



SUMMARY OF THE STOCK MARKET ETHICS CODE

Preventive measures against market abuse within the Hermès Group

8th Edition November 20th, 2020

Pursuant to European regulation (EU) No. 596/2014 of 16 April 2014 on market abuse (known as the “MAR”), a review was carried out of internal procedures, practices and training on the prevention of insider trading in the Hermès Group.

On 1 February 2017, the Hermès Group adopted a new Stock Market Ethics Code (the “Code”) formalising the steps taken and the obligations incumbent on people, whether or not they are Senior Executives, who have access to inside or sensitive information.

The Code was updated on 25 July 2017, 1 January 2018, 16 November 2018, 25 January 2019, 10 September 2019, 22 November 2019 and 20 November 2020 as follows:

- ◆ Inclusion of precautionary measures concerning broadcast/comments on social networks and media in connection with the Hermès Group;
- ◆ Update of the applicable regulations (CNIL Decision 2017-200 dated 6 July 2017, ESMA interpretations, adaptation to GDPR), law no. 2019-744 of 19 July 2019 on the simplification, clarification and update of corporate law);
- ◆ Editorial details.

Version 8 of the Code, dated 20 November 2020, is structured as follows:

Review of definitions (inside information, insiders and similar, insider lists, trading days, AMF)

Internal procedures within the Group

Creation of “blackout” periods

The Code notes that Executive Chairmen, members of the Executive Committee, members of the Supervisory Board and members of the Executive Management Board of Émile Hermès SARL are qualified as “permanent insiders” (as defined in MAR, the “Permanent Insiders”).

Internally, Hermès International qualifies as “sensitive” persons any non-insiders among employees who are liable to hold sensitive or confidential information that is not classified as inside information (the “Sensitive Persons”). As a preventive measure and to facilitate accountability, these people are subject to specific blackout periods. A list of Sensitive Persons is established, and the relevant persons concerned are informed of their status.

Permanent Insiders and Sensitive Persons are required to refrain from trading in the securities of the Company during blackout periods set out in the schedules drawn up and published each year.

The requirement to respect blackout periods covers all transactions on Hermès International shares.

It applies:

- ◆ for Permanent Insiders, as a precaution and even though the information in question is not considered Inside information by the Inside Information Committee (IIC), from the reporting dates for quarterly sales, and those for annual and interim results (reporting of financial information that could provide an indication of the figures, prior to the “financial” blackout periods below) up to and including the date on which revenue and annual or interim results are reported, where appropriate;
- ◆ for Permanent Insiders and Sensitive Persons during “financial” blackout periods:
 - to a period of 30 calendar days before the annual or interim financial statements are made public and until the date - inclusive - the annual or interim financial statements are made public,
 - to a period of 15 calendar days before the quarterly information is made public until the date - inclusive - the quarterly information is made public;
- ◆ for recipients of free shares (only for the sale of free shares), at the end of the retention period during “free share” blackout periods:
 - to a period of 30 days before the annual or interim financial statements are made public and up to and including the date on which the annual or interim results are reported, where appropriate,
 - exceptionally, to a period beginning when the Group issues a specific alert about a transaction prohibiting trading until the date the transaction is made public.

Qualification process and deferral of publication of Inside Information

Hermès International has established an Inside Information Committee (IIC), whose role is to identify and qualify inside information, to decide whether or not to defer its publication, and to identify insiders for each item of inside information (other than Permanent Insiders). The IIC consists of an Executive Chairman (Mr Axel Dumas), the Executive Vice-President Finance (Mr Eric du Halgouët) and the Group Financial Operations and Investor Relations Director (Ms Carole Dupont-Pietri).

Appointment of a Compliance Officer

Hermès International has appointed Ms Nathalie Besombes (Corporate law and Stock exchange regulation Director, Supervisory Board Secretary) as Compliance Officer. The Compliance Officer is tasked with: establishing management procedures and tools for the Insider lists, creating and updating the lists of Permanent Insiders, occasional insiders and Sensitive Persons based on information received from the IIC, drafting, distributing and updating of the Code of Market Ethics, organising training of insiders, drawing up and publicising calendars of blackout periods applicable to Permanent Insiders, occasional insiders and Sensitive Persons, informing insiders and obtaining their explicit recognition of their obligations, and issuing oral advisory notice prior to completion of a transaction by permanent or occasional insiders.