

PRESS RELEASE

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EXECUTIVE CHAIRMEN COMPENSATION

In accordance with the AFEP/MEDEF Corporate Governance Code updated in January 2020 (art. 26.1) HERMES INTERNATIONAL discloses information on all potential or acquired elements, of its Executive Chairmen compensation, immediately following the Board meeting having established these elements.

Principles

The compensation elements detailed below are all in line with the Executive Chairmen compensation policy approved by the Shareholders' General Meeting of May 4, 2021 and presented in the [2020 Universal Registration Document](#) (Chapter 3 « Corporate Governance » § 3.7.1. page 291 *et seq.*).

2022 Fixed compensation and Variable compensation in respect of 2021 financial year

2022 Fixed compensation (« Additional »)

Amount determined in accordance with the compensation policy

The 2022 fixed compensation, in accordance with the compensation policy, by applying the change in the Company's consolidated revenue for the 2021 financial year, should increase by +41.8% compared to the actual compensation for 2021.

Waiver by the Executive Chairmen of part of their fixed compensation

The Executive Chairmen wished to waive more than 75% of the increase in their 2022 fixed compensation ("additional"), the increase being provided for in the applicable compensation policy. As a result of such waiver, they will receive in 2022 an actual fixed compensation that is 10% higher than the actual fixed compensation for 2021.

This waiver occurs after two years of stability of their fixed compensation ¹.

Émile Hermès SAS' fixed compensation for 2022 was therefore reduced from €782,523 to €607,035, and Mr Axel Dumas' fixed compensation was reduced from €2,301,950 to €1,785,716 (actual amounts to be paid after the waiver).

It is specified that this waiver does not represent a derogation from the application of the Executive Chairmen compensation policy within the meaning of Article L. 22-10-76, IV paragraph 2 of the French Commercial Code.

¹ As a reminder:

- In the context of the Covid 19 epidemic, the Executive Chairmen waived in 2020 the increase (i) in their 2020 fixed compensation and (ii) in their 2020 gross annual variable compensation, allocated in respect of the 2019 financial year, and therefore received in 2020 fixed and variable compensation amounts identical to those received in 2019;
- The 2021 fixed compensation, determined in accordance with the compensation policy, was equal to the 2020 actual fixed compensation.

The Management Board of Émile Hermès SAS, Active Partner, and the Supervisory Board of the Company took note of this waiver on 16 and 17 February 2022 respectively.

Variable compensation in respect of 2021 financial year (« Statutory »)

Amount determined in accordance with the compensation policy

At its meeting of 7 January 2022, the CAG-CSR evaluated the level of achievement of the CSR criterion applicable to 10% of the variable compensation of the Executive Chairmen and noted that the three indicators making up the criterion were fully achieved. As a result, the variable compensation, awarded in respect of financial year 2021, has been calculated by applying to the variable compensation effectively paid in 2021 (in respect of the 2020 financial year) the change in the Company's consolidated net income before tax for financial year 2021 compared with 2020, *i.e.* an increase of +73.2%.

Émile Hermès SAS' variable compensation for 2022 was therefore set at €1,259,430, and the one of Mr Axel Dumas' was set at €2,700,742 (actual amounts to be paid).

Pursuant to article L.22-10-77, II of the French Commercial Code, the payment of this variable compensation is subject to the approval of the respective resolutions to be submitted to the vote of the shareholders at the General Meeting of April 20, 2022.

The actual compensation of the Executive Chairmen has been submitted to:

- A compliance control with the articles of association and the compensation policy by the CAG-CSR Committee at its meeting of February 16, 2022;
- A deliberation by the Supervisory Board at its meeting of February 17, 2022.

The Company's corporate governance practices and the compensation policy of the Executive Chairmen will be set out in detail in the *Company's 2021 Universal Registration Document*.