which: Related companies***
	Gross	**Impairment**	**Net**	**Up to 1 year**	**More than 1 year**	
	27.4	-	27.4	27.4	-	*27.4*
Total	**27.4**	**-**	**27.4**	**27.4**	**-**	***27.4***

Receivables from equity investments comprise advances granted to a subsidiary under a bilateral medium-term agreement.

Note 10. Receivables

(EUR millions)	**Total**	**Amount**	
		Up to 1 year	**More than 1 year**
Other receivables	20.2	20.2	-
Receivables	**20.2**	**20.2**	**-**

“Other receivables” recognized during the fiscal year, totaling 20.2 million euros, offset “Other liabilities” recognized for an equivalent amount through a related undertaking (see Note 14).

Note 11. Short-term investments

11.1 Treasury shares

As of December 31, 2024, the value of the shares held was allocated as follows:

(EUR millions)	As of December 31, 2024			
	Number of shares	Gross carrying amount	Impairment	Net carrying amount
Shares intended to be granted to employees and allocated to specific plans	-	-	-	-
Shares available to be granted to employees	96,936	16.7	-	16.7
Short-term investments	**96,936**	**16.7**	**-**	**16.7**

There were no portfolio movements during the fiscal year.

11.2 Stock option and similar plans

11.2.1 Share purchase option plans

At the Company's Shareholders' Meeting of April 18, 2024, the shareholders renewed the authorization given to the Board of Directors, for a period of twenty-six months expiring on June 17, 2026, to grant share subscription or purchase options to Group company employees or senior executives, on one or more occasions, in an amount not to exceed 1% of the Company's share capital as of the date of this authorization.

Each share purchase option plan has a term of ten years. Provided the conditions set by the plan are met, options may be exercised after a four-year period from the plan's commencement date.

No Christian Dior share purchase or subscription option plans were in effect during the fiscal year.

11.2.2 Bonus share and performance share plans

At the Shareholders' Meeting of April 18, 2024, the shareholders renewed the authorization given to the Board of Directors, for a period of twenty-six months expiring on June 17, 2026, to grant existing or newly issued shares as bonus shares to Group company employees and/or senior executives, on one or more occasions, in an amount not to exceed 1% of the Company's share capital on the date of this authorization.

For plans put in place after November 30, 2015, bonus shares awarded to all recipients vest – provided certain conditions are met and irrespective of their residence for tax purposes – after a three-year vesting period, without any subsequent holding period.

The plans combine awards of bonus shares and of performance shares in proportions determined in accordance with the recipient's level in the hierarchy and status.

Vesting of such shares does not lead to any dilution for shareholders, since they are allocations of existing shares.

No Christian Dior bonus share or performance share plans were in effect during the fiscal year.

Note 12. Equity

12.1 Share capital

As of December 31, 2024, the share capital consisted of 180,507,516 fully paid-up shares, each with a par value of 2 euros per share, including 176,474,116 shares with double voting rights.

12.2 Change in equity

(EUR millions)	
Equity as of December 31, 2023 (prior to appropriation of net profit)	**4,378.4**
Net profit for the fiscal year ended December 31, 2024	2,672.0
Dividends paid in respect of the fiscal year ended December 31, 2023	(1,353.8)
Impact of treasury shares	1.3
Interim dividends paid in respect of the fiscal year ended December 31, 2024	(992.8)
Equity as of December 31, 2024 (prior to appropriation of net profit)	**4,705.1**

The appropriation of net profit for fiscal year 2023 was approved at the Combined Shareholders' Meeting of April 18, 2024.

Note 13. Changes in impairment

Changes in asset impairment and provisions for contingencies and losses during the fiscal year break down as follows:

(EUR millions)	**Amount as of January 1, 2024**	**Provisions during the fiscal year**	**Reversals during the fiscal year**	**Amount as of December 31, 2024**
Equity investments	58.9	10.7	0.4	69.3
Asset impairment	**58.9**	**10.7**	**0.4**	**69.3**
Total	**58.9**	**10.7**	**0.4**	**69.3**

Note 14. Other debt

(EUR millions)	**Total**	**Amount**			***Of which: Accrued expenses***	***Of which: Related companies***
		Less than 1 year	**From 1 to 5 years**	**More than 5 years**		
Trade accounts payable	2.6	2.6	-	-	*1.1*	*2.3*
Tax and social security liabilities	0.2	0.2	-	-	*0.2*	-
Other debt	20.7	20.7	-	-	-	*20.1*
Other debt	**23.6**	**23.6**	**-**	**-**	*1.3*	*22.4*

Note 15. Other information

15.1 Related-party transactions

No new related-party agreements, within the meaning of Article R. 123-198 of the French Commercial Code, were entered into during the fiscal year in material amounts or under conditions other than normal market conditions.

15.2 Identity of the consolidating parent companies

Company name	Registered office	SIREN
Financière Agache	11 rue François 1er 75008 Paris (France)	775 625 767
Agache	41 avenue Montaigne 75008 Paris (France)	314 685 454

Note 16. Financial commitments

Commitments received

Christian Dior SE has access to a confirmed credit line entered into with a bank, of which the undrawn amount available totaled 200 million euros as of December 31, 2024.

5. Subsidiaries and equity investments

(EUR millions)	Carrying amount of shares held		Dividends received in 2024	Loans and advances provided	Deposits and sureties granted
	Gross	**Net**			
Information on subsidiaries and equity investments					
1. Subsidiaries (more than 50% held)					
– French subsidiaries	52.8	30.0	-	27.4	-
– Foreign subsidiaries	56.0	9.5	-	-	-
2. Equity investments (between 10% and 50% held)					
– LVMH Moët Hennessy Louis Vuitton SE	4,392.0	4,392.0	2,720.6	-	-
Total	**4,500.8**	**4,431.5**	**2,720.6**	**27.4**	**-**

6. Company results over the last five fiscal years

(EUR millions, except earnings per share, expressed in euros)	**Dec. 31, 2020**	**Dec. 31, 2021**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2024**
1. Share capital					
Share capital	361.0	361.0	361.0	361.0	361.0
Number of ordinary shares outstanding	180,507,516	180,507,516	180,507,516	180,507,516	180,507,516
Maximum number of future shares to be created:					
– through exercise of equity warrants	-	-	-	-	-
– through exercise of share subscription options	-	-	-	-	-
2. Operations and profit for the fiscal year					
Revenue before taxes	-	-	-	-	-
Profit before taxes, depreciation, amortization, impairment and movements in provisions	947.9	1,440.3	2,495.9	2,607.1	2,715.2
Income tax (income)/expense	9.8	18.0	30.9	33.0	34.3
Profit after taxes, depreciation, amortization, impairment and movements in provisions	934.3	1,432.8	2,451.1	2,576.6	2,672.0
Profit distributed as dividends (a)	1,083.0	1,805.1	2,166.1	2,256.3	2,346.6
3. Earnings per share *(EUR)*					
Earnings per share after taxes but before depreciation, amortization, impairment and movements in provisions	5.20	7.88	13.66	14.26	14.85
Earnings per share after taxes, depreciation, amortization, impairment and movements in provisions	5.18	7.94	13.58	14.27	14.80
Gross dividend distributed per share (b)	6.00	10.00	12.00	12.50	13.00
4. Employees					
Average number of employees	-	-	-	-	-
Total payroll (c)	0.2	7.2	0.2	0.2	0.2
Amounts paid in respect of employee benefits	0.1	3.7	0.1	0.1	0.1

(a) Amount of the distribution resulting from the resolution of the Shareholders' Meeting, before the impact of Christian Dior treasury shares held as of the distribution date. For the fiscal year ended December 31, 2024, amount proposed by the Board of Directors at its meeting of January 28, 2025 for approval at the Shareholders' Meeting of April 17, 2025.
(b) Excluding the impact of tax regulations applicable to recipients.
(c) Including provisions, on plans deemed exercisable relating to share purchase options and awards of bonus shares and performance shares, recognized under "Personnel costs".

7. Statutory Auditors' report on the parent company financial statements

To the Shareholders' Meeting of Christian Dior SE

I. Opinion

In compliance with the engagement entrusted to us by the Shareholders' Meeting, we have audited the accompanying parent company financial statements of Christian Dior SE for the fiscal year ended December 31, 2024.

In our opinion, the parent company financial statements give a true and fair view of the Company's assets, liabilities and financial position as of December 31, 2024 and of the results of its operations for the fiscal year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Performance Audit Committee.

II. Basis for our opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the section of our report entitled "Statutory Auditors' responsibilities for the audit of the parent company financial statements".

Independence

We conducted our audit engagement in compliance with the independence rules provided by the French Commercial Code *(Code de commerce)* and the French Code of Ethics *(Code de déontologie)* for Statutory Auditors, for the period from January 1, 2024 to the date of our report. We did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014.

III. Justification of assessments – Key audit matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we are required to inform you of the key audit matters relating to risks of material misstatement which, in our professional judgment, were of most significance in our audit of the parent company financial statements for the fiscal year, as well as how we addressed those risks.

We determined that there were no key audit matters to disclose in our report.

IV. Specific verifications

We also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information provided in the Management Report and in the other documents given to shareholders related to the financial position and the parent company financial statements

We have no matters to report as to the fair presentation and the consistency with the parent company financial statements of the information provided in the Management Report of the Board of Directors and in the other documents given to shareholders related to the financial position and the parent company financial statements.

We attest to the fair presentation and the consistency with the parent company financial statements of the information on payment terms set out in Article D. 441-6 of the French Commercial Code.

Information on corporate governance

We attest that the corporate governance section of the Management Report of the Board of Directors sets out the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information provided in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to compensation and benefits paid or awarded to company officers and any other commitments made in their favor, we have verified its consistency with the financial statements or the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled companies included in the scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a public purchase or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code, we verified their compliance with the source documents communicated to us. Based on our work, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the Management Report.

V. Other verifications or information required by laws and regulations

Presentation format for the parent company financial statements included in the Annual Financial Report

In accordance with the professional standards governing the procedures to be carried out by the Statutory Auditor on parent company and consolidated financial statements presented in the European Single Electronic Format, we also checked compliance with this format as defined by Commission Delegated Regulation (EU) 2019/815 of December 17, 2018 in the presentation of the parent company financial statements included in the Annual Financial Report mentioned in Article L. 451-1-2 I of the French Monetary and Financial Code *(Code monétaire et financier)*, prepared under the responsibility of the Chief Financial Officer, under delegation from the Chief Executive Officer.

On the basis of our work, we concluded that the presentation of the parent company financial statements included in the Annual Financial Report complies, in all material respects, with the European Single Electronic Format. It is not our responsibility to check that the parent company financial statements actually included by your Company in the Annual Financial Report filed with the AMF correspond to those on which we performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Christian Dior SE by the shareholders at the Shareholders' Meetings held on May 15, 2003 (for Forvis Mazars) and April 21, 2022 (for Deloitte & Associés).

As of December 31, 2024, Forvis Mazars was in the 22nd consecutive year of its engagement and Deloitte & Associés was in its third year.

VI. Responsibilities of management and those charged with governance for the parent company financial statements

Management is responsible for the preparation and fair presentation of the parent company financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, management is responsible for assessing the Company's ability to continue as a going concern, for disclosing any matters related to going concern, and for using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Performance Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, internal audit, regarding accounting and financial reporting procedures.

The parent company financial statements have been approved by the Board of Directors.

VII. Statutory Auditors' responsibilities for the audit of the parent company financial statements

Objectives and audit approach

Our role is to issue a report on the parent company financial statements. Our objective is to obtain reasonable assurance as to whether the parent company financial statements taken as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code *(Code de commerce)*, our statutory audit does not include assurance on the viability or the quality of management of your Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit. The Statutory Auditor also:

- identifies and assesses the risks of material misstatement of the parent company financial statements, whether due to fraud or error; designs and performs audit procedures responsive to those risks; and obtains audit evidence considered to be sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or overriding internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- assesses the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the parent company financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of its audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the parent company financial statements or, if such disclosures are not provided or inadequate, to issue a qualified or adverse audit opinion;
- assesses the overall presentation of the parent company financial statements and whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Performance Audit Committee

We submit a report to the Performance Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Performance Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the parent company financial statements for the fiscal year and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Performance Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set out in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics *(Code de déontologie)* for Statutory Auditors. We discuss any risks that may reasonably be thought to bear on our independence, and the related safeguards, with the Performance Audit Committee.

Paris-La Défense, February 14, 2025

The Statutory Auditors

French original signed by

Forvis Mazars

Isabelle Sapet   Guillaume Machin

Deloitte & Associés

Guillaume Troussicot

This is a free translation into English of the Statutory Auditors' report on the parent company financial statements of the Company, issued in French. It is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required under European regulations and French law, such as information about the appointment of the Statutory Auditors and the verification of information concerning the Group presented in the Management Report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

8. Statutory Auditors' special report on related-party agreements

To the Shareholders' Meeting of Christian Dior SE

In our capacity as Statutory Auditors of your Company, we hereby present to you our report on related-party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code *(Code de commerce)*, to assess the relevance of these agreements prior to their approval.

In accordance with Article R. 225-31 of the French Commercial Code, we are also required to inform you of the continuation of the implementation, during the fiscal year under review, of any agreements previously approved at a Shareholders' Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French National Institute of Statutory Auditors *(Compagnie Nationale des Commissaires aux Comptes)* relating to this type of engagement.

These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

I. Agreements submitted for approval at the Shareholders' Meeting

We hereby inform you that we were not informed of any agreements authorized and entered into during the fiscal year under review to be submitted for approval at the Shareholders' Meeting, pursuant to the provisions of Article L. 225-38 of the French Commercial Code.

II. Agreements already approved at a Shareholders' Meeting

In accordance with Article R. 225-30 of the French Commercial Code, we have been notified that the implementation of the following agreements, which were approved at a Shareholders' Meeting in a prior fiscal year, remained in effect during the fiscal year under review.

With LVMH Moët Hennessy Louis Vuitton SE: Service agreement

Persons concerned

- Bernard Arnault, Chairman of the Board of Directors of your Company, and Chairman and Chief Executive Officer of LVMH Moët Hennessy Louis Vuitton SE;
- Antoine Arnault, Chief Executive Officer and Vice-Chairman of the Board of Directors of your Company, and a Director of LVMH Moët Hennessy Louis Vuitton SE;
- Delphine Arnault, a Director of your Company and of LVMH Moët Hennessy Louis Vuitton SE;
- Nicolas Bazire, a Director of your Company and of LVMH Moët Hennessy Louis Vuitton SE.

Nature, purpose and conditions

The service agreement of June 7, 2002, amended on May 16, 2014 and relating to legal services, particularly for corporate law issues and the management of securities services, entered into between the Company and LVMH SE, remained in effect in 2024.

Annual remuneration is 60,000 euros excluding taxes. Under this agreement, Christian Dior SE incurred an expense of 72,000 euros (including taxes) for fiscal year 2024.

Christian Dior SE has no employees directly under its employment. The assistance agreement entered into with LVMH SE provides for the sharing of skills as well as certain costs, thus reducing expenses.

With Agache SCA: Assistance agreement

Persons concerned

- Bernard Arnault, Chairman of the Board of Directors of your Company and Managing Director and General Partner *(associé commandité)* of Agache SCA.

Nature, purpose and conditions

The assistance agreement of November 27, 1995, amended on June 30, 2020, related to financial, legal, tax and administrative services entered into between Agache SCA and Christian Dior SE remained in effect in 2024.

The compensation for these services amounted to 2,618,121.76 euros excluding taxes in 2024, in accordance with the agreement. Under this agreement, Christian Dior SE incurred an expense of 3,141,746.12 euros (including taxes) for fiscal year 2024.

Christian Dior SE has no employees directly under its employment. The assistance agreement entered into with Agache SCA provides for the sharing of skills as well as certain costs, thus reducing expenses.

Paris-La Défense, February 14, 2025

The Statutory Auditors

French original signed by

Forvis Mazars		Deloitte & Associés
Isabelle Sapet	Guillaume Machin	Guillaume Troussicot

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Information about the issuer

1. Information regarding the parent company

1.1 Role of the parent company within the Group

Christian Dior SE is a holding company that holds 41.87% of the share capital and 56.77% of LVMH voting rights exercisable at Shareholders' Meetings.

1.2 General information

Company name (Article 3 of the Bylaws): Christian Dior.

Registered office (Article 4 of the Bylaws): 30 avenue Montaigne – 75008 Paris (France). Phone number: +33 (0)1 44 13 22 22.

Legal form (Article 1 of the Bylaws): *Société Européenne* (Societas Europaea). The Company was converted from a *Société Anonyme* (SA) to a *Société Européenne* (SE) on December 9, 2014.

Jurisdiction (Article 1 of the Bylaws): Company governed by European Community and national provisions in effect, and by the Bylaws.

Trade and Companies Register: the Company is registered in the Paris Trade and Companies Register under number 582 110 987. APE code (company activity code): 6420Z.

Legal Entity Identifier (LEI): 969500WESYQMQ1F2C272.

Date of incorporation – Term (Article 5 of the Bylaws): Christian Dior was incorporated on October 8, 1946 for a term of 99 years, which expires on October 7, 2045, unless the Company is dissolved early or extended by a resolution at the Extraordinary Shareholders' Meeting.

Location where documents concerning the Company may be consulted: The Bylaws, financial statements and reports, and the minutes of Shareholders' Meetings may be consulted at the registered office at the address indicated above; information that is not included in this Annual Report can be found on the Company's website, with the exception of the minutes of Shareholders' Meetings.

Website: www.dior-finance.com.

1.3 Additional information

The text of the Bylaws is presented in full on the Company's website, www.dior-finance.com.

Corporate purpose (Extract from Article 2 of the Bylaws): The taking and management of interests in any company or entity, whether commercial, industrial, or financial, whose direct or indirect activity involves the manufacture and/or distribution of prestige products, through the acquisition, in any form whatsoever, of shares, corporate interests, bonds, other securities or investment rights.

Board of Directors (Extracts from Articles 9, 10, 11, 12, 13 and 15 of the Bylaws)

- The Company is administered by a Board of Directors composed of at least three and no more than eighteen members, appointed by the Shareholders' Meeting for a term of office lasting three years.

  A legal entity may be appointed as a Director but is required, at the time of its appointment, to designate an individual who shall serve as its Permanent Representative on the Board of Directors.

  Each Director must own at least two hundred shares in the Company for the entire duration of his/her/its term of office.

  No one over the age of eighty-five shall be appointed as a Director if, as a result of his/her appointment, the number of Directors over eighty-five would exceed one-third of the Board members. The number of members of the Board of Directors who are more than eighty-five years old may not exceed one-third (rounded to the next higher number if this total is not a whole number) of the Directors in office. Whenever this limit is exceeded, the term of office of the oldest Director shall be deemed to have expired at the close of the Ordinary Shareholders' Meeting convened to approve the financial statements for the fiscal year during which the limit is exceeded.

  The duties of a Director expire at the close of the Ordinary Shareholders' Meeting convened to approve the financial statements for the preceding fiscal year and held in the year during which the term of office of that Director comes to an end.

  However, to make the renewal of appointments as balanced over time as possible, and in any event to make them complete for each three-year period, the Board will have the option of determining the order in which Directors' appointments expire by drawing lots at a Board meeting for one-third of its members each year. Once the rotation has been established, renewals will take place according to seniority.

  In the event of the death or resignation of one or more Directors, the Board of Directors may make provisional appointments between two Shareholders' Meetings, subject to their ratification by the next Ordinary Shareholders' Meeting.

  The Board of Directors shall elect a Chairman, who must be an individual, from among its members. It shall determine his/her term of office, which cannot exceed that of his/her office as Director.

The Chairman of the Board of Directors cannot be more than eighty years old. Should the Chairman reach this age limit during his/her term of office, his/her appointment shall be deemed to have expired at the close of the Ordinary Shareholders' Meeting convened to approve the financial statements of the fiscal year during which the limit was reached. Subject to this provision, the Chairman of the Board may always be re-elected.

The Chairman of the Board of Directors shall chair Board meetings, organize and direct the work of the Board, and report on the latter at Shareholders' Meetings. He/she shall ensure the proper operation of corporate bodies and, in particular, shall verify that the Directors are able to perform their duties.

- The Board of Directors shall meet as often as is required by the interests of the Company, and in any event at least once per quarter, convened by its Chairman.

  Meetings are held at the registered office or at any other location specified in the convening notice.

  Notice is served to each Director by any means, at least eight days prior to the meeting; the notice of meeting shall mention the agenda of the meeting as set by the person convening the meeting. However, the Board may meet without notice and without an agenda set in advance if all Directors in office are present or represented or when it is convened by the Chairman during a Shareholders' Meeting.

  A meeting of the Board of Directors shall be valid if at least half of its members are present or represented. Decisions are made by a majority of votes of the members present or represented. In the event of a tie vote, the Chairman's vote is the deciding vote. Pursuant to Article L. 225-37 of the French Commercial Code, the Board of Directors may cast votes in writing, as provided by law.

- The Board of Directors sets guidelines for the Company's activities and shall ensure their implementation, in accordance with its corporate interest, taking into account the social and environmental issues facing its business and, where applicable, the Company's mission statement *(raison d'être)*. Subject to the powers expressly granted to the shareholders at Shareholders' Meetings, and within the limits of the corporate purpose, it addresses any issues relating to the Company's proper operation and settles the affairs concerning it through its resolutions. The Board of Directors performs such monitoring and verifications as it deems appropriate.

Executive Management (Extract from Article 15 of the Bylaws)

The Company's Executive Management function is performed under the responsibility of either the Chairman of the Board of Directors or another individual appointed by the Board of Directors and bearing the title of Chief Executive Officer; the Board of Directors chooses one of these two methods of exercising the Executive Management function. It shall inform the shareholders thereof in accordance with the regulatory conditions.

If the Company's Executive Management function is assumed by the Chairman of the Board of Directors, the following provisions relating to the Chief Executive Officer shall apply to him/her.

The Chief Executive Officer may or may not be chosen from among the Directors. The Board sets his/her term of office and compensation. The age limit for serving as Chief Executive Officer is seventy-five. Should the Chief Executive Officer reach this age limit during his/her term of office, his/her appointment shall be deemed to have expired at the close of the Ordinary Shareholders' Meeting convened to approve the financial statements of the fiscal year during which the limit was reached.

The Chief Executive Officer is vested with the most extensive powers to act under any circumstances on behalf of the Company. He/she exercises such powers within the limits of the corporate purpose, and subject to the powers expressly granted by law to the Shareholders' Meeting and to the Board of Directors.

He/she shall represent the Company in its relations with third parties. The Company is bound even by acts of the Chief Executive Officer falling outside the scope of the corporate purpose, unless it demonstrates that the third party knew that the act exceeded such purpose or could not have ignored it given the circumstances, it being specified that mere publication of the Bylaws is not sufficient to establish such proof.

Upon the proposal of the Chief Executive Officer, the Board of Directors may appoint one or more individuals responsible for assisting the Chief Executive Officer, with the title of Group Managing Director, for whom it shall set the compensation.

There may not be more than five Group Managing Directors serving in this capacity at the same time.

In agreement with the Chief Executive Officer, the Board of Directors sets the scope and duration of the powers granted to Group Managing Directors. With regard to third parties, they shall have the same powers as the Chief Executive Officer.

Advisory Board (Extract from Article 14a of the Bylaws)

Between one and three Advisory Board members may be appointed. Their appointment or dismissal is subject to the same rules as those applying to Directors.

Advisory Board members are convened to the meetings of the Board of Directors, in which they have a consultative vote.

Advisory Board members may be consulted by the Chairman of the Board of Directors on the Group's strategic direction and, more generally, on any issues relating to the Company's organization and development. The committee Chairmen may also solicit their opinion on matters falling within their respective areas of expertise.

Shareholders' Meetings (Extracts from Articles 17 to 23 of the Bylaws)

Shareholders' Meetings shall be convened and held as provided by law.

One or more shareholders who together hold at least 10% of the Company's subscribed share capital may also request that the Board of Directors convene a Shareholders' Meeting, and draw up its agenda.

The right to attend and vote at Shareholders' Meetings is subject to the registration of the shareholder in the Company's share register.

A shareholder can always be represented by proxy at a Shareholders' Meeting by another shareholder, his/her spouse, the partner with whom he/she has entered into a *Pacte civil de solidarité* (PACS, the French civil union contract), or any other private individual or legal entity of his/her choice.

Shareholders may address their proxy form and/or their voting form for any Shareholders' Meeting, in accordance with applicable laws and regulations, either by mail or, if decided by the Board of Directors, electronically.

Meetings are held at the registered office or at any other place mentioned in the convening notice.

In accordance with the conditions set by applicable legal and regulatory provisions, and pursuant to a decision of the Board of Directors, Shareholders' Meetings may also be held using videoconferencing or other means of telecommunication that allow shareholders to be identified.

Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his/her absence, by the Vice-Chairman of the Board of Directors or, in the absence of both of these individuals, by a member of the Board of Directors appointed by the Board for that purpose. In all other cases, the shareholders at the meeting elect its Chairman.

In most cases, the agenda of the Meeting is set by the person convening the Meeting.

The role of scrutineer is served by the two shareholders present at the Meeting who have the greatest number of votes and accept this role.

Rights, preferences and restrictions attached to shares (Extracts from Articles 6, 8, 17 and 30 of the Bylaws)

All shares belong to the same category, whether issued in registered or bearer form. Shareholders have as many votes as they hold shares.

A voting right equal to twice the voting right attached to the other shares is granted to all fully paid-up registered shares for which evidence of registration for at least three years under the name of the same shareholder may be demonstrated, as well as to shares issued in the event of a capital increase through the incorporation of reserves, unappropriated retained earnings, or issue premiums, on the basis of existing shares giving the holder such right. This right may only be removed by a vote at the Extraordinary Shareholders' Meeting with the approval at a Special Meeting of the holders of this right.

This double voting right shall automatically lapse in the case of shares being converted into bearer shares or conveyed in property. However, any transfer by right of inheritance, by way of liquidation of community property between spouses or deed of gift inter vivos to a spouse or a family heir shall neither cause the acquired right to be lost nor interrupt the abovementioned three-year qualifying period. The same shall also apply to any transfer, following the merger or spin-off of a shareholding company, to the absorbing company or the Company benefiting from the spin-off, or, as the case may be, to the new company created as a result of the merger or spin-off.

Each share gives the right to a proportional stake in the ownership of the Company's assets, as well as in the sharing of profits and of any liquidation surplus.

Crossing of shareholding thresholds (Extract from Article 8 of the Bylaws): Independently of legal obligations, the Bylaws stipulate that any individual or legal entity that becomes the owner of a number of shares representing more than 1% of the capital must inform the Company within eight days of crossing this threshold. The same obligation applies whenever the portion of capital held crosses the threshold of 1% once again. It ceases to apply when the shareholder in question reaches the threshold of 60% of the share capital.

Fiscal year (Extract from Article 24 of the Bylaws): From January 1 to December 31 each year.

Distribution of profits (Extract from Article 26 of the Bylaws): The Shareholders' Meeting may deduct from the profit for the fiscal year such sums as it deems appropriate, either to be carried forward to the following fiscal year, or to be applied to one or more general or special reserve funds, whose allocation or use it shall freely determine. Any remaining balance is to be distributed among all shareholders in the form of a dividend, prorated in accordance with the share capital represented by each share.

Actions necessary to modify the rights of shareholders: The Bylaws do not contain any stricter provision governing the modification of shareholders' rights than those required by law.

Provisions governing changes in the share capital: The Bylaws do not contain any stricter provision governing changes in the share capital than those required by law.

2. Share capital

2.1 Information regarding the capital

2.1.1 Share capital

As of December 31, 2024 and January 28, 2025, the Company's share capital was 361,015,032 euros, consisting of 180,507,516 fully paid-up shares with a par value of 2 euros each. The shares issued by the Company are all of the same class. Of these 180,507,516 shares, 176,474,116 shares conferred double voting rights as of December 31, 2024.

2.1.2 Authorized share capital

As of December 31, 2024, the Company's authorized share capital was 481,015,032 euros, divided into 240,507,516 shares with a par value of 2 euros each.

The authorized share capital represents the maximum amount that the share capital could reach should the Board of Directors make use of all of the authorizations and delegations of authority granted at the Shareholders' Meeting that permit the Company to increase its amount.

2.1.3 Identifying holders of securities

Article 8 of the Bylaws authorizes the Company to set up a procedure for identifying holders of securities, in accordance with applicable laws and regulations.

2.1.4 Non-capital shares

The Company has not issued any non-capital shares.

2.1.5 Securities giving access to the Company's share capital

No securities giving access to the Company's share capital were outstanding as of December 31, 2024.

2.1.6 Changes in the Company's share capital during the last three fiscal years

(EUR)	Type of transaction	Number of shares	Change in capital		Capital after transaction	
			Par value	Issue premium	Amount	Total number of shares
As of December 31, 2021					**361,015,032**	**180,507,516**
Fiscal year 2022	None	-	-	-	361,015,032	180,507,516
Fiscal year 2023	None	-	-	-	361,015,032	180,507,516
Fiscal year 2024	None	-	-	-	361,015,032	180,507,516
As of December 31, 2024					**361,015,032**	**180,507,516**

2.2 Stock option and bonus share plans

2.2.1 Share purchase and subscription option plans

No option plans have been set up by the Company since the May 14, 2009 share subscription option plan, which carried performance conditions and expired on May 13, 2019.

No share purchase or subscription option plans were in effect as of December 31, 2024.

For the plans set up since 2007, the Chairman and Chief Executive Officer must retain possession, in registered form and until the end of their respective terms of office, of a number of shares resulting from the exercise of their options representing a sliding percentage of between 50% and 30% (according to the date at which the options were exercised) of the notional capital gain, net of tax and social security contributions, determined on the basis of the closing share price on the day before the exercise date. This obligation shall expire when the value of shares held exceeds twice the gross amount of their most recently disclosed fixed and variable compensation as of the date the options are exercised.

2.2.2 Awards of bonus shares and performance shares

Bonus share award recipients are selected from among the employees and senior executives of the Group's companies on the basis of their level of responsibility and their individual performance.

Bonus shares and (if performance conditions are met) bonus performance shares vest to all recipients after a three-year period, subject to certain exceptions mentioned below, and are freely transferable once they have vested. Performance conditions generally concern the scope of the Group, but in certain cases may concern targets to be met at the level of a subsidiary or business group. These criteria set by the Board of Directors are mainly financial in nature, but some also concern non-financial factors, and certain plans also use qualitative criteria. Performance is most often measured over two fiscal years, and for certain plans over a longer period of time.

The vesting of bonus shares and bonus performance shares is, with certain exceptions, subject to a continued service condition under which recipients must still be with the Group on the date the shares vest.

Vesting of bonus performance shares allocated under the plans set up on October 28, 2021, January 27 and July 26, 2022 (the January 27 and July 26, 2022 plans having been integrated into the October 28, 2021, plan) is subject to a continued service condition as of October 28, 2024, and the conditions relating to the performance of the LVMH Group; if met: (i) 90% of the allocated shares will vest if LVMH's consolidated financial statements for each of fiscal years 2022 and 2023 show a positive year-on-year change in any of the following indicators – profit from recurring operations, operating free cash flow, the Group's current operating margin (hereinbelow "Indicators") – and (ii) 10% of the allocated shares will vest if the non-financial condition relating to the Group's social and environmental responsibility is met at year-end 2023. As the financial performance condition was met in 2022 and 2023, and the non-financial performance condition was met in 2023, the shares were vested on October 28, 2024, for eligible recipients as of that date.

Bonus shares allocated under the October 28, 2021 plan, for which vesting is subject to conditions relating to the performance of a Group subsidiary, will vest on March 31, 2025 subject to the recipients' continued service as of December 31, 2024 and the achievement of quantitative targets by the subsidiaries in question relating to their average consolidated profit from recurring operations in respect of the fiscal years ending in 2023 and 2024, as well as qualitative targets. As some of the applicable qualitative performance conditions had been met in advance of 31 December 2023, a portion of these bonus shares vested on January 25, 2024, in accordance with the decision made by the Board of Directors at its meeting that same day. The shares thus vested must be held until March 31, 2025. The Board of Directors' meeting convened to approve the financial statements for the fiscal year ending on 31 December 2024, having noted the partial fulfillment of the performance conditions not met in advance, as well as the fulfillment of the continued service condition at 31 December 2024, decided that the remaining bonus shares will vest on March 31, 2025.

Bonus shares allocated under the July 26, 2022 plan, for which vesting is subject to conditions relating to the performance of a Group subsidiary, will vest on March 31, 2025 subject to the recipients' continued service as of December 31, 2024 and the achievement of quantitative targets by the subsidiary in question relating to the growth of its consolidated profit from recurring operations between January 1, 2023 and December 31, 2024, as well as qualitative targets. As some of the applicable quantitative and qualitative performance conditions had been met in advance of 31 December 2023, a portion of the bonus shares vested on January 25, 2024, in accordance with the decision made by the Board of Directors at its meeting that same day. The shares thus vested must be held until March 31, 2025. The Board of Directors' meeting convened to approve the financial statements for the fiscal year ending on 31 December 2024, having noted the performance conditions not met in advance, decided not to vest the bonus shares remaining to be allocated.

Bonus shares allocated under the plans set up on October 27, 2022, and January 26, 2023 (the characteristics and terms of the January 26, 2023 plan having been integrated into those of the October 27, 2022, plan), for which vesting is subject to a condition relating to the performance of the LVMH Group, will vest on October 27, 2025, subject to the recipient's continued service at that date, in the following proportions: (i) 85% of the allocated shares will vest if LVMH's consolidated financial statements for each of fiscal years 2023 and 2024 show a positive year-on-year change in any of the Indicators and (ii) 15% of the allocated shares will vest if the non-financial condition relating to the Group's social and environmental responsibility is met at year-end 2024. As the financial performance condition was met in 2023, and the Board of Directors meeting convened to approve the financial statements for the fiscal year ending on December 31, 2024, having acknowledged the fulfillment of the financial and non-financial performance conditions in 2024, the shares will vest on October 27, 2025, subject to recipients' continued service at that date.

Bonus shares allocated under the plan set up on January 26, 2023, for which vesting is subject to the recipients' continued service as of January 26, 2024, vested on January 26, 2024 and must be held until January 26, 2025.

Bonus shares allocated under the plan set up on April 20, 2023, for which vesting is not subject to any conditions, vested on April 20, 2024 and must be held until April 20, 2025.

Bonus shares allocated under the plan set up on July 25, 2023, for which vesting is subject to a condition relating to the performance of a Group subsidiary, will vest, subject to the recipients' continued service as of December 31, 2027, on (i) March 31, 2028 for the first allotment, subject to the fulfilment of the performance condition related to the subsidiary's consolidated profit from recurring operations for fiscal year 2027, and (ii) January 31, 2029 for the remainder, subject to the fulfilment of the performance condition related to the subsidiary's consolidated profit from recurring operations for fiscal year 2028. Vesting may be brought forward for one or both allotments so that it precedes the ex-dividend date in respect of the payment of any interim dividend LVMH's Board of Directors may have decided to pay in December 2027, if the conditions set for this purpose by the Board of Directors are met. The continued service condition will then be assessed as of November 30, 2027.

Bonus shares allocated under the plan set up on October 26, 2023, for which vesting is subject to a condition relating to the performance of the LVMH Group, will vest on October 26, 2026, subject to the recipient's continued service at that date, in the following proportions: (i) 85% of the allocated shares will vest if LVMH's consolidated financial statements for each of fiscal years 2024 and 2025 show a positive change compared with 2023 and 2024, respectively, in any of the Indicators and (ii) 15% of the allocated shares will vest if the non-financial condition relating to the Group's social and environmental responsibility is met at year-end 2025. The financial performance condition was met in 2024.

Bonus shares allocated under the October 26, 2023, plan, for which vesting is subject to a condition relating to the performance of a Group subsidiary, will vest on March 31, 2028, subject to the recipients' continued service as of December 31, 2027, and to the fulfillment of the performance condition related to the subsidiary's consolidated profit from recurring operations for fiscal year 2027. Vesting may be brought forward so that it precedes the ex-dividend date in respect of the payment of any interim dividend LVMH's Board of Directors may have decided to pay in December 2027, if the conditions set for this purpose by the Board of Directors are met. The continued service condition will then be assessed as of November 30, 2027. Shares will become freely transferable as soon as they have vested.

Bonus shares allocated under the plan set up on January 25, 2024, for which vesting is not subject to any conditions, vested on January 25, 2025, and must be held until January 25, 2026.

Bonus shares allocated under the July 23, 2024 plan, for which vesting is subject to their recipients not resigning during the vesting period, will vest on July 23, 2025 subject to the recipients' continued service at that date. The shares must be held until July 23, 2026.

Bonus shares allocated under the plan set up on October 24, 2024, for which vesting is subject to a condition relating to the performance of the LVMH Group, will vest on October 24, 2027, subject to the recipient's continued service at that date, in the following proportions: (i) 85% of the allocated shares will vest if LVMH's consolidated financial statements for each of fiscal years 2025 and 2026 show a positive change compared with 2024 and 2025, respectively, in any of the Indicators and (ii) 15% of the allocated shares will vest if the non-financial condition relating to the Group's social and environmental responsibility is met at year-end 2025.

For bonus shares allocated under the January 25, April 18, and July 23, and October 24, 2024 plans, for which vesting is subject to a condition relating to the performance of a Group subsidiary, will vest on March 31, 2028, subject to the recipients' continued service as of December 31, 2027, and to the fulfillment of the performance condition related to the subsidiary's consolidated profit from recurring operations for fiscal year 2027. Vesting may be brought forward so that it precedes the ex-dividend date in respect of the payment of any interim dividend LVMH's Board of Directors may have decided to pay in December 2027, if the conditions set for this purpose by the Board of Directors are met. The continued service condition will then be assessed as of November 30, 2027. Shares will become freely transferable as soon as they have vested.

For plans set up since 2010, if their shares vest, the Chairman and Chief Executive Officer must retain possession, in registered form until the conclusion of his term of office, of a number of shares corresponding to one-half of the notional capital gain, net of tax and social security contributions, calculated at the vesting date of those shares on the basis of the opening share price on the vesting date for plans set up before 2013, and on the basis of the closing share price on the day before the vesting date for plans set up since 2013.

- Vesting of such shares does not lead to any dilution for shareholders, since they are allocations of existing shares.

2.2.3 Bonus share and bonus performance share plans

Date of Shareholders' Meeting	**06/30/2020**	**06/30/2020**	**04/21/2022**	**04/21/2022**	**04/21/2022**	**04/21/2022**	**04/21/2022**
Date of Board of Directors' meeting	**10/28/2021**	**01/27/2022**	**07/26/2022**	**10/27/2022**	**01/26/2023**	**01/26/2023**	**04/20/2023**
	Performance shares	**Performance shares**	**Performance shares**	**Performance shares**	**Bonus shares**	**Performance shares**	**Bonus shares**
Total number of shares provisionally allocated at plan inception	**184,291**	**1,308**	**26,682**	**139,592**	**1,000**	**1,359**	**13,752**
Of which: Company officers [(a)] [(b)]	*15,568*	-	-	*15,803*	-	-	-
Of which: Top ten employee recipients having received the largest number of shares [(c)]	*73,151*	*1,308*	*26,682*	*21,667*	*1,000*	*1,359*	*13,752*
Number of recipients	1,203	3	3	1,263	1	1	1
Vesting date	10/28/2024 [(d)]	10/28/2024 [(e)]	10/28/2024 [(f)]	10/27/2025	01/26/2024 [(g)]	10/27/2025 [(h)]	04/20/2024 [(i)]
Date as of which the shares may be sold	10/28/2024 [(d)]	10/28/2024	10/28/2024 [(f)]	10/28/2025	01/27/2025	10/28/2025	04/21/2025
Unit value as of initial grant date *(EUR)*	635.23 [(d)]	635.23	612.84 [(f)]	625.87	780.13	760.11	872.62
Performance condition	**Financial performance conditions met in 2022 and 2023** **Non-financial performance conditions met in 2023** **Performance conditions met for 30,000 shares** [(d)] **For 25,000 shares: Performance conditions met ahead of schedule in 2023 for 4,000 shares. For the remaining 21,000 shares: performance conditions partially met in 2024** [(d)]	**Financial performance conditions met in 2022 and 2023** **Non-financial performance conditions met in 2023**	**Financial performance conditions met in 2022 and 2023** **Non-financial performance conditions met in 2023** **For 25,000 shares: Performance conditions met ahead of schedule in 2023 for 21,000 shares. For the remaining 4,000 shares: unmet performance conditions in 2024** [(f)]	**Financial performance conditions met in 2023 and 2024** **Non-financial performance conditions met in 2024**	**-**	**Financial performance conditions met in 2023 and 2024** **Non-financial performance conditions met in 2024**	**-**
Number of share allocations vested in 2024	122,221	1,308	22,682	272	1,000	-	13,752
Number of share allocations expired in 2024	3,623	-	-	2,979	-	-	-
Total number of share allocations vested as of 12/31/2024	152,451	1,308	22,682	312	1,000	-	13,752
Total number of share allocations expired as of 12/31/2024	10,840	-	-	6,304	-	-	-
Remaining allocations as of fiscal year-end	**21,000**	**-**	**4,000**	**132,976**	**-**	**1,359**	**-**

(a) Performance shares allocated to LVMH company officers serving as of the provisional allocation date.
(b) A breakdown of the shares granted to company officers in service as of December 31, 2024, is provided in §2.2.2.1.7 of the Board of Directors' report on corporate governance.
(c) Bonus shares and performance shares allocated to the top ten employee recipients having received the largest number of shares, other than LVMH company officers, in service as of the provisional allocation date.
(d) Includes 30,000 shares that vested on April 16, 2023, as the continued service condition was met as of December 31, 2022, as were conditions specifically related to the performance of a subsidiary in respect of the fiscal year ended December 31, 2022 (unit value: 652.07 euros); these shares became available on April 1, 2024; 25,000 shares which will vest on March 31, 2025, subject to the recipients' continued service as of December 31, 2024, and conditions specifically related to the performance of LVMH Group subsidiaries if the targets are met in respect of the fiscal years ending December 31, 2023, and 2024, (unit value: 631.61 euros), with shares becoming available with effect from their vesting date. Of these 25,000 shares, 4,000 bonus shares vested on January 25, 2024, in accordance with the decision made by the Board of Directors at its meeting of January 25, 2024, in light of some of the applicable qualitative performance conditions having been met early as of December 31, 2023, with a requirement that these shares be held until March 31, 2025. From the remaining bonus shares (21,000 shares), given that (i) the continued service condition was met as of December 31, 2024, and (ii) the performance conditions were partially fulfilled as of December 31, 2024, the Board of Directors, at its meeting of January 28, 2025, decided to vest 500 shares on March 31, 2025.
(e) The characteristics and terms of the January 27, 2022 plan were integrated into those implemented as part of the October 28, 2021 plan.
(f) Includes 25,000 shares, for which vesting on March 31, 2025 is subject to the recipients' continued service as of December 31, 2024, and conditions relating specifically to the performance of an LVMH Group subsidiary if targets are met in respect of the fiscal year ending December 31, 2024 (unit value: 607.27 euros), with shares becoming available with effect from their vesting date. Of these 25,000 shares, 21,000 bonus shares vested on January 25, 2024, in accordance with the decision made by the Board of Directors at its meeting of January 25, 2024, in light of some of the applicable quantitative and qualitative performance conditions having been met early as of December 31, 2023, with a requirement that these shares be held until March 31, 2025. At its meeting of January 28, 2025, the Board of Directors, having noted that the performance conditions had not been met at December 31, 2024, decided not to vest any of the 4,000 bonus shares remaining to be vested under this plan. This included 1,682 shares for which vesting on October 28, 2024 was subject to the same conditions as those laid down in the plan set up on October 28, 2021.

04/21/2022	04/21/2022	04/21/2022	04/21/2022	04/18/2024	04/18/2024	04/18/2024	04/18/2024	Total
07/25/2023	10/26/2023	01/25/2024	01/25/2024	04/18/2024	07/23/2024	07/23/2024	10/24/2024	
Performance shares	Performance shares	Performance shares	Bonus shares	Performance shares	Performance shares	Bonus shares	Performance shares	
35,000	**175,895**	**28,000**	**15,000**	**28,000**	**28,000**	**5,200**	**186,744**	**869,823**
-	*15,471*	-	-	-	-	-	*10,939*	***57,781***
35,000	*57,368*	*28,000*	*15,000*	*28,000*	*28,000*	*5,200*	*55,940*	***391,427***
1	1,371	1	1	1	1	1	1,395	
03/31/2028[j]	10/26/2026[k]	03/31/2028[l]	01/25/2025[m]	03/31/2028[l]	03/31/2028[l]	07/23/2025[n]	10/24/2027[o]	
03/31/2028[j]	10/27/2026[k]	03/31/2028[l]	01/26/2026	03/31/2028[l]	03/31/2028[l]	07/24/2026	10/25/2027[o]	
797.93[j]	639.40[k]	627.54[l]	670.27	747.98[l]	644.67[l]	678.86	574.71[o]	
Not applicable in 2024	**Financial performance conditions met in 2024** **Non-financial performance conditions not applicable in 2024** **Performance conditions not applicable in 2024 for the 35,000 shares[k]**	**Not applicable in 2024**	**-**	**Not applicable in 2024**	**Not applicable in 2024**	**-**	**Not applicable in 2024**	
-	-	-	-	-	-	-	-	**161,235**
-	2,935	-	-	-	-	-	-	**9,537**
-	-	-	-	-	-	-	-	**191,505**
-	2,935	-	-	-	-	-	-	**20,079**
35,000	**172,960**	**28,000**	**15,000**	**28,000**	**28,000**	**5,200**	**186,744**	**658,239**

(g) Bonus shares for which vesting is subject to their recipients not resigning during the share vesting period; these shares must be held for a period of one year following vesting.
(h) The characteristics and terms of the plan set up on January 26, 2023, have been integrated into the plan implemented on October 27, 2022.
(i) Bonus shares, for which vesting is not subject to any conditions, but which must be held for a period of one year following vesting.
(j) Out of a total of 35,000 bonus shares, 15,000 shares will vest on March 31, 2028 (unit value: 797.93 euros) and 20,000 shares on January 31, 2029 (unit value: 783 euros), subject to recipients' continued service as of December 31, 2027, and the fulfillment of financial performance conditions. Vesting may be brought forward for one or both allotments, so that it precedes the ex-dividend date in respect of the payment of any interim dividend LVMH's Board of Directors may have decided to pay in December 2027, if the conditions set for this purpose by the Board of Directors are met. Shares may be traded freely as soon as they have vested.
(k) Includes 35,000 shares subject to conditions relating specifically to the performance of a subsidiary, due to vest on March 31, 2028, subject to recipients' continued service as of December 31, 2027 and the fulfillment of financial performance conditions. Vesting may be brought forward so that it precedes the ex-dividend date in respect of the payment of any interim dividend LVMH's Board of Directors may have decided to pay in December 2027, if the conditions set by the Board of Directors are met (unit value: 618.95 euros). Shares may be traded freely as soon as they have vested.
(l) 28,000 shares subject to conditions relating specifically to the performance of a subsidiary, due to vest on March 31, 2028, subject to recipients' continued service as of December 31, 2027 and the fulfillment of financial performance conditions. Vesting may be brought forward so that it precedes the ex-dividend date in respect of the payment of any interim dividend LVMH's Board of Directors may have decided to pay in December 2027, if the conditions set by the Board of Directors are met. Shares may be traded freely as soon as they have vested.
(m) Bonus shares, for which vesting is not subject to any conditions. These shares must be held for a period of one year following vesting.
(n) Bonus shares, for which vesting is subject to their recipients not resigning during the share vesting period. These shares must be held for a period of one year following vesting.
(o) Includes 28,000 shares subject to conditions relating specifically to the performance of a subsidiary, due to vest on March 31, 2028, subject to recipients' continued service as of December 31, 2027 and the fulfillment of financial performance conditions. Vesting may be brought forward so that it precedes the ex-dividend date in respect of the payment of any interim dividend LVMH's Board of Directors may have decided to pay in December 2027, if the conditions set by the Board of Directors are met (unit value: 569.11 euros). Shares may be traded freely as soon as they have vested.

2.2.4 Bonus shares and bonus performance shares allocated during the fiscal year to the Group's top ten employee recipients, other than company officers, having received the largest number of shares

Shares provisionally allocated during the fiscal year to the Group's top ten employee recipients, other than company officers, having received the largest number of shares

See §2.2.3 above.

Shares vested during the fiscal year to the Group's top ten employee recipients, other than company officers, having received the largest number of shares (a)

Company having allocated the shares	Plan date	Number of bonus shares	Number of performance shares
LVMH Moët Hennessy Louis Vuitton	10/28/2021	-	28,169
"	01/27/2022	-	473
"	07/26/2022	-	21,000
"	01/26/2023	1,000	-
"	04/20/2023	13,752	-

(a) Employees in service as of the vesting date.

Information on non-senior-executive company officers can be found in §2.2.1 and, for senior executive officers, in §2.2.2 of the *Board of Directors' report on corporate governance*.

2.3 Information that could have a bearing on a takeover bid or exchange offer

In accordance with the provisions of Article L. 22-10-11 of the French Commercial Code, information that could have a bearing on a takeover bid or exchange offer is presented below:

- capital structure of the Company: the Company is controlled by the Arnault family group, which directly and indirectly held 49.00% of the share capital and 64.81% of the voting rights exercisable at Shareholders' Meetings as of December 31, 2024 (see also §3.4 below);
- share issues and buybacks under various resolutions:
  - the shareholders have delegated to the Board of Directors the power to:
    - acquire Company shares within the limit of 10% of the share capital,
    - increase the share capital, with or without preferential subscription rights and via public offering or for qualified investors or a restricted group of investors, up to a total nominal amount not exceeding 120 million euros, i.e. more than 33% of the Company's current share capital as of December 31, 2024,
    - increase the share capital in connection with a public exchange offer or in-kind contributions.

    These delegations of authority are suspended during takeover bids or exchange offers;
  - the shareholders have also delegated to the Board of Directors the power to:
    - allocate share subscription options or bonus shares to be issued within the limit of 1% of the share capital,
    - increase the share capital through an issue for employees within the limit of 1% of the share capital.

    These delegations of authority are not suspended during takeover bids or exchange offers.

2.4 Summary of existing delegations and financial authorizations and use made of them

Share buyback program
(Articles L. 22-10-62 *et seq.* of the French Commercial Code) (a)

Type	Authorization date	Expiry/ Duration	Amount authorized	Use as of December 31, 2024
Share buyback program Maximum purchase price: 1,200 euros	SM of April 18, 2024 (15th resolution)	October 17, 2025 (18 months)	10% of the share capital (b)	Movements during the fiscal year: – Purchases: None – Disposals: None – 96,936 shares held as of December 31, 2024
Reduction of capital through the retirement of shares purchased under a share buyback program	SM of April 18, 2024 (16th resolution)	October 17, 2025 (18 months)	10% of the share capital per 24-month period (b)	Shares retired during the fiscal year: None

(a) A resolution renewing these authorizations will be presented at the Shareholders' Meeting of April 17, 2025.
(b) As a guide, this equates to 18,050,751 shares on the basis of the share capital under the Bylaws as of December 31, 2024.

Increase in the share capital (Articles L. 225-127 to L. 225-130, L. 225-132 to L. 225-135 *et seq.*, L. 225-147 and L. 225-147-1, L. 228-91 and L. 225-92, L. 22-10-49 to L. 22-10-54, R. 225-118 of the French Commercial Code, and L. 411-2, 1° of the French Monetary and Financial Code)

Type	Authorization date	Expiry/ Duration	Amount authorized	Issue price determination method	Use as of December 31, 2024
Through the capitalization of profit, reserves, additional paid-in capital or other items (L. 225-129-2, L. 225-130 and L. 22-10-50)	SM of April 18, 2024 (17th resolution)	June 17, 2026 (26 months)	120 million euros (a)	Not applicable	None
With preferential subscription rights: Ordinary shares and securities giving access to the share capital	SM of April 18, 2024 (18th resolution)	June 17, 2026 (26 months)	120 million euros (a) (b)	Free	None
Without preferential subscription rights: Ordinary shares and securities giving access to the share capital					
– by means of public offering (L. 225-135 *et seq.*)	SM of April 18, 2024 (19th resolution)	June 17, 2026 (26 months)	120 million euros (a) (b)	At least equal to the minimum price required by regulations (c)	None
– for qualified investors or a restricted group of investors (L. 225-135 *et seq.*)	SM of April 18, 2024 (20th resolution)	June 17, 2026 (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)	None
Increase in the number of shares to be issued in the event that the issue is oversubscribed in connection with capital increases, with or without preferential subscription rights, carried out pursuant to the 18th, 19th and 20th resolutions of the Shareholders' Meeting of April 18, 2024	SM of April 18, 2024 (21st resolution)	June 17, 2026 (26 months)	Up to a maximum of 15% of the initial issue and up to 120 million euros (a)	Same price as the initial issue	None
In connection with a public exchange offer (L. 22-10-54)	SM of April 18, 2024 (22nd resolution)	June 17, 2026 (26 months)	120 million euros (a)	Free	None
In connection with in-kind contributions (L. 22-10-53)	SM of April 18, 2024 (23rd resolution)	June 17, 2026 (26 months)	10% of the share capital at the issue date (a) (d)	Free	None

(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 by the Shareholders' Meeting of April 18, 2024 for any issues decided upon pursuant to the 17th, 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th and 26th 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 up to the overall cap of 120 million euros stated in (a) (Shareholders' Meeting of April 18, 2024, 21st resolution).

(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 18, 2024, 19th and 20th 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, 2024.

Employee share ownership

Type	Authorization date	Expiry/ Duration	Amount authorized	Issue price determination method	Use as of December 31, 2024
Share subscription or purchase options (Articles L. 225-177 *et seq.* and L. 22-10-56 of the French Commercial Code)	SM of April 18, 2024 (24th resolution)	June 17, 2026 (26 months)	1% of the share capital (a) (b)	Average share price over the 20 trading days preceding the grant date (c), with no discount	– Granted: None – Available to be granted: 1,805,075 shares
Bonus share awards (Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code)	SM of April 18, 2024 (26th resolution)	June 17, 2026 (26 months)	1% of the share capital (a) (b)	Not applicable	– Granted: None – Available to be granted: 1,805,075 shares
Capital increase reserved for employees who are members of a company savings plan (Article L. 225-129-6 of the French Commercial Code)	SM of April 18, 2024 (25th resolution)	June 17, 2026 (26 months)	1% of the share capital (a) (b)	Average share price over the 20 trading days preceding the grant date, with a maximum discount of 30%	None

(a) Up to the overall maximum of 120 million euros set at the Shareholders' Meeting of April 18, 2024 (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, 2024.
(c) For purchase options, the price may not be less than the average purchase price of the shares.

2.5 Authorizations proposed at the Shareholders' Meeting of April 17, 2025

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

Type	Resolution	Expiry/ Duration	Amount authorized
1) Share buyback program Maximum purchase price: 1,200 euros	SM of April 17, 2025 (17th resolution)	October 16, 2026 (18 months)	10% of the share capital (a)
2) Reduction of capital through the retirement of shares purchased under the share buyback program	SM of April 17, 2025 (18th resolution)	October 16, 2026 (18 months)	10% of the share capital per 24-month period (a)

(a) As a guide, this equates to 18,050,751 shares on the basis of the share capital under the Bylaws as of December 31, 2024.

3. Breakdown of share capital and voting rights

3.1 Share ownership of the Company

As of December 31, 2024, the Company's share capital comprised 180,507,516 shares:

- 174,578,023 pure registered shares;
- 2,005,839 administered registered shares;
- 3,923,654 bearer shares.

Taking into consideration treasury shares, 180,410,580 shares carried voting rights, of which 176,474,116 shares carried double voting rights.

As of December 31, 2024, the Company's share ownership was as follows:

Shareholders	Number of shares	Number of voting rights (a)	% of share capital	% of voting rights
Arnault family group	175,997,947	351,956,162	97.50	98.62
– Of which: Financière Agache	*173,288,273*	*346,576,546*	*96.00*	*97.11*
Treasury shares	96,936	-	0.05	-
Other shareholders	4,412,633	4,928,534	2.45	1.38
Total as of December 31, 2024	**180,507,516**	**356,884,696**	**100.00**	**100.00**

(a) Voting rights exercisable at Shareholders' Meetings.

As of December 31, 2024, a total of 175 registered shareholders held at least 100 shares each.

Subject to the provisions of §3.4 below, to the Company's knowledge:

- no shareholder held at least 5% of the Company's share capital and voting rights as of December 31, 2024;
- no shareholder held 5% or more of the Company's share capital or voting rights, either directly, indirectly, or acting in concert;
- no shareholders' agreement or any other agreement constituting an action in concert existed involving at least 0.5% of the Company's share capital or voting rights.

As of December 31, 2024, members of the Board of Directors directly held less than 0.55% of the Company's share capital and voting rights, personally and as registered shares.

As of December 31, 2024, the Company held 96,936 treasury shares recognized in short-term investments and held for the purpose of covering share purchase option and bonus share plans. In accordance with legal requirements, these shares are stripped of their voting rights.

As of December 31, 2024, employees of the Company and affiliated companies, as defined in Article L. 225-180 of the French Commercial Code, held the equivalent of less than 0.02% of the share capital, in employee savings plans and in registered form as bonus shares identified as having been awarded pursuant to an authorization by the Shareholders' Meeting subsequent to the Act passed on August 6, 2015.

During the fiscal year ended December 31, 2024 and as of January 28, 2025, no public purchase or exchange offer nor price guarantee was made by a third party involving the Company's shares.

The Company's main shareholders have voting rights identical to those of other shareholders.

In order to protect the rights of each and every shareholder, the Charter of the Board of Directors requires that at least one-third of its appointed members be Independent Directors. In addition, at least two-thirds of the members of the Performance Audit Committee must be Independent Directors. A majority of the members of the Governance & Compensation Committee must also be Independent Directors.

3.2 Changes in share ownership during the last three fiscal years

As of December 31, 2024

Shareholders	Number of shares	% of share capital	Theoretical voting rights	% of theoretical voting rights	Voting rights exercisable at SM (a)	% of voting rights exercisable at SM (a)
Arnault family group	175,997,947	97.50	351,956,162	98.59	351,956,162	98.62
– Of which: Financière Agache	*173,288,273*	*96.00*	*346,576,546*	*97.09*	*346,576,546*	*97.11*
Treasury shares	96,936	0.05	96,936	0.03	-	-
Free-float registered	528,711	0.29	1,044,612	0.29	1,044,612	0.29
Free-float bearer	3,883,922	2.16	3,883,922	1.09	3,883,922	1.09
Total	**180,507,516**	**100.00**	**356,981,632**	**100.00**	**356,884,696**	**100.00**

(a) SM: Shareholders' Meeting.

As of December 31, 2023

Shareholders	Number of shares	% of share capital	Theoretical voting rights	% of theoretical voting rights	Voting rights exercisable at SM (a)	% of voting rights exercisable at SM (a)
Arnault family group	175,997,947	97.50	351,956,162	98.59	351,956,162	98.61
– Of which: Financière Agache	*173,288,273*	*96.00*	*346,576,546*	*97.08*	*346,576,546*	*97.10*
Treasury shares	96,936	0.05	96,936	0.03	-	-
Free-float registered	599,694	0.34	1,131,239	0.31	1,131,239	0.32
Free-float bearer	3,812,939	2.11	3,812,939	1.07	3,812,939	1.07
Total	**180,507,516**	**100.00**	**356,997,276**	**100.00**	**356,900,340**	**100.00**

(a) SM: Shareholders' Meeting.

As of December 31, 2022

Shareholders	Number of shares	% of share capital	Theoretical voting rights	% of theoretical voting rights	Voting rights exercisable at SM (a)	% of voting rights exercisable at SM (a)
Arnault family group	175,997,947	97.50	305,618,659	98.38	305,618,659	98.41
– Of which: Financière Agache	*173,288,273*	*96.00*	*300,239,043*	*96.64*	*300,239,043*	*96.67*
Treasury shares	96,936	0.05	96,936	0.03	-	-
Free-float registered	603,776	0.34	1,138,458	0.37	1,138,458	0.37
Free-float bearer	3,808,857	2.11	3,808,857	1.22	3,808,857	1.22
Total	**180,507,516**	**100.00**	**310,662,910**	**100.00**	**310,565,974**	**100.00**

(a) SM: Shareholders' Meeting.

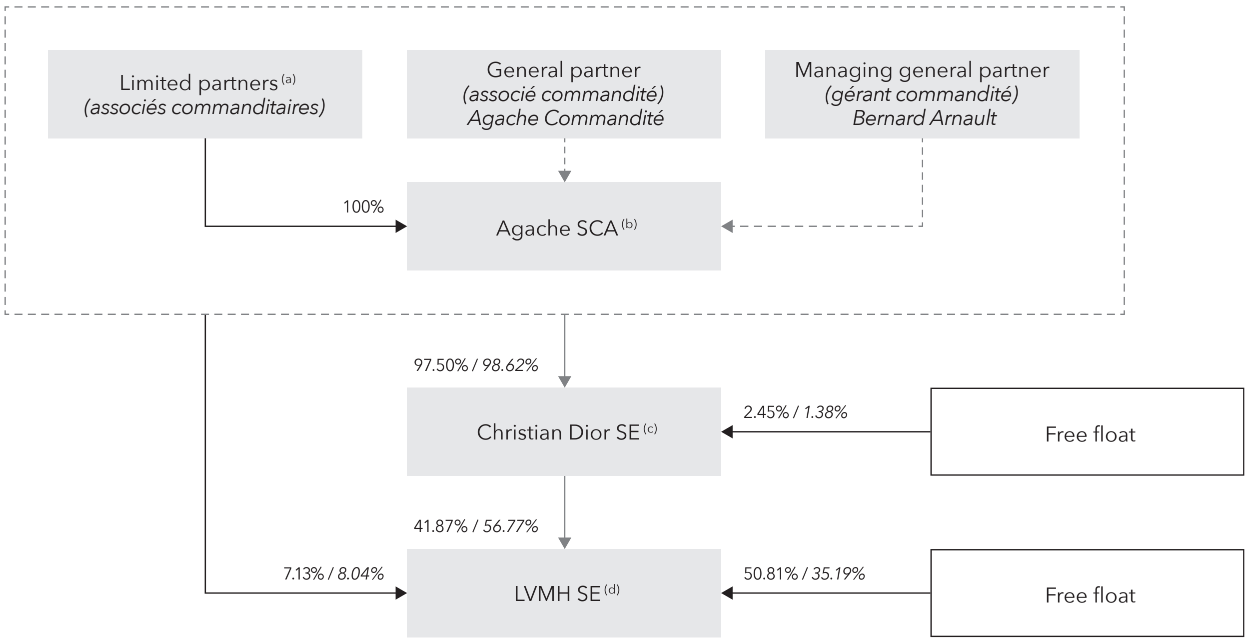
3.3 Pledges of pure registered shares by main shareholders

The Company is not aware of any pledge of pure registered shares by the main shareholders.

3.4 Natural persons or legal entities that may exercise control over the Company

As of December 31, 2024, the Arnault family group – comprising the Arnault family and the companies it controls – owned, directly and indirectly, 97.50% of the share capital of the Company (i.e. 175,997,947 shares) and 98.62% of the voting rights exercisable at Shareholders' Meetings, of which 96.00% of the share capital of the Company (i.e. 173,288,273 shares) and 97.11% of voting rights exercisable at Shareholders' Meetings was directly held via Financière Agache SA.

The organizational chart below provides a simplified overview of the shareholding structure (% of share capital/*% of voting rights exercisable at Shareholders' Meetings*) and control of the Company as of December 31, 2024:



(a) Members of the Arnault family group.
(b) A *société en commandite par actions* (SCA or limited joint-stock partnership) controlled by Agache Commandité SAS, with Bernard Arnault and Agache Commandité SAS as its general partners *(associés commandités)*.
(c) Treasury shares: 0.05% based on the share capital under the Bylaws as of December 31, 2024.
(d) Treasury shares: 0.19% based on the share capital under the Bylaws as of December 31, 2024.

4. Treasury shares and share buybacks

4.1 Share buyback programs

The Company did not purchase or sell any shares in 2024 under the share buyback program.

4.2 Authorizations proposed at the Shareholders' Meeting of April 17, 2025

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

Authorizations requested at the Shareholders' Meeting of April 17, 2025 pertaining to the program to buy back shares and reduce the share capital by retiring treasury shares are set out in §2.4 above.

5. Market for financial instruments issued by Christian Dior

5.1 Market for Christian Dior shares

During fiscal year 2024, stock markets as a whole continued to grow, albeit with significant differences across geographic regions; the American market consolidated its lead over the European market with annual respective gains of 23% and 8%. The Japanese and Chinese markets increased 19% and 13%, respectively. The French market recorded a decrease of 2%.

The stock markets were buoyed by the drop in the interest rates of major central banks, companies' profit growth and the hopes inspired by artificial intelligence, despite growing political uncertainty throughout the year, especially in Europe.

Starting in June, the European Central Bank began a cycle of declining interest rates, lowering its deposit rate from 4% to 3%, followed in September by the US Federal Reserve, which similarly lowered its interest rates from 5.5% to 4.5%.

European government bond yields suffered from revised expectations of rate cuts by the European Central Bank and due to political tensions. Consequently, German 10-year bond yields rose 0.60% in the first half of the year before finishing the year at 2.36%, up 0.34%, and French bond risk premiums reached 0.88% at the end of the year, compared with 0.53% at the beginning of the year.

In 2024, the US dollar appreciated overall against all other currencies, supported by the revised scale of upcoming cuts to American interest rates and the outcome of the presidential election. The euro retreated against the US dollar in the fourth quarter, dropping from 1.12 to 1.04 US dollars.

American GDP growth was robust once again, totaling 2.8%, driven by greater consumer spending than expected, a rise in real wages and an increase in asset prices. Growth in the eurozone was held back by Germany, whose GDP was down 0.2%, whereas France recorded a growth rate of 1.1% and Spain was even more buoyant, as its GDP grew over 3%.

In China, GDP growth held steady at 5%, still held back by the fragile real estate sector and weak consumption. Several fiscal stimulus and monetary easing measures were taken starting in September, including the 0.50% decrease in mortgage rates.

In Japan, faced with the growing weakness of the yen in the first half of the year and an inflation rate above 2%, the central bank put an end to its negative interest rate policy and carried out an initial increase of 0.20% of its benchmark interest rates in March and a second increase in July, which led to significant volatility in the financial markets. The Japanese economy recorded a slight decrease in its GDP, 0.2% in 2024.

Oil prices rose at the beginning of the year, exceeding 90 US dollars in April before falling to 75 US dollars, ultimately ending the year without following any clear trends, at 76 US dollars a barrel, down 5% year-on-year, primarily due to the economic slowdown in China and decisions by the OPEC.

In 2024, gold benefited from lower interest rates, purchases by central banks and geopolitical tensions. Its price reached 2,700 US dollars per ounce, and it grew 27% over the year.

In this environment, the Christian Dior share price recorded a decrease of 14.5% between January 1 and December 31, 2024, compared with increases of 8% and 4% in the Euro Stoxx 50 and the Euronext 100, respectively. Over the same period, the S&P 500 rose 23%, Japan's Topix 18% and the Shanghai SE 180 16%. Christian Dior's closing share price on December 31, 2024 was 605 euros. As of the same date, Christian Dior's stock market capitalization was 109.2 billion euros.

Market for the issuer's shares

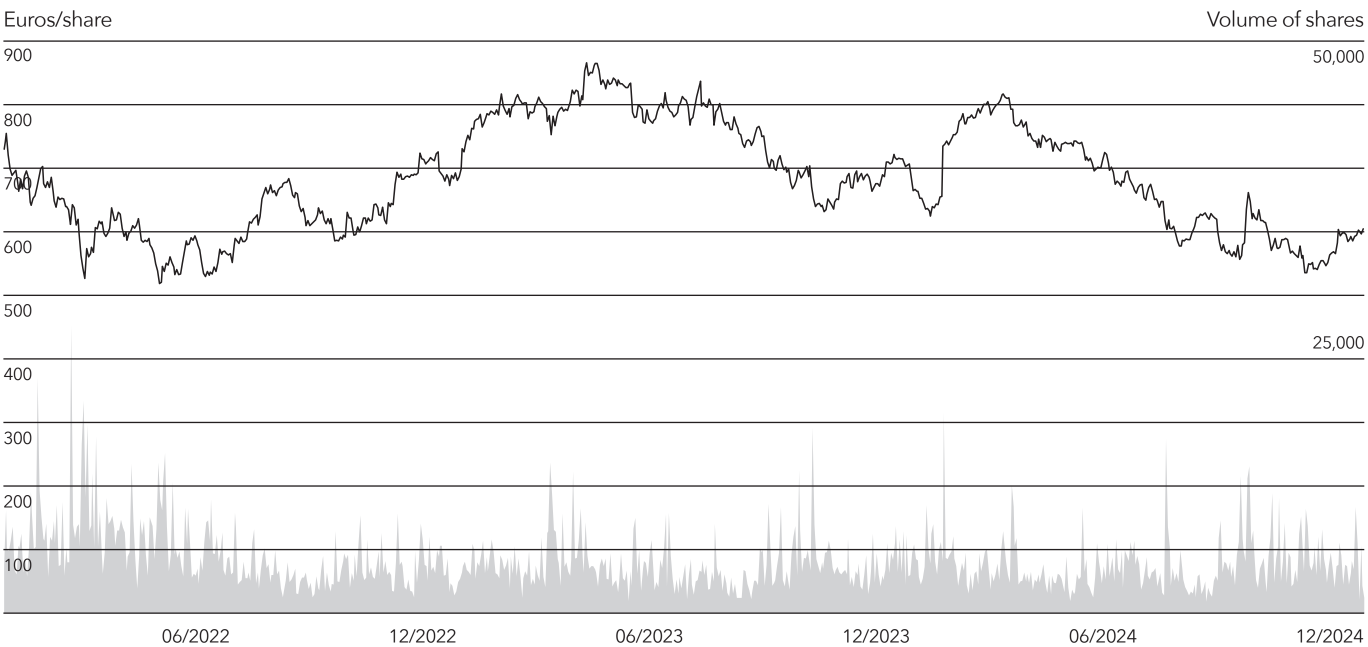
Christian Dior's shares are listed on Compartment A of Euronext Paris (Reuters: DIOR.PA; Bloomberg: CDI FP; ISIN: FR0000130403).

Trading volumes and amounts on Euronext Paris and share price movement over the last twelve months

	Opening price, first day *(EUR)*	Closing price, last day *(EUR)*	Highest share price (a) *(EUR)*	Lowest share price (a) *(EUR)*	Number of shares traded	Value of shares traded *(EUR millions)*
January 2024	709	737	748	618.5	123,130	83
February 2024	734.5	800.5	806.5	732	83,114	65
March 2024	801.5	776.5	832.5	759.5	92,605	74
April 2024	772.5	730.5	784.5	720.5	61,541	46
May 2024	731.5	702	751	687	69,739	51
June 2024	710	671.5	732	666.5	87,779	61
July 2024	687	609	690	600.5	92,441	59
August 2024	605	625	639.5	569	53,466	32
September 2024	623	648.5	664.5	548	121,014	72
October 2024	645.5	567.5	645.5	548.5	110,339	66
November 2024	568	551.5	585	529.5	103,746	57
December 2024	541	605	611	540	81,742	48

Source: Euronext.
(a) Intra-day share price.

Christian Dior share price over time and volume of shares traded on Euronext Paris



Stock market capitalization

(EUR millions)	
December 31, 2024	109,207
As of December 31, 2023	127,709
As of December 31, 2022	122,926
As of December 31, 2021	131,770

5.2 Bonds issued by Christian Dior

As of December 31, 2024, no bonds issued by Christian Dior were admitted to trading.

5.3 Dividend

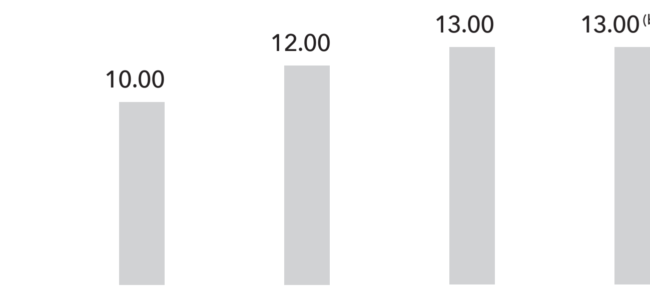
A gross cash dividend of 13 euros per share is being proposed for the fiscal year ended December 31, 2024. Based on the number of shares making up the share capital as of December 31, 2024 (180,507,516 shares), Christian Dior's gross cash dividend would amount to 2,346,597,708 euros for the fiscal year ended December 31, 2024, before the impact of treasury shares.

Dividend distribution in respect of fiscal years 2020 to 2023

Fiscal year	**Gross cash dividend** [(a)] **per share** *(EUR)*	**Gross cash dividend distribution** *(EUR millions)*
2024 [(b)]	13.00	2,347
2023	13.00	2,347
2022	12.00	2,166
2021	10.00	1,805

(a) Excluding the impact of tax regulations applicable to recipients.
(b) Proposed at the Shareholders' Meeting of April 17, 2025.

Gross cash dividend [(a)] per share *(EUR)*



(a) Excluding the impact of tax regulations applicable to recipients.
(b) Proposed at the Shareholders' Meeting of April 17, 2025.

The Company has a dividend distribution policy, designed to ensure a stable return to shareholders, while making them partners in the Group's growth and, where appropriate, in response to exceptional events.

In accordance with applicable laws in France, dividends and interim dividends not claimed within five years become void and are paid to the French state.

5.4 Change in share capital

As of December 31, 2024, Christian Dior SE's share capital was 361,015,032 euros, consisting of 180,507,516 fully paid-up shares with a par value of 2 euros each.

The number of shares did not change during the fiscal year.

5.5 Performance per share

(EUR)	**2024**	**2023**
Diluted Group share of earnings per share	28.86	34.93
Dividend	13.00 [(a)]	13.00
Change compared to previous fiscal year	0%	+8.3%
Highest share price (intra-day)	832.50	872.00
Lowest share price (intra-day)	529.50	621.50
Share price as of December 31 (closing price)	605.00	707.50
Change compared to previous fiscal year	-14.5%	+3.9%

(a) Proposed at the Shareholders' Meeting of April 17, 2025.

Statement by the person responsible for the Annual Report

We declare, having taken all reasonable care to ensure that such is the case, that the information contained in this Annual Report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

We declare that, to the best of our knowledge, the financial statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company and of all consolidated companies; that the Management Report gives a true and fair picture of the business performance, profit or loss and financial position of the parent company and of all consolidated companies as well as a description of the main risks and uncertainties faced by all of these entities; and that it has been prepared in accordance with applicable sustainability reporting standards.

Paris, March 25, 2025

Under delegation from the Chief Executive Officer

Aymeric LE CLERE

Chief Financial Officer

Design and production of PDF, printed and Smart xHTML versions: Agence Marc Praquin

Christian Dior

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