



*Code
of Conduct*
LVMH

*Code
of Conduct*
LVMH

TABLE OF CONTENTS

6	FOREWORD
8	INTRODUCTION
10	ACTING RESPONSIBLY AND WITH SOCIAL AWARENESS
12	PROVIDING A FULFILLING WORK ENVIRONMENT AND VALUING TALENTS
15	COMMITMENT TO PROTECT THE ENVIRONMENT

17	WINNING THE TRUST OF CUSTOMERS
18	WINNING THE CONFIDENCE OF SHAREHOLDERS
21	ACTING WITH AND COMMITMENT TO INTEGRITY IN THE CONDUCT OF BUSINESS
25	IMPLEMENTATION AND COMPLIANCE

FOREWORD

Successful companies stand the test of time.

LVMH knows this well. Our Maisons excel in nurturing the value of their brands, continually strengthening their appeal with bold innovation while respecting their unique and prestigious heritage. This is what inspires the success of the Group and guarantees our future.

The success of LVMH also depends on respect for the shared rules, practices and principles that guide the day-to-day conduct of our business activities everywhere in the world in terms of ethics, social responsibility and respect for the environment.

LVMH has articulated and encouraged respect for these shared rules, practices and principles. Since its founding, the LVMH Group has ensured that:

- **these practices reflect** the highest standards of integrity, responsibility and respect for stakeholders;
- **employees enjoy** a work environment in which they can express their talent and apply their skills and expertise;
- **our Maisons define and adapt** their production processes, habits and behaviors to pursue continuous improvement in addressing the environmental issues we face;
- **we contribute** to the development of the regions and communities where we do business;
- **we provide** resources and competencies to support public interest initiatives and corporate philanthropy, and promote access to the arts and culture for a broad public.

We make these commitments to ourselves and to our stakeholders. They are reflected in the signature by LVMH and its Maisons of fundamental initiatives – such as the United Nations Global Compact in 2003 – and by the adoption of internal codes of practice and charters that provide a benchmark for all our Maisons. These include an Environmental Charter introduced in 2001 and the Supplier Code of Conduct in 2008. We adopted the initial version of our Code of Conduct in 2009, formally setting out simple yet fundamental principles that

inspire the Group in the conduct of its businesses and guide each of us in the exercise of our responsibilities.

This updated version of our Code of Conduct is both more explicit and more extensive for several reasons.

Because we must update our common framework to better address the diversity of continually evolving national contexts, métiers and cultures.

Because we must ensure compliance with all applicable treaties, laws and regulations, particularly in the areas of human rights and basic freedoms, health and safety, environment and ethics.

And because it is essential that these principles be applied thanks to concrete and effective means and an appropriate organizational structure.

This Code of Conduct has been signed by the members of the Executive Committee and by the CEOs of the LVMH Maisons. Each of the signatories thus makes a formal commitment to respect this Code and to guarantee its application and dissemination.

The Board of Directors' Ethics and Sustainable Development Committee monitors respect for the rules and values defined in this Code of Conduct. Each Maison and its members are expected to engage with this common framework and to apply its principles. This is a key factor in ensuring our continued excellence and a pillar that allows us to thrive over the long-term.

Our future collective success depends on the ethical commitment of every individual in the Group.

Bernard Arnault
Chairman and Chief Executive Officer of LVMH

INTRODUCTION

PURPOSE

The LVMH Group (“LVMH” or the “Group”) comprises over 70 exceptional Maisons that create high quality products. LVMH is the only company active in all five major sectors of the luxury industry: Wines & Spirits, Fashion & Leather Goods, Perfumes & Cosmetics, Watches & Jewelry and Selective Retailing.

The Group’s growth and enduring success are underpinned by the values and principles that shape its culture and inspire and guide the actions of all employees.

LVMH’s ambitions are anchored by three fundamental values shared by all members of the Group:

— **Be creative and innovative:** creativity and innovation are part of our DNA. Over the years, they have ensured our Maisons’ success and established their legitimacy. This combination of creativity and innovation is the foundation of our Maisons and figures at the heart of the delicate balance required to continually renew our offering while resolutely looking to the future, always respecting our unique heritage;

— **Deliver excellence:** because LVMH embodies the world of craftsmanship in its most noble and most accomplished form, we pay meticulous attention to detail and to perfection. We never compromise on quality. From products to service, we cultivate our difference through this constant quest for excellence;

— **Cultivate an entrepreneurial spirit:** LVMH has an agile and decentralized organization that encourages efficiency and responsiveness. It stimulates individual initiative by entrusting each person with meaningful responsibilities. Our entrepreneurial spirit encourages both risk-taking and perseverance. It requires pragmatic thinking and an ability to motivate teams, leading them to achieve ambitious objectives.

RESPONSIBLE PEOPLE AT THE HEART OF PERFORMANCE

LVMH employees are inspired by these values and embody them to guarantee the success of the Group and its Maisons. These values serve as a guide for our employees in changing contexts, as well as in complex environments, enabling them to challenge themselves to innovate and drive growth. These values are the pillars that ensure the performance and long-term success of the LVMH Group.

AN ECOSYSTEM OF MAISONS

LVMH is above all an ecosystem of Maisons that share a common culture of excellence and dynamic creativity to satisfy the aspirations of their customers.

The organization of LVMH emphasizes the autonomy of its Maisons, recognizing the rich diversity of the business models they have

developed. The Group respects their distinctive character and development paths and acts as the leader of a creative community where expertise and skills are carefully preserved, nurtured and shared.

Decentralized operations guarantee the autonomy and agility of the Maisons, allowing LVMH to remain extremely close to customers, to rapidly make effective decisions, and to continually motivate our employees by encouraging them to show their entrepreneurial spirit.

A SHARED ETHICAL FRAMEWORK

The principles set out in this Code of Conduct provide an ethical framework for all the actions of LVMH and its staff. LVMH expects exemplary behavior by its employees, fully respecting the Group's ethical commitments.

Respect for national and international laws, regulations and decisions and the application of best practices – particularly with respect to ethics, the environment and social responsibility – are essential prerequisites for the credibility of our policy. LVMH is committed to respecting both the letter and the spirit of these key texts and to translating its values and principles into responsible behavior.

This Code of Conduct is inspired by the fundamental values detailed above, as well as the Universal Declaration of Human Rights, the United Nations Global Compact, the OECD

Guidelines for Multinational Enterprises and the United Nations Guidelines on Women's Empowerment.

The LVMH Code of Conduct provides the foundations for our policy. The application of this common base in specific areas is detailed in the Environmental Charter, the Supplier Code of Conduct as well as various internal guidelines and charters.

This Code of Conduct does not supersede the codes and charters applied by LVMH Maisons, but rather serves as a common core and source of inspiration. It brings together the fundamental principles that illustrate our shared commitment and guide the way we carry out our day-to-day professional activities. It states the principles that must inspire every member of the Group, as well as our partners and suppliers.

ACTING RESPONSIBLY AND WITH SOCIAL AWARENESS

RESPECTING AND SUPPORTING HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

LVMH ensures that the conduct of its businesses respects individual rights and encourages the continuous improvement of social and public health conditions, which are essential to the development and protection of individual rights.

LVMH is committed to remaining vigilant in identifying any potential direct or indirect negative impact of its activities on society in order to prevent, or if necessary, remedy any such negative impact.

LVMH respects and promotes the Universal Declaration of Human Rights and adheres to the principles of the United Nations Global Compact, as well as to the United Nations Guidelines on Women's Empowerment. Within its sphere of influence, LVMH supports the values, freedoms and fundamental rights promoted in these texts.

CONTRIBUTING TO THE ECONOMIES OF HOST COUNTRIES

LVMH contributes to the economic and social development of the regions where it does business.

LVMH contributes to job creation in the regions where it is present – both directly through its

own facilities and indirectly through its partners – and also to the tax revenue of local and national governments.

Through cooperation with the different sectors in which LVMH operates, the Group's presence encourages the development of local centers of excellence, as well as development of skills.

BUILDING AND ENCOURAGING RESPONSIBLE RELATIONSHIPS WITH PARTNERS

LVMH is committed to maintaining and encouraging responsible and fair relationships with its partners.

LVMH supports its partners to establish and respect good corporate social and environmental practices and encourages their awareness of the importance of these issues. In particular, LVMH requires suppliers to comply with the ethical principles set out in the Supplier Code of Conduct. This Code specifies requirements to be respected by its suppliers, including any subcontractors they employ, in the management of their business regarding social issues (prohibition of forced labor and child labor, harassment and discrimination, measures related to wages, working hours, the free exercise of union rights, health and safety), environmental issues and operational issues (notably respect for laws, customs regulations, safety and subcontracting) and measures to fight corruption and illicit influence. This Supplier Code of

Conduct also gives LVMH the right to conduct audits to ensure, as far as possible, supplier compliance with these principles.

LVMH maintains balanced commercial relations with its partners and places special emphasis on respect for contractual agreements and terms of payment.

ACTIVE SOLIDARITY AND CORPORATE PHILANTHROPY

LVMH is committed to exemplary corporate social responsibility. This commitment is anchored in the fundamental principle of respect for people and individuals, and in making excellence a lever for social and professional inclusion, in solidarity with our host communities.

LVMH carries out numerous initiatives to support culture, artistic creativity, education and youth, as well as major humanitarian causes.

LVMH pursues an innovative corporate philanthropy policy designed to benefit the largest possible number of people. The different aspects of this policy reflect and promote the cultural values that unify LVMH Maisons and underpin their success.

LVMH respects the cultures of the countries where it conducts business and is committed to promoting the best of local cultures and creativity. LVMH's social solidarity policy reflects its attachment to historic and artistic heritage.

LVMH education and youth initiatives emphasize broad access to the world's cultural heritage and encourage the development of tomorrow's talents.

The LVMH Group's solidarity also extends to humanitarian and social causes. LVMH provides ongoing support for medical research in France and around the world.

*LVMH supports its partners
to establish and respect
good corporate social and
environmental practices.*

PROVIDING A FULFILLING WORK ENVIRONMENT AND VALUING TALENTS

LVMH respects and promotes the principles of the United Nations Global Compact, in particular the fundamental rights at work:

- elimination of discrimination with respect to employment and occupation;
- elimination of all forms of forced and compulsory labor;
- effective abolition of child labor;
- freedom of association and the effective recognition of the right to collective bargaining.

LVMH encourages a diversity of profiles and backgrounds. This commitment is formally set out in the Group's Recruitment Code of Conduct and materialized by its signature of the French Corporate Diversity Charter ("Charte de la diversité en entreprise").

Diversity, a gender-balanced workforce and gender equality are embedded in the LVMH culture.

LVMH is formally committed to ensuring that all employees enjoy their rights irrespective of skin color, sex, religion, political convictions, national or social origin, age, disability, trade union membership, sexual orientation, or gender identity. Particular attention is accorded to vulnerable persons' rights.

PROMOTING A WORK ENVIRONMENT THAT RESPECTS INDIVIDUALS

Diversity inspires creativity and is an essential value for LVMH. The diversity of the Group reflects a strong commitment to nurturing a culture of inclusion that respects the individuality of each employee or job candidate.

LVMH prohibits all forms of discrimination in recruitment, compensation, working time, breaks or paid vacation, maternity rights, job security, assignment of positions, appraisal, training, career development, job security and workplace health and safety. LVMH opposes all forms of physical, sexual, verbal or psychological violence and harassment.

Gender diversity is an integral part of the LVMH culture. The Group makes equal opportunity for women and men a cornerstone of its human resources policy within the framework of an inclusive culture, and places special emphasis on developing the careers of women. LVMH ensures equitable treatment of both women and men, including on work compensation and benefits.

LVMH takes initiatives to recruit, develop and retain talents that respect gender diversity. It has set up programs including mentoring and active support for talented women.

LVMH promotes the development of young talents through partnerships with schools and universities, local communities and associations.

LVMH encourages the employment and retention of older employees through initiatives such as training, flexible work hours and working conditions and prevention of physically difficult tasks. Senior employees are actively encouraged and valued through mentoring programs designed to preserve and transmit their skills.

LVMH is resolutely committed to the professional integration of people with disabilities and actively supports their training and recruitment through specific initiatives and dedicated partnerships.

**ENCOURAGING A WORK ENVIRONMENT
THAT IS SAFE AND WHICH
RESPECTS PRIVATE LIFE**

LVMH takes measures to ensure the health and safety of its employees and ensures that all its activities comply with applicable workplace health and safety laws and regulations in all its host countries. LVMH is committed to implementing best practices in the area of workplace

safety. It works towards protecting employees in the framework of their professional activities from exposure to hazardous materials or situations and reporting potential hazards.

LVMH internal regulations detail workplace health and safety rules. They are communicated to employees.

LVMH takes measures to ensure a healthy balance between professional and private life for its employees.

LVMH respects the right of its employees to be involved in political activities and/or associations in a private capacity. Employees must ensure that these private activities do not involve or jeopardize the fulfillment of their responsibilities or damage the reputation of their employer.

LVMH is committed to respecting applicable regulations in its host countries when it gathers, processes or transfers the personal data of employees or job candidates.

**OFFERING A STIMULATING
AND MOTIVATING WORK ENVIRONMENT
FOR EMPLOYEES**

LVMH seeks to attract, recruit and develop the most talented people and offers a fulfilling work environment that encourages relationships between colleagues based on trust.

LVMH actively develops the skills of its employees through an extensive range of training programs and by promoting internal mobility, both geographic and functional. The Group is strongly committed to the transmission of skills and the cultural heritage represented by artisanal and creative professions.

LVMH encourages its employees to continually focus on quality in the execution of their work. Managers place priority on leading by example and ensuring an effective balance between initiative and limits dictated by the professional skills and responsibilities of the people who report to them.

Employees are expected to cooperate with colleagues and ensure impartiality and mutual respect in their inter-personal relations.

Employees may not make discriminatory, defamatory or harassing remarks when discussing their colleagues, managers or employer. In particular, this includes communication on social networks to be in compliance with the guidelines set out in the internal Social Media Charter.

PROMOTING DIALOGUE WITH EMPLOYEE REPRESENTATIVES

LVMH respects employees' right to freely express views and opinions formulated within the framework of a constructive dialogue.

LVMH respects the right of employees to freely and voluntarily join organizations to promote and protect their professional interests.

LVMH encourages positive dialogue with employee representatives and cooperation with trade unions, as well as the respect and consideration for employee representatives in each country where the Group is present.

COMMITMENT TO PROTECT THE ENVIRONMENT

Protecting the environment is both an imperative and a source of progress.

In all countries where it has a presence, LVMH strictly complies with applicable environmental laws, regulations and standards. LVMH strives to exceed legal and regulatory norms as an exemplary corporate citizen to address environmental issues that concern everyone. Through its Maisons, employees and partners, LVMH actively contributes to defining and implementing more virtuous practices in all of its business sectors, in particular through a precautionary approach.

These commitments were formalized in the Environmental Charter adopted in 2001 and applied by all LVMH Maisons:

- Aim for a high level of environmental performance;
- Foster a collective commitment;
- Control environmental risks;
- Design high-quality products by integrating environmental innovation and creativity;
- Pursue commitments beyond the company.

•
*Protecting the environment
is both an imperative
and a source of progress.*
•

PRESERVING NATURAL RESOURCES AND INTEGRATING THE ENVIRONMENTAL DIMENSION INTO PRODUCTS

The long-term success of LVMH Maisons and their products depends directly on protecting and respecting natural resources.

Products created by LVMH Maisons are made from natural and often rare and exceptional materials. The design and manufacture of luxury products require not only innovation, creativity and excellence in execution, but also environmental performance.

The LVMH Group has since its founding perpetuated values rooted in the unique heritage of its Maisons, continually anticipating and adapting production processes and behaviors to better address the many environmental challenges we face.

A COMMITMENT SUPPORTED BY CONCRETE, EFFECTIVE TOOLS

LVMH takes concrete initiatives to protect the environment, fight climate change and preserve natural resources. The Group seeks to actively drive continuous improvement of environmental conditions to benefit its customers, employees and the broader community, and deploys the suitable human and financial resources.

This commitment is embodied by the LIFE program - LVMH Initiatives For the Environment - which has been incorporated by all LVMH Maisons to structure their initiatives and focus them on nine shared priority areas and objectives:

— **Integrate** environmental performance of products throughout their life cycle since the design stage;

— **Secure** access to strategic raw materials by protecting biodiversity;

— **Guarantee** material and product traceability compliance;

— **Promote** environmental and social responsibility of suppliers and work with them to ensure best-in-class environmental standards across our supply chain;

— **Protect** critical know-how;

— **Reduce** greenhouse gases emissions of our activities and promote the use of renewable energy;

— **Improve** the environmental performance of our production sites and stores;

— **Increase** the lifetime and “reparability” of products;

— **Establish** procedures to address environmental issues raised by customers and stakeholders.

Environmental priorities and objectives are an integral part of the strategic plans at each Maison. The Maisons must prepare medium- and long-term plans to ensure continuous improvement, accompanied by indicators to measure performance.

Beyond environmental factors linked directly to its business activities, LVMH also helps protect the environment by forging partnerships with business groups, public authorities and NGOs. Guided by the LIFE program, LVMH and its Maisons work in a spirit of cooperation with stakeholders to make a positive contribution to best practices and address environmental issues throughout the entire value chain.

▪
*LVMH takes concrete
actions to protect
the environment
and always strives
to exceed legal and
regulatory requirements.*
▪

WINNING THE TRUST OF CUSTOMERS

SUSTAINING PRODUCT QUALITY AND SAFETY

LVMH is committed to ensuring the health and safety of its customers by applying the precautionary principle in the design and production of its products.

LVMH continually strives to offer customers the highest possible product quality thanks to research and innovation, exacting standards in selecting materials, and in the use of expert skills in its different sectors.

The Group takes special care in the production and sourcing of these high-quality materials to seek to assure the sustainability of its resources, as well as respect for the principles promoted by LVMH in this Code of Conduct.

RESPONSIBLE COMMUNICATION

LVMH provides its customers with clear and accurate information concerning production methods, as well as the impact and correct usage of its products. LVMH strives to refrain from making misleading statements or claims concerning its products and how they are produced.

LVMH recognizes the social impact of its products and their image and is therefore committed to the highest levels of vigilance regarding its marketing and advertising information, by promoting responsible practices.

RESPECTING PRIVACY

Understanding customer needs and expectations is essential in order to provide them with the products they seek and deliver a personalized customer experience.

LVMH and its Maisons take measures to act with complete transparency in compliance with applicable regulations concerning protection of customers' personal information. In particular, LVMH Maisons provide their customers with clear information concerning the personal information they provide, and take measures to protect the confidentiality of this information.

LVMH and its Maisons do not sell customers' personal information and do not send commercial messages to customers without their prior consent.

▪

*LVMH takes measures to act
with complete transparency
with regards to the protection
of personal information
and to scrupulously ensure
respect of its customers' privacy.*

▪

WINNING THE CONFIDENCE OF SHAREHOLDERS

DEFINING AND RESPECTING SHAREHOLDER RIGHTS

The rights of LVMH shareholders are protected by law and by the corporate governance principles that cover the operation of the Group.

The Board of Directors of LVMH has adopted a Charter that sets out, among other things, its composition, duties, operating procedures and responsibilities.

The Board of Directors of LVMH has three committees whose composition, duties and operating procedures are set out in the company's internal rules:

— **The Performance Audit Committee**, whose main duties are to ensure that the Group's accounting procedures comply with applicable standards. It reviews the corporate and consolidated financial statements and ensures effective execution of internal control and risk management procedures within the Group;

— **The Nominations and Compensation Committee** issues proposals concerning the compensation for senior executives and issues opinions on candidates and compensation for key positions, in compliance with applicable legislation and governance principles;

— **The Ethics and Sustainable Development Committee**, whose main duties are to ensure compliance with the individual and collective values that constitute the cornerstone of the LVMH Group's operations, as detailed in this

Code of Conduct and other codes and charters resulting from this Code.

ENSURING THE QUALITY AND TRANSPARENCY OF FINANCIAL INFORMATION

LVMH accurately reflects its operations in its financial statements.

LVMH provides information on its performance with complete independence and transparency. In addition, the Group completes certain questionnaires from independent ratings agencies where there is no risk of conflict of interest.

LVMH is committed to ensuring the simultaneous, effective and complete dissemination of financial and extra-financial information that is relevant, accurate, precise and trusted, and to the publication of this information in a timely manner and in a format consistent with previous publications.

Only a limited number of designated persons within the Group are authorized to provide information to financial markets.

PREVENTING INSIDER TRADING

"Insider information" is any specific information that is not publicly available that directly or indirectly concerns one or more issuers of financial instruments or one or more financial

instruments and which, if it were made public, could significantly impact the price of the financial instruments concerned or any derivative financial instruments linked to them. Employees with access to such information are prohibited from directly or indirectly buying or selling the issuer's shares (or financial instruments linked to these securities) or to have such transactions executed by a third party until such information is made public.

The Group implements procedures to assess whether information should be qualified as insider information or not, and to determine whether this information can be communicated or used, and whether it must be made public.

•
*LVMH provides
information on its
performance with
complete independence
and transparency.*

To mitigate the risk of unintentional dissemination of insider information, employees with access to such information are required to respect complete confidentiality and are prohibited in particular from mentioning this information in any communications channels that unauthorized persons might consult or in any place where they risk being overheard. If employees have any doubts as to whether information is considered "insider information", they must contact their management or any other authorized person (Finance or Legal departments).

PROTECTING THE GROUP'S RESOURCES

The Group takes every possible measure to protect its assets and resources, including its intellectual property rights. The Maisons deploy an anti-counterfeiting strategy based on prevention, cooperation and communication.

Each employee is responsible for protecting the heritage and resources of LVMH to avoid any loss, improper use, damage or waste. These resources include equipment, property, financial resources and any other Group asset.

Employees are expected to use the Group's resources responsibly and for professional, legal and appropriate purposes in order to achieve the objectives set within the framework of their duties, with the goal of contributing to the development of the Group's businesses.

Employees must be vigilant in protecting against waste or abusive use of resources, particularly in taking advantage of benefits accorded. Resources and assets are made available to employees on a temporary basis and remain the property of the Group.

The LVMH Group has established internal guidelines concerning the protection of resources which employees are also expected to follow.

Occasional personal use of communications resources (e-mail, internet, etc.) is acceptable as long as it does not interfere with an employee's duties, does not generate any additional costs for the company, complies with applicable legislation, and does not negatively impact the business interests of LVMH.

The use of information technology resources is in particular subject to compliance with the rules and principles set out in the internal LVMH Information Systems Security Charter.

LVMH requires that its employees demonstrate fair and equitable behavior. Each of them is responsible for protecting the reputation of LVMH, its employees and its partners, and must refrain from any denigration of competitors. In particular, LVMH expects its employees to be extremely vigilant in the statements they publish on the Internet, particularly in making certain that their remarks reflect only their personal views, in compliance with the internal Social Media Charter. Employees are expected to show restraint, respect for others and to guarantee confidentiality and professional secrecy.

ACTING WITH AND COMMITMENT TO INTEGRITY IN THE CONDUCT OF BUSINESS

LVMH requires that its employees and partners act with exemplary integrity. Failure to comply with regulations can expose the Group – as well as employees themselves – to criminal sanctions. In addition to possible legal proceedings, employees who fail to respect these internal rules and guidelines are subject to disciplinary sanctions.

FIGHTING AGAINST ALL FORMS OF CORRUPTION

The concept of “act of corruption” – the legal definition of which varies depending upon the applicable legal framework – generally includes any act through which a person (“the corrupted”) solicits or accepts a gift, a promise or any type of benefit for themselves or for a third party in exchange for performing, failing to perform or delaying the performance of an action within the scope of their responsibilities, duties or mandates, to the benefit of a third party (“the corruptor”).

Gifts, promises or any type of benefit may consist of direct benefits – payment of cash, provision of goods or services, discounts, free execution of work, etc. – or indirect benefits such as hiring a relative or friend, paying a debt for someone, etc.

Corruption may involve a person acting in a private capacity (private corruption) or in a public capacity (public corruption).

There is active corruption when the corruptor initiates the corrupt act. There is passive corruption when the corrupt act is performed at the initiative of the corrupted person.

As for the concept of influence peddling, it applies to a situation in which a person illicitly uses their real or supposed influence in order to obtain certifications, employment, contracts or any other favorable decision for a third party from a public authority or administrative office in exchange for a benefit.

Influence peddling is also qualified as “active” or “passive” depending upon who initiates the action.

LVMH applies a zero-tolerance policy concerning corruption and influence peddling and implements measures to prevent, identify and sanction any instances of corruption or influence peddling within the scope of its activities.

Internal guidelines communicated to employees precisely illustrate the types of behavior that are strictly prohibited and which may be characterized as corruption or influence peddling. For example, they include:

- paying or accepting bribes or hidden commissions, regardless of whether they are paid directly or indirectly;

— facilitating payments (payment of small sums to public officials in order to speed or guarantee the execution of an action as part of the normal conduct of business).

More broadly, any payment to a third party must be in exchange for a service and correspond to a legitimate price agreed with this third party.

PREVENTING AND MANAGING CONFLICTS OF INTEREST

Conflicts of interest may arise when the personal interests of an employee or those of third parties (private individuals or companies) with which the employee has a close relationship conflict or could potentially conflict with the interests of LVMH and could compromise or give the appearance that this relationship might compromise the impartial and objective exercise of the employee's responsibilities.

LVMH Group employees who could potentially find themselves in situations such as this are required to report potential conflicts of interest as soon as they are identified.

In addition to immediately reporting potential conflicts of interest, employees whose positions and responsibilities render them particularly exposed to possible conflicts of interest are required to periodically report the absence of any conflicts of interest or report any potential conflicts of interest that have been identified.

The Group has established specific internal guidelines designed to avoid and manage conflicts of interest; employees are expected to act in accordance with these guidelines.

ADOPTING A REASONABLE POLICY CONCERNING GIFTS AND INVITATIONS

LVMH has established internal guidelines concerning gifts and invitations with which all employees are expected to comply.

Moreover, practices to be respected in this area are governed by laws and normal practice that vary according to countries, professions and the status of the persons involved. The LVMH Group does not tolerate any violation of applicable laws and regulations and takes measures to ensure that all employees comply with these rules.

PROTECTING CONFIDENTIALITY

LVMH employees are committed to protecting the confidentiality and integrity of internal information that has not been made public.

This information may in particular concern financial data, information on strategy, employees or clientele, product collections and launches, potential acquisitions or commercial initiatives designed to bring the Group a competitive advantage.

As a general rule, discretion is essential in order to maintain trust within the Group and within the framework of relationships established with customers and partners. LVMH is committed to ensuring the protection of all confidential information entrusted to the Group by external sources and to using this information only for the purposes authorized, taking necessary precautions.

Employees agree to refrain from divulging, whether directly or indirectly, any internal or external confidential information in their possession to both persons outside the Group and to other LVMH employees whose responsibilities do not require knowledge of this information.

RESPECTING COMPETITORS

LVMH believes in maintaining an open and fair competitive environment that respects applicable laws and practices and does not violate competition rules.

LVMH's commitment to respecting competition has been formalized in the adoption of the internal Competition Law Compliance Charter, which has been prepared to foster a robust culture of compliance with competition law throughout the Group.

This Charter explains the main rules governing day-to-day commercial relationships with which employees are expected to be conversant,

and provides pragmatic standards of conduct that employees are expected to respect. For example, LVMH prohibits any abuse of dominant position, concerted practice or unlawful agreement through understandings, plans, arrangements or coordinated behavior between competitors, in particular concerning prices, markets, market shares or customers.

FIGHTING MONEY-LAUNDERING

Money-laundering involves the investment of funds derived from criminal activities in legitimate economic activities in order to conceal the illegal origin of these funds.

LVMH takes appropriate measures designed to avoid its activities being used as a vehicle for money-laundering, an illegal activity that might in particular involve the payments in cash or other bearer instruments.

LVMH has established internal guidelines and procedures to fight money-laundering, in particular by limiting or establishing rules for cash payments and requires that its employees and partners be especially vigilant in this regard.

RESPECTING TRADE RESTRICTIONS AND INTERNATIONAL SANCTION PROGRAMS

LVMH attaches great importance to respect for international agreements, as well as laws and regulations concerning export controls,

financial sanctions and international trade restrictions for countries where the Group and its Maisons do business, taking into account changes in these measures.

No transactions with direct or indirect links to states, entities, organizations or persons subject to international sanctions, regardless of their size, may be executed if they fail to respect existing sanctions programs, and without prior approval from the LVMH Finance and Legal departments.

ACTING IN A LOYAL AND RESPONSIBLE MANNER IN PUBLIC LIFE

In a spirit of dialogue and cooperation with public authorities and decision leaders, LVMH contributes to public discussions in countries where this is authorized and relevant for its businesses.

The Group's involvement in public life is governed by respect for the laws and rules specific to the institutions and organizations concerned, as well as those set out in this Code of Conduct. LVMH places great importance on the accuracy of information provided to third parties and is registered as a lobbyist where required by its activities. Outside service providers under contract with the Group are required to respect these same principles.

LVMH prohibits any payment to political parties or organizations or labor unions.

LVMH prohibits the awarding of any mandate or compensation, either permanent or temporary, to any member of a national or European parliament during their term of office.

Implementation AND COMPLIANCE

Scope of application

This Code of Conduct aims to ensure the integrity of LVMH's operations. This Code is shared with all LVMH Group companies and consistently applied in all LVMH Maisons.

All LVMH Group employees must respect the principles set out in this Code of Conduct.

Dissemination of the Code of Conduct

This Code of Conduct is available on the LVMH website and is also available and can be downloaded in several languages on the Group's intranet.

This Code of Conduct is given to all new employees.

The LVMH Group has also established resources to support good

governance by its Maisons in the following areas:

- environment;
- relationships with suppliers;
- recruitment;
- information systems security;
- fighting corruption, in particular to address some specific geographical areas;
- compliance with competition law;
- advertising;
- other issues and areas covered by this Code of Conduct for which the Group has established internal guidelines.

Employees who fail to respect the principles set out in this Code of Conduct and in internal guidelines are liable to appropriate disciplinary measures proportionate to the seriousness of the infraction, in compliance with the Internal Regulations (or any equivalent document) of the company that employs them and to applicable laws and regulations.

The principles of this Code of Conduct may be detailed by each Maison to reflect its business sector or geographic location. In addition, local codes of conduct or charters may be applied when necessary to conform to local legislation and regulations.

Governance

To ensure effective dissemination and respect for the principles and values set out in this Code of Conduct, LVMH has established corporate governance aligned with the profile of the Group and its operational realities.

This organization is based on:

- a **Board of Directors' Ethics and Sustainable Development Committee** whose duties are: to contribute to the definition of rules of conduct inspiring the Group's executives and employees in the areas of ethics, corporate

.

This Code of Conduct aims to ensure the integrity of LVMH's operations. This Code is shared with all LVMH Group companies. It must be consistently applied in all LVMH Maisons.

.

social and environmental responsibility; to ensure the respect of these rules; to review the Group's strategy and reports in these areas;

— an **Ethics and Compliance Director**, reporting to the Group Managing Director, and an **Ethics and Compliance Commission** comprising representatives of different LVMH corporate departments (human resources, finance, operations, purchasing, audit and internal control, environment, legal and communications). This Commission is specifically responsible for promoting the principles set out in the Code of Conduct, for driving the development of best practices in these areas, ensuring compliance with the Code, analyzing and ranking the seriousness of risks identified via a regularly reviewed mapping, contributing to compliance and due diligence audits of partners and managing the functioning and tracking of the alert procedures put in place

within the LVMH Group. In this respect, an annual report on implementation of the principles of the Code of Conduct will be submitted to the Ethics and Sustainable Development Committee;

— a **network of Ethics and Compliance correspondents** appointed at each Maison to encourage experience sharing, sharing of best practices and consistent and uniform application of the principles and values promoted by the Code of Conduct.

The governance structure also includes:

— a **network of Social Responsibility correspondents** appointed within the Maisons, which meets several times each year to structure initiatives to be taken and allow the Maisons to adopt and adapt these initiatives to reflect their specific values, business environment and the expectations of their employees and customers;

— an **Environment Committee** comprising environment correspondents from the Maisons, which meets several times each year. This Committee provides a forum for exchanges of ideas and discussion of environmental performance opportunities and issues, as well as the LIFE program;

— a **Supplier Sustainability Day**, which each year brings together purchasing, branch managers and managers responsible for supplier relations from the Maisons. These meetings review priority issues, launch new initiatives and cascade best practices within the Group;

— a **network of Internal Control correspondents** headed by the Audit and Internal Control department, responsible for coordinating implementation of internal control and risk management procedures. Within the different Maisons, these correspondents are responsible both for ensuring compliance with the Group's internal control procedures and for carrying out internal

controls of their businesses and functions.

Support resources

— **Mapping of risks** - Risk mapping identifies and when possible ranks the seriousness of risks to which the Group and its Maisons are exposed against all types of behaviors that are non-compliant with this Code of Conduct, particularly external attempts at corruption and serious violations of human rights, fundamental freedoms, the health and safety of individuals and the environment. These risks are assessed in particular in relation to partners, geographies and business sectors. This mapping is regularly reviewed to take into account the changing environments in which the Maisons conduct their businesses. Based on the risks identified, procedures for evaluation of partners (suppliers, intermediar-

ies, etc.) are included in this mapping. Each Maison must adapt its internal codes of conduct and procedures to reflect their specific risks in this mapping.

— **Internal control and assessment** - Control of compliance with the Code of Conduct is part of existing LVMH internal control procedures and is carried out in compliance with the procedure applied by the Group. Internal and external accounting control procedures implemented by LVMH are designed in particular to ensure that the accounts are not used to mask instances of corruption or influence peddling, and to assess due diligence measures taken to prevent and fight against all forms of corruption and influence peddling.

— **Training** - The LVMH Group deploys a range of effective training resources. The content of these programs and choice of staff who benefit from them are based on the risk mapping (in

terms of job profile, geography and business). Training is regularly provided for Group managers and employees who are most exposed to risks of corruption, influence peddling and money-laundering. Social responsibility training focused on preventing discrimination is provided for recruiters, executives and managers, and continual monitoring of recruitment practices is carried out through discrimination test campaigns conducted by an independent firm.

— **Audits and due diligence** - The Group performs audits and due diligence of stakeholders to better identify, assess and anticipate risks and opportunities for improvement and to ensure in-depth knowledge of its partners. These procedures allow the Group to verify that the performance of its partners is aligned with its requirements and respects the best practices detailed in this Code of Conduct, in particular in terms of

ethics, social and environmental issues and respect for human rights. Through these controls, the Group can also help its partners implement and apply best practices to resolve minor non-conformities. These measures and compliance with them, are stipulated in agreements between the Group and its partners.

— **Disciplinary sanctions** – Failure by employees to respect the rules set out by the Code of Conduct, specific codes of conduct, charters, and internal policies, guidelines and Internal Regulations (or any equivalent document) of the Maisons that employ them may be considered as misconduct. In such cases, the Group may take appropriate and necessary measures in order to terminate the misconduct identified, including appropriate disciplinary sanctions proportionate to the seriousness of the violation, according to the measures stipulated in the Internal Regulations (or any equivalent

document) and applicable laws and regulations.

— **Alert procedures** – All employees who have questions about the appropriate behavior to be adopted or the interpretation of the principles set out in this Code of Conduct, or those who become directly or indirectly aware of violations of this Code of Conduct, are invited to contact their manager, Ethics and Compliance correspondent, human resources manager, the Group's Ethics and Compliance Director or any other authorized persons.

The LVMH Group has established an internal alert procedure enabling reporting and processing of alerts raised by employees regarding violations or risks of violation of the measures set out in this Code of Conduct.

This alert procedure is available to all employees. In compliance with applicable regulations, this procedure guarantees confidentiality

for the person raising the alert to the extent reasonably possible and unless otherwise required by law (in particular in France with the conditions stipulated by the French Data Protection Authority Cnil single authorization No. AU-004).

Retaliations are prohibited against people who use this procedure in good faith even when the suspicions at the origin of the alert prove groundless.

LVMH - 22, avenue Montaigne - 75008 Paris - France

Tel.: 33 (0)1 44 13 22 22 - www.lvmh.com

© LVMH 2017

This document was printed on paper from sustainably managed forests.



SUPPLIER CODE OF CONDUCT

FRED is one of the Maisons of the LVMH Group.

The LVMH Group attaches great importance to ensuring that its Maisons and their partners share a set of common rules, practices and principles with respect to ethics, social responsibility and protection of the environment.

Consequently, the LVMH Group expects its Maisons to establish and promote exemplary relations with all their partners (suppliers, distributors, subcontractors, etc.) anchored in responsibility, fairness and integrity.

Each LVMH Group Maison therefore requires its suppliers to respect the ethical principles presented in this Supplier Code of Conduct and to ensure that their own suppliers and subcontractors do the same.

In the conduct of its activities, FRED is committed to complying with all applicable laws, regulations and national and international conventions, as well as with best practices, in particular with regards to ethics, social responsibility and protection of the environment.

FRED expects its suppliers to apply the same respect for applicable laws and ethics principles as they do in the management of their own companies. FRED requires strict compliance with these standards by all its suppliers, their workers, their production facilities, their subcontractors and their own suppliers.

When national legislation or other applicable regulations address the same issue as this Supplier Code of Conduct, the highest standards or most restrictive provisions shall apply. When this Supplier Code of Conduct is in contradiction with applicable law, the applicable law shall apply.

FRED works with suppliers who agree to comply with the requirements of this Supplier Code of Conduct and with the principles stipulated in the Conventions of the International Labour Organization, the Universal Declaration of Human Rights, the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises and the United Nations Women's Empowerment Principles.

Our suppliers remain guarantors towards FRED for work performed by their subcontractors and suppliers and guarantee respect by their subcontractors and suppliers of this Supplier Code of Conduct and relevant obligations.

In the event of any violation of this Supplier Code of Conduct by the supplier or one of its suppliers or subcontractors, FRED reserves the right to review the business relationship and possibly terminate it in conformity with applicable law, even if there is no written contract formalizing this relationship, without prejudice to the other rights of FRED or remedies it might seek.

1. LABOR STANDARDS AND SOCIAL RESPONSIBILITIES

FRED requires its suppliers to exhibit exemplary social responsibility in their conduct.

- **Prohibition of child labor:** Work by children under the age of 16 is strictly prohibited. In countries where local laws set a higher age for child labor or set an age for completion of compulsory education higher than 16, the highest age is applicable. Any work which is likely to jeopardize children's physical, mental or moral health, safety or morals should not be done by anyone under the age of 18.
- **Prohibition of forced labor:** Any use of forced labor, slavery, servitude or trafficking in human beings by our suppliers, as well as withholding identity papers or work permits or requiring workers to deposit a bond or the use of any other constraint, is strictly prohibited. All workers are entitled to accept or leave their employment freely. Suppliers may not require workers to work to repay a debt owed to them or to a third party.
- **Prohibition of illegal, clandestine and undeclared employment:** Our suppliers are required to comply with all applicable regulations to prevent illegal, clandestine and undeclared employment.
- **Prohibition of harassment and abuse:** We expect our suppliers to treat their workers with respect and dignity. Our suppliers may not tolerate or engage in any form of corporal punishment, physical, sexual, verbal or psychological harassment or any other kind of abuse.
- **Prohibition of discrimination:** We expect our suppliers to treat all workers equally and fairly. Our suppliers may not engage in any kind of discrimination – in particular with regards to wages, hiring, access to training, promotion, maternity protection and dismissal – based on sex, race or ethnic origin, religion, age, disability, sexual orientation, political affiliation, union membership, nationality, gender identity or social background.
- **Wages and benefits:** Our suppliers must at minimum pay wages on a regular basis and no less than monthly, compensate workers for overtime hours at the legal rate and meet all legal requirements relating to worker benefits. If there is no legal minimum wage or rate for overtime pay in the country concerned, the supplier must ensure that the wages are at least equal to the average minimum in the relevant industrial sector and that overtime pay is at least the same as the usual hourly compensation. Wage deductions shall not be used as a disciplinary measure. We require our suppliers to guarantee that all workers receive benefits stipulated in any applicable collective bargaining agreements, company agreements and other applicable negotiated individual or collective agreements.
- **Working hours:** Our suppliers must comply with all local laws and regulations applicable with respect to working hours, which shall not in any case exceed the maximum set by internationally recognized standards such as the International Labour Organization. Our suppliers may not impose excessive overtime hours. The total number of hours worked per week including overtime may not exceed legal limits. Workers are entitled to the minimum number of days off established by applicable laws and at minimum must have at least one day off in every seven-day period.

- **Freedom of association:** We require our suppliers to respect and recognize the right of workers to negotiate collectively, and to create or join labor organizations of their choice without any sanction, discrimination or harassment.
- **Ensuring health and safety:** Our suppliers are expected to provide their workers with a safe and healthy workplace environment in order to avoid accidents or bodily injuries which may be caused by, related to, or result from their work, including during the operation of equipment or during work-related travel. Suppliers are expected to set up procedures and trainings to detect, avoid and mitigate as much as possible any hazards that constitute a risk to the health, hygiene and safety of staff. They are required to comply with all applicable local and international regulations and laws in this regard. These same principles are applicable to housing provided by suppliers.

2. ENVIRONMENTAL REGULATIONS AND PROTECTION

FRED takes concrete measures to protect the environment within the scope of a specific program which includes cooperation with its suppliers to ensure application of best practices throughout the supply chain.

FRED expects its suppliers to share this commitment. It encourages initiatives by its suppliers to reduce the environmental impact of their activities, notably through the use of green technologies.

FRED requires that its suppliers respect local and international environmental regulations and standards, that they obtain all requisite environmental permits and that they be able to prove effective implementation of the following:

- application of an environmental management system;
- improvements in the environmental performance of their sites and production resources, in particular through proper waste management, elimination of air, water and soil pollution, reduction of greenhouse gas emissions with an emphasis on use of renewable energies, reduction of water and energy consumption and safe management of hazardous chemicals;
- measures to preserve biodiversity and guarantee regulatory traceability and compliance for raw materials and substances used;
- best practices across their supply chain to respect animal welfare;
- contributions to continuous improvements in environmental performance throughout the lifecycle of the products of FRED;
- ensure that staff whose work has direct environmental impact are trained, skilled and have the resources required to effectively perform their work.

3. BUSINESS INTEGRITY REQUIREMENTS

FRED requires exemplary integrity from its suppliers in the conduct of their business activities.

- **Legal requirements:** We expect our suppliers to act in full compliance with local, national and international laws in the conduct of their business.
- **Prohibition of all forms of corruption:** FRED applies a zero-tolerance policy concerning corruption and trading in influence. We expect our suppliers to respect all applicable laws concerning corruption and to take appropriate measures to prevent, detect and sanction any corruption or trading in influence, directly or indirectly, across the scope of their activities.
- **Prevention of conflicts of interest:** We require our suppliers to comply with all applicable laws concerning conflicts of interest and to make every effort to prevent the occurrence of situations that create a conflict of interest within the scope of their business relationship with FRED.
- **Prohibition of money-laundering:** Money-laundering can occur where an action is taken to mask the true origin of money or assets that are connected to criminal activity. We require our suppliers to commit to taking all appropriate measures to prevent their operations from being used as vehicles for money-laundering.
- **Respect of competition:** Our suppliers must be committed to compliance with competition law applicable in their host countries. This includes prohibiting abuse of dominant position, concerted practices or unlawful agreements between competitors.
- **Confidentiality:** Our suppliers must be committed to taking all necessary measures to guarantee the confidentiality of professional secrets and other non-public information they receive in the course of their business relationship with FRED.
- **Prevention of insider trading:** We require our suppliers to comply with all applicable laws and legislation concerning insider trading and to refrain from selling or buying shares in LVMH – Moët Hennessy Louis Vuitton SE, or any linked derivative financial instruments, based on inside information, either directly or indirectly.
- **Protection of personal information:** We require our suppliers to comply with all applicable laws and regulations concerning the protection of personal information.
- **Customs and security authorities:** We require our suppliers to comply with applicable customs laws, including those relating to imports and the ban on transshipment of merchandise to the importing country.
- **Trade restrictions and international sanctions:** We require our suppliers to respect international trade restrictions and sanctions, taking into account any changes in these measures, as well as all laws and regulations concerning export controls.
- **Gifts and invitations:** Gifts or invitations may be considered acceptable expressions of courtesy within the context of good business relations if limited in scope and value, given openly and transparently, permitted under applicable local law, customary in the location in which they would be given, provided to reflect esteem or gratitude, and not offered with an expectation that something will be offered in return. In some cases, these practices might be subject to anti-

corruption regulations or other legal requirements, making it essential to be aware of such rules and to fully comply with them.

- **Protection of assets:** Our suppliers are required to take all necessary measures to protect the resources and assets of FRED, in particular its intellectual property rights, and are committed to fighting counterfeiting through a strategy of prevention, cooperation and communication. For example, all finished or semi-finished products bearing distinctive signs belonging FRED and which have not been ordered or have been refused, must be destroyed by the supplier as instructed by FRED.
- **Public statements:** We expect our suppliers to be extremely attentive to their public statements, particularly on the Internet and in social media, and to ensure that any statements are not attributed to FRED, and are consistent with the supplier's commitment to both confidentiality and professional secrecy.
- **Information transparency:** Our suppliers are required to provide clear and accurate information regarding the methods and resources used, production sites and characteristics of the products or services supplied, and to refrain from making any misleading claims.
- **RJC certification:** FRED is RJC certified. It is expected that all of our suppliers involved in the manufacture of FRED jewellery (including precious gold and platinum group metals suppliers, diamond dealers, gemstone suppliers and manufacturing workshops) take up membership of the Responsible Jewellery Council (www.responsiblejewellery.com) from the very beginning of their relationship with FRED and obtain RJC certification within no more than two years of them joining the RJC. Our suppliers must themselves encourage all of their subcontractors to obtain RJC certification.

INSPECTION AND AUDIT

- **Inspection:** We reserve the right to confirm compliance with these principles and to conduct compliance audits at our suppliers and their own suppliers and subcontractors. Our suppliers must provide all necessary information and facilitate access by representatives of FRED seeking to verify compliance with the requirements in this Code. Suppliers must commit to improving or correcting any deficiencies identified. FRED may also support its suppliers in implementing and applying best practices in order to resolve minor non-conformity issues.
- **Accurate records and access to information:** Our suppliers are required to keep proper records to demonstrate compliance with this Supplier Code of Conduct. They must provide our representatives with access to complete, original and accurate records.

Date:

Name and address of supplier:

Name and position of supplier representative:

Signature:

Chop (if applicable):