

ANTI-CORRUPTION CODE OF CONDUCT

Hermès Group

Our commitment to integrity in the conduct of our business

Combatting corruption is a clear commitment for the Hermès group. **Combatting corruption** is part of an ethical approach to which the Hermès group is fundamentally attached. It involves a determined commitment to comply strictly with the laws and regulations applicable in all of the countries in which the Group operates. This commitment applies to all of the Group’s internal ethics and compliance policies and procedures.

Combatting corruption further means forbidding any conduct that is contrary to these rules and principles, and promoting an ethical culture within the company that leaves no place for dishonest conduct.

Combatting corruption thus also means incorporating this ethical culture in all of the Group’s policies, actions and decisions. As ethics concern us all, these principles must govern the daily operations of the Hermès group, including our managerial, commercial and operational activities.

This Anti-Corruption Code of Conduct (the “Code of Conduct”) reflects the commitments made by the Hermès group in the area of ethics and integrity. It sets forth the personal commitments undertaken by the Hermès group managers and forms an integral part of the values and principles that unite all Hermès group employees.



Axel Dumas
CEO of Hermès International

How to prevent corruption within the Group

Identify risks

This Code of Conduct and the procedures established by the Hermès group give you the tools you need to identify situations where risk is involved.

Be aware of the rules

You must be aware of all the ethical and compliance rules imposed by the Hermès group (gifts and invitations, conflicts of interest, etc.).

Adopt ethical conduct

You must implement and enforce these rules, which apply to all Hermès group employees.

You may contact a member of staff at any time for advice or assistance.

Dealings with third parties

In all dealings with third parties, you must:

- adhere to the rules concerning the giving and/or receiving of gifts and invitations;
- ensure that the third party complies with our rules and values by applying the designated selection and follow-up procedures;
- check that stringent controls are applied to the third party's tasks and remuneration.

Key principles

You are formally prohibited from giving or receiving any undue advantages.

Should you be faced with practices that you believe breach our rules, speak to a member of staff.

Dealings with public officials

The definition of a public official varies from one country to the next. If in doubt or should you have any questions, speak to a member of staff.

Giving gifts, invitations or any other undue advantages, particularly facilitation payments, to public officials is strictly prohibited.

Other rules that must be applied

You must adhere to all of the Hermès group's ethical and compliance rules and procedures.

Additional rules also apply to the following:

- lobbying and the representation of interests;
- corporate philanthropy;
- the prevention of conflicts of interest.

You must act with transparency and, of course, integrity in all circumstances.

Any breach of the Code of Conduct could result in disciplinary sanctions and could also see you held personally liable under civil or criminal law.

If you have any doubts or questions or experience any issues, please feel free to contact:

- Human Resources,
- your direct or indirect line manager, or
- the Compliance Officer.

The Hermès group has also established a whistle-blowing system, “H-Alert!”, to enable you to report any ethical or compliance issues of which you become personally aware.

Information on the scope of this system and how it operates is set out in the Information Notice regarding the Whistleblowing Procedure available on the Group’s intranet site (Our House/Our Ethics).

For more information, please refer to section 3.3 of this Code of Conduct.

Table of contents

Why combat corruption?

Our values	12
A legal obligation for our company	13
Anti-Corruption Code of Conduct: scope and purpose	14

1. Understanding the risk of corruption

1.1 Acts constituting breaches of integrity	18
Corruption and influence peddling with public officials	18
Corruption and influence peddling between private persons	20
1.2 Sanctions	23

2. How to react to sensitive situations

2.1 Rules concerning gifts and invitations	27
Key principles	28
General Group rules	28
Local rules	30
2.2 Selecting and monitoring partners	32
2.3 Relationships with public officials	35
2.4 Rules concerning the representation of interests	38
2.5 Corporate patronage	39
2.6 Preventing conflicts of interest	41

3. Knowing who your contacts are and understanding prevention tools

3.1 "H-Alert!" whistleblowing procedure	46
3.2 A policy based on transparency and advice	47
3.3 Contacts	48

Why combat
corruption?

Our values

Integrity and ethics have been two of the Hermès group's unifying and founding values since 1837.

The Hermès group is enhancing its anti-corruption policy first and foremost because corruption runs counter to the values we uphold.

Combatting corruption is also a fundamental basis on which we maintain healthy, long-term relations with our suppliers, our longstanding partners and our customers, all of whom expect us to act in an irreproachable manner. Integrity and ethics are therefore the foundations of our common identity.

A legal obligation for our company

Preventing and detecting acts of corruption and breaches of integrity in general are required by law.

Acts of corruption are criminal offences that are generally sanctioned by the laws in force in all of the countries in which we operate. Anyone who engages in a prohibited act is liable to incur their own liability and potentially that of the Hermès group. The Group will therefore not tolerate its reputation being damaged by the acts of unscrupulous employees or partners.

Furthermore, a growing number of countries are requiring companies to implement a series of internal procedures intended to combat corruption effectively. Accordingly, pursuant to the "Sapin II" law adopted in France in December 2016, the Hermès group is required to develop specific measures intended to prevent and identify breaches of integrity.

Anti-Corruption Code of Conduct:

scope and purpose

This Code of Conduct expresses the Group's undertaking to pursue and strengthen a clear, effective and unconditional approach to combatting corruption.

It must essentially be understood as guidance for the tasks you perform on a day-to-day basis. It clearly defines the type of conduct that constitutes corruption and provides explanations and illustrations specific to the Group that will help you to identify problematic situations.

This Code of Conduct also contains information that can be used to help anyone faced with any of the situations identified to act correctly and in accordance with the law, the internal policies of the Group and our values. The aim is for everyone who reads it to be able to understand the risks related to corruption and the applicable sanctions (1), to know how to react in sensitive situations (2) and to be aware of the contacts and tools provided to obtain advice and assistance (3).

This Code of Conduct has global reach and applies to all Group employees, including our corporate officers and directors, wherever we do business.

The Hermès group therefore expects you to act in accordance with the principles set forth herein in all circumstances, regardless of your position, the entity for which you work, your place of work, your level of responsibility and the people with whom you deal.

In the event of a conflict between the principles outlined in this Code of Conduct and the rules or codes of conduct adopted at local level, the strictest rules shall apply.

We also require third parties who work for us, such as our sub-contractors, suppliers, partners and service providers, to comply with these rules.

This Code of Conduct is therefore based on the premise that everyone acts in a vigilant manner, not only in terms of their own actions but also in their dealings with those around them and in situations with which they are confronted either directly or indirectly.

1. Understanding the risk of corruption

Corruption is defined as offering, promising, giving or proposing an undue advantage (money, a gift, a service, a promise) to a person in exchange for them acting or refraining to act within their remit or in breach of their duties. Requesting or accepting any advantages under these conditions is also prohibited.

All gifts, regardless of their value, must be deemed a potential risk to the extent that, depending on the circumstances, they might give the impression that an undue advantage is being requested or offered in return, for example, for a particular action or favourable decision. You must therefore act vigilantly at all times and it is essential that you understand what is prohibited.

1.1 Acts constituting breaches of integrity

Corruption and influence peddling with public officials

A public official is a person with public authority, tasked with a public service mission or elected to a public office.

The above applies to public officials in particular countries or who work for a foreign state or public international organisation (such as customs officials, anti-trust, consumer affairs and fraud prevention officials, officials in charge of building permits, EU civil servants and, more generally, civil servants, law enforcement officials, public and ministerial officials, members of parliament, all local elected officials, etc.).

It is important to note that the definition of public official varies from one country to another. If in doubt, please request further information from the relevant public authority.

French law distinguishes between two offences: **corruption** and **influence peddling**.

- The **corruption of a public official** is characterised by the undue offering, at any time and by anyone, directly or indirectly, of offers, promises, gifts, presents or advantages to a public official, for their own benefit or for the benefit of a third party (or acceding to a request by a public official) to influence the public official to perform or refrain from performing, or because they have performed or refrained from performing, an act within the scope of their duties, mission or office, or an act facilitated by their duties, mission or office.
The act of requesting or accepting an undue advantage under these conditions also constitutes corruption.
- **Influence peddling with public officials** is characterised by the undue offering, at any time and by anyone, directly or indirectly, of offers, promises, gifts, presents or advantages to a public official, for their own benefit or for the benefit of a third party (or acceding to a request by a public official) so that the public official might misuse, or because they have misused, their real or supposed influence in order to obtain awards, jobs, contracts or other favourable decisions from an authority or public administration.
The act of requesting or approving an undue advantage under these conditions also constitutes influence peddling.

The above conduct is prohibited by law in most countries and is, in any case, strictly prohibited by the Hermès group wherever it operates its business.

In the event of an established or suspected issue or if in doubt, you should either:

- use the “H-Alert” whistleblowing system, or
- contact one of the people listed in section 3.3 of this Code of Conduct.

» Example 1 – the corruption of a public official

A sum of money or emblematic product (such as a Kelly, Birkin, etc.) is offered to a public official and/or one of their relatives/close friends in connection with the opening, extension or renovation of an establishment (a store, manufacturing facility, etc.) in order, for example, to facilitate administrative processes (obtaining a permit or operating licence, for instance).

The above is an offence even if the money or product is offered as a sign of gratitude after the permit or licence has been granted.

» Example 2 – influence peddling with a public official

In a situation similar to example 1, a sum of money or emblematic product is offered to a public official with a view to them promoting a project to their superiors and thus facilitating the administrative processes.

In such circumstances, influence peddling occurs regardless of whether the official has a real influence over the decision.

Corruption and influence peddling between private persons

French law also prohibits corruption and influence peddling between private persons, i.e. between individuals or legal entities operating a business, regardless of their status, their position, their nationality or the country in which they work.

- **Corruption between private persons** is characterised by the undue offering, at any time and by anyone, directly or indirectly, of offers, promises, gifts, presents or advantages to a private person, for their own benefit or for the benefit of a third party (or acceding to a request by a private person) to perform or refrain from performing, or because they have performed or refrained from performing, an act within the scope of their business or position or an act facilitated by their business or position, in breach of their legal, contractual or professional obligations.

The act of requesting or accepting an undue advantage under these conditions also constitutes corruption.

- **Influence peddling between private persons** is characterised by the undue offering, at any time and by anyone, directly or indirectly, of offers, promises, gifts, presents or advantages to a private person (or acceding to a request by a private person) so that the person might misuse, or because they have misused, their real or supposed influence in order to obtain awards, jobs, contracts or other favourable decisions from an authority or public administration.

The act of requesting or approving an undue advantage under these conditions also constitutes influence peddling.

The above conduct is prohibited by law in most countries and is sometimes incorporated into the 'general' offence of corruption. In any case, it is strictly prohibited by the Hermès group wherever it operates its business.

» Example 1 – corruption between private persons

Examples of active corruption:

- a sum of money, an emblematic product or a specific advantage is offered to a local partner in order to expedite or facilitate the steps required to guarantee that high-profile events (events in stores, product launches, Saut Hermès, shows, etc.) proceed smoothly;
- an advantage is granted to an external service provider with a view to them being less observant of security rules.

Examples of passive corruption:

- an employee agrees to disclose information or know-how obtained in the context of their work in exchange for a sum of money, gifts or any other service (such as an internship offered to their children, invitations to sports events, etc.);
- a supplier convinces an employee to use their overpriced services and circumvent purchasing rules and procedures in exchange for a sum of money corresponding to part of the additional expense.

» Example 2 – influence peddling between private persons

In order to guarantee that high-profile events (events in stores, product launches, Saut Hermès, shows, etc.) proceed smoothly, a sum of money,

a symbolic product or a specific advantage is offered to a local partner, who confirms that they can influence the authorities to facilitate the relevant administrative processes.

Group rules

The above conduct is **strictly prohibited** in all circumstances, regardless of the reason.

If you are approached to do this, you must categorically **reject** the offer.

In the event of an established or suspected issue or if in doubt, you should either:

- use the “H-Alert!” whistleblowing system, or
- contact one of the people listed in section 3.3 of this Code of Conduct.

1.2 Sanctions

Under French law, anyone who engages in the above conduct will be liable to criminal sanctions.

According to French law, individual perpetrators of corruption or influence peddling with a public official may be sentenced to up to ten years in prison and fined up to €1 million or even up to twice the proceeds derived from the offence.

Corruption and influence peddling between private persons are offences that may be subject to up to five years’ imprisonment and a fine of up to €500,000 or even up to twice the proceeds derived from the offence.

The Hermès group, as a legal entity, might also be held criminally liable for such conduct and could incur a fine of five times the amounts imposed on individuals or even ten times the proceeds derived from the offence, in addition to various additional sanctions (business closure, disqualification from certain contracts, etc.).

The above conduct is prohibited in France, but is also severely sanctioned in most of the countries in which the Group operates.

The Hermès group strictly prohibits all such conduct wherever it operates. These prohibitions therefore apply even if a particular type of conduct referred to in this Code of Conduct is not sanctioned by the domestic legislation in force in a particular country.

In more general terms, the Hermès group does not tolerate any form of behaviour prohibited by this Code of Conduct, beginning of course with acts that constitute criminal offences but also including acts that infringe on the values and principles adopted by the Group with a view to preventing corruption.

Accordingly, any breach of this Code of Conduct is likely to result in disciplinary sanctions, which could include dismissal. Such sanctions and the conditions in which they are applied are set out in our internal regulations.

2. How to react to sensitive situations

This section of the Code of Conduct describes various sensitive situations where there is a risk of corruption with which you could be confronted.

These situations must be dealt with according to the diagram below:

Stages of compliance

1. Identify the situation.
2. Ask yourself the right questions.
3. Seek appropriate advice.
4. Apply the rules.
5. Report issues.

The points outlined below are therefore matters on which the Hermès group asks you to remain particularly vigilant and for which it insists on the importance of strictly complying with the terms and spirit of the relevant procedures.

2.1 Rules concerning gifts and invitations

Situations in which gifts or invitations are exchanged are extremely sensitive. As such, it is indispensable to ensure that gifts and invitations are not used inappropriately in breach of the applicable anti-corruption rules.

The Hermès group has adopted rules that apply to all gifts and invitations that might be offered to you, or that you would like to give in the context of your business relations.

Definition

A **gift** or **invitation**, as applicable, is any product, service or advantage offered, promised, given or received, directly or indirectly, and which may or may not be of financial value.

This includes, for example, sums of money, presents, loans, club memberships, the right to use equipment, job offers, discounts, as well as any other form of hospitality, including invitations, the payment of expenses, meals, drinks, travel and accommodation expenses, tickets for a sports or cultural event, invitations to a launch event or any other promotional activity in the context of a business relationship, etc., whether they are offered at points of sale, head office or any location outside the Hermès group premises, including at an employee's home.

There are various situations in which you might find yourself confronted with a gift or invitation.

- **Gifts offered by customers, particularly in a store:**
 - a customer offers a box of chocolates;
 - a customer offers a sum of money or valuable item;
 - a customer uses their network or influence for the benefit of an employee;
 - a customer who owns a hotel offers a weekend stay in their establishment or offers to upgrade an existing reservation;
- **Gifts and invitations offered by suppliers,** particularly to their usual contacts within the Hermès group, or by prospects, with a view to securing a contract;
- **Gifts and invitations offered by employees to partners:** an invitation to a launch evening or a gift offered to a journalist.

Group rules:

Key principles

You are strictly forbidden from requesting, accepting, suggesting or offering any form of gift or invitation with the aim of encouraging or rewarding any form of conduct that is reprehensible or that in any way breaches applicable anti-corruption rules or internal procedures.

This prohibition applies to any situation that could appear likely to influence the judgement or decision of the person receiving the gift or invitation.

General Group rules

As a matter of principle, no employee should offer a third party (such as a customer, supplier, service provider, intermediary, partner, public official, politically exposed person [PEP], etc.) or accept from such a third party a reward, gift, invitation, trip or any form of advantage.

In the context of the Group's business, we exceptionally tolerate gifts and invitations that:

- are of low value (excluding cash, cheques and gift vouchers, which are never accepted);
- are compliant with local business practices and accepted or offered in accordance with our disclosure and transparency principles;
- are compliant with local regulations;
- are accepted or offered, as applicable, in the name of the Hermès group and are declared in accordance with the applicable rules;
- are of a reasonable unit amount per beneficiary and per year.

In addition:

- Gifts and invitations offered to a public official or a PEP may only be authorised by your line manager in very exceptional and fully justified circumstances and must be disclosed in advance to senior management and the Compliance General Counsel.
- Gifts and invitations offered to a private person must be authorised by your line manager.
- Gifts and invitations offered to a person linked to a business partner (for example, their spouse, a relative, etc.) must be authorised by the appropriate line manager and be disclosed in advance to general management.
- Gifts and invitations offered or received during a particularly sensitive period (for example, during the negotiation of an important contract, prestigious events and/or high-profile events) are strictly prohibited.

Lastly:

- Employees must never request, receive or offer gifts or invitations of any value whatsoever in exchange for any kind of service or product.
- Employees must never request, receive or offer gifts or invitations that might alter the judgement or affect the independence of the beneficiary.
- If you are ever in doubt, you must discuss your concerns with your peers, line manager or the Human Resources Department.

Local rules

All employees must abide by the most stringent internal rules imposed on their unit, department or métier (as the case may be), particularly in relation to the following:

- the nature and value of permitted gifts (such as perishable foods below a certain threshold, etc.);
- the process for declaring gifts received (for example, by informing/ seeking permission from your line manager, completing and signing a declaration form, keeping a record of gifts received above a certain threshold, etc.);
- the procedure for distributing gifts received (for example, by sharing perishable foods with your team, making a donation to a charitable association, etc.).

You must use your common sense to determine what is unacceptable or inappropriate, even if it complies with the above rules.

In the event of an established or suspected issue or if in doubt, you should either:

- use the “H-Alert!” whistleblowing system, or
- contact one of the people listed in section 3.3 of this Code of Conduct.

THE RIGHT QUESTIONS

- Is the gift being offered to a public official?
- Is the gift being offered in a disinterested way with no connection to a particular operation?
- Is the gift of a reasonable value?
- Is the gift being offered transparently?

THE RIGHT REFLEXES

1. Prohibitions

I must not offer anything to, or accept anything from, a public official.

2. Common sense

Otherwise, I must check that the gift (offered or to be offered) is reasonable.

3. Permission

I must seek permission from my line manager, where necessary.

4. Alert

If I observe an issue or am in any doubt, I must contact the designated people.

2.2 Selecting and monitoring partners

The Hermès group works with numerous partners and has a multitude of relationships with various suppliers, intermediaries, representatives and agents of end customers.

Although all employees are responsible for their own actions, they might also be concerned by the actions of partners with whom they are in contact in the context of their business relations.

As such, various risk-related situations may arise within these relations.

» Examples – business relations with corrupt third parties:

- **If you do not verify the practices, values, reputation and past history** of a potential partner before entering into a business relationship with them, the relationship could expose the Hermès group to a significant legal risk. This could be the case, for example, if the potential partner engages in acts of corruption in the context of their business, embezzles money received through unlawful practices, is known for their unethical conduct, etc.
- **Failure to control and supervise the work** of an intermediary (franchisee, distributor, agent, business introducer, etc.) could potentially result in the intermediary engaging in unlawful acts, particularly acts of corruption.

Group rules

Invariably, a number of principles and precautions apply for all business relations with third parties:

- When choosing a partner, preliminary due diligence must be conducted into their integrity.
- The contractual relationship must be clearly and adequately controlled through the advance preparation of a precise definition of the tasks entrusted to the partner, the resources allocated to them, the terms and conditions relating to their remuneration and adequacy thereof.
- It is essential that the third party contractually agrees to abide by our principles and values. Accordingly, our agreements with third parties must contain anti-corruption provisions in order to ensure compliance with the rules and principles set out in this Code of Conduct.
- Lastly, the relationship must be monitored at all times or for the period over which the relevant assignment is performed.

In the event of an established or suspected issue or if in doubt, you should either:

- use the “H-Alert!” whistleblowing system, or
- contact one of the people listed in section 3.3 of this Code of Conduct.

THE RIGHT QUESTIONS

- Is the partner trustworthy?
- Is the partner transparent in the methods they use?
- Does the partner regularly report to me on their business?
- Is the partner requesting reasonable remuneration?

THE RIGHT REFLEXES

1. Integrity

I must always know my partner and be aware of their reputation and practices.

2. Control

I must verify the various aspects of the contractual relationship, particularly the partner's tasks and remuneration.

3. Monitoring

I must ask my partner to agree to abide by our principles and values.

4. Alert

If I observe an issue or am in any doubt, I must contact the designated people.

2.3 Relationships with public officials

In the context of our business, the Hermès group and/or our representatives do business with many public officials and authorities in various states, whose practices and rules of conduct may differ.

The definition of a public official varies from one country to another. If you are unsure whether you are dealing with a 'public official' in a particular country, assume that he/she is or discuss the matter with your line manager or one of the people listed in section 3.3 of this Code of Conduct.

When dealing with a public official and owing to the nature of their duties, you must remain extremely vigilant, particularly (but not exclusively) in relation to 'facilitation payments', which constitute acts of corruption in France and in the majority of countries in which the Hermès group operates, and which in any case are strictly prohibited by the Group.

As a matter of principle, in accordance with the rules set out in section 2.1 above, it is prohibited to make a gift, offer or promise to a public official except in exceptional circumstances.

Definition

The term '**facilitation payment**' is sometimes used to designate a payment of a small amount of money intended to facilitate or expedite the performance of a 'routine' procedure or act by a public official.

» Example – facilitation payments

In the context of the Hermès group's import and export procedures in certain foreign countries, our products may be subject to **customs controls** of varying scope.

In this context, a customs officer might request **small sums of money to expedite the normal customs process** (in order, for example, to release goods more quickly).

This conduct is unacceptable as it constitutes an act of corruption. Section 1.1 contains other examples of the definition of the offences of corruption and influence peddling.

Group rules

You must categorically **refuse any undue requests from a public official**. If the official reacts inappropriately to your refusal, you should either:

- use the "H-Alert!" whistleblowing system, or
- contact one of the people listed in section 3.3 of this Code of Conduct.

THE RIGHT QUESTIONS

- Is the relationship with the public official transparent?
- Is the relationship with the public official justified and necessary?
- Is the public official acting in accordance with the law?
- Is the public official requesting anything in return?

THE RIGHT REFLEXES

1. Professionalism

My relationship with the public official must remain professional at all times and comply with Hermès group procedures.

2. Prohibitions

I must never offer a gift or an invitation to a public official.

3. Lawfulness

As a matter of principle, I must reject any requests that do not comply with Hermès group procedures.

4. Alert

If I observe an issue or am in any doubt, I must contact the designated people.

2.4 Rules concerning the representation of interests

Definition

The **representation of interests** is where an agent or a structure primarily or regularly seeks to influence public decision-making. This might relate to the content of a law or regulation and involves the agent or structure communicating, in particular, with various public officials, administrative authorities, a member of the government or a cabinet office, a member of parliament or any other person elected to a public office.

Lobbying corresponds to the activity of representation of interests. Accordingly, under French law, this type of relationship must be conducted transparently. Indeed, the representation of interests involves risks, particularly if it results, for example, in granting an undue advantage by the interest representative to a public official with a view to influencing the actions of a public authority in favour of the interests that the representative promotes.

The requirement for transparency is one of our Group values. If your actions constitute representation of interests, you must comply strictly with the relevant obligations imposed by law.

In the event of an established or suspected issue or if in any doubt, you should either:

- use the “H-Alert!” whistleblowing system, or
- contact one of the people listed in section 3.3 of this Code of Conduct.

2.5 Corporate patronage

Definitions

- **Corporate patronage** is the funding provided to support a project or a person who performs activities in the public interest, without receiving anything in return from the beneficiary.
- Corporate philanthropy differs from **sponsorship**, which consists of supporting an event, a person, a product or an organisation with a view to generating a direct benefit.

The Hermès group is deeply committed to corporate patronage activities around the world. Such activities are organised by either the Fondation d'entreprise Hermès or by the various entities of the Group.

We must do our utmost to ensure that corporate patronage channels are not misused to engage in unlawful conduct.

» Examples – misuse of corporate patronage resources

Corporate patronage for the benefit of a local community which, in parallel, is reviewing a building permit application for a major project.

Use of corporate patronage resources, via the Fondation or commercial companies, for the benefit of an association linked to a Group stakeholder (such as a supplier, employee or shareholder), an association with a fictitious purpose or an association that acts as an intermediary to finance other activities.

Group rules

- Decisions concerning corporate philanthropy must be taken in a collegial way.
- Corporate patronage activities must be conducted in a completely transparent manner, particularly on a financial level.
- Corporate patronage must be the subject of a clear decision-making process that includes the due diligence required to ensure, in advance, that the patronage is lawful.
- Corporate patronage activities must be reviewed at regular intervals and monitored to ensure the correct performance of the activity.

In the event of an established or suspected issue or if in any doubt, you should either:

- use the “H-Alert!” whistleblowing system, or
- contact one of the people listed in section 3.3 of this Code of Conduct.

THE RIGHT QUESTIONS

- Is the project in the public interest?
- Who effectively benefits from the project?
- Is my contact genuinely impartial?
- Is the project monitored and reviewed?

THE RIGHT REFLEXES

1. Transparency

I must ensure that decisions are taken in a transparent manner.

2. Control

I must ensure that philanthropy is supervised and complies with applicable rules.

3. Monitoring

I must monitor corporate philanthropy and the relevant partner(s) at regular intervals.

4. Alert

If I observe an issue or am in any doubt, I must contact the designated people.

2.6 Preventing conflicts of interest

Definition

A **conflict of interest** arises when a person employed by a private or public organisation has a private interest (or an interest in the context of different professional activities) that might influence or appear to influence the way in which that person works and the responsibilities entrusted to them by the relevant organisation.

Conflicts of interest can only be dealt with if they are reported.

A conflict of interest that is not dealt with could result in undue preference being given to the personal interests of shareholders or employees, to the detriment of the Group's interests.

» Examples – conflicts of interest

A situation in which a person favours their own interests or the interests of shareholders, employees, relatives, close friends or third parties **over the Group's interests.**

A situation in which a person in charge of selecting a service provider has a personal connection with a service provider that is likely to affect the task, influence the person's decision or result in **a risk of the contract being awarded unlawfully.**

A situation in which a person in charge of recruitment has a personal connection with a candidate that results in **a risk of a biased recruitment process.**

Group rules

All conflicts of interest must be dealt with. As such:

- The general principle of transparency must be systematically applied. Even if such a situation is not prohibited per se, it must be reported and known in order to prevent any threat to integrity.
- All conflicts of interest, whether real or potential, must be reported to your line manager. Depending on the circumstances, your line manager may ask you to withdraw from the relevant situation and will appoint, if necessary, another person to manage the situation.
- If an employee does not wish to disclose the nature of a conflict for personal reasons, they must nevertheless report the fact that they have a conflict of interest as a result of the situation and consequently desist from the task concerned by the conflict.

In the event of an established or suspected issue or if in any doubt, you should either:

- use the "H-Alert!" whistleblowing system, or
- contact one of the people listed in section 3.3 of this Code of Conduct.

THE RIGHT QUESTIONS

- Do I have a personal interest in this situation?
- Would I make the same decision in the absence of this personal interest?
- Have I reported the situation in accordance with the applicable rules?
- Has the conflict been resolved?

THE RIGHT REFLEXES

1. Control

I must query whether a conflict of interest exists.

2. Transparency

I must report any conflict of interest.

3. Impartiality

I must remain impartial and ask someone else to manage the project.

4. Alert

If I observe an issue or am in any doubt, I must contact the designated people.

3. Knowing who
your contacts are
and understanding
prevention tools

3.1 The “H-Alert!” whistleblowing procedure

The Hermès group has established a whistleblowing system called “H-Alert!”. Employees can report conduct or situations that potentially contravene this Code of Conduct to the following people:

- their direct or indirect line manager, Human Resources or a member of the Internal Ethics Committee, or
- the whistleblowing service provider designated by Hermès to collect alerts and whose contact details can be found on the Group’s intranet website (Our House/Our Ethics).

Information on the scope of the system and how it operates is set out in the Group whistleblowing procedure available on the Group’s intranet site (Our House/Our Ethics).

3.2 A policy based on transparency and advice

We must all make a determined commitment to achieve the Group’s anti-corruption objectives.

It is essential that we discuss and exchange information every day, and assist each other in order to make an effective stand. There are many tools at your disposal to help you in this respect.

Our intranet site contains all the documentation, guidelines and internal policies intended to clarify or provide more information on the rules and principles set out in this Code of Conduct. These resources, which are regularly supplemented and updated, are at your disposal to provide you with the necessary analyses and information to comply with the Group’s rules and values in your everyday tasks.

There is always someone available to discuss any problems or doubts you may have, or to provide you with an opinion or advice. We therefore strongly encourage you to contact the people below whenever you feel the need to do so.

3.3 Contacts

Your first point of contact is **your line manager**. He or she is a key person who may be able to answer your questions or who will refer you, if necessary, to someone who is in a better position to help you and provide you with the appropriate advice.

As you may not be able to contact your direct line manager in certain situations or if they are unable to help you, you may contact **Human Resources** or the **Compliance General Counsel** directly for assistance with any of the matters referred to in this Code of Conduct. All matters referred to them will remain confidential.

You can access the Group's management organisation chart on our HermèsSphère intranet site.

