



INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS

PREAMBLE

The Board of Directors (hereinafter, the “**Board of Directors**” or the “**Board**”) operates in accordance with the corporate governance principles set forth in the “Corporate governance Code for listed companies” (“*Code de gouvernement d’entreprise des sociétés cotées*”) resulting from the consolidation of the November 2015 AFEP-MEDEF report, in its revised version dated June 2018, (the “**Consolidated AFEP-MEDEF Code**”) to which the Kering Company (hereinafter, the “**Company**”) refers.

The purpose of these internal regulations is to set out the terms of operation of the Company’s Board of Directors.

COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors comprises at least one third of independent directors. In accordance with the articles of association, when the number of Board members appointed by the shareholders’ general meeting is less than or equal to twelve, a director representing the employees is appointed for a term of four years by the Social and Economic Committee of the Company. When the Board is composed of a number greater than twelve members, a second director representing the employees is appointed for a term of four years by the Social and Economic Committee.

CONFLICT OF INTERESTS

The directors undertake to inform the Chairman of the Board of Directors of any situation of conflict of interests, including any potential conflict of interests, between their duties towards the Company and their private and/or other duties, and to abstain from attending the debate and participating in the vote on any deliberation concerning them, directly or indirectly.

The Chairman of the Board of Directors may at any time require the directors to provide a written statement certifying that they are not in a conflict of interests situation.

DUTIES AND POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall perform the duties and exercise the powers that are conferred on it by the law and the articles of association.

The Board shall set, evaluate and oversee the Company's major strategic, economic, social and financial guidelines of the Company, as well as its objectives and performances and ensure the implementation thereof. Subject to the powers that are expressly conferred during shareholders' general meetings and within the limit of the corporate purpose, the Board shall take it upon itself to handle all issues related to the smooth running of the Company and, through its decisions, shall settle the matters that concern it.

In exercising its prerogatives, the Board of Directors, in addition:

- defines the financial communication policy of the Company;
- ensures that shareholders and investors receive relevant, balanced and educational information on the strategy, the development model, the consideration of significant extra-financial issues for the Company, as well as its long-term outlook;
- endeavors to promote long-term value creation by the Company by considering the social and environmental issues of its activities and proposes, where appropriate, any change to the articles of association that it considers to be appropriate;
- designates and dismisses the corporate officers (*mandataires sociaux*) responsible for managing the Company based on the proposals of the nominating committee, sets their remuneration and elects the method of organization of its governance (separation or combination of the functions of Chairman and Managing Director);
- defines the remuneration policy for managing corporate officers (*dirigeants mandataires sociaux*) based on recommendations by the remuneration committee;
- approves investment projects and any transaction, including acquisitions or disposals, that are likely to have a significant impact on the Company's results and more generally on Kering Group's results (hereinafter referred to as the "**Group**"), the structure of its balance sheet or its risk profile;
- regularly reviews, in relation to the strategy it has set, the opportunities and risks including financial, legal, operational, social, and environmental issues that face the Group and the measures taken as a result of these;
- ensures, where appropriate, the establishment of a mechanism for the prevention and detection of bribery and trading in influence. It will receive all the information necessary for this purpose; and
- approves the report of the Board of Directors on corporate governance and the implementation of a policy of non-discrimination and diversity, in particular in

accordance with the principle of a balanced representation of women and men within it, the conditions for the preparation and organization of the work of the Board, as well as the internal control and risk management procedures implemented by the Company.

The Board shall perform the reviews and checks it deems appropriate.

In order to be able to perform its duties, the Board of Directors is informed of the Company's financial position, cash position and commitments periodically.

The Board may delegate powers, with or without the option of substitution, to its Chairman or to any other officer it may appoint, subject to the limits set forth by law.

GENERAL MANAGEMENT - AUTHORIZATIONS GRANTED BY THE BOARD OF DIRECTORS

In accordance with Article L. 225-51 of the French Commercial Code, the Chairman of the Board of Directors organizes and directs the work of the Board, which he/she reports to the shareholders' general meeting. It ensures the proper functioning of the Company's corporate bodies and ensures, in particular, that the directors are able to fulfill their duties. In accordance with the articles of association and upon a decision by the Board of Directors, the Chairman of the Board of Directors may combine his/her duties with those of the Managing Director.

In accordance with Article L. 225-56 of the French Commercial Code, the Managing Director is vested with the broadest powers to act in all circumstances on behalf of the Company. He/She exercises these powers within the limits of the purpose of the Company and subject to the powers that the law expressly grants to shareholders' general meetings and to the Board of Directors.

Based on a proposal by the Managing Director, the Board may appoint one or more individuals to assist the Managing Director as deputy managing director (*directeur général délégué*). The maximum number of deputy managing directors is five.

In accordance with the articles of association and without prejudice to the provisions of the law concerning the authorizations that must be granted by the Board of Directors, the following decisions by the Managing Director and the deputy managing director are subject to the prior authorization of the Board of Directors:

- a) matters and transactions that have a substantive effect on the strategy of the Company and the Group, its financial structure or its scope of business activity;
- b) except in the event of a decision by the shareholders' general meeting, issues of securities, regardless of the nature thereof, which are liable to cause a change in the share capital;
- c) the following transactions by the Company or any entity controlled by the Group, insofar as they each exceed an amount set annually by the Board:
 - all investments or divestments, including the acquisition or sale or exchange of interests in all existing or future businesses; or
 - all purchases or sales of Company buildings.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors shall meet at least four times a year and as often as the interest of the Company requires, upon notice from its Chairman or at the request of at least one-third of the directors. The meeting shall be held at the registered office, or in any other place stated in the meeting notice. The meeting notice may be issued by all means, even orally, by the Chairman, the secretary of the Board at the Chairman's request or, if the Chairman is not available, where appropriate by the Vice Chairman or, by default, by the eldest director in office.

The Chairman shall draw up the agenda for meetings.

The Chairman presides Board meetings and organizes the works and the meetings. If the Chairman is unable to act then, in accordance with article 12 of the articles of association, where appropriate, the Vice-Chairman shall act in his/her stead.

The Chairman shall ensure that the Company provides the directors, in a timely manner before each meeting, with all relevant information and documents; as required, the Chairman shall take into account their suggestions to enable the Board to be informed and make decisions under the most appropriate conditions on all issues over which it has authority.

For this purpose, the director will receive in a timely manner, before the meeting of the Board of Directors, the agenda of the meeting, as well as the documents that will enable him/her to make an informed and reasoned decision on the items on the agenda. Notes and documents that support any matters which have a current, urgent, or confidential nature may be provided during the meeting.

To participate effectively in the preparation of the works and the deliberations of the Board of Directors, the director shall ensure that he/she receives any documents or additional information he/she deems necessary. Requests to this effect are to be made to the Chairman of the Board of Directors, whose duty is to ensure that the directors are able to fulfill their duties properly.

The directors must also ensure that they are provided spontaneously with all useful information at any time during the course of business of the Company, between meetings of the Board of Directors if the importance or urgency of the information requires it.

Each director may benefit, if he/she deems necessary, from additional training on the specific characteristics of the Company, its business lines, and its sector of activity.

Each director is invited, if he/she wishes, to meet the directors of the operational teams of the Company after informing the Chairman of the Board of Directors in advance.

All persons who attend meetings of the Board of Directors must consider themselves bound to true professional secrecy, which exceeds the simple obligation of discretion provided for in Article L. 225-37 Para. 5 of the French Commercial Code, as well as to comply with a general obligation of discretion concerning all Board and Group business.

Each member of the Board of Directors commits himself/herself to be diligent and undertakes:

- to attend in person, if appropriate, by means of video-conference or telecommunication, all meetings of the Board of Directors, except in the case of insurmountable impediment;
- to attend shareholders' general meetings;
- to attend the meetings of any committees set up by the Board of Directors of which he/she is a member; and
- to analyze all matters dealt with by the Board of Directors.

In accordance with Article L. 225-37 of the French Commercial Code, directors are deemed to be present for the calculation of the quorum and majority who attend the meeting by videoconference and/or teleconference means under the conditions authorized by the regulations that are applicable on the date of the meeting. However, this provision is not applicable to the approval of decisions that are specifically excluded by the law, in particular those provided for in Articles L. 232-1 and L. 233-16 of the French Commercial Code (preparation of the annual Company and consolidated financial statements, as well as the reports mentioned in said articles). The videoconference and teleconference means used must allow for the identification of directors who attend the meeting of the Board of Directors via such means and guarantee their effective participation in the decisions.

Directors who attend a meeting but who declare that they will not participate in a vote shall be included in the quorum but not when calculating the votes.

COMMITTEES

In order to perform its task in compliance with good governance practices and in compliance with the provisions of the law, the Board of Directors has set up four committees, made up of members chosen from the Board under the conditions set out below: the audit committee, the remuneration committee, the appointment committee and the sustainability committee. The Chairman of the Board of Directors may address each of the committees under all circumstances.

The remuneration committee, the audit committee, and the appointment committee are composed of non-executive directors. At least two-thirds of the members of the audit committee, and the majority of the members of the remuneration Committee, are also independent. The director representing the employees is, as far as he/she is concerned, a member of the remuneration committee and the chairman of this committee is independent.

Within the scope of their internal regulations adopted by the Board of Directors, the Board shall determine how each committee is run in compliance with the principle of collegial administration that characterizes the Board of Directors.

The committees shall regularly report on their work to the Board of Directors.

All members of a committee may, at any time, inform the Chairman of the Board of Directors of any aspect of the committee work that such member feels it would be appropriate to bring to the Board's attention.

All persons who attend committee meetings are required to ensure the confidentiality of information that is non-public in nature, as well as to comply with a general obligation of discretion concerning all committee and Group business.

In accordance with the law, these four committees are not exclusive of other committees that the Board of Directors may decide to add on a temporary or occasional basis.

Audit Committee

By law, the main task of the audit committee, within the limit of the Board of Directors' powers, is to monitor:

- the process relating to the drawing up of the annual and biannual financial statements and more generally the financial information elaboration process;
- the implementation and efficiency of the internal control and risk management systems;
- the statutory audit by the statutory auditors of the annual accounts and, as the case may be, of the consolidated financial statements;
- the independence of the statutory auditors.

The committee shall be kept apprised of significant financial projects and/or decisions.

The committee shall deliberate on the work performed prior to the preparation of the yearly and half-yearly parent Company and consolidated financial statements.

The committee may hear, question and request a report from the Company statutory auditors and the auditors of the consolidated companies, and have access to all documents required to perform its task.

The committee may consult all members of the Company personnel or Board or from outside the Company, as well as the Company's departments, in particular the finance departments.

The audit committee's task is also to review candidacies for the position of statutory auditor and to propose the appointment of candidates by the shareholders' general meeting.

Each year, the committee shall review the auditors' fees, in particular, and shall assess their independence.

The statutory auditors are convened to attend, where appropriate, the Board meetings.

The committee can meet at any time upon notice from its Chairman or the Chairman of the Board of Directors; as required, this meeting notice shall be sent to the Company statutory auditors.

The committee keeps the Board promptly informed of any problems encountered.

Remuneration Committee

The main task of the remuneration committee is, within the limit of the Board of Directors' powers, to present the Board with all proposals concerning all items of remuneration of the

Chairman, the Managing Director and, as the case may be, of any other deputy managing director, and the method for allocating the directors' fees awarded by the shareholders' general meeting among the members of the Board of Directors.

The committee's task is also to assess the general remuneration policy for the members of the Group's Executive Committee and for the Group executives who are not members of the Executive Committee.

The committee may take it upon itself to handle all significant issues in this area.

Appointment Committee

The main task of the appointment committee is, within the limit of the Board of Directors' powers, to review and propose to the Board of Directors candidacies for the position of director to be co-opted by the Board or to be appointed by the shareholders' general meeting, as well as to review and propose potential deputy managing director to the Board.

The committee may review all potential candidates for the position of Company director.

Prior to their appointment and at any time the committee sees fit, the committee can review the position of the members of the Company directors in light of independence criteria defined by the Consolidated AFEP-MEDEF Code, as well as each individual director's declared situation, at any time.

The committee may handle all significant issues in this area.

Sustainability Committee

The Sustainability Committee's function is to support the Company and the Group in establishing, implementing and monitoring good corporate governance, taking into account the aim of the Board and Executive Management to maintain a high level of sustainability in their economic, social and environmental context, the Group's clear ambitions in terms of ethics and the corporate citizenship policies and practices upheld by the Group, its senior executives and employees.

It may examine any important question that relates to sustainability.

HOLDING OF COMPANY SECURITIES

The directors shall be shareholders in a personal capacity and, pursuant to article 10 of the articles of association, shall hold at least 500 shares of the Company, it being specified that, in accordance with the law, directors representing employees are not subject to such obligation. If they fail to hold that number of shares at the start of their functions, they shall acquire those shares within a period of 6 months from their appointment.

The directors, as well as their minor children who are still subject to the incapacities imposed by minority and their spouses from whom they are not judicially separated, must enter all the Company securities or securities of any entity controlled by the Company, listed on a regulated market, they hold in a registered account.

INSIDE INFORMATION - TRANSACTIONS INVOLVING SECURITIES AND FINANCIAL INSTRUMENTS OF THE GROUP

With regard to precise information, which has not been made public, concerning the Company or any entity it controls, as well as securities and financial instruments of the Group, which, if publicly disclosed, would be likely to have a significant effect on the market price of the relevant securities or financial instruments of the Group, under all circumstances the directors must comply with the rules and practices in force on the subject of inside information by ensuring that information not made public by the Group is kept strictly confidential.

Group securities and financial instruments shall be construed as the shares of the Company and of its subsidiaries that are listed on a regulated market, as well as the financial instruments attaching to those shares.

This duty of neutrality and confidentiality cannot be used as a substitute for the application to any person participating in Board meetings of the statutory or regulatory rules concerning the obligations for insiders to refrain from transactions involving the Group's securities and financial instruments.

In particular, the directors must refrain from directly or indirectly performing transactions on the Group's securities and financial instruments:

- during a period that starts on the thirtieth calendar day prior to the periodic publication by the Company of the consolidated financial statements, and that ends at close of trading following the publication of the corresponding official disclosure; and
- during a period that starts on the fifteenth calendar day prior to the periodic publication by the Company of the consolidated sales, and that ends at close of trading following the publication of the corresponding disclosure.

The same statutory or regulatory obligations shall apply to each director, concerning each financial instrument that is listed on a regulated market for which the issuer is linked to the Group, to the extent that the director has knowledge of inside information.

In the event of a doubt concerning his/her obligations, the director concerned must, in a timely manner, inform the Group Ethics Committee, or one or more of the Company directors.

As regards transactions involving the Company shares and financial instruments attaching to those shares, the directors shall declare each of these transactions to the Company and to the French *Autorité des marchés financiers* (as well as those transactions that have been declared to them by persons with whom they are closely associated within the meaning of the applicable regulations), under the conditions set forth under applicable rules and regulations, within three working days of each of the transactions.

The transactions performed by directors and/or the persons who are closely associated with them shall be disclosed to the public under the conditions provided for by the applicable regulations.

EVALUATION OF THE BOARD OF DIRECTORS

The Board of Directors, for the sake of the efficient performance of its work, shall perform an annual assessment of its ability to comply with the expectations of the shareholders of the Company. In this respect, it shall review its composition, organization, operating methods (including a review of the committees of the Board of Directors), how reports are received, the quality of the information made available to it, the information used for the preparation of its decisions and its discussions, and the effective contribution of each director to the work of the committees and the Board.

At least every three years, the Board shall have an evaluation performed by an independent member or third-party expert appointed by the Board, who shall report to the Board on its members and activity.

Each year, the shareholders are informed of the completion of these assessments in the corporate governance report and, if applicable, the follow-up performed on them.

DIRECTORS’ FEES

The allocation of fees to the directors within the limit of the annual package decided by the shareholders’ general meeting shall contain a fixed portion that is allocated to all the directors and a predominant variable portion that is allocated according to their attendance at Board meetings and its committees. The members of the audit committee, the remuneration committee, the appointment committee and the sustainability committee shall in addition receive a fixed half-share and a variable half-share in consideration of their attendance at a committee.

Moreover, the Board of Directors may decide to award one or more Chairmen of a committee a special share of the fees, which is drawn from the fixed part of the total amount before the allocation specified above.

HONORARY CHAIRMAN

The Board of Directors may appoint an honorary chairman, who may assist Board and committee meetings with a consultative vote.

NON-VOTING DIRECTORS (CENSEURS)

Without any limits other than those provided for by law, the Board of Directors may appoint one or more non-voting directors (individuals) for a period it determines with a consultative vote. The duties of each of the non-voting directors shall be determined by the Board.

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