2024 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT



HERMÈS
PARIS

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The sections of the Annual Financial Report are identified in the contents with the AFR pictogram.

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2024 UNIVERSAL REGISTRATION DOCUMENT

Including the Annual Financial Report

MESSAGE FROM THE EXECUTIVE MANAGEMENT



When the Faubourg is a refuge

The year 2024 ended with results that bear witness to the robustness of our business model. This is something we can be proud of, and we would like to thank all our employees who have once again contributed to this success.

2024 was also a pivotal year. Today, the news is full of geopolitical complexity and one major climate crisis after another, highlighting the fragility of what we have previously taken for granted.

When times become more uncertain, refuges offer welcome relief. Our customers, both loyal and new, have appreciated the continuity of our approach oriented around creativity, uncompromising quality, and preserving and passing on know-how, all of which provides a guarantee of durability and authenticity.

Hermès' recruitment initiatives – creating 2,300 jobs, around 1,300 of them in France – its commitment to training – with its 10 Écoles Hermès des savoir-faire – and to raising awareness – with the Manufacto programme run by the Fondation d'entreprise Hermès in 96 schools – all contribute to job creation, to safeguarding and promoting craftsmanship, and to regional development.

The house continued to follow its path in 2024, reaffirming the uniqueness of its integrated business model with the opening of the Maroquinerie de Riom leather workshop in September and the laying of foundation stones for future leather workshops in Loupes (Gironde) and L'Isle-d'Espagnac (Charente). The pace of store openings and the enhancement of the distribution network continued unabated, with new stores in Lille, Atlanta and Shenzhen marking the second half-year, following those in Princeton, Lee Gardens in Hong Kong, and Nantes earlier in the year. The group has also strengthened its vertical integration with the acquisition of the Dubai and Abu Dhabi concessions.

The creative abundance that thrives in all our métiers is testament to the talent and inspiration of our artistic directors. We would like to mention the successful launch of *Barénia,* the new women's perfume by Christine Nagel, as well as the warmly-received eighth haute bijouterie collection designed by Pierre Hardy, and the success of the ready-to-wear collections by Nadège Vanhée and Véronique Nichanian. Charlotte Macaux Perelman and Alexis Fabry brought the home universe to life at Milan Design Week and throughout the year at presentations of the *Tressages équestres* dinner service.

2024 also brought success for our partner riders Jessica von Bredow-Werndl, Simon Delestre and Ben Maher in a thrilling competition at Versailles in the summer!

In a world of algorithms driven by technological acceleration, where uses are constantly evolving, emotion endures and humanity resists, imposing its desire for the beautiful, the good and the lighthearted as well as the sustainable. Perhaps this is what we should remember about 2024.

So it is with confidence that we look forward to 2025 and continue on our path, inspired by the theme *Drawn to craft* – a theme that combines the imagination of childhood with the precision of craftsmanship in a language that is resolutely human, timeless and universal.

Axel Dumas	Henri-Louis Bauer
EXECUTIVE CHAIRMAN	REPRESENTATIVE OF ÉMILE HERMÈS SAS, EXECUTIVE CHAIRMAN

HIGHLIGHTS 2024

The Group's consolidated revenue amounted to €15.2 billion in 2024, up by 15% at constant exchange rates and by 13% at current exchange rates compared to 2023. Recurring operating income reached €6.2 billion (40.5% of sales) and net profit (group share) reached €4.6 billion (30.3% of sales).

In the fourth quarter, sales reached €4.0 billion, increasing by 18% at constant exchange rates and current exchange rates. All the geographical areas confirmed solid growth, with a strong performance of the Americas in particular.

Axel Dumas, Executive Chairman of Hermès, said: *"In 2024, in a more uncertain economic and geopolitical context, the solid performance of the results attests to the strength of the Hermès model and the agility of the house's teams, whom I thank warmly. While preserving the group's major balances and its responsibility as an employer, the house is staying the course, attached more than ever to its fundamental values of quality, creativity and savoir-faire."*

Sales by geographical area at the end of December

(at constant exchange rates, unless otherwise indicated)

At the end of December 2024, all the geographical areas posted growth. Hermès continued the qualitative development of its exclusive distribution network.

Asia excluding Japan (+7%) recorded a remarkable increase, thanks to solid sales in all the countries in the area. Growth reached 9% in the fourth quarter, despite the downturn in traffic in Greater China since the end of the first quarter. In China, the store in Shenyang's MixC mall reopened in December after expansion work, following the Shenzhen Luohu store in October and the Beijing SKP store in May. In Singapore, the newly renovated and extended Takashimaya store also reopened in October.

Japan (+23%) achieved a regular and sustained growth, driven by the loyalty of local clients. A new store was opened in the Ginza district of Tokyo in June, following the Azabudai Hills store which opened in February.

The Americas (+15%) confirmed excellent growth in 2024. In the United States, the Atlanta store reopened in October after being renovated and expanded, following the April inauguration of the store in Princeton, New Jersey. An event showcasing the petit h creations was staged in New York's Madison store in October.

Europe excluding France (+19%) and France (+13%) both performed well, supported by robust demand and the loyalty of local clients, as well as dynamic tourist flows. In November, a new store was inaugurated in Lille, after the June reopening of the renovated and expanded store in Nantes. The newly renovated and extended store in Naples reopened in December.

Sales by sector at the end of December

(at constant exchange rates, unless otherwise indicated)

At the end of December 2024, all métiers except Watches posted solid growth, supported by the house's value strategy.

Leather Goods and Saddlery (+18%) achieved a remarkable performance, thanks to the increase in production capacities and particularly strong demand. The collections were enhanced in particular with the *Arçon* and *Hermès Della Cavalleria Élan* models. The travel universe unfolded around an *R.M.S. Cargo* suitcase and weekend bags. The increase in production capacities continued with the September opening of the twenty-third leather goods workshop in Riom (Puy-de-Dôme). Three new workshops will open in the coming three years: L'Isle-d'Espagnac (Charente) in 2025, Loupes (Gironde) in 2026 and Charleville-Mézières (Ardennes) in 2027. Hermès continues to develop both employment and training in its nine regional centres of expertise located across the national territory.

The Ready-to-wear and Accessories sector (+15%) continued its solid momentum thanks to the success of the ready-to-wear and shoe collections, blending the house's abundant know-how with its boundless creativity. The men's and women's spring-summer 2025 collections, unveiled at the Palais d'Iéna in June and at the Garde Républicaine in September respectively, were very well received.

The Silk and Textiles sector (+4%) benefited from the diversity of creations, materials and formats in both the women's and men's collections.

Perfume and Beauty (+9%) achieved steady growth. The Perfume collections were enhanced in September with the new women's perfume *Barénia*, named after a natural heritage leather of the house. It is meeting with great success worldwide, alongside classics such as *Terre d'Hermès* and new creations including *Hermessence Oud Alezan* and *H24 Herbes Vives*. The Beauty division continued to expand with the launch of the collection *Trait Hermès* eye and lip liners.

The Watches business line (-4%), penalised by a more challenging context and a high comparison basis, continues its development, displaying singular creativity and remarkable watchmaking know-how. The new complication model *Arceau Duc Attelé*, the launch of *Hermès Cut* and the iconic *Hermès H08* and *Kelly* lines have met with great success.

The Other Hermès sector (+17%) which include Jewellery and the Home universe, recorded strong growth. The eighth Haute Bijouterie collection, *Les formes de la couleur*, was presented in Paris, Beijing and Taipei.

Solid results

Recurring operating income amounted to €6.2 billion, up by 9% from €5.7 billion in 2023. Despite the negative impact of currency hedging, recurring operating profitability reached 40.5% compared to 42.1% in 2023, an exceptionally high level.

Consolidated net profit group share grew by 7% to €4.6 billion, representing a net profitability of 30.3% compared to 32.1% last year.

The cash flow from operating activities amounted to €5.1 billion and increased by 19%, thanks to a smaller increase in working capital requirements. After operational investments (€1.1 billion) and repayment of lease liabilities, the adjusted free cash flow reached €3.8 billion compared to €3.2 billion last year.

After distribution of the ordinary and extraordinary dividend of €2.6 billion, the restated net cash position amounted to €12.0 billion at the end of December 2024 compared to €11.2 billion at the end of 2023.

A sustainable and responsible model

The Hermès group continued to recruit, increasing its workforce by around 2,300 people, including around 1,300 in France. At the end of 2024, the group passed the 25,000 employees milestone, including 15,556 in France. Over the past three years, Hermès has created around 7,600 jobs, including 60% in France. In line with its ambitions to promote diversity, Hermès reaffirms its commitment to the inclusion of people with disabilities. As a result, the direct employment rate has reached 7.12% in France, doubling in 5 years.

True to its commitment as a responsible employer and its willingness to share the fruits of growth with all those who contribute to it daily, Hermès will be giving out a bonus of €4,500 to all its employees worldwide at the beginning of the year in respect of 2024. Hermès also strengthens its commitments to education and the transmission know-how, particularly with the deployment of the École Hermès des savoir-faire, which has extended its training programs to all 10 training schools in France. The company confirms its commitment to local anchoring by promoting local know-how and employment.

In line with its commitments to fight climate change, the Hermès group has continued its actions in accordance with its 2030 targets, validated by the Science Based Target initiative (SBTi). Since 2018, the reduction in emissions from scopes 1 and 2 has been 63.7% in absolute terms, and 50.5% in intensity for scope 3.

The sustainable and responsible dimension of the house's craftsmanship model was rewarded in July with the Grand Prix in all categories at the Transparency Awards, an 11-point increase in the S&P ESG rating agency's evaluation, and by the inclusion in the CDP's "A-list" for the third year in a row. These results reflect the house's commitments and values.

1

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1.1 SIX GENERATIONS OF CRAFTSPEOPLE

The Hermès adventure began in 1837 when the harness-maker Thierry Hermès opened a workshop in rue Basse-du-Rempart in Paris. Gradually, generation after generation, the House followed a dual thread – on the one hand the painstaking work of the craftspeople in his workshop, and on the other the active lifestyles of its customers. Carried by an enduring spirit of freedom and creativity, Hermès remains highly sensitive and attentive to the changing nature and needs of society.

In 1880, Charles-Émile Hermès, the founder's son, moved the workshops to 24, rue du Faubourg Saint-Honoré, and set up an adjoining store. At this now-emblematic address, harnesses and saddles were made to measure. The business was already standing out for the excellence of its creations.

AN INNOVATIVE HOUSE PASSIONATE ABOUT ITS ERA

During the interwar period, lifestyles changed and the House broke new ground under the management of Thierry's grandson, Émile Hermès. He decisively influenced the family firm's destiny when, while travelling in Canada, he discovered the opening and closing system of an automobile hood. In 1922 he obtained exclusive rights to this American "universal fastener" – known today as the zip – which was used extensively in the House's luggage and other designs. Under the impetus of Émile Hermès, the House opened up to other métiers, while retaining a close connection with the equestrian world, drawing on its mastery of raw materials and its artisanal culture to create its first ready-to-wear collections. In 1937, the famous silk scarf was born with the *Jeu des omnibus et dames blanches* design, the first in a long series.

Robert Dumas – one of Émile Hermès' sons-in-law, who took the helm of the House in 1951 – was a regular visitor to the workshops and designed objects whose details (buckles, fasteners, saddle nails and anchor chains) exuded an elegance that in no way diminished their practicality. Hermès objects stand out for their noble materials, their mastery of savoir-faire, and their bold creativity, stimulated by the House's keen vision of the world. The Silk métier now invites artists to create unique designs.

A VISIONARY HOUSE

From 1978 onwards, Robert Dumas' son Jean-Louis gradually revolutionised the House, diversifying it and projecting it onto the world map. Hermès embraced new métiers founded on unique savoir-faire, with watchmaking from 1978, along with the integration of new Houses into the Group – the bootmaker John Lobb in 1975, Puiforcat silversmiths in 1993, and the Cristalleries Saint-Louis in 1995. Hermès has also created its own shoe collection, designed by Pierre Hardy, since 1990.

In 1987, for the saddlemaker's 150th anniversary, Parisians were treated to a memorable firework display that launched the first theme, a tradition that has been perpetuated ever since to nourish all creations with a shared source of inspiration each year.

Jean-Louis Dumas also supported the development of Hermès around the world with the opening of numerous stores, which all ingeniously combined the identity of 24 Faubourg with local culture. Among these stores, several Maisons Hermès were opened on Madison Avenue, New York in 2000, in Ginza, Tokyo in 2001 and in Dosan Park, Seoul in 2006.

From 2006, Patrick Thomas decentralised the strategic organisation of the métiers and reorganised Hermès' presence across the world into geographical regions. He also ensured the transition to the sixth generation of the family.

HERMÈS TODAY

In 2005, Pierre-Alexis Dumas, son of Jean-Louis Dumas, was appointed Artistic Director. The House expanded its range of savoir-faire, complementing its jewellery product offer with a first *haute joaillerie* collection in 2010. Creativity, combining innovation and imagination, became ever more abundant within the different métiers. In 2008, Pierre-Alexis Dumas also created the Fondation d'entreprise Hermès, which supports artistic creation, supports artisanal savoir-faire, and promotes the conservation of biodiversity.

Executive Chairman since 2013, Axel Dumas, nephew of Jean-Louis Dumas, strengthened the dynamic growth of the Group with the inauguration of the fifth Maison Hermès in Shanghai in 2014. He is accompanying the Group's digital roll-out, which led to the redesign of the hermes.com website in 2018. Axel Dumas has also taken Hermès into the new technological era, in keeping with the expectations of customers, who are becoming more and more connected. The *Apple Watch Hermès*, initiated in 2015, bears witness to a bold and innovative partnership with Apple. In addition, the Group is stepping up the omnichannel dynamic within its organisation.

In 2018, Hermès International entered the CAC 40 index followed, in 2021, by the Euro Stoxx 50 index. This demonstrates the Group's remarkable industrial trajectory and stock market performance of an independent, family-run House of craftspeople, which distributes its objects through a dynamic network of 293 stores around the world. For over 150 years, Hermès has enriched its métiers without deviating from its strict quality standards. In this regard, the House is committed to continuing to develop its production in France through its 60 integrated production and training sites.

Defying the trend for industrial standardisation and globalisation, Hermès stands out for its unique business model.

HERMÈS IN KEY DATES

1837

- The workshop of craftsman saddler- and harness-maker Thierry Hermès opens in the Grands Boulevards district in Paris.

1867

- Thierry Hermès receives an award at the Universal Exhibition in Paris for the excellence of his work.

1880

- Thierry Hermès' son, Charles-Émile Hermès, moves the workshops to 24, rue du Faubourg Saint-Honoré and opens a store selling bespoke harnesses and saddles.

1900

- Creation of the *Haut à courroies* bag.

1922

- Émile Hermès, son of Charles-Émile Hermès, brings the American "universal fastener", later known as the zip, to France, with exclusive rights for its development.

1925

- Creation of a golf jacket, the first ready-to-wear garment.

1927

- Creation of the first piece of jewellery, the *Filet de selle* bracelet.

1937

- Creation of the first silk scarf, *Jeu des omnibus et dames blanches*.

1938

- Robert Dumas creates the *Chaîne d'ancre* bracelet.

1945

- The *Duc attelé, groom à l'attente* design by Alfred de Dreux from the Émile Hermès collection, representing a horse-drawn carriage, becomes the Maison Hermès emblem.

1949

- Creation of the first tie.

1951

- The creation of the *Eau d'Hermès* fragrance marks the founding of a new métier.

1956

- The bag created by Robert Dumas in 1930 is named the *Kelly* in tribute to Grace Kelly.

1967

- Presentation of the first women's ready-to-wear collection.

1973

- Launch in Germany of the publication *Die Welt von Hermès*. *Le Monde d'Hermès* is created two years later in France.

1978

- Jean-Louis Dumas, Robert Dumas's son, takes the reins of the House.
- Creation of the La Montre Hermès watchmaking subsidiary in Bienne, Switzerland.

1984

- Jean-Louis Dumas creates the *Birkin* bag, named after the singer and actress Jane Birkin.
- Creation of the first dinner service, *Les Pivoines*.

1987

- Hermès celebrates its 150th anniversary with a firework display on the Pont-Neuf bridge in Paris. Ever since, an annual theme has guided inspiration for all of the House's métiers.

1992

- Leather workshops established in Pantin.

1993

- Flotation of Hermès International on the stock exchange.

2000

- A Maison Hermès opens on Madison Avenue in New York.

2001

- A Maison Hermès opens in Ginza, Tokyo.
- Launch of the first e-commerce website in the United States.

2006

- Patrick Thomas becomes Executive Chairman of Maison Hermès.
- A Maison Hermès opens in Dosan Park, Seoul.

2008

- Creation of the Fondation d'entreprise Hermès under the impetus of the House's Artistic Director Pierre-Alexis Dumas, son of Jean-Louis Dumas.

2010

- Creation of petit h.
- Creation of the first *haute joaillerie* collection, designed by Pierre Hardy.
- The first Saut Hermès at the Grand Palais takes place in Paris.

2013

- Axel Dumas, nephew of Jean-Louis Dumas and sixth generation family member, is appointed Executive Chairman.

2014

- A Maison Hermès opens in Shanghai.

2015

- Apple and Hermès launch the *Apple Watch Hermès*.

2018

- Hermès International enters the CAC 40.
- Launch of the new hermes.com website in Europe and China.

2020

- Launch of the 16th métier: Beauty.

2021

- Hermès International enters the Euro Stoxx 50.

2022

- Opening of the new Madison 706 store in New York.
- First graduates from the École Hermès des Savoir-Faire.

1.2 GROUP GOVERNANCE

The Executive Management ensures the management of Hermès International. The role of Executive Chairman is to manage the Group and act in its general interest, within the scope of the corporate purpose and subject to those powers expressly granted by law or by the Articles of Association to the Supervisory Board, to the Active Partner and to Shareholders' General Meetings.

The Executive Chairmen's roles are distributed as follows: Axel Dumas is in charge of strategy and operational management, and Émile Hermès SAS, through its Executive Management Board, is responsible for vision and strategic priority areas.

The Executive Chairmen are supported in their management of the Group by the Executive Committee. This consists of Executive Vice-Presidents, each of whom has well-defined areas of responsibility. The role of the Executive Committee is to oversee the Group's strategic and operational management. Its composition reflects the Group's main areas of expertise.

The Operations Committee, which reports to the Executive Management, is made up of certain members of the Executive Committee and the Senior Executives of the main métiers and geographical areas, as well as the sales and support functions of the Group.

Its duties are:

- to involve Senior Executives in the Group's major issues and strategic orientations;
- to promote communication, sharing and reasonable exchanges amongst its members in their area of responsibility;
- to enable the Executive Committee to take certain decisions.

Detailed information on the administrative and management bodies is provided in chapter 3 "Corporate governance", § 3.2 and § 3.3.



Members of the Executive Committee, from left to right: Olivier Fournier, Florian Craen, Agnès de Villers, Axel Dumas, Éric du Halgouët, Charlotte David, Pierre-Alexis Dumas, Wilfried Guerrand, Sharon MacBeath, Guillaume de Seynes



Éric de Seynes
Chairman of the Supervisory Board

The Supervisory Board exercises ongoing control over the Company's management. For this purpose, it has the same powers as the Statutory Auditors and receives the same documents as they do, at the same time. Detailed information on the composition and work of the Supervisory Board is provided in chapter 3 "Corporate governance", § 3.2 and § 3.4.

1.3 STRATEGY

Hermès is an independent company backed by family shareholders. Its strategy is based on three pillars: creation, craftsmanship and an exclusive, balanced distribution network.

Since 1837, the Group has remained true to its values of freedom, demanding craftsmanship savoir-faire, authenticity and responsible growth. Its integrated craftsmanship business model places quality and sustainability at the centre.

In 2024, the House maintained its vision, preserving the major balances of the House, committed more than ever to respecting its values.

CREATION AT THE CORE OF HERMÈS' STRATEGY

Hermès creates and manufactures quality objects designed to last, to be passed on from one generation to the next, and to be repaired. This approach requires these issues to be taken into account at every stage, from design to sales.

Hermès' strategy is based on creative freedom. Each year, a theme inspires creators and Artistic Directors. Driven by a history spanning nearly 200 years, during which the House has continued to develop with audacity and ingenuity, Hermès paid homage to the theme of the Spirit of the Faubourg in 2024. This place, the result of a dream — that of Émile Hermès — is the beating heart of the House. It is found everywhere Hermès is located and infuses the effervescence and joyful spirit so dear to the House. High standards in design and manufacturing encourage the creation of objects that aim to surprise and amaze customers. This creativity, revolving around traditional savoir-faire, is coupled with innovative processes to revisit timeless models and create exceptional pieces, without departing from Hermès' trademark humour and imaginative flair. The unbridled creativity flourishes in all métiers, as reflected in the numerous scarf designs printed every year. It is then expressed through over 50,000 references, developed around a unique identity and a style blending exceptional quality, innovation, surprise, elegance and simplicity. In 2024, it was expressed in particular with the successful launches of *Barénia* perfumes, a new feminine fragrance inspired by the House's leather heritage, or Hermessence *Oud Alezan*. The Hermès Beauty métier completed the fifth chapter of Le Regard with the launch of Trait d'Hermès. New creations have met with great success, in the leather goods collections, alongside emblematic creations, such as the *Haut à Courroies en selle*, *Della Cavalleria Élan* and *Arçon*, Men's and Women's ready-to-wear or in jewellery, with the eighth Haute Bijouterie collection, Shapes of colour. In silk, the dynamic of formats, materials and creations continued to drive the collections.

Hermès' mission is to create unique and original objects, allowing the time necessary for their careful creation, so that they gracefully accompany the needs and dreams of its customers. Its goal is the pursuit of excellence and uncompromising quality, in each of its métiers and services.

PERFORMANCE OF THE INTEGRATED CRAFTSMANSHIP MODEL

Hermès' foundations lie in its Craftsmanship division, the second pillar of its strategy. Backed by a history shaped by six generations, Hermès moves with the times, but always respecting tradition, transmission and innovation.

The House works alongside those who master, preserve and transmit craftsmanship savoir-faire through their knowledge of materials and their exceptional techniques. Each new leather goods workshop is an architectural project in its own right, enabling around 300 jobs to be created and promoting a pleasant working environment on a human scale.

Hermès boosts its investments every year to expand its production capacity and satisfy its 16 métiers.

The House ensures that it continually nurtures improvements in the gestures and savoir-faire of its craftspeople. True to its commitments in terms of education and transmission, and to support the growth of its activities, Hermès opened the École Hermès des Savoir-Faire in 2021, which has been rolled out in 10 training schools in the regions, and delivers a CAP vocational qualification in leatherwork and a vocational training certificate which has been extended to cutting and stitching. In 2022, the House also launched the École des Artisans de la vente in Paris and is rolling out its training courses mainly for sales teams in Hermès stores around the world.

To guarantee this craftsmanship model in the long term, the House's strategy is to accelerate the securing of its supplies of materials and consolidate relations with its suppliers over time. Vertical integration, through partnerships and acquisitions, ensures traceability in its supply chains and supports the development strategy, with regards to materials as well as techniques and savoir-faire.

In 2024, Hermès strengthened its capacity investments in all métiers and, in particular, in the Fashion and Leather Goods métier with the opening of a 23rd production site in Riom in the Puy-de-Dôme region, or with the extension of the Hermès Perfume and Beauty site in Normandy. Solid vertical integration remains at the heart of the strategy, with 55% of objects made in its in-house and exclusive workshops, and 74% made in France, as in 2023.

THE DYNAMICS OF AN EXCLUSIVE, OMNICHANNEL AND MULTI-LOCAL DISTRIBUTION NETWORK

Hermès' own distribution model is based on a network of stores, most of which are operated directly, and innovative e-commerce sales sites, making it possible to respond to rapid changes in demand and maintain a privileged relationship with customers. It enabled Hermès to post excellent results in 2024 in a more uncertain economic and geopolitical context, marked by a slowdown in demand for the luxury goods sector as a whole.

The exclusive distribution network consists primarily of branches run by the Group around the Hermès brand, which represent more than 92% of revenue. Each of the 293 stores across the world offers a personalised selection of objects, to exceed the specific expectations of customers and offer a distinct purchasing experience in each and every store. Each store is unique and enables its customers to explore and discover the most beautiful products, and extends the House's lustre worldwide.

The performance of e-commerce has strengthened, alongside the physical network, with the successful launch of its proprietary platform worldwide, the attraction and retention of new customers, and the development of services. This strategy supports the House's customers and accelerates the digitisation of uses. This digital flagship is designed like any Hermès store with its spirit of fantasy, authenticity and diversity. The windows, products, services and stories are gathered in a single virtual place.

Customers are placed at the core of the omnichannel network, so as to best meet their expectations and offer them a unique experience. Around the world, Hermès stores are veritable "homes for Hermès objects", each with its unique architecture, offering customers a unique experience, complementary to its website hermes.com. The House also hosts special occasions, revolving around events in the world, and dynamic and animated set designs. Its unique and responsible communication ensures that it stands out, while nurturing the link with its customers, by giving prominence to multi-local expression.

Maison Hermès, present in 45 countries, has an omnichannel network that is geographically balanced, with measured development and a constant search for prime locations.

AN ENTREPRENEURIAL SPIRIT AND INDEPENDENCE

The entrepreneurial spirit has been at the heart of Maison Hermès since its creation. It is illustrated by its abundant creativity, a capacity for constant innovation, new métiers, new production units and store openings.

This strategy offers store managers freedom of purchase, to meet the specific needs of their customers. Two podiums are organised every year to present the fall-winter and spring-summer collections. These bring together all store and country managers, managers of the different métiers, as well as designers, to present all collections to the sales teams, who are thus responsible for compiling their own collections and making their store unique, with a special mix of products. This freedom means that in each country the Group's customers are presented with a diversified and unique mix of products resulting from this flurry of creativity, blending emblematic products and the House's new references, chosen to best meet local expectations.

In order to continue this strategy, Hermès asserts its independence, underpinned by a strong family-based shareholding structure, committed to retaining most of its production in France and preserving its culture.

This independence, and the House's strict financial management, allow it to self-finance operational investments, both in production capacities and the network, as well as cross-functional projects, and to preserve its long-term strategy. Over three years, Hermès increased its operational investments by €2.4 billion, of which 67% in France.

RESPONSIBLE GROWTH AND VALUE-SHARING

As a company that respects the nature that inspires it, Hermès ensures the preservation of its resources and its impact on natural environments and local ecosystems, with an artisanal production model. The Group is stepping up its efforts in terms of social, societal and environmental performance.

Hermès' highly integrated craftsmanship model promotes the creation of skilled jobs in France and social inclusion. The Group has more than doubled its workforce in 10 years and more than 60% of recruitment takes place in France. The diversity of talents is a source of wealth, creativity and innovation. In 2024, Hermès continued to recruit and grow its workforce, which increased by close to 2,300 people, including nearly 1,300 in France. The House has exceeded the threshold of 25,000 employees, who make Hermès shine around the world. Over the last three years, the increase in the workforce amounted to nearly 7,000 jobs, of which 60% in France. These women and men who guarantee the quality of the objects, constitute a heritage for the House. To affirm its commitment to education, the House is developing its training schools for its major craftsmanship métiers.

The profit-sharing and incentive agreements, as well as the granting of free shares, enable all employees in France to share in the Group's success. Today, employee shareholding, taking into account the latest allocations, concerns approximately 70% of employees. True to its commitment as a responsible employer, and recognising the commitment of everyone to the Group's performance and success, Hermès paid all Group employees an exceptional bonus of €4,500 in 2024, in addition to the salary increases in France and worldwide. In 2024, the House also continued its actions to strengthen inclusion and diversity. Today, 7.12% of Hermès employees in France have a disability, exceeding legal obligations.

Through its engagement with local authorities and communities where its production sites are located, Hermès contributes to revitalising regions, and provides working conditions that offer proximity and stable employment. The Group is an economic player that is committed to its ecosystem and its stakeholders.

Thanks to the Fondation d'entreprise Hermès, the Company is expanding its philanthropic actions through artistic creation, education and transmission, solidarity and the preservation of biodiversity.

THE ENVIRONMENT AT THE HEART OF THE CRAFTSMANSHIP MODEL

Nature, a source of exceptional materials, is at the heart of Hermès' craftsmanship model and its preservation plays a central role in Hermès' commitments. Global warming, its impact on biodiversity and the industrialisation of raw materials are areas of concern, which the House addresses through its climate strategy, its concrete initiatives in terms of responsible supply chains and its policies for the preservation of natural resources.

The Group's environmental policy is based on commitments in terms of the climate and the preservation of natural resources, including the protection and regeneration of biodiversity, the reduction of water withdrawal, and the management and reduction of discharges and waste.

The House is stepping up its actions to reduce its footprint on biodiversity, in particular by carrying out a complete inventory of its impacts using the Global Biodiversity Score (GBS) method in collaboration with WWF and CDC Biodiversité, as well as specific studies on certain sectors. Committed to the Science Based Targets for nature (SBTN) approach since 2023 and among the first companies to have initiated it worldwide, Hermès successfully completed the first two steps in 2024 to assess and prioritise its impacts on nature.

The House, which is naturally a low emitter of greenhouse gases, is continuing its efforts to combat climate change in accordance with the climate trajectory of less than 1.5 °C. Its objectives for 2030 were validated by the Science Based Target initiative (SBTi) in 2021. The Group is strengthening its actions by controlling its industrial, logistics and commercial activities and gradually engaging its partners in the value chain. In terms of energy, the Group's energy sobriety policy is supported by a de-fossilisation strategy, in particular through the use of renewable energy.

Hermès places responsibility and sustainability in all its actions and creations. Each métier applies the principles of eco-design to optimise the use of materials so as to reduce waste, promote reuse and recycling, and be part of a circular economy approach. Product life cycle analyses structure this approach and prepare the Group for the regulatory requirements of environmental labelling in France. In addition, the particularly demanding responsible real estate standards aim to reduce the greenhouse gas emissions of new constructions and the energy consumption of buildings, thus integrating sustainability over the entire life cycle of projects. Moreover, the responsible IT approach covers all of the Group's digital products and services. It aims to use best practices to support the environmental transition of operations, limit the digital carbon footprint and support the Finance function in the consolidation of regulatory reporting.

Hermès is committed to support its suppliers in meeting requirements in terms of traceability, certification, carbon trajectory, reduction in water consumption and the use of plastics. Its supply chain briefs and a responsible purchasing policy are published on the House's website, as well as its animal welfare policy. The House has increased the transparency of its non-financial information, in particular through the publication of its Climate transition plan and its Forest policy.

RECOGNISED SOCIAL AND ENVIRONMENTAL PERFORMANCE

In 2024, Hermès again saw an improvement in non-financial ratings, reflecting the strength of its CSR commitments. Hermès was rewarded by receiving the Humpact Employment Grand Prix for the fourth time, an award that recognises social achievements, as well as the Humpact Prize for people with disabilities, received for the first time. Recognising the quality of its regulated information, Hermès received the Transparency Awards Grand Prix. Hermès is on the CDP A-list (ranking of the best-performing companies worldwide on environmental issues), rated A for Climate, A- for Water, and A for Forests. The assessment of the S&P ESG rating agency increased by 11 points, and the ISS agency published an improved "B-Prime" rating.

Hermès, a family business, has been able to adapt to changes while favouring a long-term approach. The Group, on the strength of its craftsmanship savoir-faire, its exclusive distribution network and its creative heritage, is continuing its sustainable and responsible development.

1.4 SIMPLIFIED ORGANISATION CHART AND GROUP LOCATIONS

1.4.1 SUMMARY DESCRIPTION OF THE GROUP AS AT 31 DECEMBER 2024

HERMÈS INTERNATIONAL

HERMÈS BRAND

SUBSIDIARIES

RETAIL

- Germany
- Argentina
- Australia
- Austria
- Belgium, Netherlands
- Brazil
- Canada
- China, Hong Kong, Taïwan, Macau
- South Korea
- Denmark
- United Arab Emirates
- Spain
- USA
- France
- Greece
- Guam
- India
- Italy
- Japan
- Malaysia
- Mexico
- Norway
- Poland
- Portugal
- Principality of Monaco
- Czech Republic
- United Kingdom
- Russia[1]
- Singapore
- Sweden
- Switzerland
- Thailand
- Türkiye

MÉTIERS

WHOLESALE PRODUCTION AND DISTRIBUTION

Leather goods and equestrianism	Women's ready-to-wear	Men's ready-to-wear	Belts
Hats	Gloves	Shoes	Women's silk
Men's silk	Jewellery	Furniture and art of living	Tableware
Perfume	Beauty	Watches	Petit h

OTHER PRODUCTS AND BRANDS

OTHER PRODUCTS

WHOLESALE PRODUCTION AND DISTRIBUTION			BESPOKE DESIGN
Internet of Things (IoT)	Tanneries and Precious Leathers	Manufacture de Métaux	Ateliers Horizons

OTHER BRANDS

RETAIL AND WHOLESALE PRODUCTION AND DISTRIBUTION

Crystal Saint-Louis

Bootmaker John Lobb — JOHN LOBB

Silversmith Puiforcat — PUIFORCAT

Textiles and furnishing fabrics

MÉTAPHORES — Vibel — BUCOL — le Crin

[1] *Stores closed.*

The main companies consolidated as at 31 December 2024 (distribution subsidiaries and divisional holding companies), are detailed in chapter 5 "Consolidated financial statements", § 5.6, Note 18.

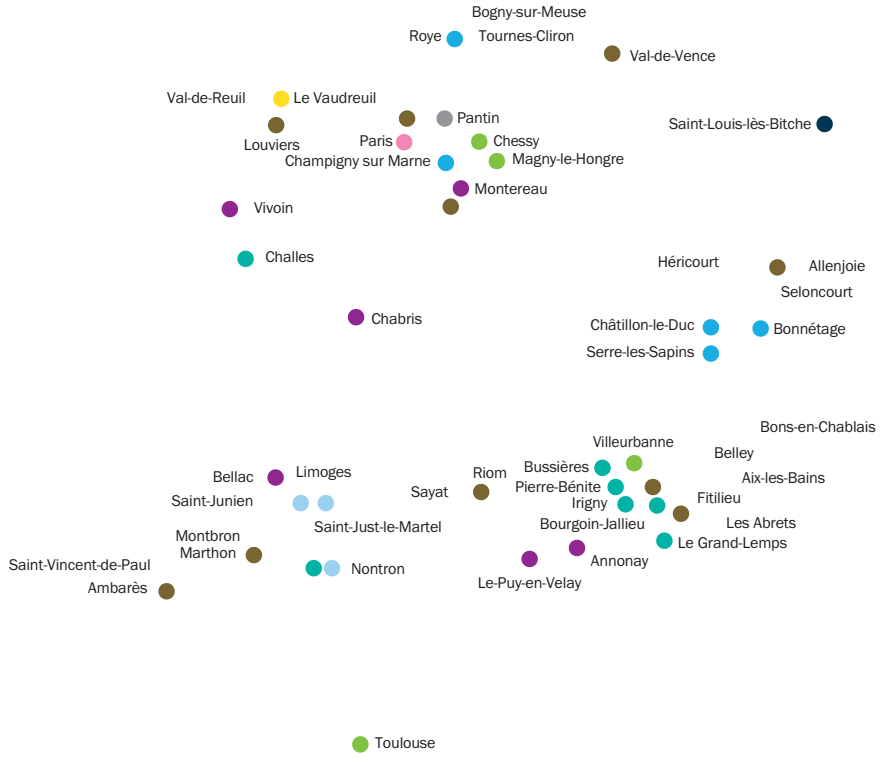
1.4.2 INTEGRATED PRODUCTION AND TRAINING SITES WORLDWIDE

The Hermès Group operates 75 fully owned production and training sites, including 60 in France.

Métiers	Country/French region	Number of sites	French locality	
Leather Goods & Saddlery	**France**/Auvergne-Rhône-Alpes	**8**	Aix-les-Bains Belley Bons-en-Chablais Fitilieu *(EHSF)* *	Les Abrets Pierre-Bénite *(including EHSF)* * Riom *(including EHSF)* * Sayat
	France/Bourgogne-Franche-Comté	**3**	Allenjoie *(including EHSF)* * Héricourt	Seloncourt
	France/Grand-Est	**3**	Bogny-sur-Meuse Tournes-Cliron	Val-de-Vence *(EHSF)* *
	France/Île-de-France	**4**	Montereau *(including EHSF)* * Pantin Pyramide and CIA *(including EHSF)* *	Paris Faubourg Saint-Honoré Paris Saint-Antoine
	France/Normandy	**2**	Louviers *(including EHSF)* *	Val-de-Reuil
	France/Nouvelle-Aquitaine	**6**	Ambarès *(EHSF)* * Marthon *(EHSF)* * Montbron	Nontron Saint-Junien Saint-Vincent-de-Paul
Tanneries and Precious Leathers	**France**/Auvergne-Rhône-Alpes	**2**	Annonay	Le-Puy-en-Velay
	France/Centre-Val-de-Loire	**1**	Chabris	
	France/Île-de-France	**1**	Montereau	
	France/Nouvelle-Aquitaine	**1**	Bellac	
	France/Pays de la Loire	**1**	Vivoin	
	Australia	**6**		
	United States	**2**		
	Italy	**1**		
Textiles	**France**/Auvergne-Rhône-Alpes	**9**	Bourgoin-Jallieu – 4 sites Bussières Irigny	Le Grand-Lemps Pierre-Bénite – 2 sites
	France/Nouvelle-Aquitaine	**1**	Nontron	
	France/Pays de la Loire	**1**	Challes	
Manufacture de Métaux	**France**/Bourgogne-Franche-Comté	**3**	Bonnétage Châtillon-le-Duc	Serre-les-Sapins
	France/Hauts-de-France	**1**	Roye	
	France/Île-de-France	**2**	Champigny-sur-Marne – 2 sites	
	Portugal	**2**		
Tableware	**France**/Nouvelle-Aquitaine	**3**	Limoges Nontron	Saint-Just-le-Martel
Jewellery	**France**/Auvergne-Rhône-Alpes	**1**	Villeurbanne	
	France/Île-de-France	**2**	Chessy	Magny-Le-Hongre
	France/Occitanie	**1**	Toulouse	
Perfume and Beauty	**France**/Normandy	**1**	Le Vaudreuil	
Watches	**Switzerland**	**2**		
Shoes	**Italy**	**1**		
Crystal Saint-Louis	**France**/Grand-Est	**1**	Saint-Louis-lès-Bitche	
Silversmith Puiforcat	**France**/Île-de-France	**1**	Pantin-CIA	
Bootmaker John Lobb	**France**/Île-de-France	**1**	Paris Mogador	
	United Kingdom	**1**		

** EHSF: École Hermès des Savoir-Faire.*

1.4.3 INTEGRATED PRODUCTION AND TRAINING SITES IN THE FRENCH REGIONS



Leather Goods & Saddlery

- EHSF
- Tanneries and Precious Leathers
- Perfume and Beauty
- Textiles
- Jewellery
- Crystal Saint-Louis
- Silversmith Puiforcat
- Tableware
- Manufacture de Métaux
- Bootmaker John Lobb

1.4.4 WORLDWIDE DISTRIBUTION NETWORK

Hermès objects are available worldwide through a network of 293 exclusive stores. Hermès watches, perfumes and tableware are also sold through networks of specialised stores.



Europe

Germany: 11
9 branches:
- Baden-Baden
- Berlin KaDeWe
- Berlin Kudamm
- Düsseldorf
- Frankfurt
- Hamburg
- Kampen
- Munich
- Stuttgart

2 concessionaires

Austria: 2
1 branch:
- Vienna

1 concessionaire

Belgium: 2
2 branches:
- Brussels
- Knokke-le-Zoute

Denmark: 1
1 branch:
- Copenhagen

Spain: 4
4 branches:
- Barcelona Paseo de Gracia
- Madrid Canalejas
- Madrid Ortega y Gasset
- Marbella

France: 26
14 branches:
- Aix-en-Provence
- Biarritz
- Bordeaux
- Cannes
- Deauville
- Lille
- Lyon
- Marseille
- Nantes
- Paris Faubourg Saint-Honoré
- Paris George V
- Paris Sèvres
- Saint-Tropez
- Strasbourg

12 concessionaires

United Kingdom: 8
6 branches:
- London Bond Street
- London Harrods
- London Royal Exchange
- London Selfridges
- London Sloane Street
- Manchester

2 concessionaires

Greece: 1
1 branch:
- Athens

Ireland: 1
1 branch:
- Dublin

Italy: 12
10 branches:
- Bologna
- Capri
- Florence
- Milan
- Naples
- Padua
- Porto Cervo
- Rome
- Turin
- Venice

2 concessionaires

Kazakhstan: 1
1 concessionaire

Luxembourg: 1
1 concessionaire

Norway: 1
1 branch:
- Oslo

Netherlands: 3
2 branches:
- Amsterdam De Bijenkorf
- Amsterdam P.C. Hooftstraat

1 concessionaire

Poland: 1
1 branch:
- Warsaw

Portugal: 1
1 branch:
- Lisbon

Principality of Monaco: 1
1 branch:
- Monte Carlo

Czech Republic: 1
1 branch:
- Prague

Russia [1]: 2
2 branches:
- Moscow Stoleshnikov
- Saint-Petersburg

Sweden: 1
1 branch:
- Stockholm

Switzerland: 9
8 branches:
- Basel
- Crans
- Geneva
- Gstaad
- Lausanne
- Lugano
- St Moritz
- Zurich

1 concessionaire

Türkiye: 5
4 branches:
- Bodrum
- Istanbul Emaar
- Istanbul Istinye Park
- Istanbul Nisantasi

1 concessionaire

Asia-Pacific

Australia: 6
5 branches:
- Brisbane
- Gold Coast Pacific Fair
- Melbourne Chadstone
- Melbourne Collins Street
- Sydney

1 concessionaire

Mainland China: 34
30 branches:
- Beijing China World
- Beijing Peninsula
- Beijing SKP
- Changsha
- Chengdu SKP
- Chengdu Swire
- Chongqing
- Dalian
- Guangzhou
- Hangzhou Hubin
- Hangzhou Tower
- Harbin
- Kunming
- Nanjing
- Ningbo
- Qingdao
- Shanghai IFC
- Shanghai Maison
- Shanghai Plaza 66
- Shanghai Qiantan
- Shenyang
- Shenzhen Bay Mixc
- Shenzhen Mixc
- Suzhou
- Tianjin
- Wuhan
- Wuxi
- Xi'An
- Xiamen
- Zhengzhou

4 concessionaires

South Korea: 18
11 branches:
- Busan
- Daegu Shinsegae
- Seoul Dosan Park
- Seoul Galleria
- Seoul Hyundai Apkujung
- Seoul Hyundai Coex
- Seoul Lotte World Tower
- Seoul Shilla
- Seoul Shinsegae Gangnam
- Seoul Shinsegae Main
- Pangyo Hyundai

7 concessionaires

Guam: 1
1 branch:
- Guam

Hong Kong: 6
6 branches:
- Hong Kong Elements
- Hong Kong Harbour City
- Hong Kong International Airport
- Hong Kong Landmark Prince's
- Hong Kong Lee Gardens
- Hong Kong Pacific Place

India: 3
3 branches:
- Mumbai
- Mumbai JWC
- New Delhi

Indonesia: 2
2 concessionaires

Japan: 31
27 branches:
- Chiba Sogo
- Fukuoka Hakata Hankyu
- Fukuoka Iwataya
- Kobe Daimaru
- Kyoto Takashimaya
- Nagoya JR Takashimaya
- Nagoya Matsuzakaya
- Nagoya Mitsukoshi
- Osaka Hilton
- Osaka Shinsaibashi Daimaru
- Osaka Takashimaya
- Osaka Umeda Hankyu
- Sapporo Daimaru
- Sendai Fujisaki
- Tokyo Azabudai Hills
- Tokyo Ginza
- Tokyo Ginza Mitsukoshi
- Tokyo Ikebukuro Seibu
- Tokyo Marunouchi
- Tokyo Nihombashi Mitsukoshi
- Tokyo Nihombashi Takashimaya
- Tokyo Omotesando
- Tokyo Shinjuku Isetan
- Tokyo Shinjuku Takashimaya
- Tokyo Tamagawa Takashimaya
- Yokohama Sogo
- Yokohama Takashimaya

4 concessionaires

Macao: 4
4 branches:
- Macao Four Seasons
- Macao Galaxy
- Macao One Central
- Macao Wynn Palace

Malaysia: 3
2 branches:
- Kuala Lumpur Pavilion
- Kuala Lumpur The Gardens

1 concessionaire

Philippines: 1
1 concessionaire

Singapore: 6
6 branches:
- Singapore Changi Airport T1
- Singapore Changi Airport T2
- Singapore Changi Airport T3
- Singapore Liat Tower
- Singapore Marina Bay Sands
- Singapore Takashimaya

Taiwan: 8
6 branches:
- Kaohsiung
- Taichung
- Tainan
- Taipei Bellavita
- Taipei Regent
- Taipei Sogo Fuxing

2 concessionaires

Thailand: 5
4 branches:
- Bangkok Central Embassy
- Bangkok Icon Siam
- Bangkok Siam Paragon
- Phuket Floresta

1 concessionaire

Vietnam: 2
2 concessionaires

1. *Stores closed.*

Americas

Argentina: 1
1 branch:
- Buenos Aires

Brazil: 3
3 branches:
- Rio de Janeiro
- Sao Paulo Cidade Jardim
- Sao Paulo Iguatemi

Canada: 5
4 branches:
- Calgary
- Montreal
- Toronto
- Vancouver

1 concessionaire

Caribbean: 1
1 branch:
- Saint-Barthélemy

Chile: 1
1 concessionaire

United States: 41
36 branches:
- American Dream
- Aspen
- Atlanta
- Austin
- Aventura
- Beverly Hills
- Boston
- Chicago
- Costa Mesa South Coast Plaza
- Dallas
- Denver
- Greenwich
- Hawaii Ala Moana
- Hawaii Waikiki
- Houston
- King of Prussia
- Las Vegas Bellagio
- Las Vegas Crystals
- Las Vegas Wynn
- Los Angeles Topanga
- Miami
- Naples
- New York Madison 706
- New York Meatpacking
- New York Roosevelt Field
- New York Wall Street
- Orlando
- Palo Alto
- Palm Beach
- Princeton
- San Diego
- San Francisco
- Seattle
- Short Hills
- Troy
- Washington

5 concessionaires

Mexico: 6
6 branches:
- Cancún
- Guadalajara
- Mexico Artz
- Mexico Masaryk
- Mexico Moliere
- Monterrey

Panama: 1
1 concessionaire

Near and Middle East

Bahrain: 1
1 concessionaire

United Arab Emirates: 4
3 branches:
- Abu Dhabi
- Dubai Mall
- Dubai Mall of Emirates

1 concessionaire

Kuwait: 1
1 concessionaire

Lebanon: 1
1 concessionaire

Qatar: 2
2 concessionaires

1.4.5 REAL ESTATE

In 2024, the Group acquired a new integrated work environment management software. The surface areas set out below correspond to the gross floor space, measured by the software using plans, for all of the Group's buildings in and around Paris.

In Paris, the Group now occupies office space of approximately 41,624 m² mainly near its historical registered office of 24, rue du Faubourg Saint-Honoré and 19-21, rue Boissy d'Anglas, which it owns. Staff work in office premises in rue de la Ville-l'Évêque, rue d'Anjou and rue de Penthièvre in Paris 8th arrondissement, leased from third parties under commercial leases. In order to meet the expected growth in the Parisian workforce, in 2022 the Group leased an additional building on rue d'Anjou in the 8th arrondissement of Paris, with a surface area of 4,400 m², which underwent major refurbishment work and has been occupied by Digital teams since June 2024. In 2023, the Group leased a building covering 5,000 m² on rue d'Athènes in the 9th arrondissement of Paris, which was refurbished and is now occupied by métier and commercial teams. In addition, in 2023 the Group acquired a 9,900 m² building located on rue d'Anjou in Paris' 8th arrondissement, which is currently undergoing major restructuring before it can be occupied.

In Pantin, Hermès occupies 106,408 m² of manufacturing premises and office space, most of which is owned by the Group, including the Espace Jean-Louis Dumas, which opened in 2015, and the Cité des Métiers, which won the Prix de l'Équerre d'Argent 2014. In 2022 and 2023, the Group took on a number of successive leases in a new building on the banks of the Ourcq Canal, with three and a half floors for a total surface area of 8,700 m², followed by another one and a half floors for an additional surface area of around 4,330 m², to house the staff of IT services and the Home métiers. In 2024, the Group delivered an extension of its leather goods workshops in Pantin in a building with a surface area of 13,000 m² that also houses the leather cutting teams.

In Pré-Saint-Gervais, the Group leases an office building providing a surface area of 7,058 m² and in 2024, also acquired a 1,660 m² building, which is currently being redeveloped.

In Bobigny, the Group owns its logistics site, with a total surface area of 31,000 m². In 2023, the Group opened a new 32,070 m² logistics site in Vémars.

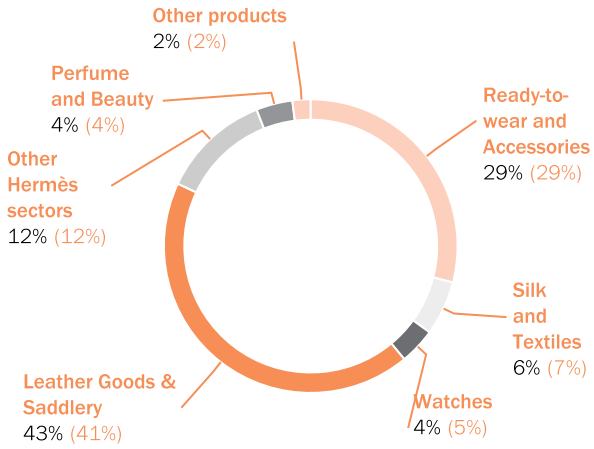
The Group is the owner of 64 of the 75 production sites that it operates (§ 1.4.2).

Hermès products are sold worldwide through 293 exclusive stores (§ 1.4.4). A total of 230 stores are operated as branches, most of which have commercial leases, intended primarily to ensure the continuity of operations over time.

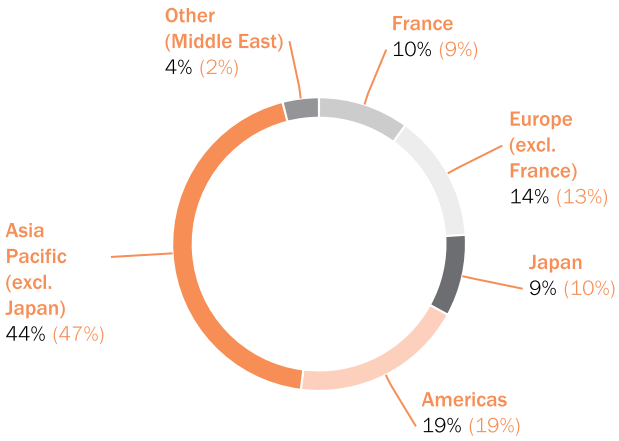
However, the Group also owns the buildings that house certain stores, including those in Paris, Ginza in Tokyo, Dosan Park in Seoul, Beverly Hills, Sydney and Geneva. In addition, the Group owns a commercial building and offices in London.

1.5 KEY FINANCIAL AND NON-FINANCIAL FIGURES AFR

1.5.1 REVENUE BY MÉTIER FOR 2024 (2023)



1.5.2 REVENUE BY GEOGRAPHICAL AREA FOR 2024 (2023)



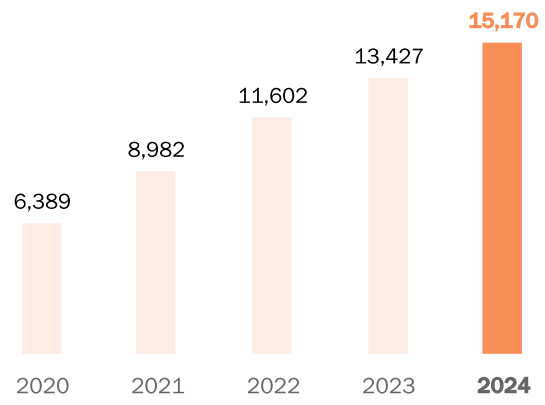
1.5.3 KEY CONSOLIDATED FINANCIAL DATA

In millions of euros	2024	2023	2022	2021	2020
Revenue	15,170	13,427	11,602	8,982	6,389
Growth at current exchange rates vs. n-1	*13%*	*16%*	*29%*	*41%*	*(7)%*
Growth at constant exchange rates vs. n-1 [1]	*15%*	*21%*	*23%*	*42%*	*(6)%*
Recurring operating income [2]	6,150	5,650	4,697	3,530	1,981
in % of revenue	*40.5%*	*42.1%*	*40.5%*	*39.3%*	*31.0%*
Operating income	6,150	5,650	4,697	3,530	2,073
in % of revenue	*40.5%*	*42.1%*	*40.5%*	*39.3%*	*32.4%*
Net income attributable to owners of the parent	4,603	4,311	3,367	2,445	1,385
in % of revenue	*30.3%*	*32.1%*	*29.0%*	*27.2%*	*21.7%*
Operating cash flows	5,378	5,123	4,111	3,060	1,993
Operating investments	1,067	859	518	532	448
Adjusted free cash flows [3]	3,767	3,192	3,404	2,661	995
Equity attributable to owners of the parent	17,327	15,201	12,440	9,400	7,380
Net cash position [4]	11,642	10,625	9,223	6,695	4,717
Restated net cash position [5]	12,039	11,164	9,742	7,070	4,904
Headcount (in number of people) [6]	25,185	22,879	20,296	18,137	16,956

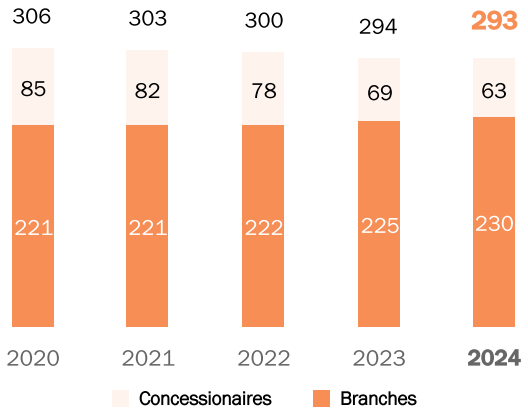
(1) Growth at constant exchange rates is calculated by applying, for each currency, the average exchange rates of the previous period to the revenue for the period.
(2) Recurring operating income is one of the main performance indicators monitored by Group Management. It corresponds to operating income excluding non-recurring items having a significant impact that may affect understanding of the Group's economic performance.
(3) Adjusted free cash flows are the sum of cash flows related to operating activities, less operating investments and the repayment of lease liabilities recognised in accordance with IFRS 16 (aggregates in the consolidated statement of cash flows).
(4) Net cash position includes cash and cash equivalents presented under balance sheet assets, less bank overdrafts which appear under short-term borrowings and financial liabilities on the liabilities side. Net cash position does not include lease liabilities recognised in accordance with IFRS 16.
(5) The restated net cash position corresponds to net cash plus cash investments that do not meet the IFRS criteria for cash equivalents due in particular to their original maturity of more than three months, less borrowings and financial liabilities.
(6) Permanent + fixed-term employment contracts with no length of service condition in accordance with the CSRD definition of own workers. Proforma 2020 to 2023 presented according to this definition.

CHANGE IN CONSOLIDATED REVENUE

In millions of euros

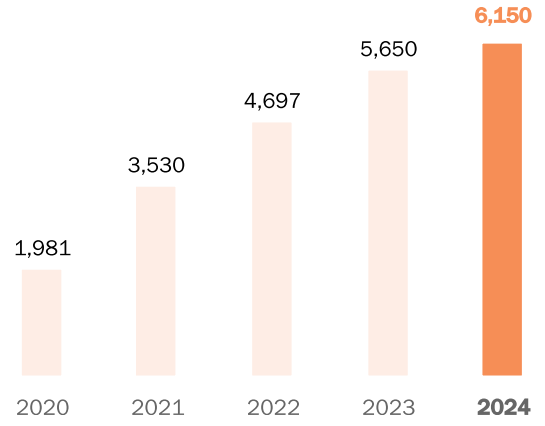


CHANGE IN THE NUMBER OF HERMÈS EXCLUSIVE STORES



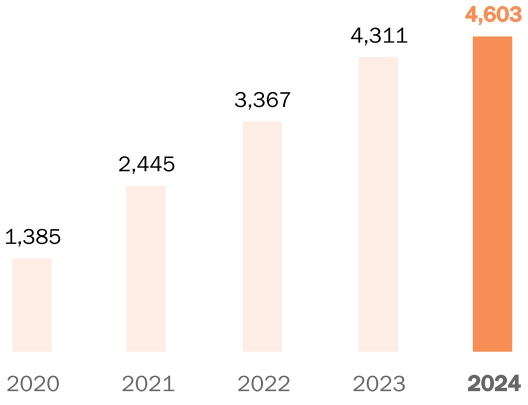
CHANGE IN RECURRING OPERATING INCOME

In millions of euros



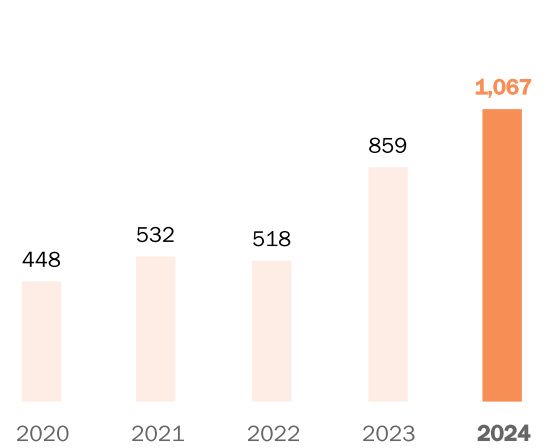
CHANGE IN NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

In millions of euros



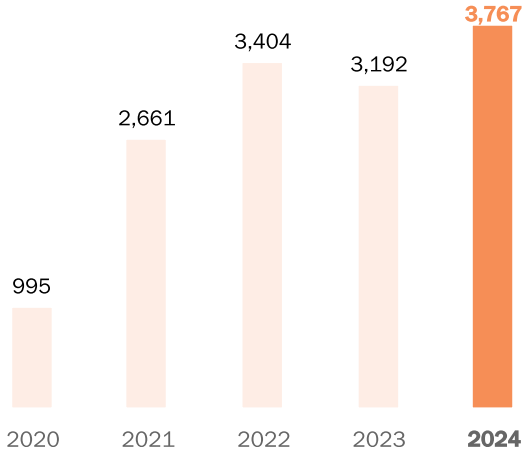
CHANGE IN OPERATING INVESTMENTS

In millions of euros



CHANGE IN ADJUSTED FREE CASH FLOWS

In millions of euros



1.5.4 KEY NON-FINANCIAL FIGURES 2024

RESPONSIBLE EMPLOYER
+2,300
jobs in 2024
+1,300 in France

DIVERSITY AND INCLUSION
7.12%
direct employment rate of people with disabilities in France

GENDER EQUALITY
48%
women in top 100

TURNOVER
6%
group turnover rate

LOCAL PRODUCTION
74%
objects are made in France

VERTICAL INTEGRATION
55%
manufactured in its in-house and exclusive workshops

SUSTAINABLE RELATIONSHIPS
19 YEARS
average length of direct supplier relationships (top 50)

LOCAL SUPPLIERS
55%
of direct purchases come from France

CLIMATE SCOPES 1&2 (SBTi)
-63.7%
emissions reduction in absolute value since 2018 (market-based)

BIODIVERSITY
SBTN
scientific approach for nature, finalisation of the first two steps

WATER WITHDRAWALS
-65.4%
in industrial water intensity over 10 years

ENERGY TRANSITION
71%
renewable energy

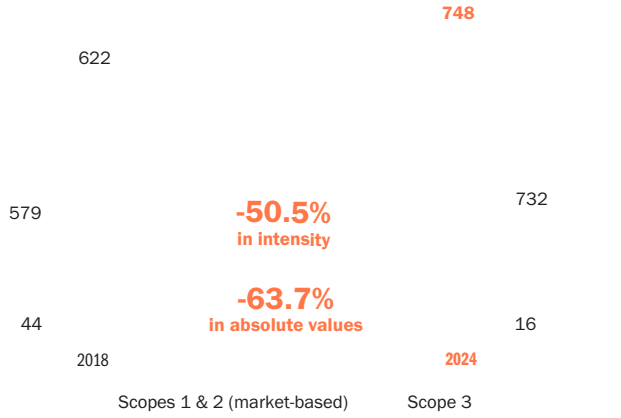
TRANSPARENCY AWARDS
#1
Grand Prix all categories

SHARING VALUE
€351 million
of which **€235 million** profit-sharing and incentives in France and **€116 million** in global premium

CERTIFICATION
6 out of 7 tanneries
of the Group are Leather Working Group certified

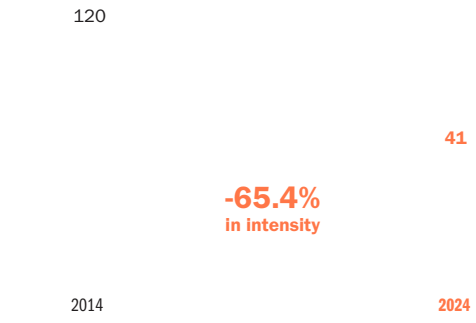
CERTIFIED SUPPLIERS
70%
of suppliers are Leather Working Group certified

CHANGE IN GREENHOUSE GAS EMISSIONS



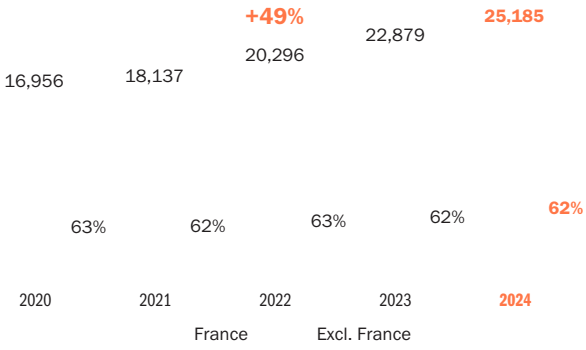
Absolute values: in k tonnes of CO_2 eq (market-based).
Value in intensity: in tonnes CO_2 eq per €M gross margin (change in scope 3).

CHANGE IN INDUSTRIAL WATER WITHDRAWALS



Value in intensity: in m^3 per €M of revenue.

CHANGE IN GROUP WORKFORCE (1)



OF WHICH PRODUCTION WORKFORCE (1)



(1) Permanent + fixed-term employment contracts in accordance with the CSRD definition of own workers. Proforma 2020 to 2023 presented according to this definition.

1.6 REVENUE AND ACTIVITY BY MÉTIER AFR

					Change	
In millions of euros	2024	Mix	2023	Mix	at current exchange rates	at constant exchange rates
Leather Goods & Saddlery	6,457	43%	5,547	41%	16%	18%
Ready-to-wear and Accessories	4,405	29%	3,879	29%	14%	15%
Silk and Textiles	950	6%	932	7%	2%	4%
Other Hermès sectors	1,909	12%	1,653	12%	16%	17%
Perfume and Beauty	535	4%	492	4%	9%	9%
Watches	577	4%	611	5%	(6)%	(4)%
Other products	337	2%	313	2%	8%	9%
CONSOLIDATED REVENUE	**15,170**	**100%**	**13,427**	**100%**	**13%**	**15%**

1.6.1 LEATHER GOODS & SADDLERY

Leather Goods & Saddlery, Hermès' original métier, groups together bags for men and women, travel articles, small leather goods and accessories, saddles, bridles, and a full range of equestrian products and clothing.

The Leather Goods & Saddlery métier represents 43% of consolidated sales. In 2024, it generated revenue of €6,457 million.

Hermès leather goods and saddlery objects are the result of a very special alchemy, based on a constant dialogue between designers and craftspeople, and the use of the finest materials, selected with the greatest care. The craftspeople use traditional savoir-faire, passed down from generation to generation. This patient daily dialogue with leather, crafted and fashioned by hand, gives these unique objects a distinctive additional measure of personality.

Leather goods and saddlery objects are made in nine centres of expertise that bring together production units, workshops and training centres in Paris, Pantin and six regions of France, together with a network of long-term French partners, selected with the greatest care to ensure respect for Hermès' unique craftsmanship savoir-faire.

To meet continued strong demand, Hermès is expanding its network of manufacturing sites each year in order to strengthen its production divisions. A new leather goods workshop was inaugurated in September 2024 in Riom (Puy-de-Dôme). Hermès also continued preparing for the construction of three future production units, which are scheduled to open in 2025 in L'Isle-d'Espagnac (Charente), 2026 in Loupes (Gironde) and 2027 in Charleville-Mézières (Ardennes). Each new establishment is set up in close collaboration with local stakeholders, administrative and economic development bodies. In this way, Hermès reaffirms its commitment to regions with a strong manufacturing savoir-faire and its will to provide high-quality jobs. Proud to contribute to the expansion of sectors of excellence in France, Hermès thus maintains long-term relationships with its suppliers and partners, with loyalty and high expectations, to maintain the unique qualities of a Hermès object: exceptional materials, training in savoir-faire and dedicated workshops.

The House also places great importance on constantly perfecting the skills and savoir-faire of its craftspeople through a range of training and professional qualification programmes. These programmes are delivered within the École Hermès des Savoir-Faire and through multiple partnerships with training structures in the regions concerned. Since 2024, the École Hermès des Savoir-Faire has been present in each of the nine manufacturing divisions.

1.6.1.1 WOMEN'S BAGS

The equestrian world continues to inspire new designs in 2024. The *Hermès Della Cavalleria* line, which turns the horse's bit into a clasp, has a new day-to-day *Elan* format. The *Arçon* bag, whose rounded contours evoke the curves of a saddle, is given a more compact everyday format, the *P'tit Arçon*.

In Fashion accessories, the *Collier de chien* story introduces the *Médor* line, which showcases the pyramid stud in a diabolo format, the *Mini Médor*.

The emblematic models continue their metamorphosis: the *Kelly* bag further extends its family with two new formats, the *Kelly Move*, a small everyday bag, and the *Kelly Jump*, a small urban backpack. As for the *Constance*, it has a very feminine elongated *Elan* format, for both day and evening.

The quest for the exceptional continues to be expressed through the implementation of numerous elements of savoir-faire that push the limits of creation, in an Arts & Crafts spirit. Corner stitching, lacing and leather braiding are featured on the *Sabot* bag, whose shape is inspired by a horse's hoof and whose *Pluch* version is adorned with merino sheepskin. For the first time, wood marquetry is applied to leather goods with the addition of a small wooden horse to the body of the *Kelly Mini* and the *Kelly Elan*. A nod to parade saddles, a story of studs is told on the *Constance Mini* and *Kelly Mini* bags, whose bodies are set with hundreds of studs. Finally, the emblematic *Bolide* is reinterpreted using thread embroidery that draws the *Selle Imaginaire* pattern all over the bag, or by a set of printed, applied and stitched patches on the body of the bag.

1.6.1.2 MEN'S BAGS

The men's collections confirm their dynamism and bring in new styles designed to meet contemporary needs. Alongside the indispensable *Haut à Courroies* and *Kelly*, the emblematic *Bolide* bag is reinterpreted in an urban format to be worn hands-free, the *Bolide à dos*, while retaining its signature codes and savoir-faire. Also in tune with the times, the *Cab'H* is the first full leather tote bag for men. Vertical and functional, it is signed with equestrian-inspired details.

The *Haut à Courroies* bag unveils exceptional Arts & Crafts versions using unprecedented constructions and savoir-faire: layering of pockets of various sizes for the *Haut à Courroies Multipockets*, and colour work in the tannery for the *Coup de soleil* version, on which certain details appear to have left their mark after exposure to the sun.

1.6.1.3 TRAVEL

The *R.M.S* suitcase odyssey continues in 2024: it now extends its presence to all stores worldwide. New colourful, joyful prints adorn the collection, such as the *Bel Oasis* pattern, showing a horse quenching its thirst in the middle of cacti in the desert, or the emblematic *Quadrige*. The exceptional is also invited into the *R.M.S* universe with the *Cargo* suitcase, a real globetrotter's delight with its multiple pockets. Finally, two travel bags in 12- and 72-hour formats complete the *R.M.S* collection to offer each trip its companion bag.

1.6.1.4 ACCESSORIES AND SMALL LEATHER GOODS

The collections of small leather goods are constantly expanding and being renewed in order to provide the perfect response to changes in uses in each market.

The range of everyday objects to be worn hands-free and boasting bold silhouettes continues to expand with new contemporary styles, such as the *Hermèsnap* with its refined profile and a rich colour palette for men, or the very feminine *Sursoie To Go*, which puts silk in the spotlight with joyful designs and bright colours.

This year, the *H Sellier* men's line of essential formats welcomes a new card holder with numerous features.

To celebrate the annual theme, the Reading & Writing universe completes its stationery offering with a new illustrated notebook *Carnet de notes* in the colours of the Faubourg, while the book "24 Faubourg Saint-Honoré" by Frédéric Laffont presents many tales and anecdotes about this historic seat of the House.

Finally, fantasy continues to be expressed through various objects such as the hands-free *Hermès Nestor* card holder, with a mischievous dog drawn on the flap, or the *Bolide Shark* charm, an actual functional and playful miniature version of the eponymous bag designed in 2016.

1.6.1.5 MATERIALS

Since its founding, Hermès has never ceased to explore and create materials to enhance the aesthetics, functionality and sustainability of its objects, while continuing to respond to the desires and uses of the present time.

2024 was marked by the introduction of a luminous material, *Chamkilight* goatskin. The delicate grain of this hide is enhanced by a subtle transparent golden glow, achieved thanks to the perfect application of a new generation of metallic pigments. In this way, *Chamkilight* goatskin brings an unprecedented dimension to the *Kelly Mini* and *Constance Mini* bags.

The range of colours has also been enhanced with new timeless and seasonal shades. A tribute to the talent of Hermès as a colourist, they play with light and combine with materials in an infinite field of exploration: the vivacity of *Orange Field* on *Mysore* goatskin or the felted depth of *Gris Misty* on *Clémence* bull calfskin, echo the delicacy of the pastel tones of *Rose Darling* on *Milo* lambskin or the summer freshness of *Vert Peppermint* on *Swift* calfskin.

Silk prints are in the spotlight this year on a series of objects that reveal the richness of their designs and colours, and give them another dimension in volume: the line of small summer *Balusoie* bags, and in Small Leather Goods, the *Avecsoie* bottle-carrier, the *Sursoie To Go* pouch and the *Avecsoie pocket* cases.

1.6.1.6 EQUESTRIANISM

Through the transmission of the excellence of its savoir-faire, the search for exceptional materials, innovation for the well-being of the horse and the daily support of the House's partner riders – four of whom belong to the top 10 worldwide – and their mounts, Hermès reaffirms its commitment to its first customer, the horse, up to the highest sporting level.

In 2024, the Hermès saddle thus reached the world's most prestigious podiums and added new titles to its list of wins, notably with Jessica von Bredow-Werndl and TSF Dalera BB in the Hermès *Arpège* saddle, Ben Maher and Dallas Vegas Batilly in the Hermès *Vivace* saddle, and Steve Guerdat and Dynamix de Belhème as well as Simon Delestre and I Amelusina R 51 in the Hermès *Cavale* saddle.

2024 also marks the expansion of the collection of objects dedicated to horses, with the customisable ergonomic bridle II, the felt and leather *Equi'libre* shock absorbing pad which guarantees an optimal fit between the rider and his or her mount, and the *Derby* saddle pad with quilted lines reminiscent of the *Rocabar* pattern.

The rider has not been forgotten, with the arrival of the *Fit* zipped sweatshirt, the yoga sweater and the *Quadrille* poncho, inspired by the mosaics of the Faubourg Saint-Honoré, to protect against the cold on horseback and on foot.

Finally, to pamper the rider's second best friend, the collection of dog accessories offers a dog sweater and an unprecedented array of *Médor* collars and leashes in *Swift* calfskin, whose bright colours reinterpret the *Médor* stud in a graphic version.

1.6.2 READY-TO-WEAR AND ACCESSORIES

The Ready-to-wear and Accessories métier generated 2024 revenue of €4,405 million, *i.e.* 29% of consolidated sales.

1.6.2.1 WOMEN'S READY-TO-WEAR

The spring-summer 2024 collection by Nadège Vanhée, Artistic Director of women's ready-to-wear, offers monochromatic silhouettes in neutral and timeless colours – blue-black, oakum grey, foam white – illuminated by intense shades of red. A subtle dialogue between the body and the garment, this collection revisits the suit with sensuality and lightness. Knits are close to the body and play on modularity or transparency to reveal the skin. The savoir-faire used on leather also reinforces the idea of lightness and celebrates Hermès' heritage: ladder stitching echoing the tattersall patterns, the knit mix taking up the emblematic herringbone pattern, or perforations reproducing elements of the summer *Le Sacre de l'été* design.

The fall-winter 2024 fashion show unveiled an energetic city-inspired wardrobe. A play on zips and metallic stud details brighten up a winter-hued wardrobe enhanced by a few intense red or soft beige silhouettes. The sartorial vocabulary and archetypes of outdoor clothing are revisited. A riding jacket with a generous shoulder, fitted bomber jackets, bootcut trousers and close-fitting leggings to be worn with biker boots: the clothes are protective and the movement is fluid.

1.6.2.2 MEN'S READY-TO-WEAR

Hermès men's ready-to-wear reconciles form and function, comfort and elegance, by paying particular attention to the construction of the clothes, the line of a shoulder, the assembly of a sleeve.

The spring-summer collection is soft as a summer breeze, guided by a tender force. Garments unfold like architecture based on the lightness of materials and the audacity of certain layering techniques.

The fall-winter collection plays on irreverence, with clothes enjoying multiple lives, reversible, layerable, transformable, forming precise asymmetric shapes and carefully constructed drifts.

In this way, Véronique Nichanian, Artistic Director of the men's universe, pursues the expression of her unique vision, combining creativity and functionality.

1.6.2.3 FASHION ACCESSORIES

1.6.2.3.1 Fashion jewellery

The women's collections combine materials and savoir-faire that are emblematic of the House. They showcase the equestrian spirit through a refined line combining metal and leather coverings, marry together horn and metal in a sophisticated set of chainlinks, and offer clever new clasps to coloured braided leather straps.

The men's collections incorporate new materials such as ceramics, which bring colour and fantasy. For the first time, the articulated enamel bracelets are adorned with designs, interpreted in variations of colours that echo the men's ready-to-wear collections.

1.6.2.3.2 Belts

Belts for women play the colour and fantasy card, with a buckle that echoes the House's famous ribbon using a *trompe l'oeil* style, or a fully enamelled *H* buckle decorated with a bandana pattern. The *Pocket* version of the *Kelly* belt uses merino sheepskin or *Chamkilight* goatskin, to surprising effect.

For men, the pioneering *Étrivière* is doubling up to become the *Étrivière Duo* and adorn the spring-summer ready-to-wear collections. A new belt punctuated with individually polished notches has arrived, proposed in a *Barénia Faubourg* version popular with connoisseurs.

1.6.2.3.3 Hats and gloves

Hats continue to play on the subtlety of the precious and playful details that are dotted around the collections, such as this *trompe-l'oeil* lambskin suede that looks like denim and reveals its softness only when touched.

In summer, the House's designs are the main focus, in particular *Sangles en Zigzag Bandana* and *Étriers*. Winter gives pride of place to felt, in colours whose names evoke the beauty of the fall: mist, olive, chestnut or ruddy.

The headwear collections welcome new styles, with a leather sheath that elegantly holds the hair gathered in a ponytail.

Gloves are reinvented every winter: this year, it's a pair of padded technical silk mittens with a *Brides de Gala Love* print that attracts attention with their bright colours and mischievous little hearts.

1.6.2.3.4 The Internet of Things

The new *Hermès Series 10 Apple Watch* combines a thinner and wider titanium case with a collection of straps and dials inspired by the House's rich heritage. Leather, rubber, woven webbing, mesh or metal make up a wider range of materials, for new types of wear and uses. The watch is equipped with the *Hapi* double-wrap strap with the eponymous buckle, and the first *Grand H* metal strap in satin stainless steel.

Also new, the *Hermès Ultra 2 Apple Watch* is dedicated to the marine world. Combining technicality and elegance in a resolutely sporty style, it is adorned with the *En Mer* mesh strap and the exclusive *Hermès Maritime* dial. The time is displayed for the first time in large graphic numerals, inspired by the timeless aesthetic of the *Cape Cod* watch.

Eager to accompany the technology of everyday life with elegance, the métier adds to its range of clever objects dedicated to AirPods and iPhones. The *Swift* gold calfskin case that protects Airpods has a new carabiner, to keep them always within reach.

As for the range of Magsafe-certified magnetic card holders that embellish the backs of iPhones, it is expanding with a new collection of six animals in saddle-stitched, perforated and coloured leather, as well as three versions in illustrated embroidered felt, inspired by the *This Is A Love Story* silk scarf.

1.6.2.3.5 Shoes

In 2024, Pierre Hardy, Creative Director of men's and women's shoes, draws on the House's creative essence and all the references that characterise it at 24, Faubourg Saint-Honoré.

Thus, the spring-summer collections express the wealth of savoir-faire and the fashion statement of the métier in an unprecedented way by drawing inspiration from the signature details of the historic store. The windows are reproduced in laser engraving on an exceptional platform heel, *24 FBG* patches adorn a line of summer sneakers, the floor mosaic is represented on retro sandals and the *H lift* motif is printed on the *toile H* of the *Jumping* boots. The collection is also synonymous with lightness and comfort, through interplay of materials and hybridisation: outdoor cotton canvas boots, fashionable ultra-thin slip-on sneakers, formal boat-inspired uppers on an XXL sole. The *Chaîne d'ancre*, reinterpreted over the seasons, is sophisticated on a jewelled heel, and graphic on a new mixed sport model.

The story continues in the fall-winter season with audacity, fantasy and modernity. The women's models meet the desire for assertive silhouettes: platforms and rhinestone buckles, plays on transparency, velvet fabric or leopard print. They offer versatile styles, with ballet flats and Mary Janes in various materials and colours, or biker-inspired boots, an expression of traditional bootmaking savoir-faire. A cowboy boot adorned with the *Piqué Sellier* pattern embroidered in six different threads echoes the theme of the year. The men's models highlight hand sewing, leatherwork and a multi-faceted outdoor spirit, both urban and trekking. Moccasins are part of a casual trend with elegance by offering maxi volumes and singular details such as tone-on-tone buckles or braiding. Sneakers reveal unexpected contrasts and bright colours for the middle of winter, especially on a neo-vintage model that is establishing itself as the new must-have.

1.6.3 SILK AND TEXTILES

The Silk and Textiles métier generated revenue of €950 million in 2024 and represents 6% of the Group's consolidated sales.

1.6.3.1 WOMEN'S SILK

The women's silk collections sign every look with a few notes of colour, elegance and singularity. From the timeless *carré 90* to majestic 140 formats, as well as precious, sophisticated ones, the collections offer an abundance of academic knowledge and liberated creativity.

This year, the Faubourg is represented and magnified on the *carrés 90*. It transforms into a flagship with the *Hermès Flagship* design, or forms the backdrop for a magical scene with *Les Folies du Faubourg*. Heritage continues to captivate and inspire the creation of *carrés*. *Harnais de cœur* reinterprets with a touch of romance an engraving from the Émile Hermès collection, and *Stately Wheels* and its academic composition are reminiscent of the House's great classical designs. Timeless and contemporary, these *carrés* interact naturally with reissued designs, with a modern version of *Les Voitures nouvelles* in a *carré 70*, and the *"carrés de toujours"* reworked, as in the emblematic *Brides de gala*.

The 140 shawl affirms its uniqueness. Majestic in size, radiant in its colours and comforting in its softness, it allows the material to express itself on clean backgrounds, in soft colourways. A discreet elegance that is also displayed in a bandana treatment with the *Tatouages Marins Bandana* pattern.

The cashmere and silk triangle carves out a special place thanks to an intuitive way of being worn and impactful and creative compositions.

The very finest of the collections, the precious *carrés* showcase exceptional savoir-faire, hand embroidery, leather inserts and lines traced with pearls, which bring them a new sophistication. These pieces, designed in the spirit of a special night out and even more attractive when worn, have been showcased in Tokyo, Paris and Shanghai by the *Precious Silk* travelling event.

In filigree, the creative themes bring new fantasies and highlight selected aspects of the House's identity. Thus, *Savoir-faire de toujours* pays tribute to the heritage and redesigns classic elements of the House in saddle stitch. The *Sortir du cadre* theme proposes graphic pieces designed as a tribute to obstacle poles. Even *Pique-nique* evokes a very spring-like lightness through floral designs on a bandana or cane background.

The object and its shape are more than ever a space for exploration: sets of buckles, leather eyelets or bib slits transform scarves and encourage new ways to wear them, in a playful and creative spirit.

1.6.3.2 MEN'S SILK

The men's silk collections add a modern allure to accompany men at every moment.

Timeless classics, ties remain the benchmark of elegance in the male wardrobe. The choice of designs, materials and colours is designed to build a creative selection to accompany every moment in life – formal, evening and occasion. Full of spirit, the printed *Sur les toits d'Hermès* and *Ferronnerie du Faubourg* ties give a nod to the Faubourg, as do seasonal events such as the *Piqué sellier* woven tie.

The scarves affirm their unique identity in a casual and contemporary way, and in a variety of formats, materials and weights to suit all seasons. The collections offer a strong graphic identity often carried by the equestrian world, such as the *Camails* muffler, and by discreet savoir-faire, in jacquard weaving or embroidery. More exceptional techniques are used for daring creations such as the *Échec au roi clamp dye* and *Silky Panama* mufflers.

The *carrés* and other printed formats offer a wealth of designs and ways to be worn. The cashmere and silk *carré 100* greets new designs such as *Faubourg of Dreams*, and adds a modern touch to certain classics, including *Neo Brandebourgs*. The *carré 65* confirms its success thanks to its contemporary format and its many variations: fringed, cotton and silk, bandana. For its part, the fringed *carré 80* becomes a staple of the collections and this year reinterprets the *Poste et cavalerie* design.

Finally, the allure of men's ready-to-wear is expressed in the collections with the *Infini* collars unveiled at the fall-winter 2024 fashion show.

1.6.4 OTHER HERMÈS SECTORS

Other Hermès sectors include Jewellery and Hermès Art of Living and Tableware. In 2024, they generated revenue of €1,909 million, contributing 12% of Group revenue.

1.6.4.1 JEWELLERY

2024 has been an important year for Hermès jewellery. The year was marked by the launch of bold new collections, presented in stores and at specific events.

One of the highlights was the international launch at the Musée des arts décoratifs in June of the new *haute bijouterie* collection designed by Pierre Hardy, *Les Formes de la Couleur*, which explores all facets of colour in sensitive and powerful jewellery with bold forms. The collection then set off on its tour with exclusive presentations in mainland China and Taiwan.

Hermès jewellery also put the spotlight on the story of the *Chaîne d'ancre* with the launch and promotion of several new jewellery lines. The original line is adorned with exceptional centrepiece stones, placed at the heart of its chain. Diamonds, rose-orange sapphires and green or pink tourmalines, meticulously chosen for their sensitivity and intensity, adorn the gold or diamond- or sapphire-encrusted chokers, creating delicate and contemporary jewels. The *Chaîne d'ancre Calypso* brings a new dimension to Hermès' chain-making savoir-faire, with a dazzling play of volumes and textures. In these new forms, the *Chaîne d'ancre* chain is multiplied with daring and inventiveness to create a fluid and precious material. The chain, rigid or flexible depending on the way it is constructed, connects and brings together opposites, is attached and breaks free. Lastly, the virtuosity of silver jewellery is illustrated with *Chaîne d'ancre Multichaînes*, an heir to Hermès' savoir-faire. Large and small marine chains, the jaseron chain, round and flat curb chains, blend harmoniously to form jewellery with an assertive personality.

1.6.4.2 HERMÈS ART OF LIVING AND TABLEWARE

After three years of strong growth, the Art of Living (textiles, objects and furniture) and Tableware activities consolidated their pillars in 2024.

The year began with the Paris launch in January of the new *Tressages Équestres* porcelain tableware, which was well-received by the press. Following this, the presentation created for the Milan Design Week in April was an opportunity to underline the permanence of the values that guide the construction of the collections, by establishing a series of connections between historical pieces from the Conservatoire des Créations Hermès and contemporary creations. Hermès Art of Living and Tableware were thus able to reaffirm their fundamentals: the use of noble and natural raw materials, a refusal to accept anything other than excellence in the quality of their creation, and inspiration from the equestrian world.

In addition to this major event, several gatherings brought together customers, press and influencers to introduce them to the dynamism and creative richness of the Home collections. These events included *Hermès Parade* in Los Angeles, as well as numerous in-store events in China, Dubai and Canada.

1.6.5 PERFUME AND BEAUTY

Perfume and Beauty generated revenue of €535 million in 2024, *i.e.* 4% of consolidated sales.

1.6.5.1 PERFUME

In 2024, activity was marked by the creation of *Hermessence Oud Alezan*, the arrival in the *H24* line of *H24 Herbes vives*, and the long-awaited launch of the new women's perfume, *Barénia*. It was also punctuated by meaningful events, alongside *Terre d'Hermès*, still a reference in the field.

The year began with *Hermessence Oud Alezan*. A captivating creation, rooted in the emotion of a forgotten memory of Christine Nagel, Director of Creation and Olfactory Heritage: the memory of a horse with a chestnut coat whose neck she smelled. A feeling revived by another encounter, this time with an oud of extraordinary quality. The perfumer decided to combine the warm and sensual notes of oud with rose petals, exciting an edgy sentiment.

Spring offered a new expression for the *H24* fragrance for men, *H24 Herbes vives*. Following her plant-based dream in the footsteps of a modern man on the move, Christine Nagel was inspired by the cheerful scent of urban nature after the rain. Shaped like a casual piece of the male wardrobe, *H24 Herbes vives* delivers an unprecedented smooth aromatic score, textured by chords of aromatic herbs mixed with pear granita and Physcool®.

During the Saut Hermès 2024, a perfume accompanied the competition for the first time: the limited edition *Paddock*. A deliciously evocative waft conjuring up the atmosphere of a horsebox, where leather and hay sit alongside the scent of carrots and sawdust.

Summer recognised the freshness of the new *Le Bain Hermès* line, composed of the emblematic *Colognes* and *Parfums-Jardins*. A rainbow-rich ritual offered in eight different scents, and as many objects that are both timeless and eco-responsible, since they can be refilled. Objects in noble glass, bathed in light, and which extend the Hermès art of living into the bathroom.

The new *Barénia* perfume for women appeared at the end of the Paris 2024 Olympic Games, making an immediate impact and winning hearts. To create this first Hermès chypre perfume, Christine Nagel revisited each of the master elements of this major olfactory family in perfumery, as yet unexplored by the House, and infused them with a character unique to Hermès. *Barénia* is the expression of a free-spirited, instinctive, elegant woman. Its sensual name refers to natural leather, the House's heritage, which forms and develops a patina on contact with the skin. Its bottle evokes the limpid curves and precious metal of the emblematic *Collier de chien* bracelet created in the 1930s. The ambitious launch plan, unprecedented for the House, was rolled out in all countries, with significant events in the United States, Europe and China. The success of *Barénia* has clearly established itself in all markets, as the announcement of a new great classic.

1.6.5.2 BEAUTY

Having now delivered its five founding chapters – *Rouge Hermès*, *Rose Hermès*, *Les Mains Hermès*, *Hermès Plein Air* and *Le Regard Hermès* – the Beauty métier has boosted its growth with two limited-editions and the launch of *Trait d'Hermès* pencils, while continuing to enliven its collections.

Fashion accessories in their own right, partnering the rhythm of the fashion shows, the limited editions have continued to add their own colours, under the leadership of Pierre Hardy, Designer of Beauty Objects, and Gregoris Pyrpylis, Creative Director. Previously consisting of lipsticks, they were extended to nail polish in spring 2024. Radical, radiant colours electrified objects in a play of energy-saturated rays of light. Explosive neon hues and tonic sophistication set the tone for the coming summer. In September, the limited fall-winter edition offered objects with a matte sheen, inspired by the deep aura of blue and the sensuality of leather. Polishes and lipsticks have for the first time been joined by an eye shadow palette, forming a collection where hot meets cold, tactile meets visual, building bridges between the softness of summer and the first chills of winter.

In the fall, the *Trait d'Hermès* collection was added to both the *Rouge Hermès* and *Le Regard Hermès* chapters, highlighting the eyes and the lips. Pencils in 24 colourways for eyes and 16 for lips form a dizzying colour chart, a tribute to Hermès' savoir-faire as a colourist. Decorated with bands inspired by show jumps and made of wood from sustainably managed forests, these pencils were presented at local events, in the presence of Gregoris Pyrpylis. A refillable eyeliner in the unique *Encre Noire* colour completed the collection, as well as *L'Estompeur* brush, a new addition to the *Les Pinceaux Hermès* collection.

The end of the year was accompanied by new *Fêtes en Hermès* gift boxes with the signature orange and the *Ex-Libris* that adorns the mosaic of the Faubourg store. Gift boxes for perfumes and beauty objects, they were adorned with metal studs depicting a duke, groom and caduceus in a nod to *Barénia*.

Two exceptional objects also enlivened the end-of-year celebrations, reviving tradition in a spirit of fantasy. The limited edition *L'Orange en fêtes*, a delicate paper fan evoking quarters of fruit, held together by a ribbon, cradled a Hermès lip balm at its heart. And the *24 Faubourg* powder compact, with its sparkling pearly reflections, paid tribute to Hermès' annual theme.

1.6.6 WATCHES

With consolidated revenue of €577 million in 2024, the Watches division represents 4% of Group sales.

Established in Bienne in 1978, Hermès joined the ranks of recognised *haute horlogerie* brands in less than half a century. Hermès now produces almost all of its watches, movements and components in-house. Its resolutely Parisian creativity affirms its unique style, which is invigorated by the other métiers in the House. Its savoir-faire has thus given Hermès a singular voice in the watch industry over the years.

In April, Hermès exhibited its new products at the Watches and Wonders trade show in Geneva. The métier teams welcomed media, influencers and customers there from all over the world. Once again, Hermès powerfully expressed the originality of its vision within the restricted circle of *haute horlogerie* players, by affirming its territory of expression: a unique relationship with time, full of fantasy and emotion, a time with which we play without wanting to control it. This message was supported by the *Le Temps, un objet Hermès* press, billboard and digital advertising campaign.

At the Geneva trade show, the sporty new *Hermès Cut* line was unveiled, presented in steel and two-tone versions (steel and rose gold), with a unisex case measuring 36 mm in diameter. Its original shape, reminiscent of a "circle in a round", is the result of a creative approach to the search for a new simple shape. The perfect circle of the bezel sits in the satin-brushed case whose four shaped sides reveal four polished side fuseaux. A unique and elegant silhouette, whose personality is reinforced by the crown, moved to 1:30 to preserve the purity of the fuseaux. Easy to use on a daily basis, waterproof up to 100 meters, the *Hermès Cut* offers a wide variety of styles. It can be worn with a steel or two-tone steel and rose gold bracelet, as well as a range of eight rubber straps, easily interchangeable thanks to a patented system. The line was presented in a scenography called "Simple shapes", where the watches were placed, like surprises, at the heart of colourful sculptures.

Hermès Cut was named one of the finalists for the Grand Prix de l'Horlogerie de Genève at the end of the year, in the category "Women's watch 2024".

2024 also confirmed the success of the *Hermès H08* line, which has been very well received since its launch in 2021. Its unique, resolutely contemporary and immediately recognisable design combines technological materials, surface effects and atypical shapes. The line's new models, in particular four *Hermès H08 Colors* watches in bright and joyful colours, have seduced with their innovative cases combining fibreglass, aluminium and slate.

In addition, the *Arceau* line's *Le temps voyageur* complication, which won two awards in Geneva in 2022, confirmed its appeal. The ambition of *Le Temps voyageur* is to renew a classic watchmaking complication, the GMT (or second time zone), and take it to a new dimension, in an aesthetic inspired by universal time.

A new complication has come to bolster the interest aroused by the *Arceau* line: *Arceau Duc Attelé*, which attests to Hermès' savoir-faire in large complications. This limited and numbered composition combines a minute repeater whose patented tuning fork timbre provides a unique sound, a central triaxial tourbillon and a high frequency (5 Hz) that give it extreme precision. Its aesthetic was inspired by the history of Hermès with its gears reminiscent of the wheels of the *Duc attelé*, the House's carriage emblem, and its two horse head-shaped hammers. It attracted the attention of collectors during and after the trade show.

The lines for women have also been expanded, alongside the indispensable *Cape Cod*, *Nantucket* and *Heure H* lines, with confirmation of the success of the new *Kelly* launched in 2023.

Lastly, the collection of exceptional pieces developed by Hermès once again aroused keen interest, through watches highlighting unique craftsmanship métiers or watchmaking and jewellery savoir-faire.

1.6.7 OTHER PRODUCTS AND BRANDS

In 2024, Other products generated revenue of €337 million, contributing 2% of Group revenue.

1.6.7.1 CRYSTAL SAINT-LOUIS

In 2024, the savoir-faire of Cristalleries Saint-Louis was showcased in multiple ways. First of all, with a strong creative act, the new *Chamade* collection, resolutely ornamental with three extraordinary and exceptional pieces named *Tenor*, *Alto* and *Soprano*. Inspired by 19th-century vases from the Saint-Louis heritage, colourful, intricately cut and decorated, these ceremonial pieces are an ode to artistic craftsmanship and creative freedom. They showcase the most emblematic crystal savoir-faire, such as the doubled crystal technique and the intricacy of the cutting.

Lights also launched a new contemporary collection, *Torsade*, which diverts and reinvents the classic branches of a chandelier to make them a light source. Saint-Louis has developed a new technique and clean technology to light interior chandelier branches. Untied using the hot-glass twist technique, they adopt two forms: one a loop, the other a U-shape. Alone or intertwined, as a wall lamp, a table lamp or a ceiling light, these shapes can be combined to create up to 18 variations.

These two collections were presented in Milan in April, during Design Week.

In Paris, glassmaking gestures were exhibited on the railings of the Jardin du Luxembourg, thanks to a collaboration between the Fédération du cristal et du verre and the French Senate. Between September 2024 and January 2025, the Cristallerie was represented among 80 exceptional photographs forming an introduction to the beauty and technicality of the gestures. A great way to celebrate the inclusion in December 2023 of glassmaking techniques on the Unesco Representative List of the Intangible Cultural Heritage of Humanity.

Lastly, Saint-Louis revealed its first address in Japan, in Azabudai Hills, in the heart of Tokyo. The capital of Japan is home to the 6th Saint-Louis store in Asia, since the opening of the first in Hong Kong in 2015. This new location showcases a large catalogue of classic and contemporary lighting, from the largest to the mini portable lamp in the *Folia* collection. Paperweights, savoir-faire that only the Cristalleries continue to perpetuate, are also presented in response to their popularity among Japanese customers.

1.6.7.2 SILVERSMITH PUIFORCAT

In 2024, Puiforcat continued to implement structuring projects that support its development ambitions.

In particular, the brand continued to enrich its contemporary universe. Its renewal began in 2023 with the *Dinner Service* collection developed with the Judd Foundation. Two new solid silver collections were created in collaboration with artists: *Séléné*, a series of bowls and vases designed by a ceramist, and *Pilotis*, a set of candlesticks and candelabra with a refined silhouette. These pieces were presented in Paris and Shanghai.

The workshop, set up in the Paris region, also continued its development thanks to the recruitment of new craftspeople and a strong training policy to enable historical pieces and new collections to be produced. To support this change, an extension of the building has doubled the available surface area.

Several events in China, the United States and Hong Kong helped to increase the brand's visibility around the world.

1.6.7.3 BOOTMAKER JOHN LOBB

In 2024, John Lobb continued its dynamic commercial growth. After the renovation and expansion of the Tokyo Marunouchi store, inaugurated in March, the House increased its presence in Japan with the opening in April of its first store in the city of Kyoto, in the heart of the historic district of Shinmonzen, renowned for its rich stores of art tapestries, antiques and craftsmanship. The 8th point of sale in the archipelago, two decades after the arrival of the brand, this new store highlights the lasting link that John Lobb has created with Japan and illustrates the loyalty of its local customers.

For its part, the latest New York store, located at 700 Madison Avenue, celebrated its 1st anniversary in December, concluding a year of strong commercial dynamism that demonstrated the interest of customers in bespoke items, emblematic models, maintenance and repair services as well as for the range of new products.

1.6.7.4 TEXTILES

Holding Textile Hermès regroups and coordinates under a single structure all savoir-faire relating to textile production: from creation to sewing, through weaving, engraving, printing, dyeing and finishing.

In 2024, Holding Textile Hermès confirmed its growth momentum by relying on solid fundamentals such as rigorous control of the quality of its products and exceptional craftsmanship savoir-faire.

In June, Holding Textile Hermès launched a new Lyon-style printing line, the result of the joint development of best practices, métier expertise and innovative technologies.

In addition, the sector is continuing to develop its clothing manufacturing capacities in France with the help of long-standing partners.

1.6.7.5 TANNERIES AND PRECIOUS LEATHERS

The Tanneries division handles the purchase, tanning, finishing and sale of leathers destined for the Hermès Group métiers and other high-quality brands and creations, mainly in the fashion, leather goods and watches industries.

Its field of action covers all hides, from large cow hides intended for equestrianism to calfskin, goatskin or exotic leathers, as well as integrated crocodile farming operations.

The division's objective is to solidify its position of excellence in the precious leather market by securing its supplies, optimising materials, operational management of its production sites and developing its savoir-faire, as well as respecting the environment and animal welfare. Its purpose is to create exceptional sustainable materials. It constantly works and invests in this direction, focusing on its savoir-faire, innovation, creativity and the exemplary nature of its supply chains.

In 2024, internal demand remained strong for all leathers. To support the Hermès Group's value strategy, the division has made it a priority to develop new exceptional finishes. Thus, the *Chantilly* and *Sunrise* finishes have strengthened the exotic leather collections. The division also finalised the development of new leathers based on an innovative chromium- and bisphenol-free tanning process, which opens up a spectrum of unprecedented colours. The calfskin activity completed the industrialisation of silk-screen printing on leather and continued its development of soft leathers with a view to expanding its offering for Hermès leather goods. The Hermès Cuirs précieux teams have also improved their knowledge and skills in the rapid creation of new colours for the House's métiers. All these innovations aim to ensure the growth of the Tannery activities in the coming years and to meet ever-increasing requirements in terms of chemistry, safety and the environment.

Efforts to continuously improve the quality of supplies continued throughout the year in all sectors. The Tanneries division is committed to ensuring that it can provide the best guarantees of traceability, in line with Hermès' ethical and sustainable development values. Hence, it only sells exotic hides where the source is perfectly identified, controlled and audited, and refrains from dealing in certain species or sectors, if necessary. Unit traceability of calfskin continued to improve. In addition, active support continues to be given to external initiatives and scientific collaborations aimed at improving the standards of each supply chain.

The activity's innovation and digitisation efforts continued to allow the teams to refine their control of production parameters, improve their replicability, and thus optimise the use of materials.

In 2024, multiple investments were made in industrial facilities. The Vivoin tannery thus finalised the renewal of its tanning facilities, and the Le Puy tanneries received their new water treatment plant. Lastly, the first steps in the calfskin and goatskin capacity extension projects have been completed.

1.6.7.6 ATELIERS HORIZONS

Since the beginning, Hermès has offered its customers the creation and manufacture of exclusive bespoke objects. This service, at the heart of the House's history, is provided by the Ateliers Horizons. Every day, this métier explores new creative ideas and uses exceptional materials and savoir-faire to bring the dreams of its customers to life.

Fantasy, technical skills and surprise are everyday features in the Pantin and Faubourg Saint-Honoré workshops, where exclusive stories of leather goods or the interior design of vintage cars or sailboats are written, as well as those of more unexpected objects such as cricket bats or boxing gloves.

At the same time as this bespoke activity, the Ateliers Horizons team also creates small series of objects that capture the spirit of the times, such as jukeboxes, bicycles and paddleboards, or even pool tables and connected speakers.

1.6.7.7 PETIT H

Petit h offers a unique design approach based on materials and objects no longer used by other Hermès métiers. These elements, grouped together in the same workshop, are made available to guest designers and the House's craftspeople, who combine their talents and savoir-faire to offer them a new life. This "reverse creation" gives rise to poetic, hybrid and joyful objects.

2024 was illustrated by a collaboration with new designers and new expertise. Rockery techniques combine with crystal to create mirrors, chandeliers or candlesticks, cork protects porcelain by creating totem bases, and cane adorns leathers and textiles to form a hut-office. These new objects come to life and are adapted according to the combinations of materials.

To share its creations, petit h presents them all year round in the Paris store on the rue de Sèvres and on Hermès' e-commerce platform.

The métier also reaches out to its customers around the world. The Hermès stores in Hong Kong in June and New York in October welcomed the effervescence of a pop-up sale, specially produced in collaboration with emerging local artists.

1.6.7.8 HERMÈS MANUFACTURE DE MÉTAUX

Hermès Manufacture de Métaux (HMM) specialises in the creation and production of very high-quality metal parts.

Its emblematic creations include clasps, belt buckles, carabiners, padlocks, bracelets, earrings, press studs and eyelets. These pieces, designed to be placed on handbags, wallets, shoes, belts or bracelets, illustrate the craftsmanship excellence of the HMM group.

Their manufacture is based on total mastery of complex savoir-faire: machining and stamping to obtain the basic parts, polishing, which gives a finish without marks or scratches and ensures an exceptionally smooth surface, the application of precious metals (white, yellow or rose gold, silver, palladium) according to the creators' choices, and finally, brightening, to enhance the shine of precious metals. Furthermore, the HMM Group also masters specific savoir-faire such as jewellery lacquering, which enhances the possibilities for decoration and the colours of metal parts.

2024 was marked by an infrastructure expansion strategy in order to meet the sustained growth in demand from Hermès' métiers, while maintaining high quality standards. Hermès Manufacture de Métaux also continues to diversify its activities with external customers, in order to increase its presence on the market and enhance its expertise.

The HMM Group is also stepping up its commitment to innovation, in response to the expectations of designers and customers. This is evidenced by the new advances in design, materials and processes that emerged in 2024, such as faceting for Fashion Accessories and Leather Goods (*Collier de chien* earrings, necklaces and bracelets, *Disco Party* padlocks, *Faubourg* cuffs), metalwork on *Vulcanium* necklaces and brooches, the matte black DLC clasp of the *Sac à Dépêches* or the handle of the *Hermès Étrier minaudière*.

1.6.8 GROUP PARTNERSHIPS

In accordance with its vertical integration strategy, Hermès holds non-controlling interests in the share capital of some of its historical suppliers, in various sectors such as weaving, ready-to-wear, watches, jewellery, shoes and fashion accessories. These investments, consolidated using the equity method, are not material with regard to the Group's financial statements (see chapter 5, "Consolidated financial statements", §5.6, Note 10).

1.7 REVENUE AND ACTIVITY BY GEOGRAPHICAL AREA AFR

					Change	
In millions of euros	2024	Mix	2023	Mix	Change at current exchange rates	Change at constant exchange rates
Europe	3,594	24%	3,093	22%	16%	17%
◆ *France*	*1,447*	*10%*	*1,274*	*9%*	*14%*	*13%*
◆ *Europe (excluding France)*	*2,147*	*14%*	*1,818*	*13%*	*18%*	*19%*
Asia-Pacific	8,085	53%	7,533	57%	7%	10%
◆ *Japan*	*1,437*	*9%*	*1,260*	*10%*	*14%*	*23%*
◆ *Asia-Pacific (excluding Japan)*	*6,648*	*44%*	*6,273*	*47%*	*6%*	*7%*
Americas	2,865	19%	2,502	19%	15%	15%
Other (Middle East)	627	4%	299	2%	110%	110%
CONSOLIDATED REVENUE	**15,170**	**100%**	**13,427**	**100%**	**13%**	**15%**

1.7.1 EUROPE

In France, Hermès reaffirmed its commitment to the regions through the reopening of two stores. First in Nantes, where the store located in the heart of the spectacular Passage Pommeraye since 2011 reopened in June after being completely renovated. Its single-storey space invites visitors to explore all of the House's métiers in a warm and natural atmosphere, where wood is omnipresent. Numerous elements pay tribute to this passage, which is classified as a listed historic building, from the high windows reminiscent of the vaulted glass roof, to the acanthus leaf that is reminiscent of the original ornaments of the site, through a selection of works related to the industrial, maritime and cultural heritage of the regional capital.

In November, the Lille store, where the House has been present since the 1950s, reopened after moving. The larger store is located on rue des Chats-Bossus, in the heart of Vieux-Lille, in a group of two 15th and 16th-century houses, a listed historic building, with an interior courtyard and a garden. The collections of the House's métiers are spread over two levels, across different spaces with distinct identities. The interior design multiplies the play of light, fabrics and colours typical of Lille's homes. In line with the House's responsible commitment, several local craftspeople contributed their expertise to the restoration of the premises.

The year was also marked by many events. In January, the palais d'Iéna hosted the fashion show for the fall-winter 2024 men's ready-to-wear collection, while the collège des Bernardins served as the setting for the press presentation of the new *Tressages équestres* tableware. The month of March saw the fall-winter 2024 women's ready-to-wear collection fashion show at the Garde Républicaine, then the 14th edition of the Saut Hermès. Organised under the framework of the Grand Palais éphémère, this international CSI 5* competition brought together 25 riders of 15 nationalities, as well as 130 horses. Over three days, spectators were enthralled by the 10 sporting events, immersed themselves in the world of horses and discovered Hermès' savoir-faire.

The arrival of summer was celebrated by the spring-summer 2025 men's ready-to-wear collection fashion show at the palais d'Iéna, as well as by the presentation of the new Hermès *haute bijouterie* collection, *Les Formes de la Couleur*. Unveiled at the end of June in the prestigious setting of the Musée des arts décoratifs de Paris, the collection lit up the Faubourg Saint-Honoré store with its bold colours until mid-July, before setting out on its tour. It was also in June that the *Le Monde d'Hermès* kiosk made a stopover in Nice, on the promenade du Paillon, before heading to Aix-en-Provence in July. Inspired by Parisian newsstands, this colourful display dedicated to the House's magazine invited tourists and walkers to soak up the spirit of the Faubourg and the fantasy of Hermès. At the end of September, at the Garde Républicaine, the spring-summer 2025 women's ready-to-wear collection fashion show brought a little warmth to the beginning of the fall.

Elsewhere in Europe, several key moments were also organised. In April, Hermès imagined an exclusive scenography as part of the Watches & Wonders Trade Show in Geneva, to present its new *Hermès Cut* watch and continue to illustrate its unique approach to time. In Berlin, a fun and quirky *Dîner de l'Encravaté* put the spotlight on ties in front of the press and influencers. Also in April, Milan Design Week was an opportunity to highlight the latest creations from the Home universe, *Métaphores* textiles and Cristalleries Saint-Louis. In December, Italy also celebrated the reopening of the store located in Via Filangieri, in the Chiaia district of Naples since 2002. Behind its high-windowed Art Nouveau façade, the store unveils an enlarged and entirely renovated interior space, where the collections are displayed in a colourful environment, a tribute to the landscapes of the Bay of Naples.

Among the travelling programmes, the *Le Monde d'Hermès* kiosk was invited to Barcelona for a few days in April, and then London and Athens in September. The *Hermès in the Making* programme took several of the House's craftspeople to Zurich in November, to demonstrate their savoir-faire.

1.7.2 ASIA-PACIFIC

China continued to invest in its network of stores, with four inaugurations in 2024. At the start of the year, Hermès opened a new store in the city of Wuxi in the province of Jiangsu. Located in the Center 66 shopping mall, in the heart of the Liangxi district, this store is spread over two floors, behind a façade whose curved shapes echo the meanders of the Yangtze River. All the House's métiers are presented here, in a light-filled atmosphere dominated by soft colours and natural materials.

The spring-summer 2024 men's ready-to-wear collection fashion show took place in Shanghai in April, taking over the prestigious setting of the West Bund Museum for the first time, in the historic waterfront district. The building's aerial architecture echoed the open slits and bold constructions that characterise this season.

In May, the store in the Shin Kong Place shopping centre in Beijing's Central Business District reopened after being relocated and renovated. Its textured stone façade is encrusted with linear patterns evoking the erosion of mountains caused by waterfalls. It offers a warm interior inspired by traditional shanshui art in tribute to the mountainous landscapes of the region, mixing ochre, sand and aquatic blue tones. The central staircase, designed like a river framed by oak wood, connects the two floors.

Coming from Paris, the 8th Hermès *haute bijouterie* collection, *Les Formes de la Couleur*, took over the prestigious setting of the Yun Shang Oil Painting Museum in Beijing in September, presenting its pieces outside a store in China for the first time.

In October, it was the turn of the Shenzhen store to reveal its newly renovated and expanded space within the MixC shopping centre, in the Luohu business district. The façade clad in jade-coloured enamelled ceramics and the woven bamboo elements used for the interior decoration of the store pay homage to local savoir-faire and the region's heritage.

In December, the West Bund Dome in Shanghai was the setting for an unprecedented immersive experience called *Mystery at the Groom's*. Both an interactive exhibition and a life-size treasure hunt, this event invited participants to play detective by exploring nine themed rooms in order to solve an equestrian enigma. A particularly fun and original way to discover the House's métiers.

Lastly, just before Christmas, the store in Shenyang, a historical and cultural metropolis, capital of Liaoning province in north-eastern China, reopened its doors following a major renovation. Installed in the MixC mall, the large and bright interior immerses visitors in a peaceful atmosphere whose palette of natural colours, alternating ochre tones and winter whites enhanced by touches of bright and refreshing colours, recalls the cycle of seasons.

The *Les Formes de la Couleur* exhibition flew to Taiwan in November, to join the artistic setting of the Taipei National University of the Arts, in a dynamic and immersive scenario.

In Hong Kong, the Lee Gardens store was renovated and expanded. In June, it unveiled its new look, an ode to the nature surrounding the city. The masonry wall trees growing in Hong Kong inspire the curved lines of its façade with three windows, while the interior evokes the island's natural landscapes and lush jungles.

In that same month of June, petit h spent more than two weeks in Hong Kong presenting its collections of unique objects in a poetic scenography full of shadows and lights. During the inauguration, visitors were able to try their hand at the re-creation process that characterises the petit h approach, with the help of one of the artists.

In Malaysia, the store, which has been on the ground floor of the Gardens Mall in Kuala Lumpur for nearly a decade, reopened in February after being expanded and renovated. It highlights the authenticity of the ancestral Malaysian materials and savoir-faire with a façade covered with a delicate assembly of bamboo and cane screens, its interior partitions and its colourful carpets inspired by the art of batik.

In April, Hermès also strengthened its presence in India with the opening of a second store in Mumbai, the House's third location in the country. Located on the first floor of the Jio World Plaza shopping centre, in a dynamic and lively district, this new store has a striking style that reflects the effervescence of the Indian capital.

Japan welcomed two new stores. The first opened in February in Azabudai Hills, a booming district of Tokyo. Nestled in a fully glazed two-storey building, the façade of which is delicately lined with washi paper, it lights up like a lantern in the evening and reveals the various interior spaces in an atmosphere reminiscent of the omnipresent nature.

In June, Hermès inaugurated a second address in the Ginza district of Tokyo, on the first floor of the Mitsukoshi shopping centre. A tribute to the dynamism of the city, this store stands out on account of the 3D horse silhouette that decorates the main window visible from the street, and the filtering panels of its windows, designed in the tradition of the art of origami.

In October, the men's ready-to-wear universe unveiled a new and exclusive selection from its fall-winter 2024 collection in Tokyo, in the heart of Maison Ginza. The scenography, spread across the four floors as well as in the street, highlighted transparency and the casual versatility of the clothes.

In July, Singapore hosted the stage and film performance *On the Wings of Hermès*, which continues its world tour. In the dark of a vast studio set up in the Marina Bay Sands centre, this show, which combines dance, object theatre, music and cinema, recounts the fable of Pegasus and her foals in seven dream-like scenes. A moving multi-sensory experience that amazes viewers and confirms Hermès' positioning as a "dream maker".

For its part, the store in the Takashimaya department store in Singapore underwent major renovation and extension work before reopening in October. With a cherry wood panelled façade, its architecture reinterprets in a contemporary style the organic shapes and textures inspired by the lush nature of the island. The House's métiers are now on display on three levels, through various interior spaces decorated with geometric and plant-based patterns.

In Korea, the nomadic *Hermès in the Making* workshop presented the House's savoir-faire in Seoul in May, on the green lawn of Seokchon Park. Through multiple interactive workshops, demonstrations, activities and conferences, this immersive experience enabled visitors to better understand the uniqueness of the House, its spirit of creation and innovation, as well as its commitment to responsible and sustainable practices.

In October, the city of Seoul also hosted the *Brides de Galaxy* exhibition in the Walkerhill Theatre, which was transformed into a distant planet for one night. Immersed in a mysterious, deserted landscape, guests discovered different interpretations of the emblematic *Brides de Gala* scarf as they wandered through six separate spaces punctuated by artistic events. An enchanted celebration of the world of silk, a source of inspiration and an infinite field of expression for Hermès.

Lastly, in Australia, the 10 year-old store in the centre of Melbourne was renovated and expanded. Behind the preserved façade of its building, classified as a historic listed building by the state of Victoria, it has once again been welcoming visitors since August in its bright and colourful spaces, a tribute to the abundance of local flora.

Throughout the year, the *Le Monde d'Hermès* kiosk criss-crossed Asia, making successive stops in New Delhi in March, Seoul and then Manila in April, Tokyo then Taipei in May, Shanghai in October and lastly Hanoi in November. So many opportunities for visitors to discover the House's creative universe by leafing through its magazine and taking part in various joyful and convivial events.

1.7.3 AMERICAS

Hermès strengthened its presence in New Jersey with the opening of a new store in the university town of Princeton in April. This store occupies the ground floor of a delightful brick building in Palmer Square. Its typical façade features large bay windows that let in an abundance of natural light. Inside, visitors discover an intimate atmosphere where the city's academic heritage dialogues with a contemporary spirit.

In October, the House also reaffirmed its foothold in the city of Atlanta, Georgia, by opening a new store in the Philips Plaza shopping centre. Twice the size of the previous address, this store reflects the city's creative spirit, renowned for its cultural dynamism and its contribution to art, music and cinema. Its façade is trimmed with terracotta bricks ranging from brown to almond green, evoking the canyons of Georgia, and its bay windows are dressed with a transparent fabric that delicately lets light through.

Among the events that marked the year, the *Le Monde d'Hermès* kiosk braved winter in the heart of the resort of Aspen for a few days in January, offering the public the opportunity to discover the magazine dedicated to the story and universe of the House, in a colourful setting.

In March, the Home collections were staged in Los Angeles, during a performance of the immersive *Hermès Parade* event. This spectacular performance invites spectators to discover the objects up close, through a series of acts combining dance, acrobatics and choreography performed by more than 50 dancers.

In June, the fall-winter 2024 women's ready-to-wear collection chose the effervescence of New York to unveil its second chapter at a fashion show on the Lower East Side, with the city's lights reflecting the urban and sporty silhouettes.

Petit h also made a stopover in New York in October, taking over the 706 Madison Avenue store for the first time. The creations were presented in an original scenography inspired by typical New York urban elements.

Mexico hosted the travelling exhibition *Hermès in the Making* for 10 days in March. Taking advantage of the coolness of the Fronton Mexico, an Art Deco building located in the Plaza de la Revolución in the heart of Mexico City, the House's craftspeople gave multiple demonstrations of expert gestures and explanations about Hermès' savoir-faire.

1.7.4 NEAR AND MIDDLE EAST

In April, Hermès inaugurated its new address in Bahrain, in the recent Marassi Galleria shopping centre, located on the seafront. Relocated here, between sky and sea, it stands out for its façade evoking the curves and layers of rocky formations, and for its oasis-like decoration inspired by desert and ocean landscapes. The House's collections are displayed in different spaces demarcated by macramé panels hand-woven by local craftspeople.

The Middle East was also visited by several travelling events. The *Le Monde d'Hermès* kiosk touched down successively in Abu Dhabi and then Doha in February and March, before closing the year in Bahrain in December. At each stopover, visitors were offered the House's magazine and were able to attend concerts or fun workshops illustrating Hermès' creative universe.

The *Hermès Heritage In Motion* exhibition was held at the National Museum of Qatar in Doha in the autumn. The third and final chapter in the series of *Hermès Heritage* exhibitions in the country, the exhibition explores the history of the House through emblematic objects that illustrate the spirit of movement and travel, from the Émile Hermès collection, archives and the Conservatoire des Créations Hermès.

1.7.5 DIGITAL STRATEGY

E-commerce continued its solid growth with an increase in sales compared to 2023. The House's leading store in terms of revenue and volume of products sold, the hermes.com website is also its primary showcase.

Continuously fed by numerous pieces of editorial content to invite its visitors to discover the creations and the spirit of the House, the hermes.com website now extends the coverage of the collections presented online to all métiers.

The omnichannel journey now integrates the shared inventory service, which allows customers online access to the offer available in stores. This new service is in addition to existing omnichannel facilities: ordering online and having the goods delivered in-store, or purchasing a product available online from the store. Hermès has also expanded its maintenance and repair service: customers can now consult quotes and follow their product's journey online.

The navigation was designed to provide a smoother experience, from the product page to the payment of the order, and thus adapt to new uses. For example, customers can now be notified of the return in stock of the products they want, or benefit from the perfume engraving service after having chosen the olfactory emotion that corresponds to them thanks to the dedicated "Fragrance Finder" path. A quick shopping service has also been set up, allowing a product to be added to the cart without going through the product page.

Lastly, Hermès opened a new e-commerce store in Mexico.

1.8 COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS AFR

1.8.1 INCOME STATEMENT

In millions of euros	2024	2023
Revenue	**15,170**	**13,427**
Cost of sales	(4,511)	(3,720)
Gross margin	**10,660**	**9,708**
Sales and administrative expenses	(3,569)	(3,169)
Other income and expenses	(942)	(889)
Recurring operating income	**6,150**	**5,650**
Other non-recurring income and expenses	-	-
Operating income	**6,150**	**5,650**
Net financial income	283	190
Net income before tax	**6,432**	**5,840**
Income tax	(1,845)	(1,623)
Net income from associates	44	105
CONSOLIDATED NET INCOME	**4,631**	**4,322**
Non-controlling interests	(28)	(12)
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	**4,603**	**4,311**

In 2024, the Group's consolidated revenue amounted to €15.2 billion, up 15% at constant exchange rates and 13% at current exchange rates compared to 2023.

The gross margin rate reached 70% in 2024, compared to 72% for the 2023 financial year, which benefited in particular from the positive impact of foreign exchange hedges.

Sales and administrative expenses, which represented €3.6 billion (€3.2 billion in 2023), notably included €637 million in communication expenses (€607 million in 2023). Other sales and administrative expenses, which mainly include the salaries of sales and support staff as well as variable rents, amounted to €2.9 billion (€2.6 billion in 2023).

Other income and expenses amounted to €942 million (€889 million in 2023). They include depreciation and amortisation of €693 million (€604 million in 2023), half of which relates to property, plant and equipment and intangible assets and the other half to right-of-use assets. Other expenses also include €180 million related to free share plans in 2024 (€151 million in 2023).

Recurring operating income amounted to €6.2 billion, up by 9% compared to 2023. Recurring operating profitability, despite the negative impact of exchange rates, reached 40.5% of sales compared to 42.1% in 2023, an exceptionally high level.

Net financial income was positive in the amount of €283 million (income of €190 million in 2023). It includes the cost of foreign exchange hedges, interest on lease liabilities and interest payments on cash which, in line with the rise in interest rates, amounted to €400 million in 2024.

The income tax expense amounted to €1.8 billion and represents an effective tax rate of 28.7%.

After taking into account the net income from associates (income of €44 million) and non-controlling interests, the consolidated net income attributable to owners of the parent amounted to €4.6 billion, an increase of 7%.

1.8.2 CASH FLOWS AND INVESTMENTS

In millions of euros	2024	2023
Operating cash flows	5,378	5,123
Change in working capital requirements	(239)	(794)
Change in net cash position related to operating activities	**5,139**	**4,328**
Operating investments	(1,067)	(859)
Repayment of lease liabilities	(305)	(277)
Adjusted free cash flows	**3,767**	**3,192**
Investments in financial assets	(251)	(316)
Dividends paid	(2,705)	(1,386)
Treasury share buybacks net of disposals (excluding liquidity contract)	(40)	(132)
Other movements	104	64
CHANGE IN RESTATED NET CASH POSITION	**875**	**1,422**
Restated net cash position at the end of the period	12,039	11,164
Restated net cash position at the beginning of the period	11,164	9,742

Operating cash flows amounted to €5.4 billion, up 5% year-on-year, a rhythm that is close to that of net income.

The change in cash and cash equivalents related to activity reached €5.1 billion and increased by 19% thanks to a lower increase in working capital requirements, mainly on inventories.

Group operating investments amounted to €1.1 billion:

- €611 million was allocated to securing the Group's strategic locations or the renovation and expansion of the exclusive distribution network;
- €244 million was invested in real estate, digital and information systems to support the development of the métiers and secure the supply chain;
- €212 million was dedicated to strengthening production capacities, mainly in Leather Goods, but also in the Silk and Textiles, Manufacture de Métaux and Perfume and Beauty métiers.

After taking into account the aforementioned operating investments and the repayments of fixed lease liabilities recognised in accordance with IFRS 16, which are considered by the Group as items affecting operating activities, adjusted free cash flow amounted to €3.8 billion, a rise of 18%.

Financial investments of €251 million mainly concern equity investments aimed at strengthening ties with historical partners, in accordance with the Group's vertical integration strategy.

After payment of €2.7 billion in dividends, share buybacks amounting to €40 million and taking into account positive currency appreciation against the euro (included in other movements), the Group's restated net cash position increased by nearly €900 million to reach €12.0 billion at the end of 2024.

1.8.3 FINANCIAL POSITION

The Group's consolidated balance sheet at the end of 2024 totalled €23.1 billion compared with €20.5 billion at the end of 2023. Cash accounted for nearly 50% of total assets, and equity, which amounted to €17.3 billion as at 31 December 2024, represented 75% of liabilities. The Group has thus consolidated a solid financial structure that allows it to maintain its independence and pursue its long-term strategy with confidence.

1.9 SIGNIFICANT EVENTS SINCE THE END OF THE FINANCIAL YEAR AFR

No significant events have occurred since the closing on 31 December 2024.

1.10 OUTLOOK AFR

On the strength of its unique business model, based on its values of independence, entrepreneurial spirit, craftsmanship and creativity, Hermès has shown the solidity of the House's craftsmanship and entrepreneurial business model, with excellent results in 2024, despite a more uncertain economic and geopolitical context. All geographical areas grew. All métiers, except Watches, continued to make solid progress, reflecting the desirability of creations among its customers. Hermès, firmly rooted and inspired by its heritage, is enriched by its creative freedom and innovation, and its attachment to savoir-faire. Firmly believing that there can be no creation of economic value and long-term development without creation of social and societal value and without environmental responsibility, Hermès is committed to leaving a positive footprint on the world.

Thanks to the ongoing dialogue between creation and excellence in savoir-faire, the House will continue to blossom, affirming the uniqueness of its style. The year 2025 will be marked by the development of new collections based on the most beautiful materials and an abundant creativity. Among the new products, the Perfume and Beauty métier will launch two new Eaux de Parfum Intenses, first for *Terre d'Hermès* in the first half of the year, before *Barénia* in the autumn. Watches will continue to roll out its *Kelly* and *H08 lines*, which are expanding rapidly, and will present its new products at the Watches & Wonders Salon in Geneva. As part of Milan Design Week, Hermès will present the new collections of the Home universe and will in particular launch the *Hermès en contrepoint* tableware. The emblematic bags *Picotin and Evelyne*, with new ways of being worn and uses, will enrich the Leather Goods collections alongside new creations.

The integrated and exclusive distribution network will continue to strengthen its omnichannel offering. In order to nurture the link with its particularly loyal local customers and to attract new customers, special attention will continue to be paid to the digitisation of uses, the development of services and the expansion of the online product offering. The qualitative development of the store network will continue in 2025, notably with projected openings in Phoenix and Nashville in the United States and Taipei in Taiwan. Priority will continue to be given to the expansions and renovations of around 15 branches around the world, notably in Florence (Italy), Seoul (Korea) and Bangkok (Thailand). In addition, investments will continue for the new London store in New Bond Street, with an opening scheduled for 2026.

In light of with the House's strong momentum, the development of production capacities will continue in all métiers, and in particular in Home and Perfume, with the finalisation of the construction of a new production cellar in Vaudreuil. The growing demand in Leather Goods & Saddlery will be supported by the ramp-up of new sites. Discussions are underway concerning the opening of a 10th expertise hub by 2028 to strengthen the local presence spread throughout France. The Group will continue its objective of opening on average one production unit per year, representing around 300 new hires. In 2025, Hermès will inaugurate a new leather goods workshop in Isle-d'Espagnac in the Charente region, on the brownfield site of the former Bel-Air aerodrome, in compliance with its responsible real estate standards. It will join the South-West division, which already includes the Montbron and Nontron leather goods workshops and the Saint-Junien leather goods and gloves workshop, which have been present in the region for more than 25 years. The projects of the Loupes (Gironde) and Charleville-Mézières (Ardennes) leather goods workshop projects, scheduled for 2026 and 2027 respectively, will continue. Hermès will strengthen its integration in France in regions with high manufacturing savoir-faire and develop employment and training. The House's other métiers will continue to use their extensive expertise to design and create exceptional objects. Overall, operational investments should amount to €1 billion in 2025.

True to its commitment as a responsible employer, with the creation of nearly 7,000 jobs over three years, of which more than 65% in France, Hermès will continue this multi-local and multi-métier dynamic in 2025. The Group will step up its efforts in terms of social, societal and environmental performance. Hermès will pursue its commitment to the development of its employees, inclusion and diversity. The House will also launch work to formalise its major social commitments through the drafting of several policies on the themes of dialogue with our employees, working conditions, diversity and inclusion.

The enhancement and transmission of savoir-faire will remain at the heart of the priorities of the métiers, with, in particular, the ramp-up of the apprentice training centres (CFA) dedicated to the leather goods métiers, as well as the House's training in the unique savoir-faire of the other métiers, such as Jewellery. Present today in 10 regions, the École Hermès des Savoir-Faire will gradually be set up in all the regional Leather Goods divisions.

Control of the supply chains, guaranteeing the quality of materials, will continue with the implementation at the House's partners of CSR briefs, supply chain briefs and a responsible purchasing policy, which bring together the Group's requirements notably in terms of traceability, certification, carbon trajectory, reduction of water consumption and respect for human rights.

The House's commitments to fighting climate change and the preservation of biodiversity will remain at the forefront. With the development of eco-design strategies for all métiers and the construction of an internal tool to make life cycle analyses systematic, the Group will continue its efforts to encourage the sparing use of resources and waste management. More broadly, the Group's actions in favour of biodiversity will be strengthened by the continuation of the Science Based Targets for nature (SBTN) initiative with the setting of targets as provided for in step 3 of the framework, and the deepening of impact analyses using the Global Biodiversity Score (GBS) method.

In line with its climate change mitigation commitments, the Hermès Group will continue its actions in accordance with its reduction objectives, approved by the Science Based Target initiative (SBTi), to reduce scopes 1 and 2 emissions by 50.4% in absolute value and scope 3 emissions by 58.1% in intensity, over the 2018-2030 period. In 2025, the Group will prepare the update for the SBTi and will work on the formalisation of its long-term objectives, which will make it possible to comply with the "net zero" standard of this same initiative. Work will also be undertaken in 2025 to identify the expenses, investments and financing specifically related to the implementation of the transition plan. The particularly demanding responsible construction framework will continue to be rolled out for new real estate projects. At the same time, Hermès will increase its contribution to projects with a strong environmental, social and economic impact outside its value chain, in particular through the Livelihoods Carbon Funds. The House will also continue undertaking studies for projects within its value chain, in order to prepare for the neutralisation of its residual emissions. In terms of adaptation, the results of a new analysis of climate risks conducted on the sites and the main international flows will provide a comprehensive view of the risks at all of the Group's sites

Hermès will strengthen its role as a responsible company alongside its suppliers, which it will continue to support, with the rollout of its Supplier code of conduct, and with the communities in which it operates, whether through site openings, job creation, the development of vocational training centres for its craftsmanship métiers, and contributions to the social and cultural life of the regions.

The Group is looking forward to 2025 with confidence, thanks to its highly integrated craftsmanship model, its balanced distribution network and the loyalty of its customers.

In the medium term, despite the economic, geopolitical and monetary uncertainties around the world, the Group confirms an ambitious goal for revenue growth at constant exchange rates. Thanks to its unique business model, Hermès is pursuing its long-term development strategy based on creativity, maintaining control over savoir-faire and singular communication.

1.11 FONDATION D'ENTREPRISE

Driven since 2008, the year of its creation, by the humanist values of the House from which it emanates, the Fondation d'entreprise Hermès carries out its philanthropic actions in ways that set it apart from the French philanthropic landscape. It has chosen to be an operator rather than a distributor, by developing specific programmes in four areas: the creation of new works of art, the transmission of skills and expertise, the protection of biodiversity and solidarity. Through each of its programmes, the Foundation strives to act as effectively as possible, on the ground, in response to targeted needs. Whether they are artists, project leaders or students, the beneficiaries of these actions can thus experience very concretely how the Foundation contributes, on its own scale, to building a better world.

In 2024, the Foundation focused on outreach, with the solidarity actions that are inherent in its commitments. Intended for Hermès employees worldwide, the internal H^3 - Heart, Head, Hand programme, launched in 2013, is based on the conviction that those who work within the House share its humanist values. Thus, each employee can propose to the Foundation a solidarity organisation engaged in one of its fields of action so that it can benefit from financial support. In 2024, this programme was the subject of an internal campaign resulting in a large number of applications: 14 projects were selected and financially supported by the Foundation, each time with the involvement of the employee, who assumes the role of ambassador. Launched in 2023, skills-based patronage - another support mechanism set up with the help of the Group's human resources department - increased in scale this year. Within this scheme, everyone can get involved on the ground with a local solidarity organisation, during their working hours. This format facilitates the concrete efforts of those who wish to take action to benefit a solidarity-based initiative.

Solidarity is also one of the drivers of transmission, as evidenced by the Artists in the Community scholarship scheme - a pivotal element of the Foundation's eponymous programme. In 2024, it funded 119 scholarships to support students enrolled in one of the 20 partner educational establishments and ensure that these young talents can devote themselves fully to their demanding training in dance, theatre, circus and, for the first time, puppetry arts. At the same time, the Foundation invited the third class of these scholarship artists to present a collective post-diploma project, *Transmission Impossible*, at the Avignon Festival, under the direction of choreographer Mathilde Monnier. One way to support them as they take their first professional steps.

The Foundation is also keen to promote transmission between professionals in a dynamic of collective intelligence: this is the challenge of the Académie des Savoir-Faire. In 2024, the Foundation published the encyclopaedic book *Savoir & Faire - La Pierre* co-published with Actes Sud, which completes the Academy dedicated to this material in 2023. It also launched a call for applications for the seventh edition of the programme, this time dedicated to paper, which will open in 2025 under the direction of French designer Constance Guisset.

Lastly, the Manufacto programme pays special attention to school children, and has been committed to the transmission of craftsmanship savoir-faire in schools since 2016. More than 2,400 pupils aged from nine to 15, from 16 academic regions, have been familiarising themselves with the leatherwork, saddlery-upholstery, carpentry or plastering know-how under the supervision of a craftsperson since the start of the 2024 school year.

Using the same model, the Manuterra programme, created in 2021, allows pupils to discover gardening savoir-faire during school time. Since the start of the 2024 school year, 850 pupils aged from nine to 15, from 10 academic regions, have been cultivating a plot using permaculture techniques in order to learn about issues related to ecosystem preservation. In addition to this educational initiative, which is managed with the partner academic regions, the Foundation strives to act on other levers to help protect the living world by supporting various large-scale projects as part of the Biodiversity & Ecosystems programme.

The Fondation d'entreprise Hermès remains very committed to the field of creation, particularly performing arts. Launched at the Théâtre de la Cité Internationale in Paris in 2023, the performing arts festival Transforme completed its first season in 2024 after continuing its programming at La Comédie in Clermont-Ferrand, the SUBS in Lyon and the Théâtre national de Bretagne in Rennes, attracting a total of 18,000 spectators. In October 2024, the Foundation launched the second edition of Transforme, again at the Théâtre de la Cité Internationale in Paris, in the presence of a large audience.

The Foundation is also very active in the field of visual arts: in 2024, 11 exhibitions have been organised in the galleries for which it is responsible for artistic programming, in Brussels (Belgium), Saint-Louis-lès-Bitche (France), Tokyo (Japan) and Seoul (South Korea).

In addition, 2024 will have been a year of transition for the Artists' Residencies in the Hermès production units: closing the cycle of residencies mentored by Gaël Charbau, the visual artist Linda Sanchez was invited to the Cristallerie Saint-Louis to create a work by drawing upon the exceptional savoir-faire of the master glassmakers. At the same time, a new cycle began, under the artistic direction of Emmanuelle Luciani: the latter invited Jenna Kaës to the Maroquinerie de la Tardoire and Mounir Ayache to the Holding Textile Hermès (HTH), to create a work with the involvement of Hermès' craftspeople.

In the field of contemporary photography, the Immersion programme, a Franco-American photographic commission, closed with the exhibition in Paris of the work of its final laureate, the American photographer Raymond Meeks: presented at the Fondation Henri Cartier-Bresson, his series "The Inhabitants" was published in co-edition with Mack Books.

Throughout its programmes, the Fondation d'entreprise Hermès conducts its patronage by supporting women and men who act in favour of the public interest and with whom it shares a common humanist purpose. Thus, it continues, with ambition and responsibility, to cultivate collective intelligence and to combine progress and the common good, in order to put people back at the heart of our society.

The activity report of the Fondation d'entreprise Hermès can be found in full at: https://www.fondationdentreprisehermes.org/en, section "the Foundation".

2

CORPORATE SOCIAL RESPONSIBILITY AND NON-FINANCIAL PERFORMANCE AFR

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Hermès wishes to advise the reader of the inherent limits of forward-looking statements as well as the proper understanding of the concepts of materiality or significance, in the specific context of this sustainability report (see “Disclaimer, page 195 of this document”).

2.1 SUSTAINABILITY INFORMATION

2.1.1 GENERAL DISCLOSURES (ESRS 2)

2.1.1.1 REPORTING BASIS (BP-1 AND BP-2)

Preparation context

The sustainability disclosures have been prepared as part of the first-time application of legal and regulatory requirements following the transposition of the European Corporate Sustainability Reporting Directive ("CSRD").

This first year of implementation of the CSRD is marked by many uncertainties. In addition to those inherent in the state of scientific or economic knowledge as well as the quality of the external data used, several interpretations of the texts remain, for which additional clarifications from the standardisation or regulatory bodies are expected, in particular concerning sector-specific standards for the application of the ESRS or the application of the technical criteria of the Taxonomy Regulation.

The Group has therefore endeavoured to apply the normative requirements set by the ESRS, as applicable at the date of preparation of the sustainability report, on the basis of available information (for example, information required on policies, actions, measures or objectives), within the deadlines for preparing the sustainability statement.

The preparation of sustainability information was also complicated by the absence of comparative data and reliable benchmarks, in particular at sector level, as well as by difficulties in collecting market data, particularly within the value chain.

In some cases, these difficulties in accessing reliable data have forced us to use estimates, which it should be possible to refine as the quality of the available data improves.

Scope of the sustainability report

The sustainability report corresponds to section 2.1 "Sustainability information". The scope of this sustainability report covers all of the Hermès Group operations, including all sites, métiers and subsidiaries, as well as all regions, the scope of which is detailed in chapter 1 "Presentation of the Group and its results", § 1.4. The scope of consolidation used for this sustainability report is identical to that of the consolidated financial statements, with the exception of companies consolidated by the equity method which are not included and have been deemed non-material as regards sustainability matters.

The entities consolidated during the year are part of the reporting scope, with the exception of certain indicators for which the limitations of the scope of collection applied on a case-by-case basis on certain data are explained in the sub-section relating to this data.

This sustainability report covers the Group's entire value chain as well as its business model, as presented in § 2.1.1.5.

The reporting periods used are as follows:

	Social information	Environmental information	Governance information
12-month reporting period	01/01-31/12	01/10-30/09	01/01-31/12

Environmental information is collected on an annual basis that closes at the end of the third quarter to allow for timely consolidation and analysis of data. There were no significant events in the fourth quarter of 2024 that would call into question the significance of these data compared with an analysis based on a financial year.

The time horizons used in the materiality exercise to assess the risks are specified in § 2.1.1.6.

In the context of this sustainability report, Hermès did not use the option to omit specific sensitive information (in accordance with ESRS 1, section 7.7, and Article 19a, paragraph 3 and Article 29a, paragraph 3 of Directive 2013/34/EU).

Time horizons

In accordance with ESRS 1, Hermès assessed the time horizon of occurrence of each IRO whenever the IRO in question was "material", both in terms of impact materiality and financial materiality. The thresholds were set in accordance with the implementation guidelines published by EFRAG:

- short-term (ST): one year ("the period adopted by the company as the reference period in its financial statements");
- medium term (MT): more than one year up to five years;
- long-term (LT): more than five years.

Hermès uses the same definitions throughout the report, in particular for the expected figures and for the objectives relating to different time horizons.

Value chain estimates and sources of uncertainty associated with estimates and results

The sustainability information may be subject to inherent uncertainty due to the state of scientific and economic knowledge and the quality of internal and external data used (data calculated for the value chain, for example). The subject of estimates concerning the value chain is addressed in two thematic standards, namely § 2.1.2.1.7 (E1 standard - scope 3 data) and § 2.1.2.4.2 (E4 - biodiversity). In addition, the quantification of certain sustainability information, in particular environmental information, is subject to estimates and judgements based in particular on the Group's experience and internationally recognised sustainability standards as well as the best information available to date. These estimates are sensitive to methodological choices and the assumptions used to prepare them. The nature and scope of the estimates used are as follows:

Details of environmental data

The Group uses estimates to calculate indirect greenhouse gas emissions (scope 3): (i) for estimating activity data, and (ii) for estimating emission factors, as described in § 2.1.2.1.7.

The Group also uses estimates to report data on substances of very high concern, as described in § 2.1.2.2.7.

With regard to biodiversity, Hermès wanted to shape its approach to reducing its impacts on biodiversity using the framework built by the SBTN approach. It is with this in mind that the Group has chosen to align biodiversity reporting with the method used to manage the subject operationally in the Group's entities. SBTN steps 1 and 2 enabled Hermès to assess the biodiversity of its production sites using two tools (STAR and BII); Hermès is publishing the results obtained from these tools in order to meet the expectations of the E4 standard regarding the identification and prioritisation of sites in biodiversity-sensitive areas. More precise information on these two tools as well as on the results obtained, their processing and their use is available in § 2.1.2.4.2. The Group will monitor future advances in biodiversity-related tools and may develop its work accordingly

Elements of progressivity

In the context mentioned in the introduction, the Group has initiated work that it will continue in the coming years.

The transition plan was drawn up in the following context: SBTi validated the emission reduction objectives for scopes 1, 2 and 3 (horizon 2030) at the end of 2021, based on a reference year of 2018, including a reduction objective for the relative value of scope 3 emissions, whose objective is to contain global warming "well below 2°C", in accordance with the SBTi sector recommendations at the time of its certification. There is no scope 3 emission reduction objective in absolute value as of this date. Thus, Hermès presents in its sustainability report targets for 2030 and does not present targets for 2050, in line with the SBTi objectives. Moreover, Hermès is not in a position to communicate the consolidation of the quantification of decarbonisation levers for scope 3 emissions implemented and planned in the various Group entities.

Hermès is working on the formalisation of its objectives, which will enable it to comply with the "net zero" standard in accordance with the expectations of the CSRD and will submit a new file to the SBTi in 2025. The physical risk analyses carried out by Hermès will also be supplemented in order to use more pessimistic scenarios.

Hermès has also indicated in this sustainability report that it is not able to quantify certain data points: on the planned cancellation of carbon credits (E1-7 AR 64), on inflow resources (E5-4-31), on the total amount of fines, penalties, and compensation for damages as a result of incidents and complaints relating to discrimination and harassment (S1-17-103c), on the prevention of corruption (G1-3-21b) and on payment terms (G1-6-33b). These data points do not contain any material information likely to influence the reader's judgement. Capital expenditure (CapEx) and operating expenses (OpEx) related to action plans that are not disclosed in this document are not material from the point of view of the Group.

Lastly, to take into account the best practices and recommendations of the market as well as better knowledge of these new regulatory and normative provisions, the Group may be required, where necessary, to change certain reporting and communication practices, as part of a continuous improvement approach.

Information incorporated by reference

Data points	Reference document	Document section
ESRS 2 - GOV 1	Universal registration document	Chapter 3, § 3.3 “Administrative and management bodies” and § 3.4 “Organisation of the Supervisory Board”
ESRS 2 - GOV 3	Universal registration document	Chapter 3, § 3.8.2 “Overview of compensation and benefits of all kinds for Corporate Officers”
ESRS 2 - SBM 1	Universal registration document	Chapter 1, § 1.5 “Presentation of the Group and its results”
ESRS 2 - SBM 1	Universal registration document	Chapter 1, § 1.4 “Presentation of the Group and its results”
ESRS 2 - SBM 1	Universal registration document	Chapter 1, § 1.4 “Presentation of the Group and its results"
ESRS E1-1	Universal registration document	Chapter 5, § 5.6 “Consolidated financial statements AFR”
TAXONOMY	Universal registration document	Chapter 4 “Changes in complexity and interpretation of tax regulations”
ESRS S2-4	Universal registration document	Chapter 4, § 4.1 “Factors and management AFR”
ESRS S3 - 1	Vigilance plan	Chapter 3 – "Human rights and fundamental freedoms"
ESRS G1 -4	Universal registration document	Chapter 6, § 6.7 “Parent company financial statements AFR”

2.1.1.2 SUSTAINABILITY GOVERNANCE (GOV 1 AND GOV 2)

2.1.1.2.1 Composition of executive and supervisory bodies

Hermès, present throughout the world, is an independent House supported by family shareholders, a sign of stability and longevity.

The House benefits from an experienced and balanced governance, allowing proper consideration of sustainability matters and issues in its strategy.

Hermès details the composition and role of its administrative, management and/or supervisory bodies in chapter 3 "Corporate governance", § 3.2. The cross-reference table below highlights the sections relating to the information covered in § 2.1.4.1.3.

For Hermès International, these bodies are the Executive Management and the Supervisory Board.

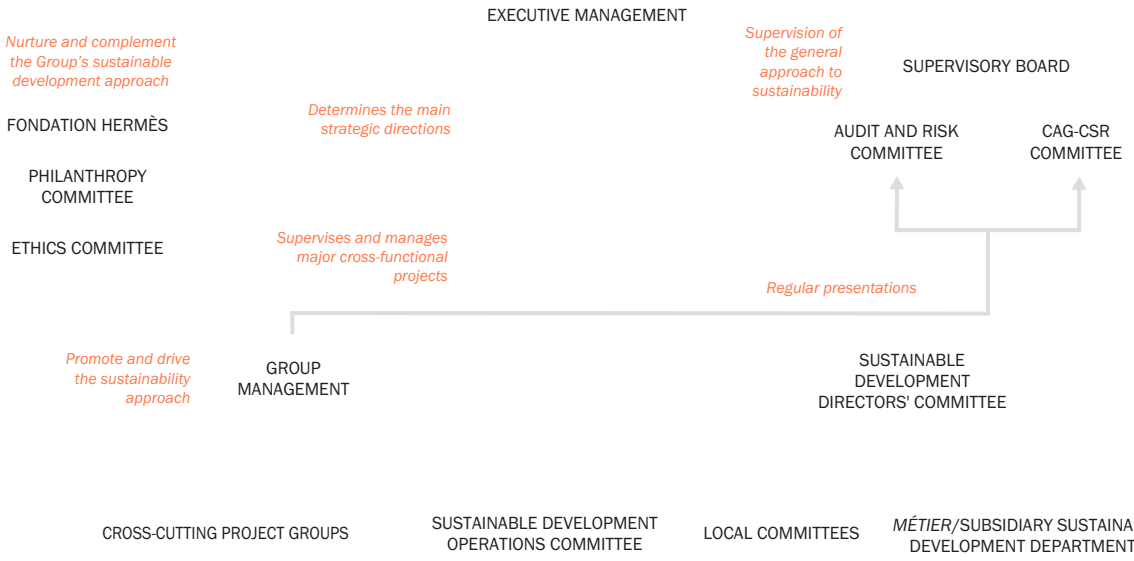
	Executive Management assisted by its Executive Committee	Supervisory Board
GOV-1-21-a - Membership and composition	§ 3.3.1 and § 3.3.3	§ 3.4.5
GOV-1-21-b - Employee representation	Not applicable	§ 3.4.5
GOV-1-21-c - Experiences and expertise	§ 3.3.3.1.2	§ 3.4.5.2
GOV-1-21-d - Gender diversity and other diversity indicators	§ 3.3.4	§ 3.4.3
GOV-1-21-e - % of board members who are independent	Not applicable	§ 3.4.3.2

2.1.1.2.2 Monitoring of sustainability impacts, risks and opportunities (IRO) by management and supervisory bodies

AT EXECUTIVE MANAGEMENT LEVEL

The Executive Management plays an active role in the operational implementation of the policies, actions and results associated with Impacts, Risks and Opportunities (IRO). In 2024, several joint sessions with the Group’s Executive Committee were held to validate the main strategic orientations relating to the IROs that were material for the Group, monitor the objectives and associated results, and ensure that the resources allocated were appropriate.

Sustainability governance as structured at Group level is as follows:



Definition of major governance bodies above:

Sustainable Development Board

The Sustainable Development Board comprises directors of the Group's main central functions and integrated supply chains. This Board oversees the implementation of the CSR approach, steers major cross-functional projects, oversees the roadmaps of the House's main entities, launches and monitors *ad hoc* working groups, and identifies key decisions to be submitted for approval to the Executive Management and its Executive Committee.

Sustainable Development Directors' Committee (C3D)

To complement the Board's functions and structure the management of the sustainable development function within the Group, this new body now brings together the sustainable development directors of the métiers, sustainable development functions and subsidiaries within the House. This Committee addresses the management of the entity's roadmaps and promotes discussion on cross-functional training and internal communication issues.

Group sustainable development department

Reporting to a member of the Executive Committee, this proposes and implements the Group's strategy and oversees the approach taken by the committees and all functional and operating departments and Group subsidiaries, both in France and internationally. It monitors achievements, coordinates the operation of various committees, provides support to local committees and manages, with its internal partners, cross-functional projects and non-financial reporting.

Group Operations Committee

Composed of more than 100 members representing the main métiers and central functions, as well as the French-speaking distribution subsidiaries, it analyses the technical and functional aspects of the projects carried out by the various entities of the House and enables its members to share best practices and topical sustainable development information.

Local Sustainable Development Committees

Led by the main métiers and subsidiaries, they initiate and monitor the actions undertaken. These bodies may be supplemented by management and *ad hoc* committees when new sustainable development projects are implemented by subsidiaries and entities. Cross-functional committees, led by Group departments, manage issues, often of a medium-term nature, that are of common interest. They focus in particular on issues relating to recycling, materials innovation, the circular economy, sustainable construction and logistics.

Métier/subsidiary sustainable development departments

These are responsible for leading the approach at their level and for committing to a CSR roadmap each year. The Group's main métiers and subsidiaries have a part-time or dedicated sustainable development manager.

AT SUPERVISORY BOARD LEVEL

The Group's Supervisory Board is involved, through its committees (see chapter 3 "Corporate governance", § 3.4), in the oversight of the proper management of the impacts, risks and opportunities (IRO) identified. It is kept informed of the process of identifying these IROs, notably through its committees and the Executive Management. Starting in 2023, a multi-year training programme on environmental issues, and climate in particular, was developed in collaboration with an external firm to raise the Board's awareness of these issues and their reporting using the CSRD. In November 2024, the work in progress on the double materiality matrix was presented to the Board. In early 2025, the Audit and Risk Committee and the CAG-CSR Committee were given a presentation on the double materiality analysis completed during the financial year and its material IROs. This report was also presented to the Audit Committee on 13 March 2025, which also reported on it to the Board as a whole.

The Supervisory Board, in accordance with the powers granted to it (see chapter 3 "Corporate governance", § 3.5), through its two committees, is also responsible for overseeing the processes, controls and procedures in place to manage the IROs identified. This role involves regular presentations by the House's experts on the House's major sustainable development issues (*i.e.* Group sustainable development department, finance department, human resources department, compliance department, industrial department, etc.). These presentations make it possible to verify in particular the definition and achievement of the targets for the various material IROs.

The majority of Supervisory Committee members (excluding employee representative members) have skills in one or more areas of sustainability. These skills enable adequate supervision of the management of information and data relating to material impacts, risks and opportunities, within the framework of the role strictly allocated to the Supervisory Board. In addition to the aforementioned training programme, Supervisory Board members also benefited from awareness-raising conferences on environmental issues led by WWF France (World Wildlife Fund). Details of the training received by members of the Supervisory Board as well as attendance statistics are available in chapter 3 "Corporate governance", § 3.5.

CROSS-REFERENCE TABLE BETWEEN THE SKILLS OF SUPERVISORY BOARD MEMBERS (§ 3.4.5.2) AND THE MAJOR ISSUES COVERED BY THE IROS *(TABLE IN § 2.1.1.6.3)*

Human resources/social issues	**IRO 24 to 29 and 34 to 35**
Management of raw materials and supplies	**IRO 19 to 23 and 30 to 33**
Resource and waste management	**IRO 6 to 13**
Climate change/Biodiversity	**IRO 1 to 5 and 14 to 18**
Ethics/compliance	**IRO 36 to 38**

2.1.1.2.3 The role of the administrative, management and supervisory bodies in the conduct of business (G1 related to ESRS 2 GOV-1)

At Executive Management level, assisted by its Executive Committee

Alongside other members of the Executive Committee, the Executive Management drives compliance with ethics rules, applying a firm policy of zero tolerance of any breach of internal policies relating to compliance. Thus, the governing bodies' commitment in terms of business conduct can be seen at the Group's highest level. In addition, the Executive Vice-President Corporate Development and Social Affairs receives regular reports on the work of the Compliance and Vigilance Committee from the Legal Compliance Director and the Group General Counsel. In this way, these subjects are supervised directly by the Executive Committee, which supports the Executive Management.

At Supervisory Board level

The Hermès Supervisory Board monitors in particular matters relating to business conduct covered by the 2.1.4. standard. This covers in particular the fight against corruption, ethical and balanced relations with suppliers, the duty of care and animal welfare. The Supervisory Board's expertise on business conduct matters is also presented in chapter 3 "Corporate governance", § 3.4. Thus:

- the Supervisory Board is regularly informed of the ethics and compliance programmes as well as the progress of the Group's corruption prevention plan, in accordance with the Sapin II law, notably through its Audit and Risk Committee;
- since 11 September 2018, the Supervisory Board's rules of procedure include missions relating to the system for preventing and detecting corruption and influence-peddling;
- in 2024, Hermès published its second stand-alone vigilance plan [1] and continues its continuous improvement approach to the Group's vigilance, including: a strengthened risk mapping methodology, an in-depth risk assessment, the continued rollout of risk mitigation measures and the development of the whistleblowing system. In this respect, a presentation was made to the Audit and Risk Committee on the measures put in place to strengthen all the key processes implemented in the Group, in particular those relating to the assessment of third parties and the H-Alert! whistleblowing system.

1. *https://finance.hermes.com/en/publications/*

2.1.1.2.4 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

2024 marks the first year of identification of IROs as required by the CSRD Directive. These IROs cover issues that have long been known and taken into account by the Group and its governance bodies. For the past two years, the Group has been analysing its material issues according to a principle of double materiality, without applying all the expectations of what would become the CSRD, but rather by already applying this multi-criteria approach to analyse the importance of the issues.

In early 2025, the double materiality matrix, as well as the main material IROs identified, were the subject of dedicated presentations to the Audit Committee and the CAG-CSR Committee, which reported on this work to the Supervisory Board. The Executive Management is involved in more operational oversight of the policies and actions associated with the main material IROs, as well as the monitoring of Group targets, included in the double materiality analysis.

At Executive Management level

Executive Management reviewed:

- the Group's decarbonisation and carbon offset strategy (which corresponds to IRO 1 to 5);
- the development of animal welfare partnerships (IRO 22 and 23);
- compliance with the CSRD (cross-functional for all IROs);
- the social model (IRO 24 to 29);
- sustainable development training for employees and governing and governance bodies.

At Supervisory Board level

The Supervisory Board reviewed the following topics (see chapter 3 "Corporate governance", § 3.7):

- presentation of the "CSR trajectory" of the Shoes métier;
- presentation of the Sustainability Academy (IRO 28 and 29);
- monitoring of the use of sustainable development commitment handbooks in the métiers;
- group disability policy (IRO 27);
- presentation of non-financial risks;
- corruption risk mapping (IRO 38);
- vigilance plan (IRO 30 to 35, IRO 38);
- monitoring the rollout of non-financial reporting;
- update on the main achievements in 2023 and 2024 guidelines in terms of CSR;
- review of the concrete actions taken as part of the social model (IRO 24 to 29).

2.1.1.2.5 Integration of sustainability-related performance in incentive schemes (GOV-3)

At Executive Management level

The Executive Management receives a portion of variable compensation set by the Articles of Association (known as "statutory compensation") which is subject in part (10%) to a non-financial criterion consisting of three quantifiable indices measured each year:

- decoupling of activity growth at constant scope and exchange rates and the evolution of industrial energy consumption;
- Group initiatives in favour of gender equality;
- actions taken to promote the Group's local presence in France and around the world, outside of major cities.

Details relating to the implementation of this criterion and the achievement of this objective are given in chapter 3, "Corporate governance", § 3.8

At Supervisory Board level

Given the role assigned to the Supervisory Board and the compensation policy for Board members, as described in chapter 3, "Corporate governance", § 3.8, this compensation is not subject to performance criteria. It includes a fixed component and a variable component, based on the attendance of Board members. As a reminder, the employee representative members of the Supervisory Board do not receive any compensation for their duties.

2.1.1.2.6 Integration of climate sustainability performance in incentive mechanisms (E1 related to ESRS 2 GOV-3)

To date, the compensation of Hermès' Executive Corporate Officers does not include any incentive criterion directly related to climate change mitigation or adaptation. Nevertheless, a corollary criterion determines the receipt of part of their variable compensation, *i.e.* the decoupling of industrial energy consumption and growth in activity.

2.1.1.3 STATEMENT ON DUE DILIGENCE (GOV-4)

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	2.1.1.5.1
b) Engaging with affected stakeholders in all key steps of the due diligence	2.1.1.5.3
c) Identifying and assessing adverse impacts	2.1.1.6.3
d) Taking actions to address those adverse impacts	2.1.1.6.3 (Policies and actions column)
e) Tracking the effectiveness of these efforts and communicating	2.1.1.6.3 (Targets column)

2.1.1.4 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING (GOV-5)

The Group's internal control is organised into a network of correspondents, coordinated by a central unit. It operates under the authority of the audit and risk management department, which ensures the rollout of an internal control system adapted to the Group's issues and risks across all processes (see chapter 4 "Risk factors and management", § 4.3.).

It has contributed to compliance with the CSRD in two ways:

- participation in the project rollout with the departments in charge of the project (finance and sustainable development);
- coordination of the work of internal controllers.

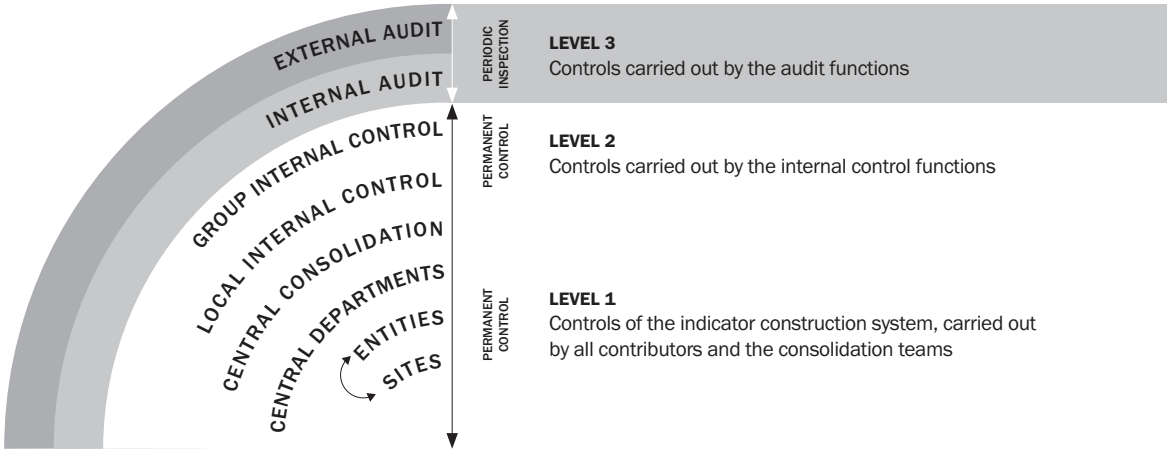
The purpose of the internal control system is to ensure the reliability of the published data (completeness and accuracy). The risk assessment method was thus as follows: work in 2024 focused primarily on quantitative metrics, in particular those resulting from manual processes including complex restatements. Certain criteria were prioritised: stakeholder expectations with regard to the Group's activity, subject to any findings and recommendations from previous external audits or which changed significantly compared to the previous year.

For priority metrics, the central internal control unit ensured the clarity and precision of the associated reporting protocols in order to ensure homogeneity of the data reported by all contributors (precision of definitions, scope, calculation methods, etc.). Expected key controls were also added to these to ensure the reliability of the data, from their collection to their publication in the final report, including calculation, consolidation, restatement and correction if necessary.

The purpose of the controls planned and described in the reporting protocols in 2024 was to build on those already carried out in previous years as part of the NFPS (Non-Financial Performance Statement). Requirements for formalisation and documentation are nevertheless expected to increase. In some cases, additional controls have been added to this existing system, such as the verification of calculation formulas in the case of the use of manual files to collect and reprocess data. As part of a continuous improvement approach, this new requirement has led to the strengthening of the internal control culture among contributors. This involved explaining the objectives of the system, the roles and responsibilities of each function, as well as the expectations.

Since central internal control is based on level 1 controls carried out at sites and entities, it mainly carried out some checks with the help of local internal controllers on priority metrics at risk in the entities that contribute most. The local internal control network will be more heavily involved in level 2 controls from the second year of application of the CSRD.

Central internal control ensured that the controls at the level of consolidation of the central departments were carried out and documented to the expected level of requirement.



As some metrics are provided via reporting tools, the control system relied on automatic controls wherever possible, improving the formalisation of the controls carried out by the various contributors (e.g. explanation of significant changes).

To facilitate the appropriation of sustainability matters, the conclusions of the reviews carried out and the progress of the project in terms of internal control were presented at CSRD project steering committees. These committees include three members of the Executive Committee, namely the Executive Vice-President Finance, the Director of Human Resources and the Executive Vice-President of Governance and Organisational Development.

In addition, the double materiality analysis implemented as part of the CSRD was presented to the Audit and Risk and CAG-CSR Committees at a joint meeting in early 2025. The internal control system now includes an item on sustainability matters.

2.1.1.5 SUSTAINABILITY STRATEGY

2.1.1.5.1 Strategy, business model and value chain (SBM-1)

Details regarding the major groups of products and services offered by the Group, including its major geographic markets over the reference period, are provided in chapter 1 "Presentation of the Group and its results", § 1.5.

The breakdown of the Group's headcount is described in chapter 1 "Presentation of the Group and its results" § 1.4, and § 2.3.1.2.

The Group has no activity in the sectors listed by ESRS 2 in point 40b (fossil fuels, production of chemicals, weapons, cultivation and production of tobacco).

STRATEGY AND BUSINESS MODEL

Since 1837, Hermès has been producing exceptional objects designed to last and be passed on. Moreover, with its craftsmanship savoir-faire, its exclusive distribution network and its creative heritage, Hermès integrates sustainability into all aspects of its business model, taking into account its product and service offering, its customers, geographical areas and relations with stakeholders.

Products and services

Hermès ensures that all its products are responsibly manufactured, using sustainable materials, with a frugal use of materials, an approach based on craftsmanship and by applying the principles of the circular economy in its production approach as much as possible. The Company is also working to reduce the carbon footprint of its activities, contributing to the transformation of its supply chain practices and favouring less emitting practices in its direct operations (*i.e.* energy efficiency, adoption of renewable energy, optimisation of logistics transport chains, etc.).

Customers

The Company strives to meet the growing expectations of its customers in terms of transparency on ethics and the environment. Since 2022, it has been gradually providing them with information on the environmental footprint of its products.

Geographical areas

Present in 45 countries, Hermès' commitment to sustainability is global, yet adapted to local specificities. Hermès is mainly present in France (62% of its own workers, and 60 production sites). In each region where the Company operates, it works with local partners to promote sustainable practices, support a community presence and comply with local environmental regulations.

Stakeholder relations

Hermès maintains close relationships with its internal and external stakeholders to achieve its sustainability objectives, objectives that are based on a long-term approach and the building of trust. The procedures for dialogue with Group employees are described in § 2.1.3.2. For external stakeholders, dialogue is fuelled by long-term relationships of trust. An example of this is the average length of relationships between Hermès and its top 50 direct purchasing suppliers, which is 19 (1) years. The Company undertakes not only to engage in regular dialogue with its suppliers, customers, employees and local communities, but also to contribute, at its own level, to the adoption of more responsible practices (*e.g.* raising awareness among its customers, supporting and transforming its suppliers' practices, etc.).

Hermès regularly assesses its products and services to ensure that they are consistent with its sustainability objectives. Sustainability, the quality of the raw materials used and the quality of the savoir-faire are intrinsic characteristics of Hermès' products. This assessment includes, for example:

Products and objects:

- an analysis of the environmental impact of the raw materials used (for example: leather, cashmere, silk, cotton, precious metals);
- management of the environmental footprint throughout the product life cycle;
- the implementation of eco-circular manufacturing practices whenever possible (including reuse and recycling);
- limitation of unnecessary single-use plastics (particularly in product packaging and for packing items).

Significant markets and customer groups:

- a range of products that can be based on a circular approach (for example, petit h, upcycled leather goods or ready-to-wear items, packaging for perfume and beauty products);
- an after-sales service and repair service at each point of sale, and monitoring of the number of repair operations in various markets;
- raising customer awareness of sustainable consumption practices by training sales associates in sustainable development issues.

1. *Data established on the basis of dates provided for the beginning of commercial relations according to the declarations of the relevant buyers, based on their knowledge.*

House strategy and sustainability matters

Backed by a history shaped by six generations, Hermès evolves with the times while always respecting tradition, transmission and innovation. Thus, true to its values of freedom, demanding savoir-faire and authenticity, the House of Hermès business model includes several strategic pillars focused on sustainability issues:

- women and men committed to a "family spirit": craftsmanship values and high standards drive employees at Hermès, which undertakes ambitious social programmes to guarantee the sustainability and transmission of the savoir-faire essential to the creation of its objects;
- exceptional and sustainable materials: the House's emblematic objects are made from raw materials, mainly of natural origin. Hermès limits its use of virgin raw materials by promoting their frugal use. It sources resources whose origin is controlled and certified, and even by participating directly in the creation of social and environmental "best practices" in certain sectors (*e.g.* participation in the construction of the SAOBC standard [1] in the ostrich sector);
- craftsmanship production and a moderate and controlled environmental impact: Hermès is one of the lowest greenhouse gas emitters in the CAC 40 [2] and is committed to reducing its carbon footprint (SBTi reduction trajectory) and to even more rigorous management of water and waste resources;
- a balanced and long-term relationship with its supply chain: thanks to long-standing relationships - some of which are more than 60 years old - Hermès exercises its duty of care with regard to the social, ethical and environmental practices of its partners. It supports and promotes changes in practices in order to prevent harm to the environment and fundamental freedoms;
- a strong local footprint, particularly in France: France is the heart of the Group's production, source of 74% of its production, and location of its 60 production sites.

Main challenges ahead

- **Climate change adaptation:** adapting to the consequences of climate change remains a major challenge. Hermès is working on plans to adapt its direct operations and those in its value chain to the major transitions brought about by the climate issue and by the physical hazards already observable, by integrating resilient and sustainable practices.
- **Measurement and restoration of biodiversity:** due to its strong relationship with materials of natural origin, Hermès is committed to the SBTN (Science-Based Targets for nature) organisation in order to better understand its impacts on nature, with the aim of participating in preservation projects and to improve practices. In addition, restoration and renaturing projects aim to prepare, in the long term, so-called "nature-positive" operations with a positive net impact on biodiversity.
- **Transition to a circular economy:** Hermès is committed to a more circular manufacturing model, where material resources will be reused and waste minimised. This transition requires investments in new technologies and gradual changes in production methods, to maintain the exceptional quality expected by its customers.

Examples of projects and solutions

- **Mitigation of the carbon emissions of Hermès and its value chain:** initiatives include investments in projects to implement regenerative agricultural practices in the upstream value chain thus making systems more resilient, in addition to those described in § 2.1.2.1.2
- **Environmental information, labelling and raising customer awareness:** driven by the requirements of the French AGEC law, the gradual rollout of environmental labelling makes it possible to inform consumers and stakeholders of the environmental footprint of Hermès objects. Firstly, it commits the House to better understanding its impacts, but through transparency and awareness-raising, it also informs customers.

1. *South African Ostrich Business Chamber.*
2. *According to public data, emissions reports of CAC 40 companies in 2023.*

2.1.1.5.2 Sustainable development and value chain strategic framework (SMB-1)

In 2015, Hermès developed a strategic framework to address the social, environmental and societal issues identified. For nearly a decade, this framework has structured its sustainable development actions around three axes and six pillars (see figure below).

This framework is based on a premise: **"all artisans of sustainable development"**. It constitutes the sustainable development reference framework applicable to all Group employees and entities. This strategic framework is based on appropriation and implementation of topics at a collective level, a key factor in its sustainability.



The results obtained annually through the rollout of this approach are presented in the Group roadmap in § 2.1.1.6.

CORPORATE SOCIAL RESPONSIBILITY AND NON-FINANCIAL PERFORMANCE
BUSINESS MODEL

A SUSTAINABLE INTEGRATED VALUE-CREATING FRENCH CRAFTSMANSHIP MODEL

Issues and trends

- Limited natural resources and adaptation to climate change
- A resilient luxury market
- Circular economy regulations and innovations
- Consumer expectations in terms of sustainability

CAPITAL AND RESOURCES

Committed workforce

25,185 employees of whom **15,556** in France: **46%** in production, **39%** in sales, and **15%** in support

7.12% employees with disabilities in France in 2023

Gender equality index: **92/100** (France)

Exceptional savoir-faire craftsmanship

10 Écoles Hermès des Savoir-Faire (EHSF) in France

Long-term partners

Average relationship length of **19** years with top **50** direct suppliers

Natural resources and responsible materials

More than **90** animal & vegetal supply chains

Controlled water withdrawal, decoupled from the Group's growth

97.9% renewable electricity

100% non-mined gold and silver used in the jewellery workshops

Raw materials used with care and responsibly

Local involvement

Strong local presence: regional craftsmanship presence and exclusive stores in **11** out of 13 French regions

60 production and training sites in France

Financial independence

Shareholder stability : **66.7%** of the share capital held by the Hermès family group

€3.8 billion adjusted free cash flow

€17.3 billion in equity

€12.0 billion in restated net cash position

HERMÈS PARIS

An independent creative house since 1837, guided by the skills of the craftspeople

16 métiers

- Leather goods and Saddlery
- Women's ready-to-wear
- Men's ready-to-wear
- Belts
- Hats
- Gloves
- Shoes
- Women's silk
- Men's silk
- Jewellery
- Furniture and Art of Living
- Tableware
- Perfume
- Beauty
- Watches
- petit h

Creative freedom

More than **50,000** references produced
Constant **creative renewal**
Material and process **innovations**
Unique and responsible communication

Unique heritages: creation, materials, savoir-faire and retail

A humanist approach to employee management. A rich selection of useful and long-lasting objects. A loyal and local customer base.

MATERIAL PURCHASING

Exceptional raw materials

55% of direct exceptional raw materials made in France and **97%** in Europe

DESIGN/CREATION

A house of creation

Eco-design (materials and *savoir-faire*)

Emblematic and timeless creations, passed down through generations

PRODUCTION

Craftsmanship manufacturing model on a human scale

Exceptional *savoir-faire*

REPAIRS AND END OF CYCLE OF OBJECTS

Long-lasting objects

More than **200,000** after-sales service actions

TRANSPORTATION

Efficient logistics

Logistics centres in France and in our main markets

Use of alternative and local transport

DISTRIBUTION

Hermès retail – an omnichannel and global network

293 exclusive stores in **45** countries

An e-commerce offer

Quality of service for customers

Purchasing freedom

Main markets:
(in consolidated revenue mix)
Asia-Pacific (excl. Japan) **44%**
Americas **19%** – Europe (excl. France) **14%**
France **10%** – Japan **9%**

Strong vertical integration

55% of objects made in exclusive and in-house workshops – **74%** of production is in France – Securing value chains

VALUE CREATION AND SHARING

For employees

€1.9 billion payroll costs

€4,500 exceptional bonus

€235 million profit-sharing and incentives

73% employee shareholders

Transmission and longevity of savoir-faire

École Hermès des Savoir-Faire : nearly **700** learners accompanied

23 hours of training per employee on average

Support for our partners

Support towards reaching the highest standards

Payment terms of **27** days on average in France

Reduction of a moderate environmental footprint

Decrease of **63.7%** in scopes 1 and 2 emissions in absolute value and **50.5%** in scope 3 in intensity since 2018

65.4% reduction in water withdrawals in intensity in the last 10 years

Adoption of the SBTN approach throughout the Group to limit pressure on nature

Pursuit of certification and label awards to the highest standards in supply chains

Societal value

28.7% consolidated tax rate

2,300 jobs created including **1,300** in France

Financial value

€15.2 billion consolidated revenue

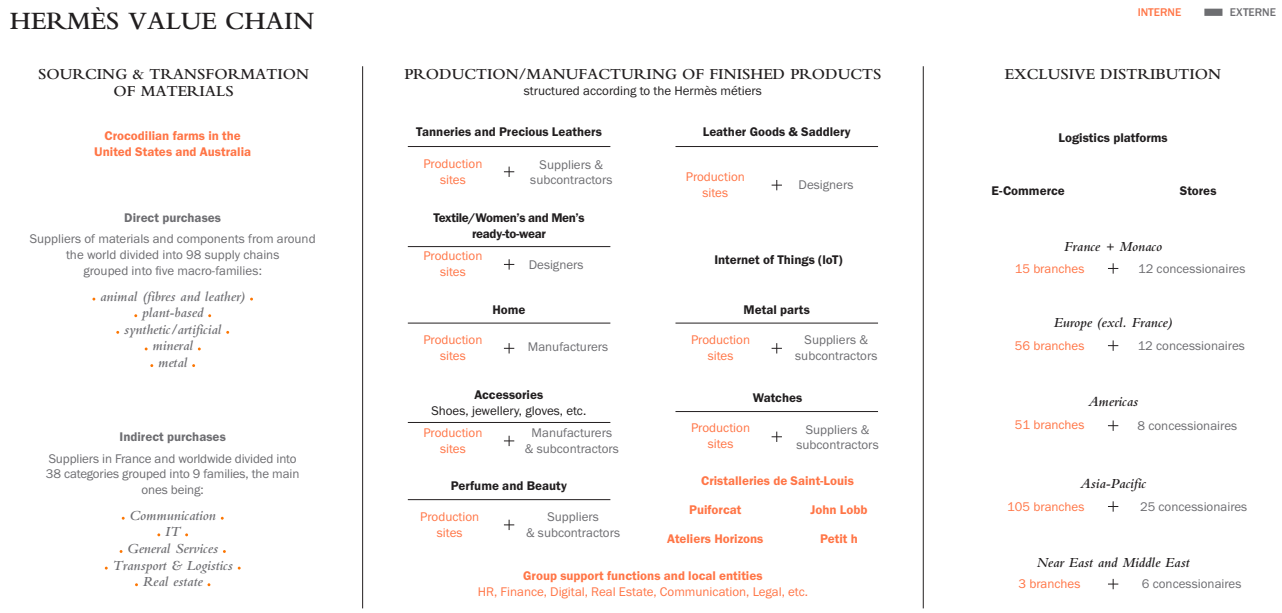
€245 billion market capitalisation at end-2024

€2.7 billion total dividends paid to shareholders

€1.1 billion in operating investments

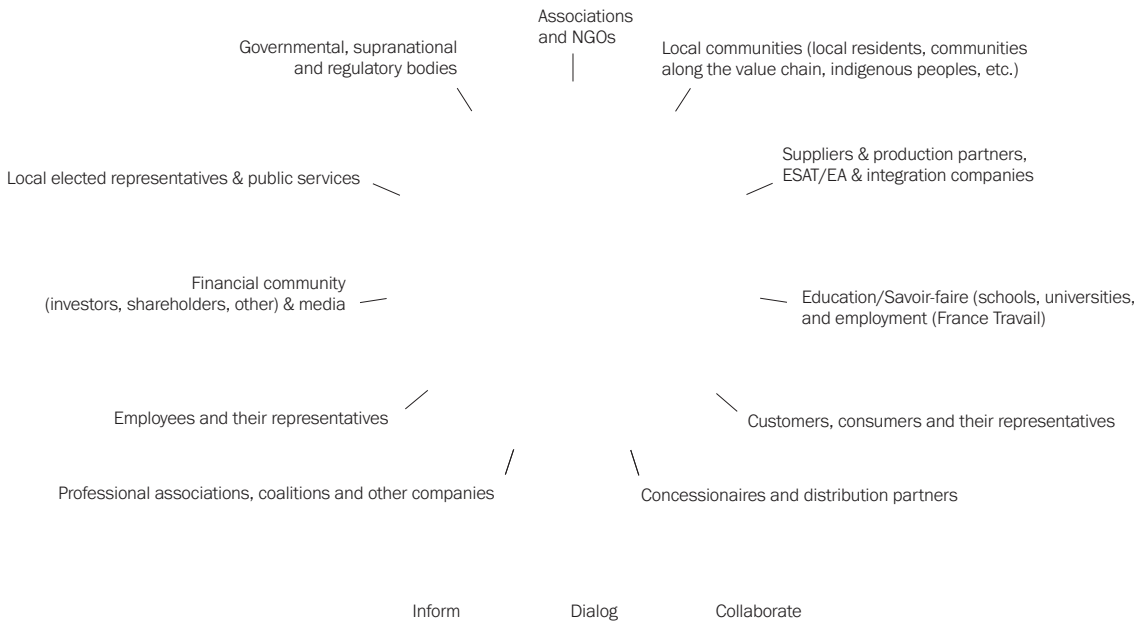
VALUE CHAIN (TAKEN FROM THE 2024 VIGILANCE PLAN, DATA AT END-2024)

Hermès stands out on account of a highly integrated upstream and downstream value chain. The Group continues its efforts to ensure the traceability and transparency of its sources of supply by working closely with a large network of direct (raw materials) and indirect (other goods and services) suppliers. Details of the production, manufacturing and distribution operations managed by the Group are set out in chapter 1 "Presentation of the Group and its results", § 1.4.



2.1.1.5.3 Interests and views of stakeholders (SBM-2)

The Group's interactions with its stakeholders are rich, diversified and take many forms. The following matrix illustrates the various stakeholders with which the Group interacts in its value chain and the associated communication methods:



All of these stakeholders are included in the Company's due diligence and materiality assessment processes (IRO 2 - SBM3).

The table below summarises the main forms of exchange and dialogue undertaken with each of these stakeholders:

Affected communities	Inform	Dialogue	Collaborate
Employees and their representatives	Communication to employees	Manager/employee interviews Hermès Hears survey	Staff representation bodies
Education/Savoir-faire (schools, universities, etc.) and employment (France Travail)	Information conferences	Participation in student fairs and events	Creation of professional training courses in craftsmanship métiers Funding of scholarships Funding of university chairs Academic research projects (Sciences Po) Collaborative projects to promote local employment (École des Savoir-Faire/ France Travail) Interventions and participation in professional and university training courses
Suppliers & production partners, sheltered work establishments & integration companies	Communication of the Group's commitments to company representatives Internal network of Disability Ambassadors	Supplier assessment and audits Discussions with stock market groups and sector initiatives Joint contracting agreements with sheltered work establishment (1), off-site assignments	Quality support, product co-development CSR training actions Supply chain certification programme Social and environmental value-added purchases from SMEs (ESS, EA/ESAT, ZRR, QPR)
Local elected representatives & public services	Meeting and welcoming of elected representatives	Local integration projects	Co-reflection on local projects (mobility, local employment, local economy, etc.)
Professional associations, coalitions and other companies	Detailing the Group's sector-specific characteristics	Monitoring of market discussions	Participation in studies, surveys and working groups (Afep, Medef, Interprofession des métiers, etc.)
Governmental, supranational and regulatory bodies		Dialogue at Global Compact France events (United Nations)	Participation in SBTN (Science Based Targets Network) initiatives
Customers, consumers and their representatives	Website and social networks "*Empreintes sur le Monde*" (Footsteps across the World) films *Le Monde d'Hermès* magazine	*In*-store interaction with sales associates *"Hermès in the Making" event* Open days Site visits	Links with the CRC (Customer Relations Centre) to improve the safety of Hermès products in the event that a quality defect is identified
Concessionaires and distribution partners	Monthly meeting with all concessionaires	Raising awareness of the Group's regulations and commitments	Participation in internal purchasing days (Podiums)
Local communities (local residents, communities along the value chain, indigenous peoples, etc.)		Real estate location projects	Projects with local stakeholders (*e.g.* recovery of condensation water from neighbouring cane sugar farms in Australia, see § 2.1.2.3.4)
Associations and NGOs	Internal WWF France conferences	NGO surveys	Co-development of projects (Water Risk Filter, WWF, GBS, see § 2.1.2.4)
Financial community (Investors, shareholders, other) & media	Press releases and letters to shareholders Investors section of the Hermès Finance website Non-financial publications and Group policies on the Hermès finance website Legal publications	General Meeting Dialogue with shareholders Roadshows Dialogue with non-financial rating agencies Investor meetings Store events and meetings with institutions	Double materiality analysis

1. *EA: adapted company; ESAT: sheltered work establishment.*

The Group maintains balanced relationships with its stakeholders. They are particularly involved in the context of the development of joint projects benefiting both the Company and its communities (*i.e.* regional mobility plans, university chairs with academic bodies, supplier decarbonisation plans, etc.). Whenever necessary, the conclusions of this ongoing dialogue with the Group's stakeholders are shared with the governance bodies.

Creative and commercial freedom, a value at the heart of the Group's strategy, guides Hermès' business model. Hermès is deeply committed to dialogue with its stakeholders and has remained an independent creative house since 1837. To preserve its identity, these inherent values determine the choices and orientations of its business model.

Thus, several areas of its strategy demonstrate this virtuous balance which favours the interests of its stakeholders:

- developing a carbon emission reduction trajectory for emissions generated by its activities;
- maintaining its craftsmanship production primarily in France, and supporting local employment in regions where it is located;
- cultivating close relationships with suppliers, helping them in their development and improving management of social and environmental issues in the value chain.

Company workforce (S1 linked to ESRS 2 SBM-2)

A responsible family business, true to its humanist values, Hermès offers its employees a collective and human-centered project. As part of its strategy and business model, Hermès pays particular attention to dialogue with its employees (the term employee here refers to the Company's employees, and excludes non-salaried staff). Employees are key stakeholders in the Group's strategy. Hermès strives to maintain local dialogue at all levels, a fundamental element of the Group's oral culture, through the sharing of top-down information and the opportunity for each employee to express their point of view and share their ideas. These opportunities for dialogue, described in § 2.1.3.1.4 and below, inform and enlighten the House's strategy.

As indicated in § 2.1.3.1.4, formal interviews between employees and managers (annual interview, mid-year interview) are an opportunity for a structured dialogue that is complementary to the existing local managerial relationship, thus allowing an adaptation of development pathways to the needs of employees.

Thanks to the Hermès Hears survey, conducted every two years, Group employees directly assess their well-being and the quality of their working conditions. This feedback not only identifies areas in which Hermès could make improvements, but also helps in maintaining and reinforcing what is working. Strategies may be adjusted accordingly. In France, employee representatives are involved in the process *via* the Social and Economic Committees.

In accordance with regulations and as part of the Group's ethics approach, a mechanism for reporting incidents and complaints (H-Alert!) completes the system.

Human resources governance makes it possible to integrate employee feedback into the social strategy thanks to an HR Council composed of four representatives of the Company's different divisions - upstream, métiers, Retail and support - as well as representatives of the Group's human resources department.

In France, engagement with the Company's own workers and their representatives revolves around:

- an annual day, the "H-Day", which takes place with all employee representatives and includes time for training, inspiration, information and dialogue;
- a committee for monitoring dialogue with Hermès' employees, composed of union representatives on the Group Works Council and management representatives, and which provides an opportunity to take stock of dialogue with Hermès' employees;
- the Group Works Council, which brings together employee representatives and general management representatives once a year. This meeting is an opportunity to draw up an overall assessment of the past year (social, industrial and financial assessment) and to present the outlook for the coming year, while reaffirming the House's strategic vision.

In all countries where Hermès operates, formalised procedures are followed, in accordance with local practices. For example, in the United States monthly Employee Resource Groups are organised, while in Spain, surveys relating to the social climate take place every two months.

Value chain workers (S2 related to ESRS 2 SBM-2)

Listening to the expectations of workers in the value chain is at the heart of the process of supporting Hermès' suppliers towards more responsible practices. Such an approach enables Hermès to adapt its control practices by focusing on the highest priority issues (safe and pleasant working conditions, decent compensation, etc.). The H-Alert! ethics whistleblowing system is accessible to all workers in the value chain, and makes it possible to prevent and identify possible situations detrimental to respect for human rights identified directly by the employees of its partner companies. In addition, a more direct dialogue with workers in the Group's value chain can take place through interviews during field audits. More information is available in § 2.1.3.2.4.

Collecting and listening to the point of view of workers in the value chain therefore has a direct influence on the Group's sourcing strategy and practices. If practices are identified where these workers are at risk, Hermès initially seeks to support suppliers in resolving any problems identified, however if necessary, it may decide to suspend its supplies in the supply chain concerned, thus modifying its value chain, or even its product offering.

Affected communities (S3 related to ESRS 2 SBM-2)

Dialogue with the local communities neighbouring Hermès' sites and activities is mainly carried out through their representatives (public authorities, elected representatives, associations, representatives of indigenous communities). It focuses in particular on the challenges of employment, environmental protection, skills development, mobility, the provision of essential services (local shops, associations, etc.) and economic development. These methods of dialogue are detailed in § 2.1.3.3.4.

The Group's local presence strategy, which is at the heart of its business model, is based on this dialogue with local stakeholders. Hermès constantly adapts the solutions and initiatives it develops (training courses, École des Savoir-Faire, biodiversity projects, etc.) through sustained dialogue with the communities affected by its activities.

Consumers and end-users (S4 linked to ESRS 2 SBM-2)

The Hermès Group pays particular attention to any concerns and expectations of its customers. In this respect, the direct relationship between the customer and the sales associates is often a preferred channel. Although mainly intended for product quality and customer experience, the dedicated consumer telephone service can also make it possible to capture more specific expectations related to the safety of products and objects, in order to improve the customer experience, as well as the characteristics of the products and services offered by the Group when necessary (see chapter 1 "Presentation of the group and its results", § 1.4. for the description of the Group's activities).

Details of the mechanisms for customer dialogue and feedback are presented in § 2.1.3.4.4.

2.1.1.6 PROCESS FOR IDENTIFYING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IRO-1) AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

Impact, risk and opportunity management

Description of the procedures to identify and assess material impacts, risks and opportunities (IRO-1)

As required by the CSRD directive, Hermès has undertaken its first double materiality analysis, making it possible to identify the priority material impacts, risks and opportunities (IRO) for the Company, according to its business model and specificities.

This work was carried out with the assistance of a leading consultancy firm, in particular to ensure the proper interpretation of the texts for this first financial year.

The governance set up for the Group's first double materiality analysis is summarised in the table below:

THE VARIOUS GOVERNANCE BODIES OF THE PROJECT AND THEIR ROLE IN THE EXERCISE OF DOUBLE MATERIALITY

Bodies	Role and activities
Steering Committee (representing the sustainable development, finance, audit and risk management and compliance departments)	◆ Project governance oversight ◆ Validation of methodological choices as they arise ◆ Validation of the preliminary results of the analysis ◆ Validation of the final results of the analysis
Project Committee (members of the Steering Committee accompanied by functional departments: human resources, industrial, legal, etc.)	◆ Co-construction of methodologies and validation of the main results at each stage of the mission ◆ Organisation of working meetings and project monitoring points with key contributors ◆ Facilitation of rating workshops with internal stakeholders ◆ Organisation of internal sessions to review the consistency of results at the various stages
Hermès internal stakeholders	◆ Participation in IRO rating workshops, organized by major métier expertise.
Governance body (Executive Management assisted by its Executive Committee/ Supervisory Board)	◆ Validation of the results by the Executive Management and its Executive Committee in November 2024 ◆ Review and control of the results by the Audit and Risk and CAG-CSR Committees, then report to the Supervisory Board in January 2025

2.1.1.6.1 Double materiality analysis: methodology

After delineation of the scope (see § 2.1.1.1.1 - mapping of stakeholders, identification of the value chain, etc.), the double materiality exercise was carried out according to the following methodology:

1. step 1: identification of ESG issues based on the CSRD, as well as, where appropriate, issues specific to Hermès and breakdown into impacts, risks and opportunities (IRO);
2. step 2: assessment of the materiality of the IROs, *i.e.* their materiality given the Group's activities (rating exercise);
3. step 3: consolidation and validation of the results of the double materiality analysis to identify the Hermès Group's reporting obligations.

This work was carried out with the assistance of a leading consultancy firm, in particular to ensure the proper interpretation of the texts for this first financial year.

Identification of relevant issues

Step 1 consisted in identifying sustainability issues based on:

1. topics previously identified by the Group;
2. information specific to the Group's various activities;
3. the Group's business model and value chain; and
4. sustainability topics, sub-topics and sub-sub-topics listed by the ESRS (AR 16).

It should be noted that this identification phase led to exclusion of the following topics and sub-topics, considered as not relevant for Hermès with regard to its business model. As a result, no IROs were extracted from the following themes:

Pillar	Topic	ESRS
Environment	Water discharges in the oceans	E3
	Habitat degradation and intensity of pressure on marine resources	E3
Social	Communities' civil and political rights	S3
Governance	Political commitment	G1

Identification of impacts, risks and opportunities

Impacts, risks and opportunities were identified using a top-down approach, which adds "Group" IROs to IROs that may only concern certain métiers or very specific sectors. The Company's entire value chain was taken into account in the approach to identifying IROs.

The list of impacts, risks and opportunities was drawn up by capitalising on the existing situation. It is based on the mapping of the Group's major risks, on the mapping of stakeholders, as well as the list of ESG issues from the latest Non-Financial Performance Statement (NFPS).

In order to separate ESG issues into impacts, risks and opportunities, several areas were examined:

- For ESG risks and opportunities, the areas examined include regulation, employees, customers, transition costs and business continuity;
- For impacts, the areas are human rights, health and safety, the environment and socio-economic impacts.

2.1.1.6.2 IRO materiality assessment

Stakeholder identification and mobilisation

IDENTIFICATION OF KEY STAKEHOLDERS

After defining the priority ESG issues for the Group as well as the associated IROs, Hermès consulted the main stakeholders in order to discuss the rating of these issues in terms of impacts, risks and opportunities.

STAKEHOLDER ENGAGEMENT AND CONSULTATION

The assessment of the materiality of the IROs is based on dialogue with stakeholders. In this regard, several groups of key internal contributors were identified and interviewed in scoring workshops.

A panel of external stakeholders was consulted on the results of the analysis. Thus, between June and September 2024, more than 40 of the Group's external stakeholders rated the major sustainability matters through an online survey. The results collected and then weighted supplemented the internal assessment results.

LIST OF STAKEHOLDERS INVOLVED

Internal stakeholders - Métiers	External stakeholders
◆ Director of Human Resources	◆ Customers and end users
◆ Chief Financial Officer	◆ Employees
◆ Sustainable development department	◆ Suppliers and workers in the value chain
◆ Legal department	◆ Local communities
◆ Direction of industrial affairs	◆ Social partners
◆ Procurement department	◆ Associations and NGOs
◆ Audit and risk management department	◆ Shareholders and investors
◆ Real estate department	

Listing organisation

FINANCIAL MATERIALITY RATING METHODOLOGY

Assessment of financial materiality of risks and opportunities

As indicated in ESRS 1, the financial materiality of the risks and opportunities was assessed according to two regulatory criteria:

- **potential magnitude:** magnitude of the financial effects of risks and opportunities related in particular to natural, intellectual (organisational), human, social and relationship capitals on the undertaking's financial statements;
- **the likelihood** that these risks and opportunities may occur in the short, medium or long term.

Rating scales

Quantitative thresholds were defined depending on the impacts, including cash flows, access to capital and its cost. This work aims to define the potential scale of the financial impact. The risk scales are identical to those used by the audit and risk management department to map the Group's operational risks.

Materiality threshold

The financial materiality threshold for risks and opportunities was set by the Project Committee at "strictly greater than 2.5" on a scale of 1 to 4, with 1 representing moderate financial materiality and 4 representing significant financial materiality. This threshold was approved by the Internal Steering Committee, due to its relevance in relation to:

- consistency with the Group's CSR strategy, in particular previous materiality analysis exercises;
- the expectations of the Group's stakeholders.

The analysis carried out, in accordance with the recommendations of the Project Committee, stands out for its objectivity and its prudent approach. It demonstrates the financial strength and sustainability of the business model, with a limited number of IROs having significant financial materiality.

IMPACT MATERIALITY RATING METHODOLOGY

Impact materiality assessment criteria for negative impacts

As indicated in ESRS 1 Annex 3.4, the materiality of negative impacts is assessed according to two criteria:

- the severity is determined based on the following factors:
  - the scale of the negative impacts on people or the environment,
  - the scope of negative impacts on the environment and people,
  - the irremediable character (concerns only negative impacts);
- the likelihood, with short-, medium- and long-term time horizons (similar to financial materiality). It should be noted that likelihood only applies in the event of a potential impact.

Impact materiality assessment criteria for positive impacts

The rating of positive impacts is based on the same calculation since their severity (or "scale") and likelihood of occurrence are considered.

The severity score is obtained by taking the higher of the two scores: severity or scope. The irremediable character criterion is no longer taken into f positive impacts.

Structuring assumptions specific to impact materiality

Hermès has structured its impact rating methodology according to the following two principles:

- **impact rating adopts a maximisation approach.** Regulations recommend considering all possibilities and favouring the "scenario" that leads to the maximum IRO score, in order to ensure the comprehensiveness of the list of material topics. However, it is crucial to remain in a realistic scenario;
- **the human rights impact rating:** only the rating awarded to severity is taken into account in the assessment of these impacts. The rating assigned to the likelihood of occurrence is not taken into account in the case of either positive or negative human rights impacts.

Materiality threshold

Like financial materiality, the impact materiality threshold was set by the Project Committee at "strictly greater than 2.5" on a scale of 1 to 4, with 1 representing a moderate impact and 4 a major impact. This threshold was approved by the Internal Steering Committee, due to its relevance in relation to:

- consistency with the Group's CSR strategy, in particular previous materiality analysis exercises;
- the expectations of the Group's stakeholders.

The impact materiality threshold is aligned with the financial materiality threshold to ensure consistency in the analysis. This consistency between the materiality thresholds ensures exhaustive consideration of the main issues and improved clarity for the results.

The materiality thresholds may be updated by the Group each time the double materiality exercise is repeated.

SOURCE OF RATINGS CARRIED OUT

The rating of the various impacts, risks and opportunities was based on the knowledge of the stakeholders interviewed during workshops organised with these various stakeholders. These assessments were supported by sectoral studies specific to the IROs assessed as well as through the risk projection and study exercises previously carried out by the Group.

TIME HORIZON ASSESSMENT

The thresholds used to assess the time horizon are aligned with the requirements of ESRS 1 (excluding items specific to an ESRS), according to the following methods:

Time horizon	Level	Definition
Short term	1	During the year
Medium term	2	2 to 5 years
Long term	3	More than 5 years
All time horizons (short-, medium- and long-term) [1]	4	Inability to define the time horizon

(1) Not present in ESRS 1, used by Hermès.

RATING SCALE

The scale used to assess materiality was chosen for general consistency with the practices of the risk department: a scale of 1 to 4.

Frequency of analysis updates

The Group plans to update the assessment of the relative importance of impacts approximately every two years, barring significant changes (new external factors, change in the organisational structure, etc.).

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2.1.1.6.3 Results analysis (SBM-3)

The double materiality exercise highlighted the materiality of 38 IROs. These structure the House's sustainable development policy, in line with the strategic framework previously defined.

	IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy	Hermès actions	Targets	Results for 2024	Standard
PLANET										
Environment										
Climate change										
1	Impact of the Group's activities on climate change	Negative impact	Direct operations	Medium term	Actual	Environmental policy Transition plan	Monitoring of energy consumption, refrigerant leaks and their GHG emissions Energy sobriety actions, notably through a change in energy consumption habits Improvement of energy efficiency, both for buildings and for industrial processes Phase-out of fossil fuels and the use of electrification and renewable energy. Gradual replacement of industrial equipment and equipment in buildings that use fossil fuels with electrical equipment or equipment operating with renewable energy *Harmonie* responsible real state standard Technology watch to identify new technologies that could pave the way for new decarbonisation opportunities Creation and implementation of a sustainable standard for the Group's construction and renovation projects	**Target scientifically validated by the Science Based Target Initiative:** 50.4% GHG emissions in absolute value for scopes 1 and 2 (by 2030 compared to the 2018 base year)	63.7% reduction in absolute value for scopes 1 and 2 compared to 2018. A score on the CDP Climate.	E1
2	Impact of the Group's value chain activities on climate change	Negative impact	Upstream and downstream value chain	Short term	Actual	Responsible purchasing policy Supply chain brief CSR brief Transition plan	Raising the awareness of Tier-1 suppliers and partners Cross-sharing of greenhouse gas (GHG) emission reduction ambitions between Hermès and its suppliers Collection of suppliers' GHG assessments Supporting major supply chains for the Group's raw materials Optimisation of transportation Setting up of alternative, less carbon-intensive transport Mobility plans shared with Group employees Integration of environmental and carbon criteria in the selection of partners	**Target scientifically validated by the Science Based Target Initiative:** 58.1% GHG emissions in relative value (per million euros of gross margin) for scope 3 (by 2030 compared to the 2018 base year)	50.5% reduction in intensity for scope 3. Increase in the number of life cycle analyses carried out on products. Increase in the maritime modal shift.	E1
3	Impact related to the use of carbon energies in the Group's operations and upstream value chain	Negative impact	Upstream value chain and direct operations	Short term	Actual	Environmental policy Sobriety plan Transition plan Responsible purchasing policy	Monitoring of energy consumption, refrigerant leaks and their GHG emissions Energy sobriety, notably through a change in energy consumption habits Energy efficiency, both for buildings and for industrial processes Gradual replacement of industrial equipment	100% renewable electricity by the end of 2025 and 100% renewable energy by 2030	71% renewable energy for the entire Group	E1
4	Hermès' contribution to climate change mitigation within its value chain	Positive impact	Upstream value chain	Medium term		Responsible purchasing policy Supply chain brief CSR brief Transition plan	Integration of environmental and carbon criteria in the selection of partners Supporting the Group's value chain to develop low-carbon solutions		Increase in the number of suppliers supported in carrying out their carbon assessments. Evaluation of transport suppliers with the EcoVadis platform.	E1

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IRO	title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy	Hermès actions	Targets	Results for 2024	Standard
5	Risk related to the impacts of climate change on the Group's raw materials	Risk	Upstream value chain	Long term		Responsible purchasing policy Supply chain brief CSR brief	Assessment of physical and transition risks in the Group's priority supply chains Study of potential action levers		Climate risk analysis carried out on the Group's French sites. Launch of an analysis on the Group's main sites and international flows. Participation in the IF Initiative project	E1
Resource and waste management										
6	Impact of aquatic pollutants from the Group's operations on workers' health and safety	Negative impact	Tanneries, Textiles, Crystal works, Metals, Farms	Short term	Potential	Environmental policy Health and safety policy Responsible purchasing policy Supply chain brief	Compliance with use of restricted substances Support for suppliers in the management of chemical products		20 water discharge treatment units across all of the Group's manufacturing sites 100% of tannery water discharges treated in-house	E2
7	Impact of aquatic pollutants from the Group's operations on the environment	Negative impact	Tanneries, Textiles, Crystal works, Metals, Farms	Short term	Potential		Establishment of treatment plants with the best treatment levels and modernisation of existing plants Reuse of water from farms for plantations and crops, while protecting the soil	Zero non-compliance instances		E2
8	Impact of pollution of soil due to the Group's activities	Negative impact	Upstream value chain Farms	Short term	Actual					E2
9	Contribution to soil protection through support for supply chains	Positive impact	Upstream value chain Farms	Long term		Environmental policy Responsible purchasing policy Supply chain brief	Certifications required in the supply chains	Supply chain certification objectives		E2
10	Impact on the environment from excessive pressure on water resources	Negative impact	Tanneries, Textiles, Farms	Medium term	Potential	Environmental policy Responsible purchasing policy Supply chain brief Supplier code of conduct	Own operations: ◆ monitoring of site exposure to the risk of water stress; ◆ efficiency measures (preventive maintenance, metering, employee awareness, etc.); ◆ actions to recover and reuse water in order to reduce withdrawals (circular water management).	5% reduction in the intensity of water withdrawals per year	65.7% reduction in intensity of water withdrawals for industrial use over the last 10 years CDP A List	E3
11	Impact on local communities from excessive pressure on water resources	Negative impact	Tanneries, Textile métier, farms	Medium term	Potential			5% reduction in the intensity of water withdrawals per year		E3
12	Contribution to the protection of water resources in the value chain	Positive impact	Upstream value chain	Medium term		Environmental policy Responsible purchasing policy Supply chain brief	Certifications requested in the supply chains	5% reduction in the intensity of water withdrawals per year for own operations Supply chain certification objectives		E3
13	Environmental impact of the Group's non-recovered waste	Negative impact	Direct operations	Medium term	Actual	Environmental policy Circular economy strategic framework	Classification, measurement and monitoring of waste emitted Recycling and recovery actions		Recovery of waste whenever possible	E5
Biodiversity										
14	Impact of the Group's direct activities on biodiversity and ecosystems	Negative impact	Direct operations	Long term	Actual	Environmental policy Policies related to biodiversity and ecosystems Biodiversity and ecosystem protection policy for operating sites (Harmonie real estate standard)	Biodiversity assessment and action plan on production sites (zero phytosanitary products, adapted mowing, treatment of invasive alien species, etc.) New site construction impact study Reconversion of former industrial or brownfield sites	Implement the SBTN strong sustainability tool Measure the biodiversity footprint using the Global Biodiversity Score approach Establish diagnostics and biodiversity action plans for French production sites	SBTN steps 1 & 2 Continuation of biodiversity diagnostics on production sites, *e.g.* leather goods workshops Inauguration of the Maroquinerie de Riom, set up on a former manufacturing site	E4

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IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy	Hermès actions	Targets	Results for 2024	Standard
15 Impact of the Group's value chain activities on biodiversity and ecosystems	Negative impact	Upstream value chain	Medium term	Actual	Policies related to biodiversity and ecosystems Supply chain brief Forest policy	Diagnosis and studies on the impacts of biodiversity on the Group's priority supply chains Preferential use of certified materials Planting action on Australian farms Ensure the resilience of the ostrich sector by combating invasive alien species Fight against deforestation through certification and supply chain analysis	Participate in three biodiversity projects per year Conduct technical and scientific studies on biodiversity Implement the SBTN strong sustainability tool Measure the biodiversity footprint using the Global Biodiversity Score approach Obtain certification and/or label status for raw materials supply chains Source from responsible supply chains	SBTN steps 1 & 2 Value chain studies for cashmere and silk in China, led by WWF China and Donghua University in Shanghai Update of supply chain briefs CDP Forests score A Full GBS biodiversity footprint for leather goods hides, wool and wood	E4
16 Impact on species threatened by the Group's activity and its value chain	Negative impact	Direct operations and value chain	Medium term	Actual	Policies related to biodiversity and ecosystems Supply chain brief Forest policy	Preferential use of certified materials Ensure the resilience of the ostrich sector by combating invasive alien species Fight against deforestation through certification and supply chain analysis	Source from supply chains without deforestation Establish diagnostics and biodiversity action plans for French production sites Obtain certification and/or label status for raw materials supply chains	Update of supply chain briefs Start of work to fight against invasive species in the Ostrich supply chain Nearly 90% of wood in Hermès' métiers is certified	E4
17 Impact on land use caused by value chain activities	Negative impact	Upstream value chain	Medium term	Actual	Policies related to biodiversity and ecosystems Supply chain brief Forest policy	Preferential use of certified materials Fight against deforestation through certification and supply chain analysis Diagnosis and studies on the impacts of biodiversity on the Group's priority supply chains	Implement the SBTN strong sustainability tool Measure the biodiversity footprint using the Global Biodiversity Score approach Obtain certification and/or label status for raw materials supply chains Source from responsible supply chains without deforestation	Update of supply chain briefs CDP Forests score A Nearly 90% of wood used in Hermès' métiers is certified	E4
18 Risk on the supply of raw materials caused by the degradation of biodiversity	Risk	Upstream value chain	Long term		Policies related to biodiversity and ecosystems Responsible purchasing policy	Field analysis of the supply chains WWF field study on Nature issues Diversity of geographical origins of natural materials Preferential use of certified materials	Participate in three biodiversity projects per year Conduct technical and scientific studies on biodiversity Implement the SBTN strong sustainability tool Measure the biodiversity footprint using the Global Biodiversity Score approach	Value chain studies for cashmere and silk in China, led by WWF China and Donghua University in Shanghai Full GBS biodiversity footprint for leather goods hides, wool and wood	E4

CORPORATE SOCIAL RESPONSIBILITY AND NON-FINANCIAL PERFORMANCE
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IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy	Hermès actions	Targets	Results for 2024	Standard
Materials									
Raw materials									
19 Group contribution to the dissemination of circular economy practices	Positive impact	Emblematic materials of each métier (leather, cashmere, silk, gold and silver metals) and packaging	Medium term	Actual	Supply chain brief CSR brief Circular economy policy described in the Sustainability report	Improvement of livestock farming practices by participating in various collective initiatives (*e.g.* the *Cuir de Veau Français Responsable* (Responsible French Calfskin initiative) Repairability grids Reuse, recycling and optimised management of production waste (with partners) Packaging circularity and plastic reduction After-sales (repair and extension of the life of objects)	100% recycled gold used in Hermès Bijouterie workshops Recycle 100% of the Group's scraps from French textile manufacturers by 2025 Discontinuation of use of unnecessary single-use plastics by 2030 After-sales service offered to the House's customers in all stores	As part of its after-sales service, the House worked on more than 200,000 products in 2024. Development of the refillable perfume range. 100% non-mining gold used in jewellery.	E5
20 Risk of additional costs related to the circular economy and eco-design	Risk		Medium term		Circular economy policy described in the Sustainability report	Implementation of life cycle analysis Management of unsold stock Research on new materials	Aim for zero destruction of textile sources by 2025 Recycling trajectory for all its unsold products by 2030	Life cycle analyses carried out by all the House's métiers on their emblematic products. 20% reduction in the environmental impact of the original reference cover as part of the Resilked project (use of recycled silk threads in the Group's herringbone covers).	E5
Responsible supply chains									
21 Impact of the Group's supplies on natural resources	Negative impact	The Group's emblematic materials (leather, wool, cashmere, silk, metals and precious stones) and packaging	Medium term	Potential	Responsible purchasing policy Supply chain brief CSR brief	Contribution to the sustainability of supply chains Supplier audits Improve knowledge of the supply chains (including studies with partners) Certification Audit protocols Traceability: marking of hides	Maintain more than 95% revenue from certified tanneries by 2030. Implementation of a certification process for supply chains according to the highest standards 100% recycled or GOTS-certified cotton in packaging (herringbone canevas, ribbons, garment covers)	70% of leather suppliers are Leather Working Group (LWG)-certified. 100% of the ostrich hide supply comes from SAOBC-certified sites. 100% of orange packaging boxes made from recycled cardboard.	E5
22 Impact of the Group's practices and its value chain on animal welfare	Negative impact	Upstream value chain and farms	All time horizons	Actual	Animal welfare policy Supply chain brief Certification	Animal welfare roadmap in place in the Group's animal supply chains	Maintain the alignment of all the Group's suppliers of animal materials with its animal welfare policy	Rollout and monitoring of the animal welfare roadmap in all animal supply chains.	G1
23 Risk of damage to the Group's image related to animal welfare	Risk	Upstream value chain and farms	All time horizons			Animal welfare roadmap in place in the Group's animal supply chains	Maintain the alignment of all the Group's suppliers of animal materials with its animal welfare policy		G1

CORPORATE SOCIAL RESPONSIBILITY AND NON-FINANCIAL PERFORMANCE
SUSTAINABILITY INFORMATION

IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy	Hermès actions	Targets	Results for 2024	Standard
PEOPLE									
Teams									
Team health, well-being and development									
24 Impact of working conditions on employee health and safety	Negative impact	Direct operations	All time horizons	Actual	Health and safety policy	First Group-wide Health and Safety day held Security awareness day Implementation of a training initiative for the manufacturing métiers worldwide Communication and rollout of the major risk framework to all manufacturing sites	Reduce the occupational injury frequency and severity rates by 50% between 2016 and 2025	Awareness-raising initiatives carried out at several levels internationally Frequency rate: 7.89/severity rate of 0.4	S1
25 Impact of working conditions on employees 'human rights	Negative impact	Direct operations	All time horizons	Potential	Policies currently being drafted	Constant monitoring of human rights concerns using the following methods: ◆ the alert tools in place (H-Alert!); ◆ tools for monitoring working hours to ensure compliance with local laws; ◆ a study conducted on the living wage, confirming that Hermès offers a living wage to its employees worldwide; ◆ the annual update of the vigilance plan; ◆ training on employment law offered to employee representatives; ◆ mandatory training on the ethics charter and the anti-corruption code of conduct given to new employees (and to all employees every two years); ◆ social audits carried out for any potential vertical integration of entities, based on a checklist of social issues with corrective action plans drawn up if necessary; ◆ annual assessments carried out by the internal control teams of each Hermès entity to ensure compliance on subjects including employment law, with corrective action plans drawn up in the event of areas identified for improvement; ◆ the local rollout of awareness-raising and training actions to prevent harassment. More specifically concerning working conditions: ◆ the Hermès Hears survey was conducted at Group level in order to establish an inventory of Hermès' strengths and areas for improvement on these topics.	Regularly process the admissibility of H-Alert! whistleblowing reports (alerts concerning human rights, discrimination, etc.) within a maximum of one month Draft a Group policy in 2025 Regularly measure employee opinions on their working conditions through a survey every two years.	Admissibility of H-Alert! reports processed regularly within a maximum of 1 month Measurement of employee views using the Hermès Hears survey	S1
26 Impact of working conditions on employees' freedom of expression	Negative impact	Direct operations	All time horizons	Potential	Employee dialogue policy currently being drafted	Communication actions around professional elections An annual gathering of management and employee representatives Meetings between employee representatives and their managers on the exercise of their mandates and the reconciliation of these with their professional activities regulatory and specific training on subjects including the art of negotiation, employment law management, public speaking, project management, sustainable development, cross-functional management and time management are arranged by Hermès.	Draft a Group policy in 2025	Continue the rollout of the renewal agreement for dialogue with Hermès' employees 97% of employees in EEA (1) member countries covered by collective agreements (100% in France)	S1

1. *EEA: European Economic Area.*

CORPORATE SOCIAL RESPONSIBILITY AND NON-FINANCIAL PERFORMANCE
SUSTAINABILITY INFORMATION

IRO title		Nature of IRO	Scope	Time horizon	Potential impacts	Policy	Hermès actions	Targets	Results for 2024	Standard
Diversity and inclusion										
27	Impact of discriminatory practices on employees' human rights	Negative impact	Direct operations	All time horizons	Potential	Vigilance plan, ethics charter, code of conduct, Diversity and Inclusion policy currently being drafted.	The human resources communities, managers and employee representatives attended various training modules. Awareness-raising events are held each year on the theme of inclusion (*e.g.* the annual Disability Forum brings together all of the House's internal players with time for inspiration, discussion and engagement, or the D&I seminar, with all players involved in the subject of diversity)	Draft a Group policy in 2025	Several training and awareness-raising initiatives conducted for all employees 67.6% women in the House, including 48% in senior management positions.	S1
Savoir-faire										
Acquisition, enrichment and transmission										
28	Contribution to the employability of employees through the development of skills and savoir-faire	Positive impact	Direct operations	All time horizons	Actual	Savoir-faire and skills development policy currently being drafted	Hermès Campus: ◆ the Hermès Sustainability Academy was created; ◆ the integration offer for new employees was made available *via* my Campus in a multimodal and international format with a virtual classroom on the House for everyone ("Welcome to no. 24") in addition to face-to-face sessions conducted locally and/or at Group level; ◆ in order to train all store employees on products, new collections and the art of selling, a digital offer was created, consisting of two hours of content per month that employees can access freely; ◆ a training programme on Hermès gestures, more specifically in-store sales rituals, was also created and rolled out; ◆ the first level of an in-house Supply Chain course for all employees in the métier has been created; ◆ the content of training offers is continuously being enriched and improved to respond to the development of employee skills and the issues of the House's business model. École Hermès des Savoir-faire (EHSF): ◆ several new schools were opened in France, for a total of 10; ◆ the EHSF courses have been extended to an 18-month format, in order to allow craftspeople to be monitored over the long term, until they become independent; ◆ the professional aptitude certificate (CAP) has been revised and implemented; ◆ Hermès took part in a content renewal proposal for the certificates of professional qualification (CQP) of inter-industry local trainer & manager so that they comply with current industry expectations; ◆ the validation of acquired experience ("VAE") was introduced; ◆ several new cutter and stitcher courses (CQP) were created; ◆ the quality approval (Qualiopi) of EHSF was renewed.	Draft a Group policy in 2025	Development of several multi-modal training offers on the subjects of corporate culture, management, expertise and personal development An average of 23 hours of training per employee trained 10 Écoles Hermès des Savoir-Faire (EHSF), with nearly 700 learners accompanied in the year	S1
29	Opportunity to improve performance through talent, savoir-faire and skills management	Opportunity	Direct operations	All time horizons						S1

CORPORATE SOCIAL RESPONSIBILITY AND NON-FINANCIAL PERFORMANCE
SUSTAINABILITY INFORMATION

IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy	Hermès actions	Targets	Results for 2024	Standard
COMMUNITIES									
Suppliers and partners									
Supporting and auditing suppliers									
30 Impact on the human rights of workers in the value chain	Negative impact	Upstream value chain	All time horizons	Potential	Responsible purchasing policy Supplier code of conduct Supply chain and CSR brief Ethics charter Vigilance plan	Risk mapping followed by regular assessment procedures: ◆ Supplier information questionnaire; ◆ pre-referencing visit. CSR self-assessment Direct purchases: Tier 1 and Tier 2 audits Indirect purchases: use of the EcoVadis platform Training and management of internal networks This commitment is formalised by the signing of the Supplier code of conduct	Direct purchasing suppliers: maintain work to audit its direct suppliers Indirect purchasing suppliers: continue supplier assessments *via* the EcoVadis tool by maintaining assessment coverage at more than 70% of the volume of indirect purchases	More than 200 suppliers audited	S2
31 Impact on the health and safety of workers in the value chain	Negative impact	Upstream value chain	All time horizons	Potential				791 suppliers assessed	S2
32 Contribution to the sustainable approach of the Group's suppliers	Positive impact	Upstream value chain	All time horizons	Actual	Vigilance plan Responsible purchasing policy	Training of suppliers, in particular on their carbon strategy and the measurement of their carbon footprint			S2, G1
33 Opportunity stemming from the Group's long-term partnerships with its suppliers	Opportunity	Upstream value chain	All time horizons			Supply chain certification programme			S2, G1
Stakeholders and transparency									
Regional responsibility									
34 Impact of the Group's activities on local communities	Negative impact	Communities located along the value chain of the undertaking, for example those affected by the supply of raw materials Local residents and residents of the regions where the Company operates Indigenous peoples	Short term	Potential	Supply chain brief CSR brief Vigilance plan Stakeholder dialogue policy (under construction)	Local residents: ◆ impact analysis when setting up new sites; ◆ implementation of the Harmonie standard. ◆ local projects relating to employment, mobility or biodiversity; ◆ site visits; ◆ real estate location projects; ◆ professional training courses in craftsmanship métiers (*e.g.* École Hermès des Savoir-Faire). Communities along the upstream value chain: ◆ supplier assessments and audits; ◆ Quality & Environmental support (supplier carbon footprint). Indigenous peoples: ◆ projects with local stakeholders (*e.g.* collaboration with aboriginal people in Australia).	Awaiting the conclusions of the regional footprint study in France	Opening of the Maroquinerie de Riom on a brownfield site, enabling the creation of local jobs	
35 Contribution of the Group's activities to regions and local communities	Positive impact		Short term	Actual			Awaiting the conclusions of the regional footprint study in France	Nearly 700 learners accompanied *via* the École Hermès des Savoir Faire (EHSF) 20,000 trees planted in Seine Saint-Denis	

CORPORATE SOCIAL RESPONSIBILITY AND NON-FINANCIAL PERFORMANCE
SUSTAINABILITY INFORMATION

IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy	Hermès actions	Targets	Results for 2024	Standard
ETHICS AND COMPLIANCE									
36 Impact of inappropriate use of personal data	Negative impact	All customers	Short term	Potential	Ethics charter Code of conduct Compliance with data protection laws (including the General Data Protection Regulation) ISP procedure (Integration of security and privacy in projects)	Employee data protection training Monitoring of regulations in the event of inappropriate use of data	Remain below the legal obligation in terms of managing rights, which is 30 days according to the GDPR	No sanctions relating to inappropriate processing of the personal data of the Group's customers	S4
37 Impact of the Group's products on customer health and safety	Negative impact	Perfume/Beauty customers	All time horizons	Potential	Compliance with the European cosmetics regulation Formulation charter H-Alert! procedure	Cosmetovigilance procedure Accessibility of whistleblowing mechanisms for customers	No target defined	No reports relating to the health and safety of Hermès' cosmetics and perfumes	S4
38 Risk related to controversies over unethical or non-compliant practices	Risk	Direct operations and value chain	Short term		Vigilance plan Responsible purchasing policy Supplier code of conduct Ethics charter	H-Alert! Employee training Updating of corruption risk mapping	Processing of 100% of alerts received within a reasonable timeframe	No convictions relating to corruption Rollout of new supplier code of conduct	G1

The solidity and resilience of Hermès' business model as well as the agility of its strategy (see § 2.1.1.5.1) enable the Group to address the issues identified as material. In particular, with regard to risks and opportunities, the current financial effects do not have a very significant impact on financial performance or cash flows.

2.1.1.7 DISCLOSURE REQUIREMENTS COVERED BY THE CORPORATE SUSTAINABILITY REPORT (IRO-2)

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Section/Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		2.1.2.2
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		2.1.1.2
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				2.1.1.3
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6), Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		2.1.1.5.1
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		2.1.1.5.1
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		2.1.1.5.1
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		2.1.1.5.1
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119 Article 2(1)	2.1.2.1.2

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Section/Page
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book — Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1) (d) to (g), and Article 12(2)		2.1.2.1.2
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book — Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		2.1.2.1.7
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1				2.1.2.1.8
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				2.1.2.1.8
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				2.1.2.1.8
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators numbers 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book — Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Articles 5(1), 6 and 8(1)		2.1.2.1.9
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator number 3 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book — Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		2.1.2.1.9

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Section/Page
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119 Article 2(1)	2.1.2.1.10
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		n/a
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47, Template 5: Banking book — Climate change physical risk: exposures subject to physical risk			n/a
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453, paragraph 34, Template 2: Banking book — Climate change transition risk: loans collateralised by immovable property - energy efficiency of the collateral			n/a
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		n/a
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				2.1.2.2.6
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				2.1.2.3.3
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 of Annex 1				2.1.2.3.3

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Section/Page
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				n/a
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				2.1.2.3.6
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				2.1.2.3.6
ESRS 2- SBM 3 - E4 paragraph 16, (a) i	Indicator number 7 Table #1 of Annex 1				2.1.2.4.2
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				2.1.2.4.2
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				2.1.2.4.2
ESRS E4-2 Sustainable land/ agricultural practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				2.1.2.4.3
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				2.1.2.4.3
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				2.1.2.4.3
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				2.1.2.5.8
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				2.1.2.5.8
ESRS 2- SBM3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex 1				2.1.3.1.2
ESRS 2- SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex 1				2.1.3.1.2
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				2.1.3.1.3

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Section/Page
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		2.1.3.1.3
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				2.1.3.1.3
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				2.1.3.1.3
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				2.1.3.1.5
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		2.1.3.1.16
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				2.1.3.1.16
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				2.1.3.1.19
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				2.1.3.2.3
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators numbers 11 and 4 Table #3 of Annex 1				2.1.3.2.3
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				2.1.3.3.3
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		2.1.3.3.3

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Section/Page
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				2.1.3.3.6
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				2.1.3.4.3
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		2.1.3.4.3
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				2.1.3.4.6
ESRS G1-1 United Nations Convention against Corruption paragraph 10, (b)	Indicator number 15 Table #3 of Annex 1				2.1.4.1.2
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				2.1.4.1.2
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24, (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		2.4.1.4.4
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24, (b)	Indicator number 16 Table #3 of Annex 1				2.1.4.4

Hermès has defined the material information to be published in strict compliance with the recommendations in Annexes C and E of ESRS 1. In particular, these annexes present a decision-making tool for determining the material information on the basis of the material IRO issues.

The list of disclosure requirements that Hermès addresses in its sustainability report is detailed below:

ESRS DATAPOINT CROSS-REFERENCE TABLE

ID	Name	Section
DR BP-1	General basis for preparation of the sustainability statements	§ 2.1.1.1
DR BP-2	Disclosures in relation to specific circumstances	§ 2.1.1.1
DR GOV-1	Role of the administrative, management and supervisory bodies	§ 2.1.2.2
DR GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	§ 2.1.2.2
DR GOV-3	Integration of sustainability-related performance in incentive schemes	§ 2.1.1.2.5
DR GOV-4	Statement on sustainability due diligence	§ 2.1.1.3
DR GOV-5	Risk management and internal controls over sustainability reporting	§ 2.1.1.4
DR SBM-1	Strategy, business model and value chain	§ 2.1.1.5.1
DR SBM-2	Interests and views of stakeholders	§ 2.1.1.5.3
DR SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	§ 2.1.1.6
DR IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	§ 2.1.1.6
DR IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statements	§ 2.1.1.7
DR E1-1	Transition plan for climate change mitigation	§ 2.1.2.1.2
DR E1-2	Policies related to climate change mitigation and adaptation	§ 2.1.2.1.5
DR E1-3	Actions and resources in relation to climate change policies	§ 2.1.2.1.6
DR E1-4	Targets related to climate change mitigation and adaptation	§ 2.1.2.1.7
DR E1-5	Energy consumption and mix	§ 2.1.2.1.8
DR E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	§ 2.1.2.1.9
DR E1-7	GHG removals and GHG mitigation projects financed through carbon credits	§ 2.1.2.1.10
DR E1-8	Internal carbon pricing	§ 2.1.2.1.11
DR E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	n/a
DR E2-1	Policies related to pollution	§ 2.1.2.2.3
DR E2-2	Actions and resources related to pollution	§ 2.1.2.2.4
DR E2-3	Targets related to pollution	§ 2.1.2.2.5
DR E2-4	Pollution of air, water and soil	§ 2.1.2.2.6
DR E2-5	Substances of concern and substances of very high concern	§ 2.1.2.2.7
DR E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	n/a
DR E3-1	Policies related to water and marine resources	§ 2.1.2.3.3
DR E3-2	Actions and resources related to water and marine resources	§ 2.1.2.3.4
DR E3-3	Targets related to water and marine resources	§ 2.1.2.3.5
DR E3-4	Water consumption	§ 2.1.2.3.6
DR E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	n/a
DR E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	§ 2.1.2.4.1
DR E4-2	Policies related to biodiversity and ecosystems	§ 2.1.2.4.3
DR E4-3	Actions and resources related to biodiversity and ecosystems	§ 2.1.2.4.4
DR E4-4	Targets related to biodiversity and ecosystems	§ 2.1.2.4.5
DR E4-5	Impact metrics related to biodiversity and ecosystems change	§ 2.1.2.4.6
DR E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	n/a
DR E5-1	Policies related to resource use and circular economy	§ 2.1.2.5.3
DR E5-2	Actions and resources related to resource use and circular economy	§ 2.1.2.5.5
DR E5-3	Targets related to resource use and circular economy	§ 2.1.2.5.6
DR E5-4	Resource inflows	§ 2.1.2.5.7
DR E5-5	Resource outflows	§ 2.1.2.5.8
DR E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	n/a

ID	Name	Section
DR S1-1	Policies related to own workforce	§ 2.1.3.1.3
DR S1-2	Processes for engaging with own workers and workers' representatives about impacts	§ 2.1.3.1.4
DR S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	§ 2.1.3.1.5
DR S1-4	Taking action on material impacts on own workers, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	§ 2.1.3.1.6
DR S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	§ 2.1.3.1.7
DR S1-6	Characteristics of the undertaking's employees	§ 2.1.3.1.8
DR S1-7	Characteristics of non-employee workers in the undertaking's own workforce	§ 2.1.3.1.9
DR S1-8	Collective bargaining coverage and social dialogue	§ 2.1.3.1.10
DR S1-9	Diversity metrics	§ 2.1.3.1.11
DR S1-10	Adequate wages	§ 2.1.3.1.12
DR S1-11	Social protection	§ 2.1.3.1.13
DR S1-12	Persons with disabilities	§ 2.1.3.1.14
DR S1-13	Training and skills development metrics	§ 2.1.3.1.15
DR S1-14	Health and safety metrics	§ 2.1.3.1.16
DR S1-15	Work-life balance metrics	§ 2.1.3.1.17
DR S1-16	Compensation metrics (pay gap and total compensation)	§ 2.1.3.1.18
DR S1-17	Incidents, complaints and severe human rights impacts	§ 2.1.3.1.19
DR S2-1	Policies related to value chain workers	§ 2.1.3.2.3
DR S2-2	Processes for engaging with value chain workers about impacts	§ 2.1.3.2.4
DR S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	§ 2.1.3.2.5
DR S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	§ 2.1.3.2.6
DR S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	§ 2.1.3.2.7
DR S3-1	Policies related to affected communities	§ 2.1.3.3.3
DR S3-2	Processes for engaging with affected communities about impacts	§ 2.1.3.3.4
DR S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	§ 2.1.3.3.5
DR S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	§ 2.1.3.3.6
DR S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	§ 2.1.3.3.7
DR S4-1	Policies related to consumers and end-users	§ 2.1.3.4.3
DR S4-2	Processes for engaging with consumers and end-users about impacts	§ 2.1.3.4.4
DR S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	§ 2.1.3.4.5
DR S4-4	Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions and approaches	§ 2.1.3.4.6
DR S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	§ 2.1.3.4.7
DR G1-1	Business conduct policy	§ 2.1.4.2
DR G1-2	Management of relationships with suppliers	§ 2.1.4.5
DR G1-3	Prevention and detection of corruption and bribery	§ 2.1.4.3
DR G1-4	Confirmed incidents of corruption or bribery	§ 2.1.4.4
DR G1-5	Political influence and lobbying activities	n/a
DR G1-6	Payment practices	§ 2.1.4.5

2.1.2 ENVIRONMENTAL INFORMATION (INCLUDING TAXONOMY)

2.1.2.1 CLIMATE CHANGE (ESRS E1)

Climate change, in its multiple dimensions, is a focus of attention for the Group. Hermès addresses this through its climate strategy, which includes concrete initiatives in its direct operations, its supply chains and in terms of the preservation of natural resources.

2.1.2.1.1 Integration of sustainability-related performance in incentive schemes (ESRS 2 GOV-3)

For more information, see § 2.1.2.6.

2.1.2.1.2 Transition plan for climate change mitigation (E1-1)

Strategy

Hermès recognises the urgency of addressing the global challenge of climate change. With a responsible and long-term approach, Hermès understands the impact that its operations can have on the environment and society. Thanks to its craftsmanship model and a production mainly in France, Hermès is today one of the lowest carbon emitters among CAC 40 companies (1). Hermès has developed a transition plan with ambitious science-based targets through its membership to the "Science-Based Targets Initiative" (SBTi). SBTi validated the emission reduction targets for scopes 1, 2 and 3 at the end of 2021, thus recognising Hermès' commitment to the fight against climate change. These objectives are designed to participate in the trajectory limiting global warming to 1.5 °C by 2100, in accordance with the Paris Agreement (2). This climate plan establishes clear responsibilities by entity and métier, is integrated into the Group's strategy and financial planning, takes into account short-, medium- and long-term aspects, with a focus on actions that can be undertaken rapidly and covering all of the Group's scopes (including its value chain).

Thus, as part of the operational implementation of this strategy, which includes phasing out fossil fuels, Hermès has decided to no longer use gas or any other fossil fuel as an energy source for any new industrial investments, unless this is proven technically impossible (as indicated in § 2.1.2.1.8).

In addition, the "Harmonie" real estate standard, an internal sustainable construction standard, enables a more accurate measurement of environmental issues for all the House's construction, refurbishment and renovation projects. This standard, certified in November 2022 by the independent third-party verification body Bureau Veritas, includes environmental sustainability issues, including the carbon footprint. It thus sets binding targets for the fight against climate change, by setting a target of halving the carbon footprint per square metre built and renovated by 2030 (compared to 2018).

Furthermore, the long lifespan of Hermès products is an essential component of its business model, and helps to minimise their environmental impact (including carbon). Hermès strives to reduce its impacts at all stages of the life cycle of objects, through the implementation of circularity loops (reduction in the use of natural resources, reuse of materials, reduction of waste), as described in more detail in § 2.1.2.5.3.

Lastly, the Group's consolidated financial statements also refer to the impacts of climate change on the Group and the transition plan, as presented in chapter 5 "Consolidated financial statements", § 5.6.

Objective

The Group's policy is to make a resolute commitment to a low-carbon world, with quantified targets set out in the timetable.

The plan includes science-based targets, validated by the SBTi, and aims to reduce the absolute value of Hermès' greenhouse gas emissions by 50.4% for scopes 1 and 2 (3) emissions (by 2030 compared to the 2018 reference year) and 58.1% in relative value (per million euros of gross margin) for scope 3 emissions over the same period. Hermès is also committed to increasing its annual renewable electricity supply from 69% in 2018 to 100% by 2025 and to sourcing 100% renewable electricity by 2030. To validate its objectives, Hermès has aligned itself with the SBTi's "apparel and footwear" sector decarbonisation approach. This commitment was published in 2022.

As set out in § 2.1.2.1.10, over the longer term, the Group aims to contribute to carbon neutrality by 2050 by focusing on reducing the Group's emissions in its own value chain. In addition to this reduction commitment, Hermès also uses carbon credits.

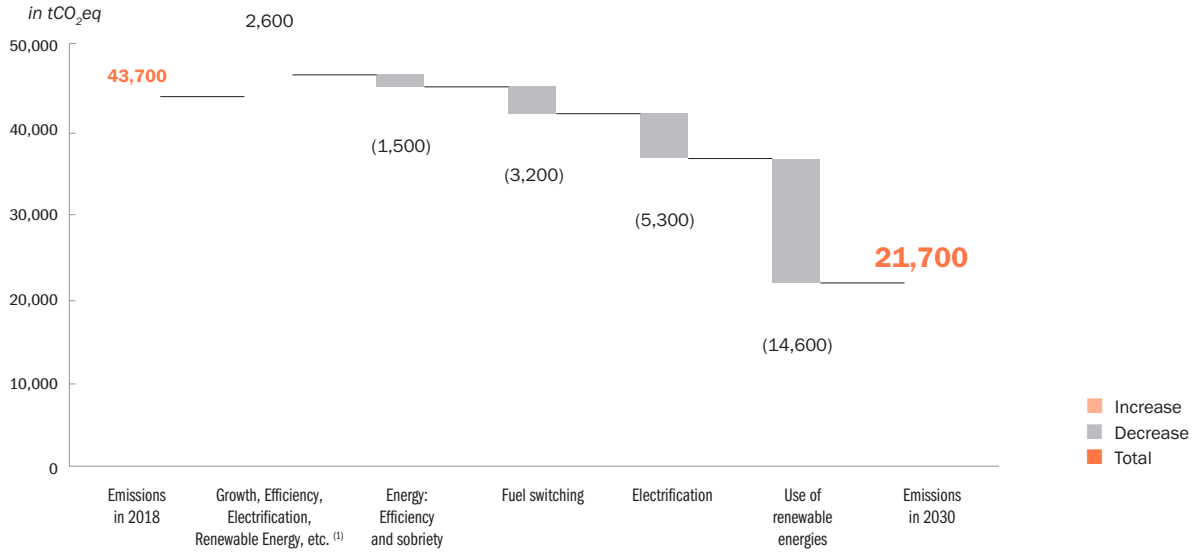
Hermès is also working on the formalisation of its long-term objectives, which will make it possible to comply with the "net zero" standard of the SBTi, in accordance with the expectations of the CSRD. In particular, Hermès has begun updating the file to be submitted to the SBTi in 2025, incorporating changes to the standard (including the FLAG (4) objectives).

1. *Based on the 2023 universal registration documents published by these companies.*
2. *Scopes 1 & 2 objectives aligned with a 1.5 °C trajectory and scope 3 objective aligned with a "well below 2 °C" trajectory.*
3. *Objective including "market-based" scope 2 emissions.*
4. *FLAG (Forest, land and agriculture) is used to designate greenhouse gas emissions related to agricultural and forestry activities as well as to other activities that have a significant impact on land.*

Decarbonisation levers

Hermès has defined a decarbonisation trajectory for its scopes 1 and 2, as presented in the chart below:

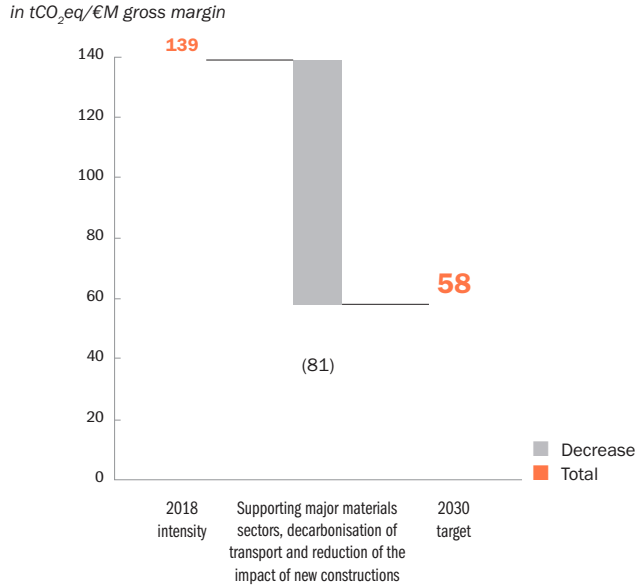
DECARBONISATION LEVERS TO ACHIEVE THE 2030 OBJECTIVE VALIDATED BY THE SBTI (MARKET-BASED)



(1) This data reflects the difference between the rise in emissions due to the Group's growth and the effect of reduction actions taken since 2018.

For scope 3, the Group is working at all levels to decarbonise the various sources of emissions. These levers are listed below and are detailed in §2.1.2.1.6. To date, as the objective validated by the SBTi is economic intensity, it is on this basis that the Group presents the scope 3 trajectory between 2018 and 2030 (the review of the Group's objectives, by 2026, as part of the SBTi "net zero" and "FLAG" standard will be an opportunity to specify and quantify the Group's decarbonisation trajectory and levers across all its scopes).

SCOPE 3 IN INTENSITY



Scopes 1 and 2 emissions are those that are directly controlled by Hermès and are mainly related to gas and electricity consumption on the sites (see § 2.1.2.1.9). Hermès' sites use electricity and gas to light and heat buildings, as well as for manufacturing processes and crocodilian livestock farming. The manufacturing sites and farms consume three quarters of the energy purchased by the Group. This energy is used to operate a wide variety of equipment.

The main levers implemented in Hermès' own operations to decarbonise the activity are:

- regular monitoring of energy consumption, refrigerant leaks and their GHG emissions;
- energy sobriety, notably through a change in energy consumption habits;
- energy efficiency, both for buildings and for industrial processes;
- the phase-out of fossil fuels and the use of electrification and renewable energy (ENR). Thus, no new industrial or real estate investments using fossil energy in their operations have been authorised, unless where this is the sole technical solution;
- the gradual replacement of industrial equipment and equipment in buildings that use fossil fuels with electrical equipment or equipment operating with renewable energy;
- the use of new technologies that make it possible to implement and identify new decarbonisation paths.

Scope 3 emissions are indirect emissions caused by the Group's activity and resulting from its upstream and downstream value chain. The main levers implemented to decarbonise activity in the Hermès value chain are:

- raising the awareness of suppliers and partners;
- the cross-sharing of greenhouse gas (GHG) emission reduction ambitions between Hermès and its suppliers;
- the collection of suppliers' GHG assessments in order to better understand their impacts;
- support for the major materials supply chains in order to reduce their carbon footprint;
- optimisation of transportation;
- use of alternative, less carbon-intensive transport;
- use of fuels made from sustainable raw materials;
- use and rollout of the "*Harmonie*" sustainable construction standard to reduce the impact of new buildings;
- mobility plans shared with Group employees;
- the search for new ways to manufacture products while guaranteeing high quality, through innovations in materials or new manufacturing processes.

The actions implemented as part of these levers are presented in more detail in § 2.1.2.1.6. They depend, where applicable, on the availability and allocation of resources, particularly with regard to renewable energy or new technologies, for example.

Financial planning and taxonomy

Each métier draws up action plans and presents the investment plans and resources required to achieve the Group's decarbonisation objectives to the industrial department. Major investments are approved by the Executive Committee.

Financial information regarding the CapEx linked to the European taxonomy is presented in § 2.1.2.6.2. In 2023, the criteria of the European taxonomy regarding eligible real estate CapEx were integrated into the Harmonie standard, which makes it possible to monitor **their alignment**, it being specified that all of the Group's real estate projects apply the Harmonie standard.

Lastly, to date, the impacts of climate change on the consolidated financial statements are not significant. This is also presented in § 5.6, Note 3. The financial investments to support the long-term transition plan cannot be quantified at this stage.

Locked-in emissions

Some Hermès activities involve emissive equipment, which could generate locked-in emissions, such as certain gas furnaces used at Cristalleries Saint-Louis. Nevertheless, due to Hermès' activity, which predominantly relies on craftsmanship, and the pace of renewal of said equipment, the Group has not identified any significant locked-in emissions.

Benchmarks

Hermès does not fall within the scope of application of the exclusion criteria specified by the Benchmark Regulation [1]. Hermès therefore considers itself eligible for the "Paris Agreement" benchmarks, as the Group is not aware of any exclusions.

Governance

The duties of the Supervisory Board (whose composition is detailed in chapter 3 "Corporate governance", § 3.4.) in terms of CSR and in particular on issues relating to climate change mitigation are as follows:

- the Board is informed, in particular through the Compensation, Appointments, Governance and CSR (CAG-CSR) Committee, of the main issues faced by the Company in the area of corporate social responsibility and non-financial performance, including climate-related issues; As part of its management control role, the multi-year strategic guidelines in terms of CSR, their implementation methods and results were presented to the Supervisory Board;
- the Board regularly reviews, *via* the Audit and Risk Committee, the social and environmental opportunities and risks, as well as the measures taken as a result.

The Hermès Executive Committee also plays a significant role and has a global vision of the Group on climate issues. This ensures a strategic positioning on this subject, at the highest level of the organisation. Sessions entirely dedicated to CSR are organised on a regular basis.

The transition plan was presented to the Supervisory Board and the Executive Committee of Hermès as part of the aforementioned missions.

Progress in implementing the transition plan

Between 2018 (reference year) and 2024, scopes 1 and 2 emissions decreased by 63.7% in market-based. Regarding scope 3, the intensity of emissions was reduced by 50.5% compared to 2018. Emissions are in line with the Group's 2030 objectives validated by the SBTi.

Since the update in 2021 (during the review of the objectives by the SBTi) of the calculation methodology and the scope of the reference year, no significant events have justified an update of the latter.

The Hermès Climate transition plan is also available on the Hermès Finance website [2].

1. *Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council with minimum standards for the Union's "climate transition" benchmarks and indices "Paris Agreement" benchmark.*
2. *https://finance.hermes.com/en/publications/*

2.1.2.1.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

	IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy
PLANET						
Environment						
Climate change						
1	Impact of the Group's activities on climate change	Negative impact	Direct operations	Medium term	Actual	Environmental policy Transition plan
2	Impact of the Group's value chain activities on climate change	Negative impact	Upstream and downstream value chain	Short term	Actual	Responsible purchasing policy Supply chain brief CSR brief Transition plan
3	Impact related to the use of carbon energies in the Group's operations and upstream value chain	Negative impact	Upstream value chain and direct operations	Short term	Actual	Environmental policy Sobriety plan Transition plan Responsible purchasing policy
4	Hermès' contribution to climate change mitigation within its value chain	Positive impact	Upstream value chain	Medium term		Responsible purchasing policy Supply chain brief CSR brief Transition plan
5	Risk related to the impacts of climate change on the Group's raw materials	Risk	Upstream value chains	Long term		Responsible purchasing policy Supply chain brief CSR brief

Impact of the Group's activities on climate change

The Group's activities have an impact on climate change, mainly through the greenhouse gas emissions that they generate in particular in the production of objects and their transport.

Impact of the Group's value chain activities on climate change

The Group's value chain activities have an impact on climate change, mainly through the greenhouse gas emissions that they generate in particular in the production of the raw materials used to manufacture the Group's objects.

Hermès' contribution to climate change mitigation within its value chain

The Group contributes to reducing the greenhouse gas emissions produced by its value chain through concrete actions as described in § 2.1.2.1.6.

Impact related to the use of carbon energies in the Group's operations and upstream value chain

Even if it is in small quantities and only for certain activities, the Group uses non-renewable energy and this may also be the case for partners in the value chain, generating greenhouse gas emissions.

Physical risks related to the impacts of climate change on the Group's raw materials

These risks relate to the physical consequences of climate change (*i.e.* extreme weather events, rise in temperatures, increase or decrease in rainfall, etc.) that could affect the availability and quality of the Group's raw materials.

Transition risks related to the impacts of climate change on the Group's raw materials

These risks relate to the impacts of the measures taken to make the transition to a low-carbon world and which could modify Hermès' upstream value chain and its activities (such as regulations or changes in consumption).

As explained in § 2.1.1.5 "Strategy, business model and value chain" and § 2.1.1.6 "Impacts, risks and opportunities, sustainable development roadmap", Hermès' business model and its transition plan include all considerations related to climate change, whether mitigation, adaptation or energy.

The process for performing the double materiality analysis and identifying impacts, risks and opportunities is set out in § 2.1.1.3 "Description of the processes to identify and assess material impacts, risks and opportunities" and § 2.1.1.4 "Group risk management framework". Material impacts, risks and opportunities related to each sub-topic of the climate change standard have been identified.

With regard to external stakeholders, the expectations of CDP and also investors who rely on this questionnaire are studied carefully. The models of non-financial rating agencies (such as MSCI, Sustainalytics, S&P, ISS ESG, etc.) are also used to expand the strategy and refine its indicators.

With regard more specifically to the impacts, risks and opportunities related to climate change, Hermès is striving to reduce the impact of its activities on the climate. The House is examining potential adaptations along its entire value chain, in particular as part of its purchasing strategy, in order to reduce its exposure to the effects of climate change. Depending on the regions and métiers concerned, the latter will have different impacts on Hermès' activity, through:

- the physical consequences of climate change (*i.e.* extreme climate events, increase in temperatures, increased or decreased rainfall, etc.);
- the impacts of measures taken for the transition towards a low-carbon world, in particular the fastest measures (*i.e.* transition risks: carbon tax, regulatory changes, client behaviour, etc.).

The magnitude and severity of changes related to physical and transition risks, including estimated financial effects, as well as factors such as location, supply chain sensitivity, quality of local infrastructure and behaviour of other players in the ecosystem, will make it possible to prioritise action plans.

Hermès bases its approach to adapting to climate change on the identification of physical and transition risks as defined by the TCFD [1]. The various studies carried out by Hermès have made it possible to identify physical and material transition risks (on certain priority supply chains and Group sites) as well as associated resilience analyses as detailed in § 2.1.2.1.4.

Moreover, the availability of high-quality forward-looking scenarios is a major issue for transition risk studies. In addition to these analyses, Hermès is also committed to a collaborative approach to strategic foresight that brings together more than 20 large companies and organisations from various sectors as well as research institutions. This project is called the IF Initiative (www.ifinitiative.com).

Coordinated by an expert firm, the work carried out by this group of players aims to build shared tools for building forward-looking scenarios and implementing the use of forward-looking scenarios in operations, particularly in the construction of strategic plans.

All conclusions from this project will be freely accessible to ensure their wide distribution and use.

2.1.2.1.4 Description of the processes to identify and assess material climate-related impacts, risks and opportunities (ESRS 2 IRO-1)

As indicated in § 2.1.2.1.3, for more information on the double materiality analysis and the process of identifying impacts, risks and opportunities, please refer to § 2.1.1.3 "Description of the processes to identify and assess material impacts, risks and opportunities" and § 2.1.1.4 "Group risk management framework".

Climate change mitigation

The Hermès Group's activities have an impact on climate change, in particular due to the greenhouse gas emissions they generate. This impact is assessed annually by carrying out an overall assessment of the Group's greenhouse gas emissions, as detailed in § 2.1.2.1.9. Hermès responds to this risk through actions to mitigate its emissions.

Climate change adaptation

As part of its adaptation strategy, Hermès carries out analyses of physical and transition risks related to climate change.

PHYSICAL RISKS

Through several risk analyses carried out with the help of an independent expert firm, Hermès has identified various climate hazards and assessed the way in which its assets and economic activities could be exposed.

An analysis of the 28 physical risks related to climate change was initially carried out in four of the House's emblematic supply chains, from material sourcing to stores: silk, cashmere, cowhide and exotic leather.

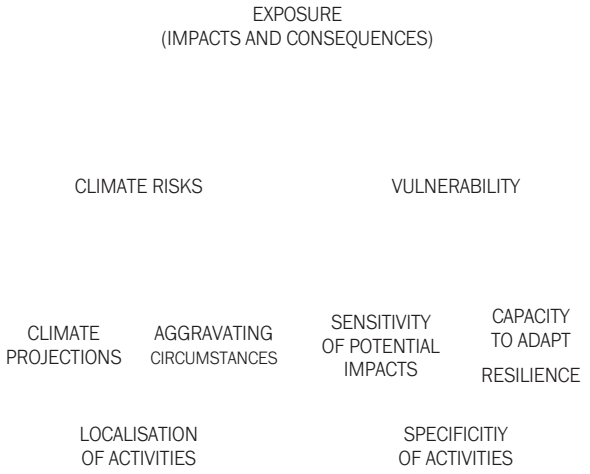
Eight scenarios were thus selected to test the resilience of these value chains. These scenarios were developed taking macroeconomic studies into account as well as industry analyses:

- six direct impact scenarios were developed for the supply of raw materials in the supply chains studied. They combine various predictable climate hazards on the supply of raw materials and on the production of products: droughts, rising temperatures, heat waves, intense rain, water surges and hurricanes. They make it possible to identify existing capacities for adaptation and those that Hermès could strengthen, region by region: South America (silk); Louisiana, Australia, Africa (exotic leather); Mongolia (cashmere); Europe (cowhide, manufacturing sites);
- two systemic scenarios of direct and indirect impacts on Hermès' global business were examined, modelling a succession of extreme events in France or modelling a global health and food crisis to test the resilience of the upstream and downstream logistics chains, production and product distribution. They are built on the basis of systemic failures of support functions and/or external service providers outside Hermès' métiers. They combine original hazards that are difficult to predict but have a major and systemic impact on entire regions. These scenarios make it possible to identify potential weaknesses in Hermès' value chain and enable stakeholders to be included in the consideration of the impacts of climate change.

1. *Task Force on Climate Related Financial Disclosures.*

Physical risks were measured by combining changes in climate hazards with the Company's level of vulnerability to these hazards, as shown in the diagram below:

SCENARIOS ANALYSIS METHODOLOGY
(PHYSICAL RISKS)



In each of these pessimistic scenarios, the risks likely to materialise are taken from the study of global IPCC [1] projection data (time horizon of 10 to 15 years) or regional data, for example from the European Environment Agency (time horizon of 20 to 30 years). Each scenario describes the potential impacts of major importance for Hermès, the triggering risks and their evolution in the short, medium or long term depending on the geographical area studied. Materiality grids, classifying impacts according to their likelihood and potential impacts, make it possible to rank the issues identified. The conclusions of this risk study was then taken into account and integrated into the métiers' action plans.

The main risks identified were as follows:

- Heatwaves, higher temperatures and significant droughts can impact the health of silkworms and silk production in Brazil and are already having consequences: a drought in 2020 delayed silk production by several weeks. This situation could repeat itself. To strengthen the resilience of this sector, Hermès is already providing operational support to its partner in Brazil for its work in adapting to climate change, in particular regarding its water management. The Group has also anticipated the subject in order to reduce the potential impact of these risks by setting up a buffer reserve of this material.
- Periods of drought and significant rises in temperature can also have an impact on leather production in Europe and lead to an increase in animal mortality or a reduction in the quality of the leather. In order to prevent the risk of animal transportation bans during periods of high temperatures, Hermès optimises its use of raw materials, in particular for calves, and has established back-up reserves of hides in its own operations.

In order to supplement this study carried out on its priority sectors, Hermès also carried out a physical risk analysis on its 121 locations in France. This analysis, based on the SSP2-4.5 scenario [2] considered as the most likely and the most relevant in terms of Hermès' activities, covered all three Hermès activities in France: production sites, the tertiary sector (including warehouses) and stores. This study was carried out on a time horizon to 2050 (2041-2060) compared to the reference period 1976-2005. This time horizon was chosen because the significant material impacts are mainly expected in the long term, due to the potential increase in their intensity and frequency. It took into account both internal and external Group data. As France is representative of the Group's activities, this study provided an exhaustive view of the risks by type of activity.

Five types of primary hazards are studied (corresponding to the major risks identified during the first study): extreme heat, heavy rains, river flooding, droughts and violent winds, together with aggravating factors where applicable (presence in areas prone to flooding, for example). The processes analysed related to the Company's own assets (integrity of buildings, equipment) as well as to flows related to these assets (supply of goods, mobility of people, quality of networks). As part of this analysis, the risk assessment was established by taking into account the characteristics of the sites, the vulnerability of the processes according to physical hazards, climate projections and aggravating factors.

This analysis made it possible to identify the 10 sites most sensitive to climate hazards (in terms of the number of processes identified as critical risk per site, all hazards combined). For example, some sites are subject to a risk of flooding, as was the case at the Puy-en-Velay tannery in 2024. Hermès takes these hazards into account in order to address these risks, particularly during renovation work. Hermès also continues to maintain dialogue with its local stakeholders, particularly the municipalities, in order to find shared solutions regarding climate change adaptation.

1. *Intergovernmental Panel on Climate Change.*
2. *SSP2-4.5 is a business as usual trend scenario, where the level of emissions corresponds to that of the nationally-determined contributions, and where the rate of emissions is not subject to major sudden variations.*

To go even further, a more detailed study is being carried out at each of the most critical sites. This study aims to obtain an increasingly operational vision and to re-examine the resilience plans already in place as well as those to be developed.

Furthermore, in order to have an exhaustive view of the risks at all of the Group's sites, in 2024 Hermès launched a new analysis of climate risks at its sites and main international flows taking into account the criticality and frequency of climate hazards, the diversity of the regions as well as the revenue achieved. The results of this new analysis are expected in 2025.

Lastly, Hermès acquired a digital tool to map all of the House's sites and identify the climatic hazards to which they are exposed as well as their level of risk. This tool will enable the existing risk analyses to be supplemented using three climate scenarios, optimistic, intermediate and pessimistic (SSP1-2.6, SSP2-4.5, SSP 5-8.5) and according to two time horizons (2030 and 2050).

TRANSITION RISKS

Exposure to transition risks is studied by the audit and risk management department, the industrial, direct purchasing and sustainable development departments, as well as during the Sustainable Development Committee, with a cross-functional vision by major issues (water, climate, etc.)

Transition risks are those induced by the transition to a low-carbon economy that is resilient to climate change, respecting planetary limits and which relate to the business model and its development.

An analysis of transition risks was carried out in 2023 by the industrial and direct purchasing departments, with the help of an expert firm, in order to anticipate changes in Hermès' upstream value chain (animal sectors) and the impacts on its activity. It makes it possible to use different transition and climate change scenarios to test the resilience of the business model, in order to identify the axes and levers enabling identified vulnerabilities to be addressed and to devise the initial solutions, which can be adapted as short, medium and long-term operating strategies for each activity impacted.

The study made it possible to identify the main transition risks in various sectors and to analyse resilience strategies in order to secure the Group's supply for six resources until 2050: calfskin, cowhide, sheep leather and goatskin, pigskin, cashmere and silk. It comprises:

- a diagnostic to assess the availability of six of Hermès' strategic resources, leather and textile materials, under contrasting decarbonisation and warming scenarios, considered to be the most relevant for Hermès' activities;
- a strategy and initial action plans to establish low-carbon and resilient models for the production of these resources and the implementation of complementary and sustainable alternative sectors.

Sector scenarios were used, for example Afterres for agriculture in France (1.5°C scenario). Materiality grids, classifying impacts according to their likelihood and potential impacts, make it possible to rank the issues identified. The conclusions of these risk studies were then taken into account and integrated into the métiers' action plans. 2050 was used as the time horizon because this deadline offers a sufficiently long time frame to allow the implementation of profound transformations in societal behaviour and sectors such as agriculture, energy and industry.

This analysis did not identify any Hermès assets or activities that are incompatible with the implementation of the climate transition. No events took place in 2024 that questioned the results of this study.

2.1.2.1.5 Policies related to climate change mitigation and adaptation (E1-2)

The new CSR governance structure established at the end of 2022 places the supervision of the Group's Climate policy directly at the heart of the Executive Committee's responsibilities.

Hermès' policy is to resolutely commit to a low-carbon world with quantified objectives, included in a time-based agenda and scientifically validated by the SBTi, making it possible to address the impacts of climate change on its activities and its value chain as part of a trajectory reducing its direct and indirect emissions helping to limit global warming to 1.5°C. This policy is reflected in Hermès' climate transition plan as presented in § 2.1.2.1.2, as well as in the environmental policy. It is broken down into several areas such as:

- measuring the impacts of its activities on all scopes 1, 2 and 3;
- prioritising actions to reduce emissions in the various categories where the Group can act; and
- implementing external actions (as presented in § 2.1.2.1.6).

In line with this mitigation policy, the House is adopting a strategy of reducing energy consumption, integrating consumption monitoring, sobriety and energy efficiency at operating sites in order to reduce and optimise its consumption. It thus includes connection to district heating and cooling networks, the use of renewable energy, through the installation of geothermal heating or cooling, photovoltaic panels, or the use of wood-fired boilers on certain sites as well as the supply of green electricity or renewable gas at operating sites in France and worldwide. Hermès has committed to implementing a policy of 100% renewable electricity within its own operations by 2025 and 100% renewable energy by 2030.

As specified in § 2.1.2.1.3 above, in terms of adaptation and in order to take into account the physical and transition risks caused by climate change on its operations and its business model, it also incorporates a forward-looking vision using scientifically recognised scenarios including those of the IPCC (SSP1-1.9, SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5). These allow:

- anticipation of risks related to the rise in sea levels, extreme weather events or supply disruptions in the value chain;
- projections of risks or opportunities associated with significant decarbonisation of activities at the global level.

In order to take into account the interests of its key stakeholders when drawing up its policy, Hermès has considered its responsibilities in its direct and extended spheres of influence, including for scope 3 emissions. More specifically and as presented in its transition plan, Hermès focuses on major sources of emissions such as purchases, transport, real estate (including materials) and employee travel. With regard to the decarbonisation of purchases, the objective of the policy is to support suppliers and partners so that they can assess their own carbon footprint internally, to implement an action plan that enables this to be monitored and to monitor the reduction of their GHG emissions. Group employees are also made aware of and encouraged to make the transition to less carbon-intensive means of mobility. Hermès is attentive to the transparency and consistency of its policy with that of the sector by presenting its actions according to the framework recommended by the TCFD (Taskforce on Climate-related Financial Disclosures, in particular by responding to the CDP Climate questionnaire (on which it received an A rating in 2024) and participating in market initiatives such as the UNFCCC (United Nations Fashion Industry Charter for Climate Action).

The table below shows the Group's various climate change mitigation and adaptation policies.

Policy	Description of the main content of the policy	Description of the scope of the policy or its exclusions	Description of the highest level of the organisation responsible for implementing the policy	Publication of standards or third-party initiatives followed as part of the implementation of the policy	Explanation of how the policy is made available to stakeholders that may be affected and to those who have to contribute to its implementation
Harmonie standard	Sustainable construction guidelines	All new construction and renovation worldwide	Executive Committee	Label status awarded by Bureau Veritas	Internal guidelines
Environmental policy	Installation of renewable energy sources on sites	100% of industrial sites (Europe)	Executive Committee		Publication planned on the website in 2025
	Energy management				
	Purchase of green energy				
	GHG emission reduction	Worldwide (scopes 1 and 2)		SBTi sector standard	
	Climate change adaptation	Worldwide		TCFD, CSRD and EU taxonomy	
Responsible purchasing policy	Integration of environmental and carbon criteria in the selection of partners	Direct and indirect purchases (scope 3)	Executive Committee		Publication on the website
Supply chain brief	GHG emission reduction	Direct purchases (scope 3)	Executive Committee		Publication on the website
CSR brief	Objectives of the House and its expectations of suppliers on environmental and social issues	Direct and indirect purchases (scope 3)	Executive Committee		Publication on the website

2.1.2.1.6 Actions and resources in relation to climate change policies (E1-3)

Climate change mitigation actions

The table below details the actions implemented in connection with the climate change mitigation levers and targets presented in the transition plan. The actions described on the Group's industrial sites are mainly carried out in France and Europe due to their location. With regard to the value chain (transport, purchases of materials), actions have an international dimension.

Transition plan levers	Scope	Scope	Action	Time horizon: 2025-2030	Estimated reduction in emissions (in TCO_2e)
Fuel switching	Industrial	Scopes 1+2	Installation of new boilers (including biomass) in tanneries, withdrawal from gas for heating the leather goods buildings, replacement of fuel oil boilers for heating water in tanks on farms	x	3,200
Electrification	Group	Scopes 1+2	Electrification of crystal production furnaces, replacement of gas boilers by an electric solution in the Textile division, installation of heat pumps for heating buildings	x	5,300
Efficiency and sobriety	Group	Scopes 1+2	Insulation of buildings in tanneries, recovery of waste heat from crystal production furnaces for heating buildings, renewal of equipment to limit gas and electricity consumption	x	1,500
Use of renewable energy	Group	Scopes 1+2	Purchase of renewable energy, installation of photovoltaic panels on farms	x	14,600
Collection of supplier GHG assessments and awareness-raising	Upstream value chain	Scope 3	Support suppliers so that they can carry out their own carbon footprint assessment internally and then allocate the appropriate share to each Hermès métier. For more mature suppliers, a questionnaire is sent to them to share their CSR strategy, their carbon footprint or their reduction trajectory, starting with their scopes 1 and 2. Supplier days are also organised with a focus on carbon	x	In the process of being estimated
Supporting supply chains	Upstream value chain (materials)	Scope 3	Sourcing of hides: integration into working groups on life cycle analyses of both alligator farming and goats	x	In the process of being estimated
Supporting supply chains	Upstream value chain (materials)	Scope 3	Feed used on crocodile farms: tracing the production chain to understand and reduce emission factors	x	In the process of being estimated
Optimisation of transportation	Upstream value chain (transport)	Scope 3	Optimisation of loading in trucks to reduce the number of vehicles used Organisation of group collections from the various manufacturers For deliveries in France and Europe, the optimisation of loading and the frequency of departures are also key elements: weekly and bi-weekly shuttles have been in place for several years and link the logistics warehouse and the various distribution platforms Implementation of shared mobility plans between employees	x	In the process of being estimated
Decarbonising supply chains	Upstream value chain (transport)	Scope 3	Intra-European upstream logistics flows are gradually replacing diesel by gas or biogas. Use of synthetic fuel, not derived from fossil fuels, for shuttles Use of cargo planes, which have lower emissions, and optimised loading For local transport, *i.e. from* local warehouses to city centres, electric or biogas delivery vehicles are used whenever possible. Purchase of sustainable fuel (aviation, maritime, road)	x	In the process of being estimated
Decarbonising supply chains	Upstream value chain (transport)	Scope 3	Procurement practices: calls for tenders systematically include a criterion related to improving the carbon footprint The use of NGV (natural gas for vehicles) and bioNGV for road transport, SAF (Sustainable Aviation Fuel) for air transport and SMF (Sustainable Maritime Fuel) for maritime transport Suppliers are assessed on their performance in this area, in particular with the EcoVadis platform	x	In the process of being estimated
Decarbonising supply chains	Upstream value chain (transport)	Scope 3	For distant transport (Asia, America, Oceania), maritime transport is preferred when the nature, volume and/or quantity of the items to be shipped permit it Road shipments replacing air for the scope of stores in Europe	x	In the process of being estimated
Decarbonisation real estate assets	Upstream and industrial value chain	Scopes 1+2+3	Implementation of the Harmonie sustainable construction standard: reduction of the carbon impact of construction (construction products), reduction of construction site emissions, control of energy consumption, recovery of energy on site, reduction in operating energy consumption emissions	x	In the process of being estimated

Climate change adaptation actions

In terms of climate change adaptation, Hermès implements actions to address climate hazards as identified in § 2.1.2.1.4. These actions take the form of:

- during the construction of new buildings, use of the Harmonie standards: this real estate framework specific to Hermès (certified by Bureau Veritas in 2022) allows an accurate measurement of the environmental challenges of all construction, development and renovation projects;
- in terms of water resource management, the Group is pursuing an objective of reducing its water consumption. Concrete actions to reduce consumption and to anticipate are implemented, as described in § 2.1.2.3.4.

2.1.2.1.7 Targets related to climate change mitigation and adaptation (E1-4)

In order to mitigate the impacts of Hermès' activities on climate change, and as part of its climate change mitigation policy, Hermès has set science-based GHG emission reduction targets, validated by the SBTi. These objectives aim to reduce the absolute value of Hermès' greenhouse gas emissions by 50.4% for scopes 1 and 2 emissions [1] (by 2030 compared to the 2018 reference year) and by 58.1% in relative value (per million euros of gross margin) for scope 3 emissions over the same period. These objectives cover the entire scope of the Group's activities. SBTi validated these objectives at the end of 2021, thereby recognising Hermès' commitment to the fight against climate change. These objectives aim to contribute to the trajectory of limiting global warming to 1.5 °C by 2100, in accordance with the Paris Agreement [2].

Hermès used the SBTi "Apparel and footwear" Sectoral Decarbonisation Approach for all its activities.

2018 was chosen as the reference year because it was the first year of consolidation of the carbon footprint at Group level. This year remains representative of Hermès' activities for the purposes of defining GHG emission reduction targets.

Wishing to maintain a scientifically proven approach, the Group has not yet defined absolute targets for scope 3. Thus, internal work is underway, particularly in the context of the integration of the evolution of the SBTi (FLAG objectives) standard.

2030 GHG EMISSIONS REDUCTION OBJECTIVE IN ABSOLUTE VALUE

	Scope 1	Scope 2 market-based
Emissions in the reference year - 2018 (in k tonnes CO_2eq)	22.1	21.7
Absolute scopes 1 & 2 reduction target by 2030	**-50.4%**	

2030 GHG EMISSIONS REDUCTION OBJECTIVE IN ABSOLUTE VALUE

	Scope 3
Intensity value for the reference year - 2018 (tonnes of CO_2eq / €M margin)	138.6
Relative scope 3 reduction target by 2030 (emissions intensity by gross margin)	**-58.1%**

The table below shows the results observed in 2024 in terms of reducing greenhouse gas emissions:

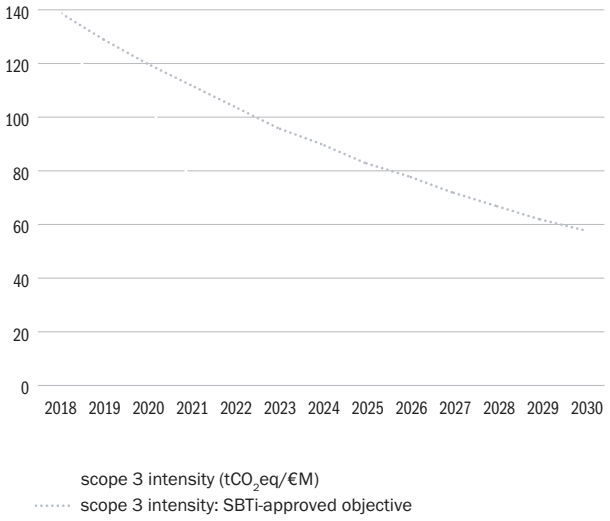
	2024	Change compared to 2018	Reminder of 2030 target
Scopes 1 and 2 emissions (market based) in absolute value (in k tonnes CO_2eq)	15.9	**-63.7%**	-50.4%
Intensity of scope 3 emissions compared to gross margin (in tonnes CO_2eq/€M margin)	68.7	**-50.5%**	-58.1%

With a decrease of 63.7% in absolute value of scopes 1 and 2 compared to 2018, and 50.5% in scope 3 intensity, emissions are in line with the Group's 2030 objectives validated by the SBTi.

In the chart opposite, the grey curve illustrates the scope 3 emission intensity ratio reduction trajectory validated by the SBTi. The scope 3 intensity ratios recorded between 2018 and 2024, shown on the dark orange curve, demonstrate that the Group managed to exceed the objectives it had set itself as part of its emissions reduction trajectory. In 2024, the Group achieved nearly 90% of its SBTi scope 3 reduction target.

1. *Scope 2 market-based.*
2. *Scopes 1 & 2 objectives aligned with a 1.5 °C trajectory and scope 3 objective aligned with a "well below 2 °C" trajectory.*

CHANGE IN THE GROUP'S SCOPE 3 EMISSIONS TRAJECTORY IN INTENSITY COMPARED TO THE TRAJECTORY VALIDATED BY THE SBTI



2.1.2.1.8 Energy consumption and mix (E1-5)

The table below shows energy consumption by type of fuel in order to present the energy mix used by Hermès in 2024.

Energy consumption and mix	**2024**
Total energy consumption from own operations *(in MWh)*	**233,735**
Share of renewable sources in total energy consumption *(in %)*	**71%**
Share of fossil sources in total energy consumption *(%)*	28%
Share of consumption from nuclear sources in total energy consumption *(%)*	0.3%
Total energy consumption from renewable sources *(in MWh)*	**166,689**
◆ Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) *(in MWh)*	24,882
◆ Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources *(in MWh)*	139,285
◆ Consumption of self-generated non-fuel renewable energy *(in MWh)*	2,522
Total energy consumption from nuclear sources (*in MWh*)	**808**
Total fossil energy consumption (*in MWh*)	**66,238**
◆ Fuel consumption from coal and coal products (*in MWh*)	0
◆ Fuel consumption from crude oil and petroleum products (*in MWh*)	5,236
◆ Fuel consumption from natural gas (*in MWh*)	58,699
◆ Fuel consumption from other fossil sources (*in MWh*)	121
◆ Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources (*in MWh*)	2,182

2.1.2.1.9 Gross scopes 1, 2, 3 and total GHG emissions (E1-6)

The 2024 gross GHG emissions for scopes 1, 2 and 3 are presented below:

Emissions in tonnes of CO_2eq	2024
Scope 1 GHG emissions	
Gross location-based Scope 1 GHG emissions	**17,800**
Gross market-based Scope 1 GHG emissions	**13,202**
Percentage of scope 1 GHG emissions from regulated emission trading schemes *(%)*	Not applicable
Biogenic emissions of CO_2 from the combustion or biodegradation of biomass from the scope 1 GHG emissions	0
Scope 2 GHG emissions	
Gross location-based scope 2 GHG emissions	**34,457**
Gross market-based scope 2 GHG emissions	**2,693**
Biogenic CO_2 emissions from biomass combustion or biodegradation of scope 2 GHG emissions	0
Percentage of contractual instruments, scope 2 GHG emissions	8%
Description of types of contractual instruments, scope 2 GHG emissions	See § 2.1.2.1.6
Percentage of contractual instruments used for the sale and purchase of bundled energy claims with characteristics relating to energy production	1%
Percentage of contractual instruments used for the sale and purchase of energy claims for non-bundled characteristic declarations	78%
Significant scope 3 GHG emissions	
Total gross indirect (scope 3) GHG emissions	**731,915**
1. Purchased goods and services	530,107
2. Capital goods	61,990
3. Fuel and energy-related activities (not included in scope 1 or scope 2)	2,745
4. Upstream transportation and distribution	7,707
5. Waste produced during operations	8,546
6. Business travel	10,014
7. Employee commuting	29,090
8. Upstream leased assets	0
9. Downstream transportation	77,587
10. Processing of sold products	0
11. Use of products sold	0
12. End-of-life treatment of sold products	1,433
13. Downstream leased assets	0
14. Franchises	2,696
15. Investments	0
Total GHG emissions (location-based)	**784,172**
Total GHG emissions (market-based)	**747,810**

Ratio of GHG emissions intensity to 2024 turnover	2024
Total GHG emissions intensity (location-based) *(in tCO_2eq/€M turnover)*	52
Total GHG emissions intensity (market-based) *(in tCO_2eq/€M turnover)*	49

Methodological details

The six types of GHGs of the Kyoto Protocol are covered by the calculation: CO_2, CH4, N2O, SF6, HFC and PFC, as well as NF3.
The GHG assessment is calculated using the "operational control" approach of the GHG Protocol. The calculation covers all sources of emissions within the scope of the company, and these are accounted for in accordance with the recommendations of the GHG Protocol Corporate Standard.

Almost all emissions are assessed using a physical approach, i.e. Hermès converts physical data (km, kWh, kg, etc.) into emissions using physical emission factors (expressed in kg CO_2eq/physical unit). These emission factors are either calculated precisely using internal data or are taken from first-rate international standards (*Empreinte* database © ADEME, EcoInvent database, AIB database, etc.). They are naturally subject to variation over time.

Regarding scope 2, Hermès uses the so-called market-based approach, which consists of calculating the carbon footprint directly related to its energy purchases, rather than using the average mix of countries. For the recognition of market-based emissions for this scope, emission factors are prepared directly from contractual information. In the absence of information on all or part of the energy consumption (whether contractual or relating to the supplier's production mix), a residual emission factor is used, in accordance with best practices. If reliable data on the residual mix are not available, the network emission factor is applied.

Information according to the location-based methodology is also disclosed above.

All emission sources have been considered, although some are excluded from the calculation because they are considered not significant when less than 0.5% of total scopes 1, 2 and 3. The categories of GHG emissions from the GHG Protocol that are not relevant for Hermès are:

- Category 8: Upstream leased assets
- Category 10: The products sold by Hermès do not require any further transformation before being offered to end-users.
- Category 11: The products sold by Hermès do not involve any significant GHG emissions when used by end-users.
- Category 12: End-of-life treatment of packaging is the only emission item taken into account in this category. No end-of-life treatment of products sold is included in the calculation. The House's creative excellence, and the often timeless nature of the collections allow Hermès objects to remain desirable over the long term, thus extending their period of use.
- Category 13: Downstream leased assets

Hermès' greenhouse gas (GHG) emission reduction objectives are consistent with the data in its GHG emissions inventory and cover direct emissions (scope 1), indirect emissions related to energy (scope 2) and other indirect emissions (scope 3).

2.1.2.1.10 GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

As part of its ambition to contribute to carbon neutrality by 2050, Hermès is focusing on reducing emissions in its own value chain, which requires organisational and technological changes, both internally and with suppliers (as presented in § 2.1.2.1.6).

In addition to this commitment, Hermès uses carbon credits, based on so-called "nature-based [1]" solutions through natural capture mechanisms (for example, planting) or emission-avoidance mechanisms with the implementation of large-scale projects that take time to set up over the long term.

This carbon credit strategy is therefore gradual for two main reasons:

- on the one hand, so that the priority remains the allocation of human and financial resources to reducing emissions;
- on the other hand, to build projects with local communities, in compliance with Hermès' quality and ethics requirements, which require time.

Hermès wishes to contribute in a proactive way to collective carbon neutrality by 2050, by putting its investments in carbon credits into perspective with the level of its emissions. Since 2019, Hermès has used voluntary carbon credits for its scopes 1 and 2 emissions and, since 2022, this target also includes emissions from scope 3 upstream and downstream transport. In 2024, the use of Hermès' voluntary carbon credits represented 15% of its global emissions. Hermès purchases carbon credits directly from the companies in charge of the projects, which cancel them on behalf of Hermès. These credits come from projects with strong environmental and social requirements and are certified by the most demanding standards on the market.

In addition, and in addition to this carbon credit strategy, Hermès is continuing its studies, work and investments to achieve a "net zero" objective (using the SBTi standards) by 2050 and has begun in particular to update the file to be submitted to SBTi by integrating the changes to the standard (including FLAG).

1. *Nature-based solutions are defined by the International Union for the Conservation of Nature (IUCN) as actions that rely on ecosystems to meet global challenges such as the fight against climate change, management of natural risks, health, access to water, food safety, etc.*

High environmental and social contribution projects including the Livelihoods carbon funds

Since 2012, Hermès has been a partner of the Livelihoods Carbon Fund (LCF), which aims to improve the living conditions of disadvantaged communities in a sustainable manner by developing large-scale projects with real impact against climate change and simultaneously contributing to local populations and the restoration of biodiversity. Ecosystem restoration, agroforestry and conservation agriculture have the ability not only to sequester carbon sustainably, but also to enable nature and communities around the world to thrive.

The Livelihoods Funds aim to be a start-up investor (with an entrepreneurial approach and investment risk) in three types of projects (ecosystems, agroforestry and energy) in Africa, Asia and Latin America as well as in France. The funds, launched successively, include 20 partners in their LCF1, LCF2 and LCF3 compartments. The initial duration of the funds is 24 years, and the duration of a project varies between 10 and 20 years. By participating in these three funds for 12 years now, Hermès is committed to local economic development, the protection of biodiversity and the fight against climate change. More than €290 million have thus been collected by these funds to help disadvantaged communities, the fight against climate change and the protection of biodiversity.

Details of the projects are presented on the page https://livelihoods.eu/portfolio/.

In 2024, the projects that issued carbon credits for Hermès are as follows:

Fund	Project	Country	Type	Verifier
LCF1	Hifadhi 1	Kenya	Rural energy (stoves)	Gold Standard
	Tiipaalga	Burkina-Faso	Rural energy (stoves)	Gold Standard
LCF2	Chitetezo	Malawi	Rural energy (stoves)	Verra
	Hifadhi 2	Kenya	Rural energy (stoves)	Gold Standard
EcoAct	Masaka	Uganda	Rural energy (stoves)	Gold Standard

In addition to its investment in the Livelihoods carbon funds, and to meet its commitments, Hermès has also chosen to support projects proposed by EcoAct. One of the projects selected, which makes it possible to obtain Gold Standard certified carbon credits, is located in Uganda, and consists of equipping local populations with improved cooking stoves, avoiding the use of charcoal and consequently deforestation and improving air quality inside homes.

The table below summarises all cancelled carbon credits:

Carbon credits cancelled in the reporting year	2024
TOTAL *(in k tCO_2eq)*	**113**
Share from removal projects *(%)*	0
Share from reduction projects *(%)*	100
Gold Standard (%)	*87*
Verra (%)	*13*
Share from projects within the EU (%)	*0*
Share of carbon credits that qualify as corresponding adjustments (%)	*0*

Given the long lifespan and the complexity of the projects in which Hermès is committed through the Livelihoods funds (from 10 to 20 years), it is not possible to communicate specifically the number of credits whose cancellation is planned in the future. This information will therefore not be published in this report.

2.1.2.1.11 Internal carbon pricing (E1-8)

As part of its transition plan, Hermès has decided to no longer use gas or any other fossil fuels as an energy source for any new industrial investments, unless this is proven technically impossible. Any investment decisions are guided by this intention. Moreover, Hermès has also defined an internal carbon price, making it possible to compare different pieces of equipment and different technical solutions (industrial, real estate, transport) in notional form. In order to set the most relevant amount for the House, the price was calculated on the basis of internal simulations and compared to a sectoral CDP benchmark. Set since 2021 at €40 per tonne of CO_2 equivalent, it may change according to economic conditions and its revaluation is subject to the assessment of the Sustainable Development Board.

2.1.2.2 POLLUTION (ESRS E2)

Thanks to its craftsmanship model, Hermès stands out for pollution impacts that vary in materiality depending on the subjects and their positions along the value chain. This is even more true in relative value (see § 2.1.1.6). However, the métiers are working to control their risks in this area through the actions set out below.

2.1.2.2.1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities (ESRS 2 IRO-1)

The process for performing the double materiality analysis and identifying impacts, risks and opportunities is set out in § 2.1.1.3 “Description of the processes to identify and assess material impacts, risks and opportunities” and § 2.1.1.4 “Group risk management framework”.

As detailed in § 2.1.1.5 "Strategy, business model and value chain" and § 2.1.1.6 "Impacts, risks and opportunities and their interaction with strategy and business model", Hermès’ sustainable development roadmap and business model include considerations related to pollution.

Hermès assessed the relative importance of pollution in its own activities and in its upstream and downstream value chain. The interface with nature in its own activities and upstream of its value chain takes place at the level of certain métiers and activities as specified below. In particular, the Group used the SBTN (Science Based Targets for nature) approach to identify sites at risk of pollution in its operations and upstream value chain (approach detailed in § 2.1.2.4). The Group has not identified any risk, opportunity or material impact relating to the issue of pollution and in connection with its customers. In addition, given its business model and throughout its value chain, the Group has not identified material impacts, risks or opportunities under the sub-topics “pollution of air”, “pollution of living organisms and food resources” or “microplastics”.

With regard to external stakeholders, the Dreal (Regional Department for the Environment, Planning and Housing), which is responsible for these issues in France, was a key player whose voice was heard in this process. Due to the existence of discharge agreements with the operators of municipal treatment plants, the towns in which the industrial sites are located are also stakeholders whose opinions are sought on issues related to pollution (see § 2.1.3.3.1).

In Portugal, discussions take place with the Portuguese Environmental Agency (APA) and the Commission for Coordination and Development (CCDR). In Italy, the site has several “permits” relating in particular to emissions to water, air and safety in general. Ordinances are prescribed jointly by the local authority and the province. For the United States, the site also has municipal and State approvals. Lastly, in Australia, sites have an Environmental Permit Licence (EPL) and are required to periodically send the results of wastewater measurements to the authorities.

More broadly, in terms of controlling the risks of water and soil pollution related to the use of chemical products, and in particular for regulatory monitoring purposes, the Group works mainly with sectoral professional organisations, as described below:

- coordination of the Colbert Committee’s “Chemical regulations” working group;
- participation in the “Regulations” working group of Francéclat (Porcelain, Silversmith), the BJOP (Jewellery, Silversmith);
- regulatory review at least once a year with the Leather Technical Committee, the French Institute of Textiles and Apparel, the Professional Chamber of Porcelain, Pottery and Earthenware, the French Union of Jewellery, Silversmiths, Stones and Pearls, the Glass and Crystal Federation and the Watchmaking Federation;
- taking into account the monitoring prepared by a specialised service provider (Bureau Veritas) on certain products;
- update twice a year, with all the House’s subsidiaries, on the regulatory changes relating to products in each country. Any incidents are dealt within these meetings.

ACTIVITIES WHERE POLLUTION IS MATERIAL (GROSS RISK) DUE TO THE EXISTENCE OF AN INTERFACE WITH NATURE

Activity	Value chain	Materiality of water pollution	Materiality of soil pollution
Tannery	Own and upstream operations for certain suppliers in the upstream value chain	Yes	No
Textile	Own and upstream operations for certain suppliers in the upstream value chain	Yes	No
Cristalleries	Own operations	Yes	No
Manufactures de Métaux	Own operations	Yes	No
Farms	Own and upstream operations	Yes	Yes
Raw materials	Upstream agriculture	No	Yes

2.1.2.2.2 Material impacts, risks and opportunities identified (ESRS E2 SBM-3)

	IRO title	Nature of IRO	Scope	Time horizon	Potentiality of impacts	Policy
PLANET						
Environment						
Resource and waste management						
6	Impact of aquatic pollutants from the Group's operations on workers' health and safety	Negative impact	Tanneries, Textiles, Crystal works, Metals, Farms	Short term	Potential	Environmental policy Responsible purchasing policy Supply chain brief
7	Impact of aquatic pollutants from the Group's operations on the environment	Negative impact	Tanneries, Textiles, Crystal works, Metals, Farms	Short term	Potential	
8	Impact of soil pollution due to the Group's activities	Negative impact	Upstream value chain, Farms	Short term	Actual	
9	Contribution to soil protection through support for supply chains	Positive impact	Upstream value chain, Farms	Long term		

Impact of aquatic pollutants from the Group's operations on workers' health and safety:

Hermès recognises the importance of managing chemical products, in particular Substances of Very High Concern, some of which may be aquatic pollutants, and present risks for the Group's workers when they are in use.

Impact of aquatic pollutants from the Group's operations on the environment:

These same chemicals, and more specifically Substances of Very High Concern, may have impacts on the environment when they are present in water discharges.

Impact of soil pollution:

The livestock activity on Hermès farms generates organic waste, which may have an impact on soil pollution which may impact soil pollution when this waste is used for irrigating surrounding crops. The raw materials supply chains can also have an impact on soil quality (livestock farming, cultivation, extraction).

Positive contribution to soil protection through support for its supply chains

Hermès can contribute to soil protection in its farms and upstream value chain by favouring, as part of its sourcing practices, materials from sustainable supply chains adopting virtuous agricultural practices.

2.1.2.2.3 Policies related to pollution (E2-1)

The environmental policy is part of the Group's sustainable development strategic framework. Under the responsibility of a member of the Executive Committee, the policies conducted by Hermès in terms of preventing and combating pollution aim to control and limit their impact on the environment, whether in terms of water, soil or air (even if the latter subject is less material). Hermès ensures the regulatory compliance of its products in all countries where it operates. The environmental policy also aims to prevent pollution-related incidents and emergencies in own operations. It implements the necessary actions to control and limit their impact on people and the environment if they occur.

In concrete terms, Hermès implements processes to manage the different types of pollutants within its operations. As the environmental impacts of tertiary activities and stores are not material, the Group's priority actions are focused on the industrial scope.

- Industrial water discharges: Hermès follows the destination of its water discharges in coordination with local water treatment systems and bodies, monitors quality parameters to ensure their environmental compliance and respect for the receiving environment [1] and implements procedures and technologies to constantly improve the reduction of polluting loads [2] and improve the quality of water discharges. This is reflected in the control of these water discharges through a policy of developing WWTPs (wastewater treatment plants) at site outlets, with additional loads in most cases then being treated by municipal WWTPs.
- Pollution of soil: the subject appears in particular in the Hermès value chain, it is not covered by the scope of this policy and is the subject of specific action programmes with the Group's suppliers, notably through certification. This subject is also covered by the SBTN approach (see § 2.1.2.2.4) . For farms, the subject is taken into account as part of the suppliers' environmental plan.
- Management of chemical products and inflow materials: Hermès complies with the strictest international standards. The aim is to prevent chemical risks while prohibiting or limiting the use of substances of concern. Each Hermès site implements a procedure for managing chemical products and chemical risk, defining in particular the rules for the admission of chemical substances, inventory management procedures, methods of use of chemicals in processes and end-of-life of chemicals in accordance with applicable regulations. With regard to inflow materials, Hermès distributes a "Restricted Substances List" (RSL) to its suppliers, updated each year, which lists all the requirements in terms of substances, limits and laboratory control methods. Regular checks of the compliance of inflow materials and outflow products are carried out including tests, audits and blocking in the event of non-compliance.
- Air emissions excluding greenhouse gases: air emissions from manufacturing sites are related to the operation of furnaces, boilers, surface treatment activities, dry degreasing activities, spray booths, as well as the use of solvent-based products. Depending on the activity and regulations, manufacturing sites monitor the relevant parameters and set up systems to reduce or treat these discharges. It is important to note that the impacts and risks regarding air pollution are limited given the Group's activities (as specified in § 2.1.2.2.2).

In addition, Hermès' health and safety policy (see § 2.1.3.4.3) aims to protect the health of workers from potential risks related to the use of chemical substances in the workplace. In practical terms, it is based particularly on French and European regulations, which aim to control and protect human health and the environment against the risks related to chemicals by eliminating the most harmful substances and to guarantee that defined thresholds are not exceeded in finished products. The Group scrupulously complies with these regulations. When standards outside the EU are even more demanding, they are adopted.

In addition, to implement the Hermès policy for the management of the risks of water and soil pollution related to the use of chemical products operationally, the Group acts after having carried out a regulatory watch conducted by different players in order to validate the products from a regulatory point of view by:

- annually updating the "Restricted Substances List" (RSL) for inflow materials, taking into account all the results of the regulatory watch. This list includes compliance with the most stringent product regulations in the world, based on all countries to which Hermès exports products;
- testing all inflow materials and finished articles (in-house and/or externally), in qualified laboratories, on the technical criteria and in accordance with the standards described in the Group RSL.

In addition, Hermès has introduced preventive processes to limit or prohibit certain substances. These include discussing and signing with the supplier the product specifications, which contains all relevant regulations, technical requirements and control methods.

Lastly, with regard to the upstream value chain, in addition to the CSR brief shared with all partners, the Supplier code of conduct, the supply chain briefs and the responsible purchasing policy specify the Group's expectations with regard to its suppliers in terms of the fight against pollution. All of these policies are part of the Group's sustainable development strategic framework. In particular, in order to prevent and reduce impacts, the Group is implementing certification requirements and is also working with stakeholders in its value chain as part of the implementation of the SBTN approach.

1. *Receiving environment: aquatic ecosystem into which treated or untreated wastewater is discharged. A receiving environment generally corresponds to part of a body of water or an area of water supply.*
2. *Reduction of polluting loads: all techniques and processes applied to reduce the quantity or concentration of polluting substances in a given ecosystem.*

2.1.2.2.4 Actions and resources related to pollution (E2-2)

Actions to avoid water and soil pollution, including actions for the gradual elimination of substances with negative impacts

OWN OPERATIONS

Hermès aims to go beyond the regulations in force in reducing the use of hazardous substances whenever possible. Most sites are subject to European regulations, which are some of the strictest in the world. The House's internal requirements, for its own operations, and the RSL, for suppliers, also impose limits that are sometimes stricter than the law. Each Hermès site implements a procedure for managing chemical products and chemical risk, defining in particular the rules for the admission of chemical substances (prohibition or restriction of certain substances, checking of safety data sheets), inventory management procedures, methods of use in processes and end-of-life of chemical products. The aim is to prevent the associated chemical risks while limiting or prohibiting the use of substances of concern. Regular audits are carried out by Hermès in all entities to ensure compliance with existing regulations in terms of chemical product management (in particular, REACH [1]).

The Hermès Group's RSL includes all substances that are or could be used in its products. For each substance, the most stringent regulations in the world are systematically adopted. The aim is to produce products that comply with regulations, regardless of the country in which they are sold. The Group's list of substances, the permitted limits, as well as the control standards are common to the production units and apply to the suppliers. Nevertheless, it is not made public in order to preserve the confidentiality of certain proprietary processes.

The regular and in-depth audits carried out by Hermès in all entities, as well as the appropriate frequency of checks on inflow materials and finished articles, ensure that any use of chemical substances banned by REACH-type regulations, for example in a French or European tannery, is immediately revealed.

The choice of chemical reduction and/or elimination projects is mainly based on an analysis of future regulatory changes. It is in this spirit that the Group conducts a very strict regulatory watch, both in France and abroad.

When a probable change in regulations is identified for a substance or a family of substances, an estimated decision schedule is drawn up in order to set out the work to be carried out and the timetable.

UPSTREAM VALUE CHAIN

Hermès has set up a third-party certification objective for each of its main purchasing supply chains, which also includes aspects related to the use of chemical products. The Group also relies on the savoir-faire of its suppliers, who themselves usually benefit from recognition such as the EcoVadis gold rating.

As stated above, the requirements are identical in the upstream value chain to those for own operations. More specifically, the RSL (which includes this regulation of substances) is shared with suppliers. The approval of products manufactured by suppliers follows exactly the same pattern as products manufactured by the Group. As an example, the Leather métier purchases hides from the Group's tanneries, but also some of its needs from external tanneries, with identical specifications regardless of the source. The main chemical risk management tool is the RSL. An accurate and exhaustive reflection of the most demanding regulations worldwide, it lists all the requirements in terms of substances, the limits set, and the corresponding laboratory control methods. The procedure begins with the sharing of this document with the supplier, then follows a formal agreement from the supplier, and it is completed by an approval check of the first products delivered. Lastly, checks are carried out at an appropriate frequency throughout the manufacturing phase.

For all Tier-1 supplier sites located in France and Europe, labour legislation requires a chemical risk analysis and the implementation of measures to protect workers. Regular audits verify that each entity is fully aware of the regulations to which it is subject, that the necessary means to comply with them are in place, and that regular checks make it possible to ensure that these methods are working. The national regulator also imposes a limit on chemical substances released into the air, effluents and soil. For the small number of suppliers further afield, mainly materials suppliers, regular audits are conducted to verify their regulatory compliance, in terms of health and safety, as well as the environment. In the event that local legislation does not exist or is insufficient, Hermès helps its suppliers to adopt and comply with European standards.

Actions to reduce water pollution complying with best available techniques implementation requirements

OWN OPERATIONS

As specified above, the Group controls its water discharges through the implementation of a system of installing wastewater treatment plants. To date, a total of 20 units use treatment techniques adapted to the nature of the discharges and the destination of the treated water.

- primary treatment or pre-treatment (mechanical operations; screening, filtering, settling, etc.) in order to eliminate suspended matter: 10 plants;
- secondary treatment (biological treatment – bacteria, or primary physico-chemical treatment – flocculation, settling, formation of primary sludge): 4 plants;
- tertiary treatment (with, for example, microfiltration, ultrafiltration, nanofiltration, reverse osmosis, filtration on granular media, infiltration-percolation, targeted treatment – nitrogen, chlorine disinfection, ozone, UV, dephosphatation, activated carbon): 6 plants;

1. *REACH: Registration, Evaluation, Authorisation and Restriction of Chemicals.*

In specific cases and in order to achieve the water quality necessary for its reuse in production, plants using quaternary-type treatment may be installed.

Depending on the activity, regulations and agreements signed with the operators of municipal wastewater treatment plants, the manufacturing sites monitor various parameters (temperature, pH, suspended solids, etc.).

The activity sites (Tanneries, Textiles, Crystal, Metals, Farms) represent the entire issue of water quality preservation. They include their own wastewater treatment plants, including filter gardens. These plants treat 90% of the total quantity discharged by Hermès. As a reminder, the difference relates to water sent directly to municipal treatment plants as required by the authorities.

FOCUS ON THE ACTIVITIES MOST AFFECTED IN TERMS OF WATER POLLUTION RISKS

Tannery

Each tannery is equipped with an effluent treatment station and verifies that its industrial emissions comply with the applicable regulations. These points are systematically reviewed and audited as part of LWG (Leather Working Group) certifications. Regulatory inspection reports, as well as improvement projects, are submitted to the local authorities on a regular basis. As a reminder, the tanneries are solely located in France (six sites) and Italy (one site), and their stringent regulations are subject to frequent controls. In accordance with these regulations, the Group monitors, among other measures, the biological and chemical oxygen demands of its discharged water and ensures that they do not exceed the thresholds set by prefectural orders. **To date, 100% of water is treated internally** and most of this water enters the municipal network for further treatment in the municipal stations. The discharges from a single tannery following treatment go directly into the natural environment in accordance with local regulations.

Overall, the Group is constantly monitoring scientific and regulatory developments in order to adapt the products it uses throughout the hide tanning process.

Textile

Three main sites making water withdrawals in the Textile division (representing more than 95% of the métier's water discharges) are subject to daily self-monitoring of effluents. To ensure the reliability of these data, audit and calibration plans are regularly implemented and monitored.

The AEI and Ateliers AS sites, whose effluents are treated by the municipal WWTP, are gradually being equipped with physical and physico-chemical pre-treatment plants that will improve the quality of the water discharged, while incorporating the possibility of reusing manufacturing water in processes.

Crystal manufacturing

The water discharged comes from acid effluent neutralisation plants, treatment plants by settling for suspended solids and a plant and mineral treatment for all flows:

Cristalleries Saint-Louis have implemented an innovative solution using the phyto-restoration technique to treat part of the discharged water. Requiring no input of energy or chemicals, the “Jardins de Saint-Louis” provide optimal water purification and their performance is superior to that of a traditional physico-chemical installation. This solution is based on a triple device of filtering basins:

- plant filters, reeds of the phragmites family, planted in peat, can trap suspended matter and nitrogenous pollution;
- mineral filters, surrounded by perennial herbaceous plants (miscanthus) then trap the soluble metal compounds by drainage; lastly,
- plantations of endemic species complete the device and integrate into the landscape.

Regular monitoring of the quality of these discharges following treatment demonstrates its effectiveness.

Manufacture de Métaux

Regarding the management of discharges to water, the production units specialising in the surface treatment of metals are adopting an ambitious “zero discharge” policy. To this end, their sites are equipped with stations incorporating ion exchange resins and evapo-concentrators, which recycle water in a closed circuit.

ACHIEVEMENTS IN 2024

Tannery

Work to modernise the wastewater treatment plants continued at Tanneries du Puy, Tannerie d'Annonay, Tannerie de Montereau, Mégisserie Jullien, Conceria de Cunéo and Tannerie Gal.

Textile

The wastewater treatment plant at Ateliers AS (located in Pierre-Bénite, France) was commissioned, and includes some water recycling to processes to reduce withdrawal. Modernisation of the effluent treatment equipment at Atelier d’Ennoblissement d’Irigny (AEI) (France) was carried out.

Manufacture de Métaux

Maintenance and modernisation work was carried out at the Champigny-sur-Marne, Châtillon-le-Duc and Fundao treatment plants, including the partial reuse of treated water in other areas of the sites.

Actions to reduce soil pollution on the farms and in the upstream value chain respecting the implementation requirements of the Best Available Techniques

Farms

In Australia, part of the water discharged from livestock farming is reused through irrigation projects after undergoing physical pre-treatment. All of the agricultural water discharged by one of the farms is notably reused to irrigate sandalwood trees in partnership with Hermès Perfume and Beauty. In this way, in a few years, it will be possible to harvest the wood essence in a circular manner, as a raw material for their formulations.

Irrigation systems are also set up on other farms to produce fodder for local farmers or to irrigate sugar cane plantations on neighbouring agriculture farms in an industrial ecology scheme.

Upstream value chain

In accordance with its policy to reduce soil pollution in the upstream value chain, Hermès asks its suppliers to put the necessary actions in place to obtain specific certifications by sector. Some of these cover soil pollution; for more details, see § 2.1.2.5.

Results of pollution avoidance and reduction actions

No incident-related pollution was observed in 2024. Given that Hermès did not receive notice of any administrative non-compliance relating to pollution during this period, it is considered that the preventive actions put in place meet the desired objective.

The significant actions carried out by Hermès and presented above have therefore made it possible to achieve the target of zero non-compliance in 2024.

2.1.2.2.5 Targets related to pollution (E2-3)

In terms of pollution, Hermès is firmly committed to ensuring compliance with regulations in its operations and value chain and, as such, has not set any specific internal objectives.

Consequently, for discharges into water, soil pollution and their respective loads, as well as for Substances of Concern and Substances of Very High Concern, the Group is aiming for zero non-compliance at all sites, with local administration orders setting the thresholds on a site-by-site basis, in a context of very demanding regulations.

Furthermore, given its value chain, the objectives set for supply chain certification are reflected in pollution objectives. Some of these certifications cover soil pollution. For more details, see § 2.1.2.5.6. In addition, as part of the SBTN approach, the Group is working to identify targets relating to soil pollution (see § 2.1.2.4.4).

2.1.2.2.6 Pollution of air, water and soil (E2-4)

Water pollution

There are two types of pollutants discharged into the natural environment after the various treatments applied to the water discharges from Hermès' sites: chromium and compounds [1], and phenols [2]. The total quantities discharged in 2024 were less than 1 tonne.

It should be noted that for all tanneries and farms, the compliance of water discharges is checked at a frequency that is often higher than that required by the authorities and adapted to the monitored parameters and regulations: half-yearly, quarterly, daily or continuous measurements. The control samples are analysed on site or in approved external laboratories. The results of internal analyses are compared once or twice a year with those obtained by an independent and certified laboratory. In the event of a deviation from regulatory requirements, precautionary measures are immediately taken and actions are implemented to return within the defined parameters. All information is quickly transmitted to the authorities as well as to the managers of the wastewater treatment plants in urban areas, most of the time using dedicated IT platforms. No non-compliance was recorded in 2024.

The numerous modernisation programmes for treatment plants at Hermès sites and the integration of new environmental criteria in the design of its production facilities should lead to a reduction in pollutant emissions into the water in the coming years, despite the changes expected in the company's industrial capacities.

Soil pollution

As mentioned above, this subject is concentrated in the Group's value chain and is notably monitored and measured as part of the implementation of the SBTN approach (see § 2.1.2.2.4).

2.1.2.2.7 Substances of concern and substances of very high concern (E2-5)

The Group's activities sometimes require the use of substances on the list of substances of very high concern. These substances are either used as such or present as impurities in mixes. As already specified, for each substance, the most stringent regulations in the countries where the Group is present are systematically followed. Hermès also works to limit the use of certain substances and to replace them where possible and in accordance with applicable regulations.

Thus, when a substance is identified as of very high concern, an action plan is drawn up aimed at:

- carrying out an inventory of items/processes that may be affected and conducting analyses if necessary;
- seeking alternatives when possible, which may require medium- to long-term R&D actions (in-house or externally) and significant process changes that take a long time to implement.

1. *CAS number: 7444-47-3 and Sandre number: 1389.*
2. *CAS number: 108-95-2 and Sandre number: 1440. Phenols measured and expressed as total C eq.*

Substances of Very High Concern – SVHCs	2024
Total quantity of SVHC generated or used during production, or purchased *(tonnes)*	148
Total quantity of SVHC leaving facilities in the form of emissions, products, parts of products or services *(tonnes)*	0.9
Quantity of SVHC leaving facilities in the form of emissions *(tonnes)*	0.1
Quantity of SVHC leaving the facilities as parts of products *(tonnes)*	0.8

The data in the table above cover a list of 12 substances on the list of substances of very high concern. The total quantity of SVHCs was calculated as follows: for the material scope, Hermès carried out an inventory of the chemical products purchased in quantities of more than 100 kg per reference, per site and per year. On the basis of this inventory and the Safety Data Sheets (SDS) sent with these products, Hermès identified and calculated the quantity of SVHC contained in these chemical products. The values from the SDS are often expressed with uncertainty (high and low ranges). Hermès used the high range for its calculation.

2.1.2.3 WATER AND MARINE RESOURCES (ESRS E3)

The control of water consumption, closely linked from an ecological and economic responsibility to the major global challenges faced today, is a goal shared by all the House's entities. Thanks to its craftsmanship model, Hermès stands out for its moderate consumption in absolute value. This is even more true in relative value. Water is barely used in the composition of products, other than in small quantities for perfumes and cosmetics. In addition, its consumption most often results from the evaporation of water or its presence in the sludge from treatment plants. In internal operations, the métiers are therefore working to control their respective withdrawals, through the actions detailed below.

2.1.2.3.1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities (ESRS 2 IRO-1)

The process for performing the double materiality analysis and identifying impacts, risks and opportunities is set out in § 2.1.1.3 "Description of the processes to identify and assess material impacts, risks and opportunities" and § 2.1.1.4 "Group risk management framework".

As detailed in § 2.1.1.5 "Strategy, business model and value chain" and § 2.1.1.6 "Impacts, risks and opportunities and their interaction with strategy and business model", Hermès' sustainable development roadmap and business model include considerations related to water and marine resources.

Hermès assessed the relative importance of water and marine resources in its own activities and in its upstream and downstream value chain. In the specific case of this ESRS (European Sustainability Reporting Standard), non-material topics were identified:

- water discharges in the oceans: the risks related to this issue are considered low and not widespread. This limited nature is not compatible with the spirit of the regulatory texts. Consequently, it was deemed non-material;
- extraction and use of marine resources: Hermès does not use commodities related to marine resources such as gravel or deep-sea minerals. Moreover, this issue was identified as non-material by the study conducted as part of the SBTN (Science Based Targets Network) approach (see § 2.1.2.4.2).

In addition, on the "water discharge" sub-topic, it should be noted that the impacts, risks and opportunities related to this topic are dealt with in § 2.1.2.3.2, in the same way as freshwater-related topics. They are therefore considered in the materiality analysis under the topic "Preservation of air, water and soil quality".

The questionnaires to which the Group responds make it possible to understand a significant number of external stakeholders' expectations. These include the CDP Water Security questionnaire.

Furthermore, and as indicated above (see § 2.1.2.2.1), the Group holds discussions with many agencies: Dreal in France, AP and CCDR in Portugal, etc.

Hermès follows the requirements of all local authorities.

Additionally, in 2020, Hermès started discussions on this subject with WWF France (WorldWide Fund for Nature) as a non-governmental organisation (NGO). In this context, WWF France carried out a study based on the "Risk Filter" tool in order to supplement the risk analysis and enrich the action plans of the métiers.

Lastly, the World Resources Institute (WRI) has designed a tool called Aqueduct, which enables Hermès to update the level of water stress to which each of the Group's industrial sites is exposed each year.

2.1.2.3.2 Material impacts, risks and opportunities identified (ESRS 2 SBM-3)

	IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy
PLANET						
Environment						
Water and marine resources						
10	Impact on the environment from excessive pressure on water resources	Negative impact	Tanneries, Textiles Farms	Medium term	Potential	Environmental policy Responsible purchasing policy Supply chain brief Supplier code of conduct
11	Impact on local communities from excessive pressure on water resources	Negative impact	Tanneries, Textiles, Farms	Medium term	Potential	
12	Contribution to the protection of water resources in the value chain	Positive impact	Upstream value chain	Medium term		Environmental policy Responsible purchasing policy Supply chain brief

Impact on the environment via excessive pressure on water resources: in the event of excessive pressure, water resources can become scarce, impact the production of materials of natural origin and disrupt Hermès' business model. In this context, Hermès studies water withdrawal. Water is barely used in the composition of products, except for small quantities in perfumes and cosmetics.

Impact on local communities via excessive pressure on water: in the event of excessive pressure, conflicts of use (drinking, eating or production of materials) could occur between local communities, Hermès and its suppliers.

Group contribution to the protection of water resources in the value chain: given the efforts made by the Group in terms of responsible purchasing and the construction of supply chains that comply with the Group's requirements as described in the CSR brief, Hermès contributes to the protection of water resources in its upstream value chain.

Assessment of the materiality of the subject "Water and marine resources", in own operations as well as upstream and downstream in the value chain

STAGES THAT USE WATER DEPENDING ON THE MÉTIER

	Upstream	Own operations	Downstream
Leather	Livestock farming	Leather tanning	
Cashmere, Wool and fur	Livestock farming	Textile finishing and printing	Laundering of garments
Plant-based fibres	Cultivation of fibres		
Silk	Cultivation of mulberry trees		
Perfume and Beauty	Ingredient growing	Composition of products	

UPSTREAM

Upstream, given that Hermès' products are made of materials of essentially natural origin, water withdrawal and consumption are significant since they are necessary at various stages in order to produce these materials. In addition, climate change is an aggravating factor in terms of water availability.

To cover the issue of pressure on water withdrawal in the upstream value chain, the Group uses supply chain certifications. Some of them cover the subject of water resource conservation. For more details see § 2.1.2.5.6.

OWN OPERATIONS

Hermès sites draw water from natural environments and municipal water for their agricultural, industrial and sanitary uses. The volumes of water consumed are much lower than the volumes of water withdrawn since water is not used in the composition of the products.

Farms in the Precious Leathers métier, located in Australia and the United States, draw most of the water used by the Group for livestock farming purposes (agricultural water).

Behind these volumes, the other Hermès métier sites located in Europe, and more specifically in France, withdraw water for industrial use governed by strict legislation: it is used in material quantities in certain processes during the transformation of materials used in the manufacture of Hermès objects, whether for tanning, finishing or textile printing.

In addition to the use of the resource, the importance of this subject is also linked to the level of water stress in each region where the sites are located. This analysis is carried out each year for all of the Hermès Group's manufacturing sites and farms, using version 4.0 of the Aqueduct tool developed by the WRI (World Resources Institute) in 2023. The industrial sites where water is a material issue for the

environment and local communities have wastewater treatment plants, which in most cases include a water reuse project.

DOWNSTREAM

Water withdrawals downstream of Hermès' operations are non-material given the type of products marketed and their respective shares in Hermès' revenue.

2.1.2.3.3 Policies related to water and marine resources (E3-1)

Hermès operates within the strict framework of compliance with regulations, which, as a reminder, are very demanding in the countries where its production sites are located. In addition, to cover all material impacts, risks and opportunities, the environmental policy, developed with internal stakeholders, is part of the Group's sustainable development strategic framework and relates to the entire Group scope (own operations). In this context, the management of water, its treatment (see § 2.1.2.3), the prevention and reduction of pollution (see § 2.1.2.2) and lastly, the reduction of water withdrawal, are operational objectives for each métier and are applied to all sites (own operations). The Group industrial director, who reports directly to a member of the Executive Committee, coordinates water, industrial and agricultural issues. Objectives for this topic are validated and the achievements monitored by the Sustainable Development Committee. Each métier draws up action plans and presents the investment plans and resources required to achieve the Group's objectives to the industrial department. Major investments are approved by the Executive Committee, in particular the new wastewater treatment plants used to reduce the quantity of pollutants discharged and which, for the most recent facilities, enable the reuse of water and therefore reduce withdrawal. These investments are deemed to be a priority.

Hermès' environmental policy covers all sites and is committed to reducing material water withdrawals in all areas where the Group operates directly, including in at-risk areas. According to the experts who conducted the study described in the previous section, the sites located in water-stressed areas (during the year under study), mainly manufacturing sites, have low water withdrawal and consumption.

With regard to the upstream value chain (represented in § 2.1.1.5), in addition to the Supplier code of conduct, the responsible purchasing policy specifies the Group's expectations with regard to its suppliers in this area with the help of the supply chain briefs shared with all partners. The expectations listed in these documents incorporate the expectations of the Group's stakeholders whenever possible. The director responsible for coordinating the Group's direct purchasing, who reports to a member of the Executive Committee, leads work on water-related issues with the métiers and their materials suppliers in the upstream value chain. Objectives for this topic are validated and achievements monitored by the Sustainable Development Board. Each métier draws up action plans and presents the resources required to achieve the Group's objectives to the direct purchasing coordination department.

2.1.2.3.4 Actions and resources related to marine resources (E3-2)

As set out above, the Group has formalised a policy to reduce water withdrawals and subsequently encourage action plans adapted to industrial and agricultural uses, broken down by métier. These action plans are diverse and consist of actions to reduce water use through efficiency measures as well as actions to recover and reuse water in order to reduce withdrawal.

In line with these action plans, resources within own operations, whether financial or human, are not allocated as a priority to avoiding the use of water, an essential resource for the processes and well-being of the animals, however they are allocated to reducing withdrawal of the resource, in particular through efficiency measures and water recovery and reuse (see § 2.1.2.3.2). As an illustration of this approach, for certain sites in the textile sector, the reduction of water withdrawals is one of the criteria of the incentive scheme agreement (optional employee savings scheme that allows employees in France to participate in the results or performance of their company). In addition, an internal water price has been introduced with a notional price set at €1.5/m^3. No resources are currently allocated to the restoration and regeneration of ecosystems and bodies of water.

The actions described below are those continued in 2024 at Group level, first for industrial uses, then for agricultural uses.

Industrial water

Water for industrial use is predominantly (86%) used in two métiers, Tanneries and Textiles. The total volume withdrawn at manufacturing sites worldwide corresponded to 627.8 megalitres in 2024, mainly in Europe.

BREAKDOWN OF INDUSTRIAL WATER WITHDRAWALS BY MÉTIER IN 2024

Métiers	Water withdrawal 2024 (%)
Tannery	57%
Textile	29%
Other [1]	14%

(1) Leather, Metal, Crystal, Logistics, Porcelain, Beyrand, Watch division, Bootmaker, Silversmith.

In general, the management of water resources is based on actions consisting of the monthly monitoring of withdrawals and consumption, the roll-out of preventive maintenance programmes at facilities, regular checks and calibrations of meters, the installation of new sub-meters and the rollout of employee awareness programmes. Significant discrepancies unrelated to production differences are analysed and verified in order to locate and repair any possible leaks.

Only one site using water for its industrial activity is located in an area of water stress [1]. Withdrawal there is low (2.6 megalitres in 2024) compared to other industrial sites and its consumption is estimated at nil. This site has the same objectives for reducing water withdrawals as the others, *i.e.* 5% per year in intensity.

TANNERIES

Hermès operates seven tanneries, six in France (Annonay, Le Puy-en-Velay, Vivoin, Montereau, Bellac and Chabris) and one in Italy.

Water withdrawals and effluent treatment are major issues for tanneries. Historically located close to rivers, they use this resource for the tanning, dyeing and hide finishing processes. Water from the division's tanneries comes 60% from watercourses and boreholes. The rest comes from municipal sources.

In accordance with the Group's commitments to reducing water withdrawals by 5% per year in terms of intensity, the tanneries have launched ambitious programmes to reduce water withdrawals, which result in the optimisation of the quantities of water used for each hide treatment process and the improvement of the measurement of withdrawals thanks to connected management tools. These programmes also include the modernisation of water treatment plants and, secondly, the development of approaches for reusing wastewater for certain process operations.

In 2024, construction work on the new treatment plant at the Tanneries du Puy continued and the first stages of treatment began. The objective of this work is to implement circular water management with the target of reusing most of the water.

In Annonay, a project to reuse water from the municipal wastewater treatment plant downstream of the site is currently being studied: it could also make it possible to achieve at least 60% water reuse. Discussions with the authorities are continuing, illustrating an example of an innovative project carried out in consultation with the Group's stakeholders.

For more details on circular water management, see § 2.1.2.5.

TEXTILES

Water is an essential element in the printing and finishing stages of fabrics, in particular for the transfer of colours to textiles. Most water needs are covered by borehole water, significantly limiting the use of drinking water for industrial processes.

All craftspeople in the Textile métier undertake actions aimed at reducing withdrawals through the use of five main levers: monitoring and management of meters, raising awareness among teams, optimising processes, changing and modifying machines to enable solutions that consume less and implementing recycling solutions.

For a number of years, solutions to reduce water withdrawal have been gradually rolled out:

- the SIEGL site has activated the reuse of water and thereby reduced its withdrawals;
- the Ateliers AS plant came into service in 2024;

For more details on circular water management, see § 2.1.2.5.

Agricultural water

Actions relating to the management of water for agricultural use relate to the Farms division, comprising an alligator farm and a hide inspection centre in the United States, as well as four crocodile farms and two hide processing and inspection facilities in Australia.

Water is essential for livestock farming. The regular renewal of pool water and the control of its temperature are essential to animal welfare, and make it possible to prevent the proliferation of bacteria as well as to control the quality of the hides.

Agricultural water withdrawal	2024
In megalitres	5,018
Number of farms	5

The farms are located as close as possible to the natural habitats of crocodilians, aquatic animals, in areas that are not subject to water stress.

The American farm exclusively uses borehole water from hot springs, which allows it to significantly limit its energy requirements. In addition, it maps and precisely measures the various uses of water in order to better characterise the water source and reduce the demand on this resource.

The water used in the sites of the Australian division comes mainly from boreholes, while the use of municipal sources is limited. The balance comes from the recovery of condensation water from a sugar cane production unit located near one of the farms: this is an innovative industrial circularity operation, exchanging hot condensation water from the sugar refinery for farm effluents to irrigate the sugar cane crops in line with an agreement with local farmers.

1. *Four other sites are also located in water-stressed areas; they do not use water in their industrial processes; their consumption is presented in the table in section E3-4.*

The water from the basins, mainly high in organic matter, is returned to the natural environment as far as possible for the irrigation of neighbouring crops, in compliance with local regulations: in Australia, part of the water discharged by farms is reused for irrigation purposes. The water from one of these farms is reused to irrigate a sandalwood plantation in collaboration with Hermès Perfume and Beauty. This circular project aims to make this farm a supplier of raw materials to other divisions within 15 years, as Hermès' perfumes use sandalwood essence in their formulation. On another farm, water is reused to irrigate a mixed plantation. Finally, actions are underway to recycle some of the wastewater on another farm in this division after treatment.

Lastly, a study is currently underway to identify actions that can be taken to reduce water use on farms while respecting animal welfare.

2.1.2.3.5 Targets related to water and marine resources (E3-3)

The objectives relating to water resources are as follows:

Industrial water

For industrial sites, as water is not used in the composition of products, except in small quantities in the Perfume and Beauty métier, water consumption is the difference between the water withdrawn and the water discharged, *i.e.* water that is lost during the industrial process through evaporation and integration into the sludge associated with its treatment. Conversely, rain can increase the volumes discharged from open-air treatment plants.

The objectives are therefore to reduce withdrawal through three actions:

- continue the decoupling of industrial water withdrawal from business growth;
- reduce industrial water withdrawal by 5% per year in intensity (m^3/€M of revenue, at constant scope) on a voluntary basis over the period from 2018 to 2030, with increased attention on sites located in areas of water stress;
- implement a multi-stakeholder approach and build with external stakeholders (regional departments, municipalities or professional associations) strategies to optimise water management and the quality of discharges

This objective is relevant in view of the trajectory observed *a posteriori* over the last 10 years in terms of reducing the intensity of industrial water withdrawals per year. Given the increase in activity, an intensity objective is more relevant than an absolute value.

While suppliers are required to implement concrete measures to measure, control and limit their water consumption, particularly in areas with high water stress, no quantitative targets have yet been set.

Agricultural water

An objective will be set upon obtaining the results of the afore mentioned study and that underway as part of stage 3 of the Group's SBTN (Science Based Targets Network) commitment.

2.1.2.3.6 Water consumption (E3-4)

Over the last 10 years, water withdrawals for industrial use (at constant scope) have decreased in intensity by 65.4%, thus confirming the performance of Hermès' trajectory in this area. This is the result of continued efforts to reduce water withdrawals on all the Group's manufacturing sites.

General data on the use of water resources	Industrial water	Agricultural water	Total
Water withdrawal (megalitres)	**627.8**	**5,017.7**	**5,645.5**
Water discharges (megalitres)	**612.9**	**3,751.8**	**4,364.7**
Water consumption (megalitres)	14.9	1,265.9	1,280.8
Water consumption in areas of water stress, including areas of high water stress (1) (megalitres)	1.3	0	1.3
Recycled water (2)(megalitres)	**662.5**	**-**	**662.5**
Reused water (megalitres)	-	907.8	907.8
Stored water (megalitres)	Not applicable	Not applicable	Not applicable
Change in water storage (megalitres)	Not applicable	Not applicable	Not applicable

	2024
Water intensity (m^3 of industrial water/million euros turnover)	41

1. *Only four sites located in water-stressed areas have non-zero water consumption; nevertheless, consumption is low because these sites do not use water in their industrial processes, it is only used for sanitary purposes.*
2. *The use of recycled water replaces withdrawal. The same quantity of water can be recycled several times.*

2.1.2.4 BIODIVERSITY AND ECOSYSTEMS (ESRS E4)

Maintaining an environmental setting conducive to human life and the development of the Group's economic activities requires protection and respect for biodiversity. Hermès is working to protect biodiversity and ecosystems in its direct sphere of responsibility, in its extended sphere of influence, and through voluntary commitments reaching beyond its economic sphere of influence.

2.1.2.4.1 Consideration of biodiversity and ecosystems in strategy and business model (E4-1)

Hermès recognises its dependence on natural ecosystems for the supply of essential raw materials for its products. Aware of the related risks, the Group proactively assesses and manages these risks, using the methods and tools described in the following section and based on science. The material biodiversity risk on the resilience of Hermès' strategy and business model lies in the supply of raw materials. This risk is fuelled by the degradation of biodiversity and the ecosystems supporting the Group's natural raw material chains. This risk is therefore closely linked to resources. The response tools are listed in § 2.1.2.4.3 and supplemented in § 2.1.2.5, in particular for tools and actions for the natural materials sectors. Hermès is thus striving to strengthen the resilience of its strategy and business model in the face of systemic, physical and transition risks associated with biodiversity and ecosystems.

Hermès assesses the impacts of its activities on biodiversity as well as the risks related to the erosion of biodiversity on its business model, in particular on its supply chains. The Group considers physical, systemic and transition risks. The House's approach is based on an operational strategy with four pillars (training its employees, working with the best experts, scientifically assessing the issues, and acting on ranked priorities). This strategy was validated by a panel of experts within the act4nature international initiative (1), and taken up by the Business for Nature initiative (2). It is based on two recognised scientific approaches. On the one hand, the Global Biodiversity Score (GBS), an impact measurement tool developed by CDC Biodiversité, and on the other hand, the five-step approach of Science Based Targets for nature (SBTN). Hermès is aligning its work with the Kunming-Montreal Global Biodiversity Framework and the French National Biodiversity Strategy for 2030. In addition to the SBTN approach, the Group also selected a number of other frameworks based on their pragmatism, their scientific relevance and their visibility with the stakeholders concerned, such as those of the Taskforce On Nature-Related Financial Disclosures (TNFD). For more details, see § 2.1.2.4.3.

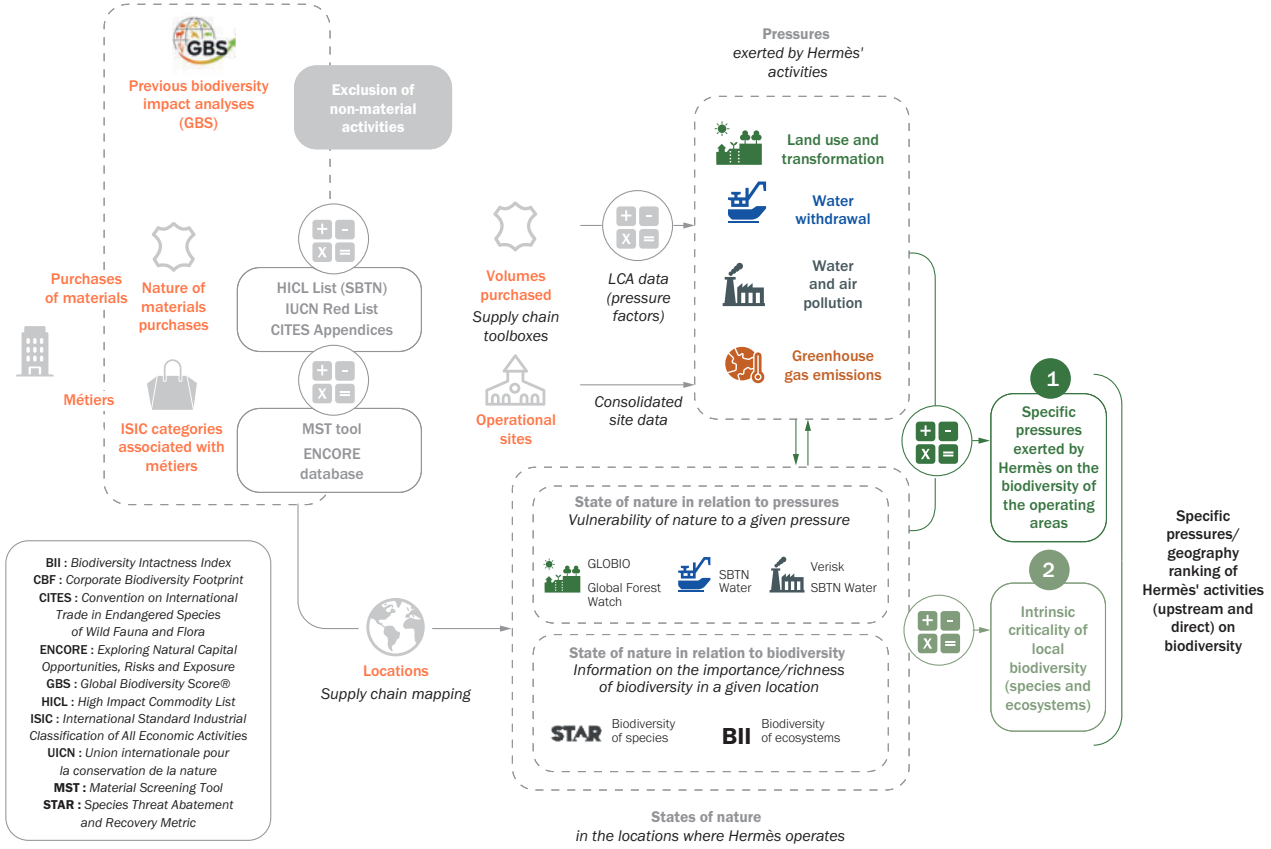
The Science-Based Targets Network was created in 2019 and brings together more than 50 organisations. This network defines five steps for setting Science Based Targets for Nature (SBTN), namely: (1) assess, (2) interpret and prioritise, (3) measure, set and disclose, (4) act, (5) track.

In 2023, Hermès joined the SBTN Corporate Engagement Programme and WWF France's Capital Lab Naturel with the aim of implementing the method across all of the Group's activities. In 2023, the Group applied the SBTN method to the first two steps for which the guidelines were available, with the help of its external partners. The Group is one of the pioneers on the subject of biodiversity by joining the first 130 companies that are officially applying this approach. The SBTN approach will eventually enable the Group to draw up a comprehensive nature transition plan using a scientific approach.

SBTN approach

Upstream of step 1, a preliminary scoping step made it possible to precisely define the scope of the study. In accordance with the expectations of the SBTN approach, the direct activities of the 16 Hermès métiers and, for the upstream supply chain, all raw materials supply chains, were taken into account in the analysis. The objective was to best cover these sectors and their specific features in step 1 (according to the availability of pressure and location data) and to have the most exhaustive vision of the impacts of Hermès' activities on nature. These impacts were grouped according to the pressures defined by the IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services). The chart below presents a summary of the data and tools used by Hermès in steps 1 and 2, which are detailed in the following section.

1. *https://www.act4nature.com/en/*
2. *https://www.businessfornature.org/*



Steps 1 and 2 applied to Hermès

Step 1 of the SBTN is a step to assess the pressures exerted by companies on biodiversity, which is broken down into two sub-parts:

- (1A) identify the main pressures that the company is likely to have on nature, according to its sector of activity;
- (1B) estimate the pressures on nature and identify the geographical areas in which these pressures are particularly harmful with regard to the state of nature.

Hermès compiled the list of material pressures for Hermès' 16 métiers by cross-referencing information from the sector materiality tool (Materiality Screening Tool - MST) proposed by the SBTN. This exercise is supplemented by the ecosystem footprint measurements carried out by Hermès (GBS®, see § 2.1.2.4.2 below) and information provided by experts.

Step 2, which is highly technical, consisted of combining and interpreting the pressure and state-of-nature data modelled during step 1B in order to rank the priority sites and supply chains. This ranking will subsequently make it possible to set objectives for nature based on science, pressure by pressure, on priority scopes (step 3 of the SBTN framework) and in accordance with the hierarchy, to avoid, reduce and possibly offset - or rather contribute positively to targeted ecosystems.

To complete its quantitative knowledge of its biodiversity and ecosystem issues, in 2021, Hermès measured its footprint using the Global Biodiversity Score tool [1] proposed by CDC Biodiversité (a subsidiary of Caisse des dépôts), implemented with the support of WWF France and based on field, financial and theoretical data, a pioneering initiative at the time. This biodiversity footprint measurement approach is part of Target 15 of the Kunming-Montreal Agreement. The work was updated and supplemented in 2024, with a significantly more comprehensive methodology [2] using, for example, Agribalyse and an updated version of EXIOBASE, through an in-depth analysis of the results for the leather goods activity, which had been assessed as representing more than 50% of the Group's dynamic land footprint. For leather and related sectors, 11 value chains and 10 specific livestock farming regions, as well as certain strategic wood and wool sectors, were studied.

1. *https://www.cdc-biodiversite.fr/publications/2024_dossier49-global-biodiversity-score-2023-update/*
2. *https://www.cdc-biodiversite.fr/simplified-changelog-gbs/*

The GBS is a tool for assessing the biodiversity footprint of companies, which measures scientific results taken from observations, and not a quantification of actions that have been undertaken. The results are expressed in MSA.km2, where MSA is the average abundance of species (Mean Species Abundance), a metric characterising the integrity of ecosystems.

As described in the previous paragraphs, Hermès is also committed to market initiatives such as SBTN and act4nature and has made ambitious commitments and implemented concrete action plans, without having a formalised nature transition plan this year. Such formalisation will use the scientific bases that step 3 of SBTN should clarify.

2.1.2.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3; E4.IRO-1)

Sites near biodiversity-sensitive areas

Steps 1 and 2 of SBTN enabled Hermès to take into account, for its production sites, two state of nature indicators related to biodiversity, at the scales of species and of ecosystems. These two indicators reflect different dimensions of biodiversity and can therefore give significantly different results.

STAR is a tool developed by IBAT (alliance of Birdlife, UNEP, WCMC, Conservation International and IUCN) used to measure the potential reduction in the risk of species extinction that can be achieved at the company level. The metric used for this study is that of Threat Abatement (STAR-T), which highlights the regions for which actions in favour of biodiversity can have a significant impact on reducing the extinction of species. A high score indicates that the area contains a significant number of threatened species, a high proportion of endemic species or highly threatened species.

The Biodiversity Integrity Index (BII) developed by the British Natural History Museum assesses global biodiversity according to the abundance of species compared to their pre-industrial level. This index is used as an indicator of the state of the functional diversity of ecosystems, and therefore provides additional information to the species approach covered by STAR-T.

The values for the state of nature biodiversity metrics were obtained from the geographical coordinates of the Hermès sites and the maps available online for STAR-T and BII.

In accordance with the SBTN approach, the STAR-T and BII metrics were cross-referenced, using the most critical state of nature data for the sites. The critical data is the BII, with a precision of 1 km², and results in the classification below. STAR-T is only used as an information unit on threatened species.

Hermès identifies and prioritises its sites in biodiversity-sensitive areas according to the list below. The list was defined using two rationalisation criteria:

- the strong integrity of the immediate ecosystem of the sites demonstrated by a BII> 0.9;
- the recommendation of the SBTN approach to present the top 10 sites ranked by the method described above.

For sites with the same BII value (0.87), the site with the highest START-T value was used. The total surface area of these sites is 1 km2. This study makes it possible to define two pilot sites for the third step of the SBTN approach, which involves consultation with local stakeholders and experts, particularly in the field of aquatic ecosystems. Hermès will thus be able to better understand local ecological thresholds and set objectives related to the sharing of natural resources, particularly with regard to freshwater.

Name	Country	State of nature value	Metric used
Production site 1	France	1.01	BII
Farm 1	United States	0.97	BII
Farm 2	Australia	0.95; 422	BII; STAR-T
Production site 2	France	0.95	BII
Production site 3	France	0.94	BII
Production site 4	France	0.94	BII
Production site 5	Switzerland	0.93	BII
Production site 6	France	0.92	BII
Production site 7	France	0.88	BII
Production site 8	Portugal	0.87	BII

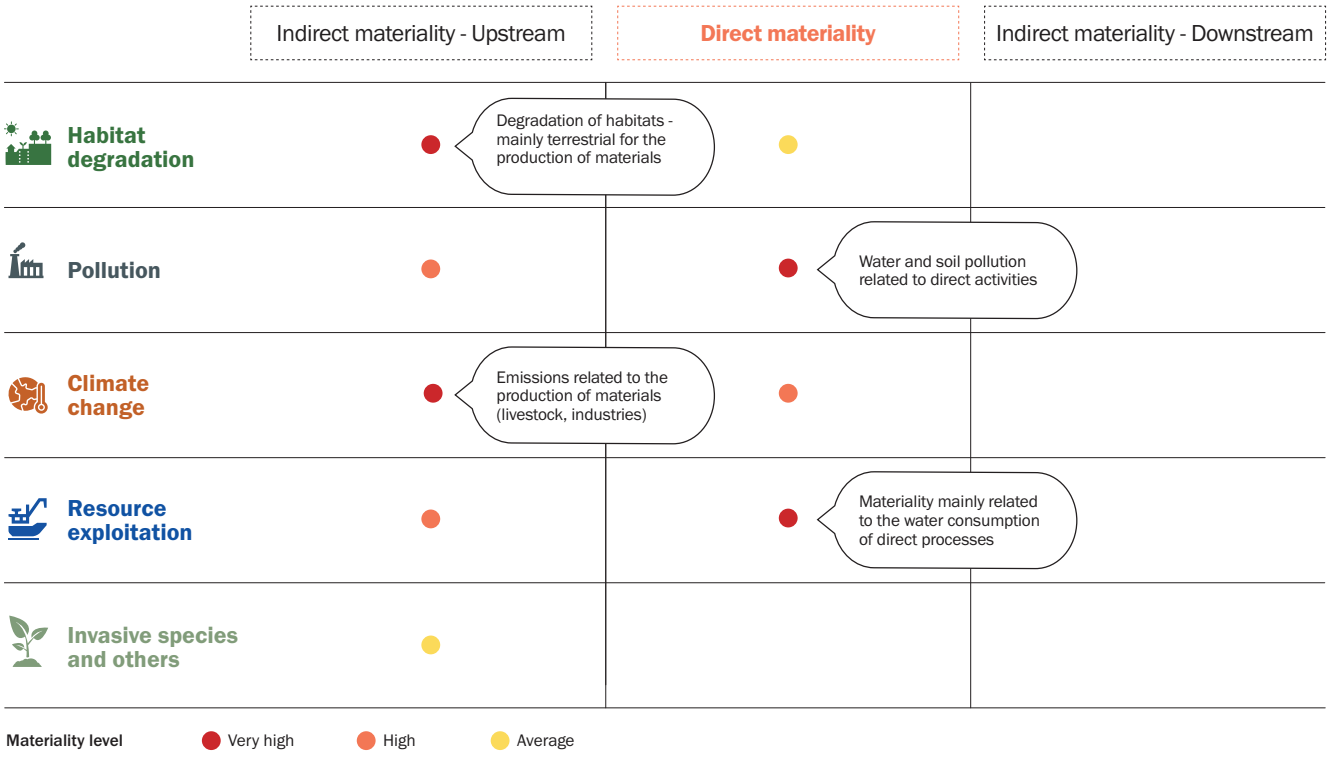
Impact, risk and opportunity management

Hermès used the SBTN method and the Global Biodiversity Score (GBS) tool to identify, rank and quantify significant negative impacts in relation to its direct operations and its value chain. Threatened species also fall under the scope of these assessments, as with the STAR-T analysis mentioned in the previous section. The impacts, risks and opportunities identified and the response provided are reported in table form with a description in the following section.

SBTN step 1 highlights issues located mainly upstream of the Hermès value chain, in particular in connection with the risks of degradation of habitats for the production of agricultural commodities (crops for textiles, food for livestock farming).

SUMMARY OF THE SECTOR MATERIALITY ASSESSMENT

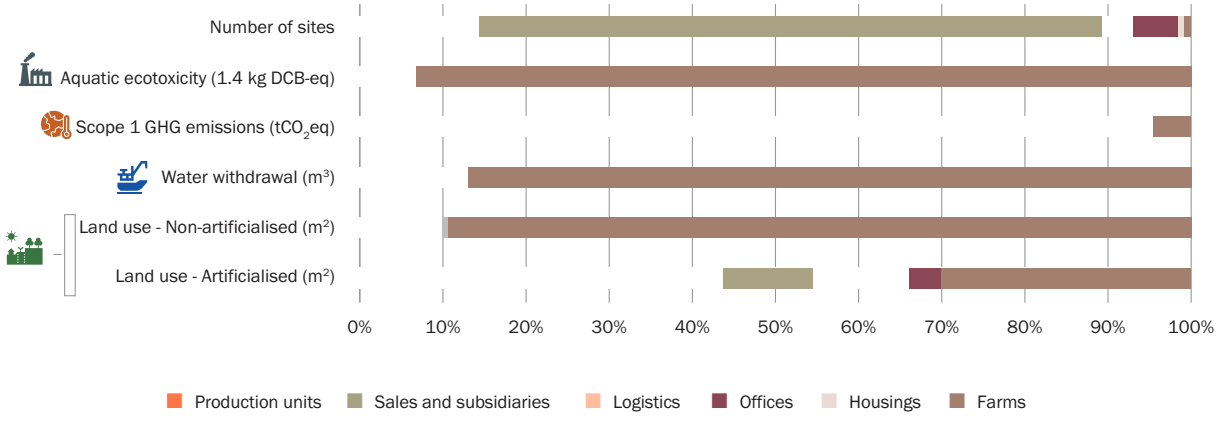
(Source: I care by BE, 2023)



For all activities thus identified as material (*i.e.* all production unit, farm and logistics sites, as well as purchases of animal, plant-based, mineral and synthetic materials), pressures and the state of nature were modelled using site reporting data, LCA data (Group or sector issues) and state of nature databases identified by SBTN (BII, STAR-T, Global Forest Watch, GLOBIO, etc.), as in the tables described below.

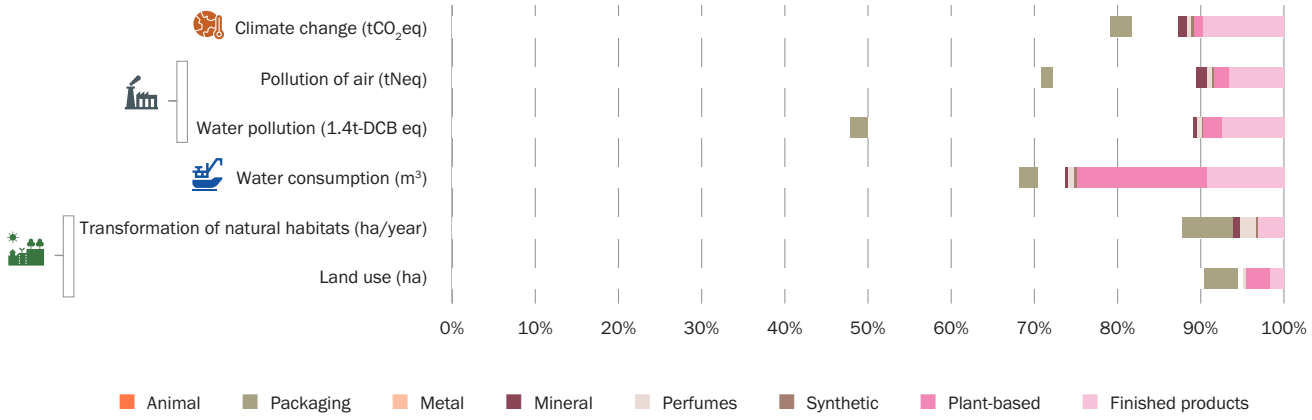
BREAKDOWN OF PRESSURES BY HERMÈS SITE CATEGORY

(Source: I care by BE, 2023)



BREAKDOWN OF PRESSURES BY HERMÈS PURCHASING CATEGORY

(Source: I care by BE, 2023)



Hermès' data was collected and processed for supply chains, company structure, site locations, sourcing practices, their location and previous analyses (internal toolbox and supply chain mapping) for use in the value chain assessment. Stakeholders were involved in step 2 through two workshops, each bringing together around 20 experts from the production sites and the value chain, as well as specialist teams from WWF France.

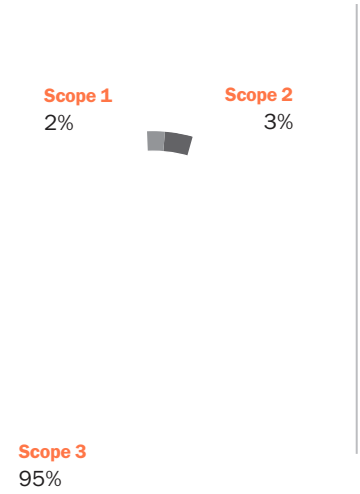
The GBS 2021 analysis of the Group's scope covered 92% of Hermès' revenue. The scope of the study covers scopes 1, 2 and 3 upstream (*i.e.* excluding the use phase). This scope is called the "Vertically Integrated Scope" by CDC Biodiversité.

Following this Group study, Hermès set itself the goal of deepening its knowledge of its biodiversity footprint through in-depth analysis of its main supply chains, to cover 80% of the Group's footprint, in revenue, by the end of 2026. At least half of the footprint is covered by in-depth analyses carried out in 2024 (hides for leather goods, wool and wood).

Hermès has chosen to steer the Group's actions and investments by focusing on the terrestrial dynamic impact, which reflects the annual deterioration. The majority of the footprint measured for Hermès is related to the upstream part of the value chain. The main pressures on land biodiversity are linked to land use (crops, livestock) and greenhouse gas emissions (scope 3 upstream), demonstrating a strong relationship between climate and biodiversity and guiding its supply chain actions. These analyses are also gradually used by the Group to refine its real estate development strategy, in addition to the criteria set by French (zero net artificialisation (ZAN)) and European (taxonomy) regulations.

Although calculations of the impact on biodiversity are still not widespread, initial comparisons suggest that Hermès' activity has a less intensive impact on biodiversity than that identified in the sector data shown in the chart below.

BREAKDOWN OF HERMÈS TERRESTRIAL DYNAMIC IMPACT BY SCOPE



BREAKDOWN BY MAJOR CATEGORIES



Leather Goods & Saddlery **more than 50%** of the land dynamic footprint

95% pressure in the supply chain

Priority levers: animal feed and breeding

LAND DYNAMIC IMPACT INTENSITY INDEX IN MSA.M²/€ (BASE 100)



(www.cdc-biodiversite.fr/documentation-gbs/)

Main results of the Global Biodiversity Score (2021)

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES IDENTIFIED (E4.IRO 1)

	IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy
PLANET						
Environment						
Biodiversity						
14	Impact of the Group's direct activities on biodiversity and ecosystems	Negative impact	Direct operations	Long term	Actual	Environmental policy Policies related to biodiversity and ecosystems Biodiversity and ecosystem protection policy for operating sites (Harmonie real estate standards)
15	Impact of the Group's value chain activities on biodiversity and ecosystems	Negative impact	Upstream value chain	Medium term	Actual	Policies related to biodiversity and ecosystems Supply chain brief Forest policy
16	Impact of the Group's activity and its value chain on threatened species	Negative impact	Direct operations and value chain	Medium term	Actual	Policies related to biodiversity and ecosystems Supply chain brief Forest policy
17	Impact on land use caused by value chain activities	Negative impact	Upstream value chain	Medium term	Actual	Policies related to biodiversity and ecosystems Supply chain brief Forest policy
18	Risk to the supply of raw materials caused by the degradation of biodiversity	Risk	Upstream value chain	Long term		Policies related to biodiversity and ecosystems Responsible purchasing policy

Risk to the supply of raw materials caused by the degradation of biodiversity

The degradation of biodiversity represents a risk for the Group's raw materials supply. This degradation, which manifests itself in the loss of natural habitats, the reduction of genetic diversity and the alteration of ecosystems, can lead to major disruptions in the availability and quality of the natural resources required for the Group's activities. These disruptions can result in cost increases, supply chain disruptions and difficulties in sourcing natural raw materials. The Group incorporates these factors into its risk management, in particular through the diversification of supply sources, the assessment of suppliers according to environmental criteria and the implementation of biodiversity-related risk mitigation strategies, as mentioned in the introduction to § 2.1.2.4 and developed in § 2.1.2.5.

Impacts of Hermès' activities on biodiversity and ecosystems

Hermès' direct activities, as well as those of its value chain, have impacts on biodiversity and ecosystems. Industrial operations can lead to the degradation of natural habitats, the fragmentation of ecosystems and the pollution of soil, water and air, thus affecting local fauna and flora. In addition, the Group's value chain contributes to the pressure on biodiversity, in particular through intensive land use, including soil degradation, desertification and soil sealing, as well as overexploitation of natural resources and non-sustainable agricultural practices. These impacts can increase the vulnerability of threatened species, disrupting ecological balances. The Group identifies each of these impacts through the results of the first two steps of the SBTN approach presented in § 2.1.2.4.1 and seeks to reduce these negative effects by adopting more sustainable practices, collaborating with its partners to improve environmental management throughout the value chain, and supporting initiatives to regenerate ecosystems and threatened species, as demonstrated by the examples in § 2.1.2.4.4.

2.1.2.4.3 Policies related to biodiversity and ecosystems (E4-2)

Policies related to biodiversity and ecosystems

To meet the current challenges regarding the loss of biodiversity, Hermès has made a concrete commitment with a strategy formalised in 2018 and updated in 2020 around four structuring elements: train, collaborate, assess and act. These commitments are part of global (Global Biodiversity Framework) and national (National Biodiversity Strategy for 2030) frameworks. Hermès' biodiversity policy aims to preserve and restore biodiversity in all its activities and value chain. It aims to anticipate and mitigate the upheavals related to the erosion of biodiversity, reduce the footprint of Hermès' activities to ensure sustainable use of nature, maintaining ecosystem services, in line with its partners such as those of the act4nature international initiative.

In this context, Hermès renewed its individual commitment to the act4nature international initiative in 2024. Act4nature international is an initiative led by business networks with scientific partners, environmental NGOs and public bodies. Its objective is to develop the mobilisation of companies in favour of biodiversity through pragmatic commitments supported by their Senior Executives. The strategy and the related objectives have therefore been validated by a committee of stakeholders from the governance [1] of this multi-stakeholder alliance (companies, public authorities, scientists and environmental associations).

The House's commitments are also based on the best methodologies and tools available, such as SBTN, and are summarised according to the following four strategic areas:

- train: this involves increasing internal biodiversity awareness-raising actions and training for all employees on biodiversity issues and strategy, with a particular focus on issues where the Company has action levers (from creation to purchasing real estate, for example);
- collaborate: the Group has renewed its partnership with WWF France until 2026 and works with other specialist NGOs and high-level players in the field of biodiversity. This collaborative approach is decisive in the development of transformative practices (quadripartite study in Mongolia with scientists, local farmers and Lab Capital Naturel on strong sustainability, *etc.*) and relies on the expertise of partners to contribute to the other three pillars of the biodiversity strategy. Hermès is always looking for new collaborations with stakeholders who are experts in these subjects;
- assess: thanks to double materiality and the application of steps 1 and 2 of the SBTN method, Hermès is building a robust impact analysis matrix based on the mapping of value chains. Measurement of the Group's biodiversity footprint, according to the five pressures of the IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services), allows the resulting priorities to be assessed;
- act: action plans proportional to the level of impact on all sites and raw materials supply chains must be carried out and be compatible with a science-based approach. At the same time, the Group is committed to continuing its positive actions beyond its area of direct responsibility.

Hermès aims to manage the material risks and impacts identified, in particular those related to the availability and quality of natural raw materials such as leather, silk and cashmere, and to develop opportunities to build innovative solutions respectful of ecosystems. By collaborating with NGOs such as WWF France and using robust assessment tools, Hermès proactively identifies and manages these risks, impacts and opportunities. The policy includes actions to assess and reduce these risks and impacts, using methodologies such as Science Based Targets for nature (SBTN) and measuring the biodiversity footprint according to the five pressures of the IPBES.

The five drivers identified by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)

Destruction and artificialisation of natural environments
Overexploitation of natural resources
Climate change
Pollution
Invasive alien species

This policy applies to all its activities, its upstream supply chain (suppliers of raw materials) and the distribution and use of its products downstream. Hermès also involves local communities in the implementation of this policy.

The implementation of the policy is supervised by the Executive Committee, which relies on the work of the Sustainable Development Board. For this highly complex subject, the Group surrounds itself with experts and uses specialist NGOs. Objectives and action plans are rolled out across the Company's various activities and functions, coordinated by the Group sustainable development department.

Hermès is aligned with the Kunming-Montreal Global Framework (global agreement for biodiversity under the Convention for Biological Diversity) and the French National Biodiversity Strategy for 2030. The Group also selected a number of other frameworks based on their pragmatism, their scientific relevance and their visibility with the stakeholders concerned: the Science Based Targets for nature, act4nature international and the Taskforce On Nature-Related Financial Disclosures (TNFD). Cross-reference tables are available in the dedicated section.

When developing its biodiversity policy, Hermès consulted and took into account the expectations and concerns of key stakeholders, in particular nature conservation organisations such as WWF France, recognised experts on the subject, such as CDC Biodiversité, and other organisations in its strategic natural raw materials sourcing areas (SAOBC, ICFA [2]), as well as certain key suppliers.

Hermès' commitment also covers the collective act4nature commitments, supplemented by individual targets for Hermès, as presented in § 2.1.2.4.5. These act4nature targets were validated by a set of stakeholders inherent in the governance of this multi-stakeholder alliance including not only companies, but also public authorities (OFB), scientists (FRB, IDDRI, MNHN) and environmental NGOs and associations (IUCN France, Noé).

Hermès also strives to involve local communities in the implementation of its biodiversity policy. This includes consulting key stakeholders and addressing their expectations and concerns. By working with local organisations and integrating social consequences into its action plans, Hermès ensures that impacts on biodiversity are managed in a holistic, inclusive and long-term manner. For example, the project to eliminate invasive species in South Africa relies on cooperation between Hermès, a government organisation, a local NGO and biodiversity experts.

1. *https://www.act4nature.com/en/who-are-we/governance/*
2. *ICFA: International Crocodilian Farmers Association*

Hermès implements actions to assess the impacts on biodiversity throughout its value chain. The mapping of value chains and the construction of an impact analysis matrix make it possible to monitor and manage these impacts in a transparent and effective manner. Hermès' commitment to sustainable sourcing (as detailed in § 2.1.2.5) is strengthened by partnerships with specialist NGOs and high-level players. The policy includes action plans proportional to the levels of impact on all sites and raw materials sectors, ensuring that supplies are sourced in a sustainable manner that respects ecosystems.

Hermès' biodiversity policy is publicly available on the Company's website. It is also communicated and explained to suppliers, subcontractors and other stakeholders involved in its implementation *via* briefs and appropriate communications to ensure a common understanding and ownership of the objectives and actions.

Other specific biodiversity policies and practices

BIODIVERSITY AND ECOSYSTEM PROTECTION POLICY FOR OPERATING SITES

The *Harmonie* standard is the Group's sustainable real estate policy, which covers operating sites. It was developed in 2016 and certified in November 2022 by the independent third-party verification body, Bureau Veritas. The *Harmonie* standard enables a more accurate measurement of environmental issues for all the House's construction, refurbishment and renovation projects. For real estate, it includes performance axes combining indicators and objectives: carbon footprint for alignment with the Group's trajectory, biodiversity with a trajectory towards zero degradation, local supply with a trajectory towards 100% local and indoor air quality with compliance with WHO (World Health Organization) thresholds.

In order to integrate the protection of biodiversity into the consideration of the establishment of future Leather Goods workshops, a guide listing best practices was drawn up in 2020 and included in the *Harmonie* standard. The following avoidance, reduction and restoration principles have been adopted: at plot level, ecological management of green space should be promoted. At the landscape level, the aim is to promote ecological connectivity of sites with their surrounding environment. The sustainable construction standards used for each new site project have therefore been enhanced and now enable architects and landscapers to best integrate this dimension into their projects.

SUSTAINABLE AGRICULTURAL PRACTICES

Hermès actively involves its value chain in sustainable agricultural practices by requiring certifications such as GOTS organic cotton or cotton from regenerative agriculture, thus promoting biodiversity and soil preservation. For more details, see § 2.1.2.5.6. The Company supports regenerative agriculture pilot projects with certain suppliers to develop more environmentally-friendly practices. In collaboration with experts and specialist organisations, Hermès is supporting certain partners in implementing more sustainable methods. In addition, training and best practice programmes have been set up with the various supply chains. All these programmes have a long duration (three to 10 years) and will be detailed as their concrete results appear.

POLICY ON OCEANS AND SEAS

Hermès' activities relating to seas and oceans are not material. Consequently, Hermès has no specific policy on these subjects.

GROUP POLICY RELATING TO FORESTS

Hermès is aware of its role in maintaining forest ecosystem services. Hermès announced its Group Forests policy in 2023, which applies to all areas of procurement of a selection of materials that come directly or indirectly from forests, with potential impacts on these ecosystems and their management methods. Although materials from forests represent a small portion of its activity, the Group seeks to be exemplary, as evidenced by its maximum A rating on the Forest section of the CDP in 2024. The raw materials in question have been prioritised based on an analysis of the social and environmental risks to forests associated with their production, their weight in Hermès' chains and the Group's capacity for action.

Hermès has identified the following priority raw materials: cowhide, wood for the Home métier and production units, paper and cardboard for packaging used for Hermès objects, natural rubber, palm oil and derivatives, viscose and cellulose (textiles), and soy (animal feed).

Hermès has made a commitment, without waiting for the implementation of the European Regulation (EUDR [1]), to source from deforestation-free supply chains from the reference date of 31 December 2020, for raw materials used both in products and packaging by the entire Group. In concrete terms, Hermès is implementing a policy whose aims are for the raw materials purchased to be produced in a responsible manner, in line with the Group's commitments and respecting the following criteria:

- regulatory (including the legality of production and compliance with applicable laws in the country of production as well as international laws);
- environmental, such as "no deforestation, conversion or degradation of natural ecosystems", particularly in areas with high conservation value and high carbon stock;
- social and human rights, *i.e.* respect for the rights and health and safety of workers, farmers and smallholders, as well as recognition and respect of the rights of indigenous populations and local communities.

1. *EUDR: European regulation against deforestation and forest degradation published.*

2.1.2.4.4 Actions and resources related to biodiversity and ecosystems (ESRS E4-3)

Hermès' actions and resources related to biodiversity and ecosystems

Hermès has implemented a set of key actions, listed below, to preserve biodiversity and ecosystems as part of its activities. The scope of these actions covers both the Group's production sites and its raw materials supply chain. The hierarchy of mitigation actions (avoid, reduce, restore) is favoured when this seems logical, as detailed in the following actions; these actions also cover, where relevant, the protection of threatened species.

To date, Hermès has not used quantitative voluntary offsets in favour of biodiversity in either its action plans or its targets.

Hermès integrates its stakeholders, foremost among them local communities and indigenous communities, to improve the environmental practices of its sectors, in particular for natural raw materials, through several initiatives and partnerships. Some examples will be provided in the following paragraphs: the Ostrich sector, in collaboration with the South African Ostrich Business Chamber; the crocodile sector, with egg collection practices; the bovine sector, with initiatives directly linked to cooperatives and breeders to improve the environmental profile of operations. These initiatives demonstrate Hermès' commitment to involving local stakeholders and improving environmental practices throughout its natural raw materials supply chains. They aim to protect ecosystems while promoting better livestock breeding and agricultural farming practices.

PRESERVING BIODIVERSITY ON OPERATING SITES

The location of production sites in rural areas means they are systematically involved in numerous initiatives to promote biodiversity. Tertiary or mixed-use sites also carry out actions.

In application of the principles of the Harmonie responsible real estate standards, any new industrial sites are subject to an impact study in order to avoid impacts in the first place, then to reduce them. This includes issues related to fauna and flora and the preservation of natural environments. As a reminder, most of the production sites are located in France, and are therefore subject to some of the strictest regulations in the world. The framework goes beyond these legal constraints.

For the establishment of new leather goods sites, Hermès now favours the reconversion of brownfield sites or wasteland whenever possible. For example, the Maroquinerie de Riom, inaugurated in 2024, is located on a former manufacturing site, while that of Guyenne is on a road construction aggregate site, and those of Louviers and Saint-Junien are also reconverted brownfield sites.

In 2024, the Group's leather goods workshops and other production sites in France were already assessed according to a biodiversity analysis with 16 metrics based on the five erosion drivers defined by IPBES. They aim to measure the pressure on biodiversity, by integrating the impact of activities on the sites, the resulting state of the environment and the responses or corrective actions implemented. Avoidance, reduction and restoration of impacts are addressed. For example, avoidance, with a ban on the use of phytosanitary products and a reduction in the average mowing frequency per m^2 and per year, and restoration, with particular attention paid to the composition of green space, has also made it possible to detect several invasive alien species for which a specific treatment is being designed.

PRESERVING BIODIVERSITY IN THE UPSTREAM SUPPLY CHAIN

Hermès uses certifications and audits of its raw materials supply chains to protect biodiversity and ensure responsible sourcing. The Company requires its suppliers and its own production sites to prioritise the use of certified materials, such as FSC® (1)-certified timber and leather certified LWG, which contains 17 sections and more than 300 requirements, some of which relate to the impact on ecosystems such as wastewater, waste and chemical management. In order to ensure that these materials are sourced in a way that preserves natural ecosystems and biodiversity, Hermès also conducts regular audits and assessments of its suppliers to identify environmental (more specifically risks related to deforestation and biodiversity loss), social and ethics risks. The Company works closely with its suppliers to develop action plans to address identified risks and improve the sustainability of its supply chains. Actions specific to the management of supply chain resources, such as the supply chain brief, are described in more detail in § 2.1.2.5.

The partnership between Hermès and WWF France makes it possible to conduct annual field studies on issues relating to nature, in particular on the Group's natural materials sectors. In 2023, for example, Hermès concluded a study with an innovative and collaborative multi-stakeholder governance between WWF France, WWF Mongolia and the Mongolian University of Life and Sciences in order to analyse the cashmere sector in Mongolia on a macroeconomic level and asses its impact on nature. Local stakeholders (farmers, agro-specialists, traders) were consulted for this study. These conclusions are in line with the pilot solutions already implemented by Hermès with local partners and the association AVSF (*Agronomes et Vétérinaires sans Frontières*). The 2024 studies relate to the cashmere and silk value chains in China, and are conducted by WWF China and Donghua University in Shanghai. The cashmere study analyses the current conditions of the cashmere value chain in Inner Mongolia, focusing on ecological impacts, in particular biodiversity and nature, and discusses potential practices to make cashmere production more sustainable. The main objective of the silk study is to better understand the sustainability issues related to silk production in China, by analysing its impacts on biodiversity, water and climate in seven key regions, and to identify solutions, while taking into account changes in the regional industrial structure, with the transition of mulberry and silk "from east to west".

1. *FSC: Forest Stewardship Council.*

Crocodilians raised on farms mainly come from eggs collected from the wild in accordance with annual quotas set by local authorities. In Australia and the United States, various stakeholders, including local governments, landowners, hunters, and egg collectors, ensure the smooth running of this activity. The income generated by the collection of eggs helps to maintain the wetlands, thus contributing to biodiversity. CITES tags and collection permits finance conservation and research programmes. In Louisiana, farmers must reintroduce at least 5% of the farmed alligators into the wild. Alligator farming, reorganized by the Washington Convention, has made it possible to save the species and protect wetlands. The production sites play a key role in the preservation of species, biodiversity and the local economy, thanks to strong relationships with the authorities and landowners.

Hermès sources its ostrich hides in South Africa, in the Klein Karoo region, where a sustainable mixed farming-livestock model is based on controlled irrigation. This model, which is resilient to climate change, is threatened by invasive trees (Black Wattle, Poplar), which dry up watercourses and destroy natural biodiversity. Faced with this national issue in South Africa, the Government of the Western Cape is funding a farmers' association in its fight against these invasive species, under the oversight of the Cape Nature association. Hermès has decided to support these actions to preserve the Ostrich sector. The project covers 25 km of river, with work having been carried out on 11 km at the end of 2024, and includes a trial of assisted regeneration of ecosystems, which will be a pilot project at national level.

Three main topics were activated in the fight against deforestation: land use for animal feed, use of wood species for Hermès Maison objects and use of cardboard/paper in packaging. The GBS analysis of the land biodiversity footprint of leather at Hermès made it possible to characterise more scientifically the relative weight of cattle feed. Even in absolute terms, the share of imported soybeans in European livestock feed is low, and the implementation of European regulations for feed suppliers should significantly reduce the risks. By requiring certified wood, Hermès ensures that wood from forests is sourced with greater consideration for biodiversity, while maintaining the quality of water and ensuring soil erosion is reduced. The House conducts a biannual assessment of its suppliers taking into account the vulnerability identified by the IUCN. In 2023, analysis of the portfolio with a critical review of the vulnerability of species and country risk was carried out by Hermès Maison with the help of an independent firm, and with the support of WWF France. As a reminder, in stores, 100% of the orange bags, *i.e.* the bags distributed to customers, are FSC® [1]-certified. The cardboard of the emblematic orange boxes is made of 100% recycled material.

Furthermore, in the various Hermès métiers, the identifying of geographies, sub-geographies, including the GPS coordinates of forestry operations used for the manufacture of wooden objects and furniture, makes it possible to strengthen the demand for FSC® certification or, failing that, PEFC or other local certifications incorporating a zero deforestation policy. 90% of Hermès Métiers' woods are certified, compared with 50% in 2022. To ensure proper use of the material, production waste is classified according to its end-of-life.

2.1.2.4.5 Targets related to biodiversity and ecosystems (E4-4)

Hermès has been providing its stakeholders with a review of the Group's biodiversity objectives since 2018, in particular with its commitment to act4nature [2]. During the last cycle with act4nature, which was completed in 2023, four targets were achieved: training of CEOs, experts & sustainable development committees, certification of the entire Ostrich sector (reached since 2021 and renewed), assessment of freshwater at industrial sites (reached and renewed) and analysis of the use of single-use plastics in central functions and operations (reached in 2022).

As part of its act4nature international commitment, signed in 2024, the objectives set out below have been validated by the stakeholders. Only the targets of the Forests policy followed a separate validation process.

To guarantee the effectiveness of its biodiversity policies, the Group uses specific targets, defined according to quantifiable criteria and reassessed each year. They are monitored by the Group's sustainable development department. The development of these targets is based on several sources: scientific studies (WWF France), analyses of the impact of operations and the value chain (SBTN), consultations with stakeholders (act4nature), external expertise and Hermès' goals in terms of protecting biodiversity and ecosystems. Furthermore, the methodology for identifying ecological thresholds continues with step 3 of the SBTN approach. Each target takes into account its scope, the mitigation hierarchy, as well as the impacts and risks identified.

Pillar 1 - TRAIN

Train employees in biodiversity by 2026

(scope: Group)

Hermès is committed to training all its employees on the subject of biodiversity. A training plan, which can be followed as e-learning or face-to-face, has been in place since 2021. The aim is for each employee to have completed at least one training course on this subject by the end of 2026.

The dissemination of knowledge of biodiversity issues is key to promoting decision-making and the achievement of ambitious results. In addition to the assessment presented to act4nature international, the training continues with a cycle being rolled out for governing bodies (Executive Committee and Supervisory Board), a panel of educational tools to train experts (including external tools) and e-learning and conference cycles to reach all employees.

1. *FSC: Forest Stewardship Council. Hermès Licence Number: FSC® N-004541.*
2. *https://www.act4nature.com/wp-content/uploads/2024/09/HERMES-VA.pdf.*

Pillar 2 - COLLABORATE

Participate in three biodiversity projects per year

(scope: Group)

Hermès plans to collaborate with various stakeholders on biodiversity projects. These projects will involve various functions within the Company, other than the sustainable development department, and will involve partners such as WWF France, CDC Biodiversité, ICFA and SAOBC. The objective is to participate in at least three projects per year until the end of 2026.

Conduct technical and scientific studies on biodiversity

(scope: direct operations and value chain)

Hermès is committed to conducting technical and scientific studies to better understand the biodiversity issues related to its activities and sectors. These studies will be carried out in collaboration with academic partners, with the aim of conducting at least two studies per year until the end of 2026.

Pillar 3 - ASSESS

Implement the strong SBTN sustainability tool before 2026

(scope: Group)

Hermès will implement the strong SBTN sustainability tool as part of WWF France's Lab Capital Naturel. The objective is to finalize step 3 of the SBTN by the end of 2026.

Measure the biodiversity footprint using the Global Biodiversity Score approach

(scope: direct operations and supply chains)

Hermès will measure the biodiversity footprint of its supply chains (leather, silk, cashmere, wood, cotton) using the Global Biodiversity Score (GBS) approach. The objective is to cover 80% of the Group's 2021 footprint by the end of 2026.

Pillar 4 - ACT

Establish diagnostics and biodiversity action plans for French production sites

(scope: own operations; mitigation hierarchy: avoid and reduce)

Hermès is committed to preparing diagnostics and biodiversity action plans for its production sites in France, representing 10 métiers. All French production sites must participate in the diagnostic launched in 2021, with full participation by the end of 2026.

Obtain certification and/or award of label status for its raw materials sectors

(scope: supply chains; mitigation hierarchy: avoid and reduce)

Hermès aims to certify or be awarded label status for its raw materials sectors as included in the "supply chain briefs". For more details, see § 2.1.2.5.6.

Targets of the Group Forest Policy

(scope: value chain; mitigation hierarchy: avoid and reduce)

By 2025, Hermès will make its best efforts to adopt the appropriate measures for priority raw materials to source from supply chains without deforestation from the reference date of 31 December 2020. This covers raw materials used both in products and packaging by the entire Hermès Group. Hermès will continue its duty of vigilance and will ensure respect for the human rights of players in its supply chains; it will also strengthen the sustainability (environmental and societal) of its raw materials and related activities.

By 2030, Hermès aims to broaden the scope of its actions to include other "secondary" raw materials in its portfolio, such as certain perfume ingredients or particle boards, and to explore investment opportunities beyond its supply chains to accelerate sector transitions and conservation and restoration projects at landscape and/or jurisdiction scale. The decision as to whether or not these investments will be made will rest with Hermès.

These commitments show Hermès' desire to train, collaborate, assess and act in favour of biodiversity, with clear and measurable objectives for the short and medium terms.

2.1.2.4.6 Impact metrics related to biodiversity and ecosystems change (E4-5)

As part of its approach to assessing and monitoring environmental impacts, Hermès relies on a set of precise metrics, integrated into the various steps of the SBTN framework and its own analysis tools. These indicators make it possible to measure and prioritise actions in favour of biodiversity and the reduction of pressure on ecosystems. The metrics are classified according to their use:

- metrics used for steps 1 and 2 of the SBTN such as N-Eutrophication (t Neq), P-Eutrophication (t Peq), Land Occupation (ha), BII (%), State of Nature for Water (scale from 1 to 5);
- GBS (dynamic land footprint) metrics in MSA.km^2;
- CBS metrics (biotope coefficient by surface area) for the biodiversity pillar of the Hermès Harmonie standard;
- site biodiversity diagnostic metrics such as the average frequency of mowing per year, the volume of phytosanitary products used or the number of invasive alien species detected on site.

2.1.2.5 RESOURCE USE AND CIRCULAR ECONOMY (ESRS E5)

2.1.2.5.1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities (ESRS 2 IRO-1)

The process for performing the double materiality analysis and identifying impacts, risks and opportunities is set out in § 2.1.1.3 "Description of the processes to identify and assess material impacts, risks and opportunities" and § 2.1.1.4 "Group risk management framework".

As detailed in § 2.1.1.5 on strategy, the business model and value chain, as well as § 2.1.1.6 on impacts, risks and opportunities and their interaction with strategy and the business model, Hermès' sustainable development roadmap and business model take into account elements relating to the circular economy.

Hermès assessed the relative importance of the use of resources and the circular economy in its own activities and in its upstream and downstream value chain. In the specific case of this ESRS, no non-material subjects were identified.

More specifically, Hermès objects are essentially made of emblematic materials - leather, silk, cashmere, etc. - which are natural, partly renewable and obtained with the aim of minimising their environmental footprint. Hermès carries out an in-depth analysis of its supply chains, based on internal studies and field audits, in order to identify actual and potential risks, impacts and opportunities related to resources and the circular economy.

Consultations with affected communities that may be required are presented in § 2.1.3.3.

The model and values of craftsmanship guiding the House have always promoted the careful and respectful use of these rare and precious materials. Craftspeople take great care not to waste resources, to use only what they need and to optimise the use of materials. Recycled and reused materials are increasingly used in manufacturing. In all métiers, recovery channels are also identified for their materials and manufacturing offcuts, in addition to the emblematic activities of petit h, a pioneer in this area since 2010.

The long life of Hermès products is an essential component of its business model.

2.1.2.5.2 Material impacts, risks and opportunities (ESRS 2 SBM-3)

IRO title		Nature of IRO	Scope	Time horizon	Potential impacts	Policy
PLANET						
Environment						
Ressource and waste management						
13	Environmental impact of the Group's non-recovered waste	Negative impact	Direct operations	Medium term	Actual	Environmental policy Circular economy policy described in the Sustainability report
Materials						
Sustainable materials						
19	Group contribution to the dissemination of circular economy practices	Positive impact	Emblematic materials of each Group métier and packaging	Medium term	Actual	Supply chain brief CSR brief Circular economy policy described in the Sustainability report
20	Risk of additional costs related to the circular economy and eco-design	Risk		Medium term		Circular economy policy described in the Sustainability report
Responsible supply chain						
21	Impact of the Group's supplies on natural resources	Negative impact	The Group's emblematic materials and packaging	Medium term	Potential	Responsible purchasing policy Supply chain brief CSR brief

Impact of the Group's supplies on natural resources

The materials used for the direct manufacture of Hermès objects come from natural resources (in particular, leather, silk and cashmere). The Group's activities, and more specifically supplies of these materials, therefore have an impact on the availability and use of these resources (1).

Risk of additional costs related to the circular economy and eco-design

The search for alternative materials, the performance of life cycle analyses, or the optimised management of waste through reuse or recycling operations can generate additional costs, additionally because the House does not wish to compromise on the quality and durability of the objects. These costs are anticipated and borne by the Group as part of its circular economy approach.

1. *The natural resources, including biological matter, indirectly used for the manufacture of Hermès objects, in particular those considered as by-products, are excluded from the scope defined in the context of this impact.*

Group's contribution to the dissemination of circular economy practices

Hermès is committed to reducing its impact at all stages of the life cycle of objects, through innovation and the implementation of circularity loops. These practices are shared with Hermès' partners through the responsible purchasing policy and supply chain briefs. Hermès also participates in inter-company working groups in order to share and make progress on these subjects.

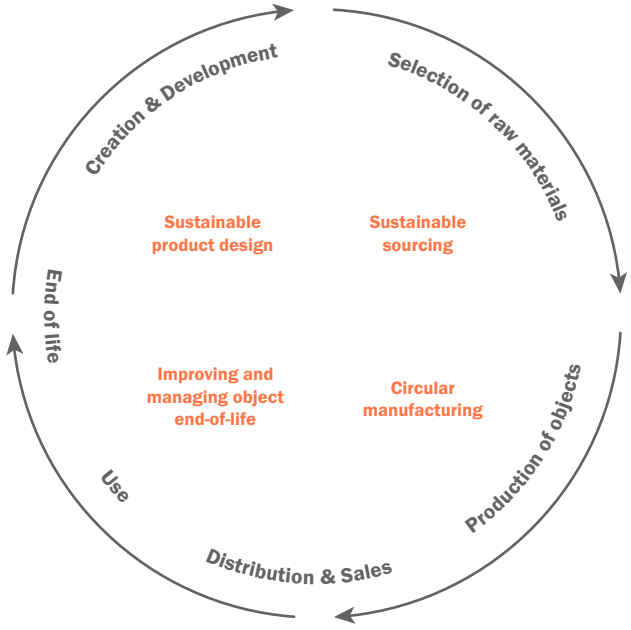
Environmental impact of the Group's non-recovered waste

The Hermès Group's activities generate waste during products manufacturing. Sources of waste include manufacturing offcuts, materials and components or prototypes. Some of this waste is not recovered and can impact the environment, in particular ecosystems, by contributing to pollution. Whenever waste cannot be recovered virtuously (reuse, donation or recycling), the Group endeavours to send this final waste to the most efficient systems, such as energy recovery.

2.1.2.5.3 Policies related to resource use and circular economy (E5-1)

Hermès' circular approach follows the principle of the 9Rs[1], a system proposed by the European Union. It begins with the design of the object, seeking to minimise its impact on the environment through optimised use of resources: reuse materials, integrate recycled materials, propose refillable products. It applies to all of the House's products, is gradually being rolled out to its suppliers and, whenever possible, incorporates the expectations of the House's stakeholders.

Hermès' circular economy policy is structured around four axes:



1. *https://grow-circular.eu/knowledge-base/9r-framework/: rethink, reduce, reuse, repair, refurbish, remanufacture, repurpose, recycle, recover.*

Designing long-lasting objects

As a creative house, Hermès is committed to using innovation and eco-design to ensure the sustainability of its objects. The Group is committed to going even further in terms of eco-design, and to minimising the environmental footprint of products throughout their life cycle, without compromising their qualities. To identify and model the impact for each object, the Group relies on analysis and decision-making tools such as life cycle analyses (LCA). Hermès contributes to the search for innovative materials, according to strict and constant specifications, by exploring both traditional and new materials. The end of life of objects is taken into account from the design phase.

While the quality of raw materials and the excellence of manufacturing guarantee physical durability, the quality of the creation and the often timeless nature of the collections guarantee the desirability of the objects and therefore the emotional durability, thus extending the duration of use.

The long life and quality of Hermès objects are characteristics that contribute to a circular model. These requirements are based on exceptional materials, generally from virgin resources. Nevertheless, whenever possible, the House of Hermès uses secondary materials that can meet these same requirements. The use of materials from the circular economy is studied while taking into account the additional costs and quality impacts that it generates.

Ensuring sustainable sourcing

Most of the materials used by Hermès come from natural and partly renewable sources, such as hides from farmed animals, main textiles and wood. The House's historical preference for leather and natural fibres avoids the use of synthetic and non-renewable resources based on petroleum. The quality of the raw materials used is the first guarantee of the durability of Hermès objects.

The sustainability of Hermès' activities is based on its ability to secure the availability of the exceptional raw materials used.

The Group's circular economy policy relies in particular on in-depth knowledge of its supply chains, in order to strengthen them with stringent requirements to ensure their sustainability, quality, ethics and environmental and societal sensitivity, and to develop them to anticipate future growth. This approach is based firstly on compliance with the regulations concerning the various materials. These include, in particular, legislative provisions ensuring compliance with the Washington Convention (CITES). The Group must also comply with health regulations (hides from cattle and sheep that were raised for meat) and regulations on animal welfare.

In December 2024, Hermès published [1] its responsible purchasing policy, formalising the Group's commitments on four pillars: ethics and fundamental rights, environment, sustainable relationships with partners, solidarity and local purchasing. Hermès expects all its partners to demonstrate similar respect and ambition within their own value chains.

Moreover, management of risks related to the supply chains and resources, is achieved through the implementation of a supply chain brief and a CSR brief to enable the entire value chain to be controlled, and co-construction of sustainable development action plans. These documents are intended for all suppliers and manufacturers involved in supplying Hermès' métiers. All of these documents are available on the Group's website and are updated regularly in accordance with risk analyses.

The supply chain brief is a Group roadmap, co-constructed by the métiers, the sustainable development department, direct purchasing coordination department and with the support of an expert independent firm. It allows Hermès to share with suppliers its ethics and sustainable requirements and those relating to the protection of people, animals and the environment. The brief reminds suppliers of the four principles of responsible purchasing: transparency, high standards, a caring attitude and fairness. This supply chain brief then presents, for each supply chain, the prerequisites and recommendations for certifications, where applicable, the points requiring particular attention and those that are prohibitive. The latest version was published in December 2024 [2].

The CSR brief is a policy that has been formalised since 2021, which specifies the House's objectives and its expectations vis-à-vis suppliers on nine themes, including circularity. Supplier audits are thereby conducted using internal resources as well as independent external firms in order, notably, to check that their operations meet the Group's expectations.

Promoting circular manufacturing

The House's ambition is to make the circularity of resources systematic, within the métiers and between métiers. Building on its craftsmanship model, Hermès has adhered to the non-exhaustive principles of repurposing, reuse, repair and recycling since its creation.

As an example, the emblematic agendas were designed to use materials from saddle manufacturing in the 1930s. Today, the aim is to continue along this path as much as possible by leading more systematic recycling projects for all materials and upcycling objects, while also addressing the issue of packaging.

Hermès optimises the use of materials through its production methods. Purchases are adjusted as closely as possible to the needs in order to limit waste. Examples of concrete actions are detailed in § 2.1.2.5.5.

In the tradition of saddler craftspeople, the techniques used to make Hermès objects prioritise long-term quality. The integrated craftsmanship approach ensures close proximity between buyers and craftspeople. Each métier works to constantly improve the use of these rare and precious materials, consuming only what is necessary and encouraging reuse.

1. *https://finance.hermes.com/en/publications/*
2. *https://finance.hermes.com/en/publications/*

In an effort to preserve natural resources, the manufacturing processes seek to reduce water consumption and promote its reuse and recycling (see § 2.1.2.3.3).

The circularity of manufacturing is also reflected in the management of containers, packaging and waste, with a view to their minimisation and recycling.

Lastly, Hermès also strives to minimise its waste and promote circularity, through various actions, in particular as presented in § 2.1.2.5.5.

Improving and managing object end-of-life

The Hermès business model, based on the stores' freedom to purchase as close as possible to their customers, means unsold stock volumes are naturally very low. Hermès is pursuing a strategy of improving the management of its unsold items through three areas: occasional sales to customers and employees, donations, and lastly, recycling.

When a material or a finished product cannot be reused or donated and must be recycled, Hermès always favours the reintegration of the material in-house, *i.e.* "in a closed loop". For several years, the collections have included objects made from materials that come from these closed loops.

When a "closed loop" is not an option, particularly in view of the maturity of recycling technologies, the material will be sent to an "open loop", *i.e.* it will be sold to a professional in the recovery of this material, who will direct it once transformed to an application at another manufacturer.

"Luxury means items that can be repaired", as one of the Group's former Senior Executives used to say. Through their design, the quality of the materials and the savoir-faire, Hermès objects can be maintained, repaired and renovated in order to extend their life. Hermès is unusual in offering its customers a tailor-made After-Sales service, with no time limit, across all its métiers and throughout the world.

2.1.2.5.4 Governance dedicated to defining and implementing the circular economy policy

Given their strategic issues, circular economy topics are monitored at the highest level of the organisation by the Executive Committee in order to take into account quality, creative, industrial, cooperative and reputational aspects.

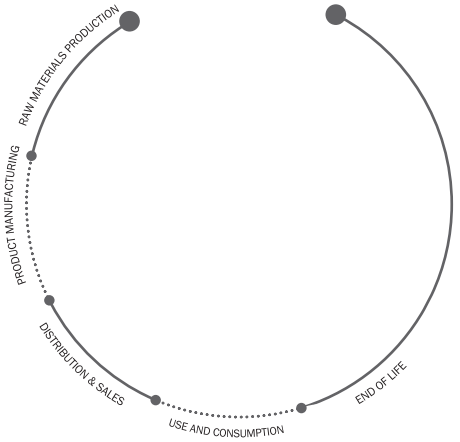
Environmental footprint and eco-design topics are overseen by the Sustainable Development Board and implemented by operational bodies in order to be as close as possible to technical realities.

The industrial transition and quality department provides, for example, cross-functional support for the Women's and Men's ready-to-wear, Shoes, Fashion Accessories, Silk and Textiles, Home, Leather Goods, Equestrianism and Jewellery métiers on eco-design and circular economy.

The métiers then report to their Management Committee on the implementation of the action plans defined in relation to the circular economy.

2.1.2.5.5 Actions and resources in relation to resource use and circular economy (E5-2)

The graph below illustrates the House's different types of actions in terms of circular economy.



These actions relate to the four pillars of the policy as follows:

Policy focuses	Main actions
Designing sustainable objects	Implementing an eco-design approach
Ensuring sustainable sourcing	Contributing to the sustainability of supply chains Monitoring suppliers and supporting them to ensure the most stringent social, environmental and societal requirements
Promoting circular manufacturing	Reusing, recycling and optimising management of production waste Packaging circularity and plastic reduction
Improving and managing object end-of-life	Management of unsold items After-sales (repair and extension of objects' lifespan)

Actions to design sustainable objects

As part of an eco-design approach, and in order to guarantee the sustainability of its products, Hermès uses the Life Cycle Analysis (LCA) method, in order to model the environmental impact of each material, process and object from its design phase to its end of life. This subject has been structured in the métiers using three axes: preparation of future environmental labelling, specific measurement of the impact of materials, processes and products in order to work on holistic impact reduction, starting with emblematic and permanent projects [1] and lastly, awareness-raising of the development and studio teams to integrate eco-design in the creative process as early as possible. The majority of the métiers now have an LCA roadmap with objectives for permanent or emblematic product coverage, or even for all collections.

1. *Birkin bag/Oran sandal/Avalon blanket/Clic H bracelet/Silk twill scarf 90/Heure H.*

As an example, for the leather goods workshop, the calculation includes farming, tanning, processes related to metals used, product manufacture, all transportation until their arrival in stores, and packaging elements (orange boxes, pouches, ribbons, and shopping bags). The calculations are based on specific internal data and/or reference databases in the LCA sector, such as the ADEME (Ecological Transition Agency) footprint database or the EcoInvent database. With regard to livestock farming, for example, data is taken from the Agribalyse® database and the LCA are conducted according to the methodological framework of the European PEF regulations (environmental score, Product Environmental Footprint). This increasingly involves making use of actual and unitary metrics, which enable the setting of concrete improvement targets, rather than relying on more descriptive sectoral averages.

The objective is to have one LCA tool common to all of the Group's métiers. In this respect, 15 of the House's métiers carry out LCA on their emblematic products.

The longetivity of objects is also taken into account from their design, in particular to integrate their ability to be repaired. New small leather goods, bags and luggage products are subject to an internal reparability grid presented to the development and quality managers during project reviews. Depending on the reparability score, prototypes can be modified to incorporate better reparability and product life. Some of the House's emblematic products were also assessed using this grid in order to identify modifications allowing improvement of their reparability.

To strengthen its circular approach, the House of Hermès uses secondary materials whenever possible, in compliance with its sustainability and quality requirements. Thus, in accordance with its sustainable development roadmap, Hermès Horloger has chosen to source only COC (Chain of Custody) gold. Les Ateliers Hermès Horloger, based in Le Noirmont, Switzerland, and producing the watch cases and dials, applied for and obtained the RJC [1] COC certification. This guarantee the traceability of this recycled COC gold throughout the supply chain, *via* a strict management system and a rigorous final audit conducted by a third party. Through this certification, Hermès Horloger underlines its commitment to transparency and is moving towards its objective: to offer watches with fully traceable precious metal components and recycled gold.

Hermès is also committed to using of recycled precious metals within Hermès Bijouterie. Hermès therefore only uses non-mined gold for its jewellery.

Lastly, Hermès is pursuing the ambition of using as much recycled material as possible in its packaging, such as the cardboard of its orange packaging boxes made from 100% recycled materials.

Actions to guarantee sustainable sourcing

Since its very creation, Hermès has worked on the design of aesthetic, high-quality objects that have very long lives. The Group's actions to guarantee sustainable and responsible sourcing meet this ambition.

1. *RJC: Responsible Jewellery Council.*

Priority sectors	Action	Main concrete measures and results
Leather		
Tannery	Encouraging all tanners suppliers to be assessed by the LWG audit protocol	6 out of the 7 tanneries in the group are certified by the Leather Working Group (LWG) [1] At group level, at the end of 2024, 70% of leather suppliers were LWG-certified.
Cattle	Better understand and improve its supply chain	In 2024, Hermès Maroquinerie-Sellerie continued a multi-criteria study with AgroParisTech, in order to better understand the challenges and associated economic, human and environmental impacts of the calfskin supply chain. In this context, a new study was conducted on the calf and young cattle supply chain in Switzerland.
	Developing traceability	On average, across 2024 as a whole, more than half of tanned leathers were laser-marked in the House's Tanneries division.
	Improving livestock farming practices by participating in various collective initiatives Rolling out national animal welfare audit, training and investment support programmes to all farms represented by integrators who are members	Hermès participates with other players in the "Cuir de Veau Français Responsable" (Responsible French Calfskin or CVFR) collective initiative. The approach aims to pool and roll out animal welfare verification audits across the entire French calfskin production supply chain, and to support the players in the supply chain in improving the living conditions of animals and people, with the provision of training and investment programmes. Since the start of the initiative, more than 500 of French calf farms have benefited from third-party audits. Training efforts and the first investment support rolled out in 2024 have made it possible to achieve a rate of 90% satisfactory CSR audits .
Goats	Rolling out LWG certification to the main partners	In 2024, 92% of partners were certified.
Exotic hides		
Crocodilians	Implementing the highest standards of ethical treatment	All group's tanneries are members of the ICFA and 100% of raw crocodilian hides purchased by the Tanneries division came from farms that have been subject to an external audit by a third partner as part of the ICFA [2] certification process.
		These farms are all ICFA-certified by the independent control body BSI.
Lizards	Implementing the highest standards of ethical treatment	In total, 100% of the lizard hides used by the leather métier in Malaysia in 2024 were LPPS-certified. [3]
Ostriches	Implementing the highest standards of ethical treatment	In 2024, all of Hermès' ostrich hide supplies came from SAOBC [4] -certified sites.
Silk		
	Continuing efforts to improve knowledge of the supply chain	Following a study by the University of Cambridge on the biodiversity footprint of silk in Brazil, a study is underway with the WWF on silk in China.
Cashmere		
	Continuing efforts to improve knowledge of the supply chain Encouraging sustainable development of the supply chain	In 2024, Hermès completed its study to understand the nature issues surrounding its cashmere supply chain, with a study conducted by WWF France, WWF China and Donghua University in Shanghai.
		Hermès has been a member of the SFA since 2024 and participates in improving animal welfare issues.
		Visits and audits of shearers in China and Mongolia.
		56% of fibres certified (SFA[5], GOTS[6], RWS[7])
Cotton		
	Continuing efforts to improve knowledge of the supply chain, guaranteeing the best quality and traceability Performing audits	Implementation of a control approach to ensure respect for human rights throughout the supply chain, from production to dyeing and spinning. In 2024, the supply of GOTS-certified cotton for packaging elements (protective covers, which represent a significant part of the Group's needs) covered 95% of its cotton supplies in this segment. Supply chain visits to the cotton fields were carried out as part of supply chain feedback.

Priority sectors	Action	Main concrete measures and results
Precious metals and precious stones		
Gold	Continuing efforts to improve knowledge of the supply chain, in particular by improving the analysis of the origin of the metal of components (chains, clasps) and gold salts used for electroplating	Refiners are asked about their recycled gold supplies to better understand the value chain beyond the refiner.
Diamonds	Continuing traceability and cutting facility audits	Diamond traceability audits were carried out in 2024. Several CSR audits of cutting facilities were carried out and action plans monitored.

(1) The Leather Working Group (LWG) standard, which, inspired by ISO 14001, contains 17 sections and more than 300 requirements relating to regulatory compliance, subcontracting, monitoring of production, traceability, safety, health and safety, wastewater and energy management, waste management, chemical product management and the EHS management system.
(2) International Crocodile Farmers Association. This association aims to develop and improve sustainable crocodilian breeding practices in farms and draw up standards by combining the experience of its members and a scientific community specialised in crocodiles, which has gathered together all practices and existing scientific studies.
(3) Lizard Procurement and Processing Standard.
(4) South African Ostrich Business Chamber.
(5) Sustainable Fibre Alliance. This non-profit organisation promotes responsible practices and sets standards in the production of natural fibres, including cashmere.
(6) Global Organic Textile Standard, guarantees environmentally-friendly production and transformation processes, respect and improvement of working conditions, the promotion of the use of organic fibres and the prohibition of hazardous inputs.
(7) Responsible Wool Standard, which aims to improve the welfare of sheep and the management of the land on which they graze.

Actions promoting circular production of the object

PROMOTING THE REUSE AND RECYCLING OF MATERIALS AND OPTIMISING WASTE MANAGEMENT

Reuse

Hermès is deploying an upcycling approach with several of its métiers. Thanks to the creativity of employees and their savoir-faire, products are designed from unused materials that are embellished. With the aim of avoiding waste and promoting circularity, the available materials are first offered internally to the métiers, then are made available for donation and finally, for recycling.

In order to increase the visibility of "unused" materials, an internal digital platform has been developed and will be made available to the Group's métiers in 2025. The goal is threefold: to inspire creative people *via* a visual and ergonomic tool, to place the product development process at the heart of the solution's user experience and to provide real-time availability of materials and inventories for team appropriation.

At Hermès Maroquinerie-Sellerie in particular, new objects can be produced from inventories of materials not used in previous years. In 2024, all sites computerised their inventories to facilitate this practice.

Petit h and the reuse of materials in-house

Petit h is above all a unique approach to creation: inventing objects, using materials that Hermès has not used in the production of the collections, intertwining the excellence of its savoir-faire and the creativity of the artists and designers.

It involves reverse creation, since the material that is available becomes a source of inspiration.

Artists and craftspeople share their savoir-faire to create unique and functional objects.

By reinventing everyday objects, petit h combines sustainability with re-creation, responsibility and playfulness.

All of the House's métiers are included in this process: end-of-stock, accessories, obsolete parts (for example, a whole collection of pommels dating from the 1960s, etc.).

Scraps of leather, fabrics, silk, porcelain, crystal... All these materials which, adapted, enhanced and sometimes relieved of a tiny initial defect, are given a new life thanks to the unique savoir-faire and talent of the artists.

It is with this spirit of common sense that petit h naturally participates in reusing exceptional materials.

Some creations are manufactured as unique pieces, depending on the availability of existing materials. Others are also produced in limited and controlled production runs.

This creative and singular approach resonates through an original and selective distribution channel, with a permanent base at the rue de Sèvres store in Paris, and pop-up sales abroad.

In 2024, Hong Kong and New York hosted these festive stopovers.

Recycling of materials

Hermès works in collaboration with its partners to improve the recycling process for its materials. The issue is how to give life to quality materials that can be reused internally when possible.

By way of illustration, the "Resilked" project initiated five years ago is the result of a collaboration between the Holding Textile Hermès (HTH) teams and the métier teams. It gives a second life to silk as part of a strong innovation and circular economy approach. The history of this project illustrates the Group's strong commitment to achieving the ambition of zero destruction of textile sources in France by 2025. The process developed makes it possible to generate recycled silk thread, which is then used to produce the herringbone canevas. This approach is remarkable for two reasons: the recycling is carried out in a closed loop and makes it possible to reduce cotton consumption. This project enabled a 20% reduction in the environmental impact compared to the original reference canva accompanying products in stores (according to the 16 indicators of the Product Environmental Footprint (PEF) method).

All the recycling operations implemented aim to come as close as possible to achieving the specifications of a new material and thus creating a true closed materials loop in order to reduce the use of natural resources as well as chemical inputs.

Waste management

In application of the Group's circular economy policy, the métiers integrated the ambition of better waste management and many projects were launched in 2024. Management of industrial waste is entrusted specifically to each division by means of a dual policy of reducing the production of waste, and its recycling wherever possible.

Waste is recorded by each of the métiers and manufacturing sites on an annual basis. Based on these figures, a diagnosis is made and the causes of waste production and areas in which reduction may be possible are examined. When waste cannot be avoided, it is either reused, recycled or valorised by external partners.

At Group level, the main types of non-hazardous waste generated by industrial sites are sludge from water treatment facilities, processes and dredging materials as well as leather by-products generated during the tanning stages (see paragraph below). The hazardous industrial waste generated consists mainly of cullet (crystal debris) that cannot be reused at the Cristalleries Saint-Louis but is reused in a metal refinery, sludge and distillate from surface treatment sites or dyes used in textile printing units.

Tannery

Tanning operations consist of transforming an animal's hide into a sustainable product, the finished leather. The reduction of tannery waste starts with the improvement of the quality of the raw hides. Tanning then generates unavoidable waste, associated with trimming the edges of the hides ("trimming") or preparing the internal surface of the hide ("fleshing"). Within the division's sites, almost all of the waste is non-hazardous.

For exotic hides, several projects are being rolled out in farms and tanneries to improve quality control and optimise the use of raw materials. For example, digital hide-imaging systems enable the identification of defects, facilitate sorting and thus maximise the use of hides in order to reduce waste.

At-source sorting of waste streams is in place on sites and 100% of the waste produced is evacuated to approved channels. On-site waste storage is optimised to prevent any pollution risk and regular awareness-raising initiatives focusing on sorting and the layout of work areas are carried out among employees.

In addition to simple regulatory compliance, the division's tanneries are working to further improve the quality of waste in order to develop solutions for the reuse of water for washing and production.

Leather

The frugal use of leathers has always been a key concern of the production units: thus, cutter craftspeople are trained, from the moment they join the House, in how to cut leathers as sparingly as possible. Coordination among production units is managed daily to optimise the use of hides and offcuts: the analysis of hide usage is a management indicator used in the workshops.

In addition, a guide to best cutting practices is followed on each site.

Some of the leather scraps, elements that are not used in the production unit's "cutting" activity, are sold to specialised channels, sorted and reused, both internally and externally. These by-products from activity are not included as "waste" in this report.

The division also participates in the work carried out by the Centre technique du cuir (CTC) and other stakeholders.

Household waste therefore represents the majority of non-hazardous waste generated by the Leather division and is recycled or recovered for energy. Composting facilities have been set up at certain leather goods workshops to recover organic waste and avoid its transportation. Most of the small amount of hazardous industrial waste generated consists of packaging, glues and dyes used in leather goods' manufacture.

Textile

Of all of the Textile division's waste from direct production, the majority of waste is recovered, mainly as energy, while other waste is sorted and recycled, or even composted.

The Textile division ensures the strictest control of the use of the raw materials supplied. All production units carry out monitoring and actions to reduce scraps and waste, as part of the quality approach. Here are a few examples:

- At the farming stage, much of the waste from mulberry growing and silkworm farming is recycled locally. Each part of the cocoon as well as the other by-products of the industry have multiple uses, from fish food to fabric;
- At the weaving stage, a working group made it possible, following analysis and technical tests, to identify and launch new ways to reduce cashmere waste by resizing the widths of the material to improve the ratio of printed surface to the area of the material;

- At the printing stage, the widths of silk are selected according to their specifications in order to adapt the material to the printing techniques and products being made.

Each site also implements local adjustments to reduce the waste emitted; for example, the AEI (Ateliers d'Ennoblissement d'Irigny) site has significantly reduced the packaging machine films from 110 microns to 85 microns, reducing the amount of plastic consumed by nearly a quarter.

Metals

The "zero waste" principle is intrinsic to the manufacture of precious metal jewellery. This expertise in collection and reprocessing contributes significantly to limiting the impact of the sector.

In 2024, an inter-métiers project made it possible to organise a global operation to recycle three types of metal (gold, palladium and silver) with external partners. These metals were recovered by melting different types of metal parts. This operation made it possible to promote synergies between the métiers and optimise the management of the end-of-life of metal parts.

Improving the circularity of packaging and reducing plastic consumption

Packaging is used at different stages of the life cycle of a product: during its manufacturing phase (packaging of materials, inter-site packaging) and during its sale in stores. As previously mentioned, in stores, 100% of orange bags are FSC®-certified. The cardboard of the emblematic orange boxes is made of 100% recycled material. The bags, made of 40% recycled materials (technical limit related to their resistance), are recyclable except for the handles. Hermès has implemented frugal packaging management: the orange box is used both as packaging for internal flows, but also for sales and customers. The boxes often have a long lifespan, as customers tend to keep them beyond purchase (they even lead to a second-hand market, etc.).

The comprehensive inventory of plastics throughout the production chain is continuing. A working group is assessing the possibilities of plastic substitution and circularity.

The packaging plastics purchased by the Group mainly consist of packaging for perfumes and cosmetics, foams for tableware and logistics items (*i.e.* wedges, strapping, films, adhesives). Paper and cardboard (bags and orange boxes) remain the preferred materials for packaging.

LOGISTICS

Hermès is actively pursuing its approach to reducing the consumption of single-use plastic, such as the introduction of reusable straps for the internal transport of pallets, thereby significantly reducing the use of plastic film. In addition, certain consumables have been replaced by more environmentally-friendly alternatives, such as paper tapes and gummed tapes, used to replace plastic adhesives.

In addition, Hermès works to replace plastic wedges and strapping with paper solutions whenever possible.

TABLEWARE

The foams for wedging this type of fragile articles meet very demanding specifications, particularly in the context of the growth of e-commerce. The Group works with its suppliers, who are some of the most expert in the sector, on cardboard packaging solutions that meet the métier's quality expectations and volume and weight constraints (so as not to transfer the impact by generating new carbon emissions during transport).

The results obtained have already made it possible to market certain porcelain pieces in 100% cardboard packaging.

PERFUME AND BEAUTY

To reduce the use of plastics, Hermès is working on various areas:

- extending the lifespan of containers with the promotion of refillable perfumes and lipsticks;
- reducing the use of virgin plastic for containers across the entire Perfume and Beauty portfolio (with, as a first step, the prioritisation of plastics from recycled and recyclable sources);
- reducing the use of plastic for different kinds of packaging (both for products themselves and those used in logistics operations).

For more than 10 years, Hermès has thus marketed refillable perfumes such as *Voyage d'Hermès, Jour d'Hermès*, *Galop d'Hermès* and *H24*. In 2023, the entire *Parfums-Jardins* collection became rechargeable, followed in 2024 by the *Hermessence* Collection. The glass bottles of the *Le Bain Hermès* product line (including the perfumed products of the *Parfums-Jardins* and *Les Colognes Hermès* collections) have been refillable since 2024. The production of mini-products for hotels, which still represented 24.5 tonnes of plastic in 2023, also came to an end.

Actions aimed at improving and managing object end-of-life

MANAGEMENT OF UNSOLD PRODUCTS

The in-store offer is directly and freely defined by each manager, who is responsible for choosing the right assortment for his or her local customers. This freedom to purchase is an essential element of the business model, and makes it possible to reduce unsold items. In addition, to optimise sales at regional level, the subsidiaries arrange inter-store transfers, leaving only a small number of unsold products.

The management of unsold items is organised by the dedicated "new chances for products" team, and is structured around various successive and complementary actions. Occasional sales intended for customers are organised by the distribution subsidiaries in order to allow the sale of products that would not have been sold in stores. Regular sales to employees of unsold goods and seconds provide an additional channel that can be used to avoid waste, in compliance with local and tax laws.

In addition to these schemes, for more than 10 years, the collecting of products has been organised for donation to partner associations. In this way, several thousand unbranded and anonymised products are donated each year to these partners, who distribute them to people in need. This approach relies on the collaboration of internal volunteers and, since its beginning, more than 100 employees have been mobilised each year to unbrand the items eligible for donation.

AFTER-SALES SERVICE: MAINTENANCE TO EXTEND THE LIFESPAN OF OBJECTS.

Hermès is unusual in offering its customers a tailor-made After-Sales service, with no time limit, across all its métiers and throughout the world. The House carries out the maintenance, repair and restoration of its objects, made by craftspeople, in order to extend their life as much as possible.

From saddles to silk to watches, owners of Hermès objects can request their maintenance or repair all around the world. In 2024 (1), the House worked on more than 200,000 products.

Eager to offer a local service to customers and reduce the carbon footprint related to the return of products, Hermès favours, whenever possible, local interventions. In this context, partner repairers are carefully selected and approved worldwide, and the House continues to set up in-house local workshops close to its flagships, led by expatriate craftspeople dedicated to carrying out work on leather products. The House's strategy is to make maintenance and repair operations as easy and efficient as possible for all its customers around the world. Before departing, craftspeople expatriated to subsidiaries undergo a dedicated seven-month training course in order to enhance their savoir-faire and expertise specific to the maintenance and repair of leather goods.

Furthermore, as a strategic focus of Hermès, after-sales service mobilises 90 craftspeople in five workshops in France. The objective is to support the Group's growth and to develop the number of craftspeople and the infrastructures dedicated to this.

2.1.2.5.6 Targets related to resource use and circular economy (E5-3)

Policy focuses	Action	Target
Designing long-lasting objects	Implementing an eco-design approach	Life cycle analyses conducted on all emblematic products 100% non-mining gold [1] used in Hermès Bijouterie workshops
Ensuring responsible sourcing	Contributing to the sustainability of supply chains	Implementation of a certification process for supply chains according to the highest standards
	Monitoring suppliers and supporting them to ensure the most stringent social, environmental and societal requirements	Achievement and maintenance at more than 95% by purchasing volume from certified tanneries by 2030
		100% recycled or GOTS-certified cotton in packaging (herringbone canevas, ribbons, garment covers)
Promoting circular manufacturing	Promoting reuse and recycling	100% of textile sources and scraps from French textile manufacturers recycled by 2025 [2]
	Optimised management of production waste	
	Promoting the circularity of packaging and reducing plastic	100% reduction in unnecessary single-use plastics by 2025 [1]
Improving and managing object end-of-life	Managing unsold stock	Recycling trajectory for all unsold products by 2030 [3]
	Creating objects that can be repaired	After-sales service offered to all customers worldwide

(1) Non-mining gold refers to gold that has already been used and that comes, for example, from the melting of recovered jewellery and the recycling of IT equipment.
(2) In accordance with the provisions of the AGEC law
(3) The products concerned are those falling within the scope of article 35 of the AGEC law.

In order to constantly align itself with the most demanding certification standards and gradually support its métiers in the supply of significant volumes of certified raw materials, Hermès has extended its objective of certification of the supply chains. These certifications include environmental (*e.g.* water-related) and social (*e.g.* working conditions-related) requirements.

Each métier defines specific and measurable objectives for each of its materials supply chains and communicates them to its suppliers. Precise indicators are put in place to monitor progress and adjust actions accordingly.

1. *For the reference period from 1 October 2023 to 30 September 2024. The transactions recognised are those that contribute to the extension of the life of a product already sold (excluding alterations as part of an initial sale).*

The table below gives an overview of the certifications targeted by supply chain category:

MAIN SUPPLY CHAIN CERTIFICATION COMMITMENTS

Material category	**Certification and specific procedures targeted and rolled-out**
Animal supply chains	
Wool and fur	RWS/RAS [1]/RMS [2]/SFA certifications
Feather/down	RDS [3] certification
Leather	LWG certification
◆ Cattle, goat and sheep leathers	Specific procedures on farms (CVFR, Welfair, etc.)
◆ Precious leathers	ICFA certification for crocodile farms
	SAOBC certification for ostrich hatcheries and livestock farms
	LPPS certification for the lizard sector
Silk	GOTS certification
Mother-of-pearl/pearls	ASC [4]/MSC [5] certifications
Plant-based supply chains	
Cotton	GOTS certification
Linen	"Master of Linen" certification
Cellulosic fibres	Sources of fibres FSC® [6]
Wood	FSC® certification
Rubber	FSC® and GOLS [7] certifications
Palm oil derivatives	RSPO [8] certification
Mineral and metal sectors	
Stones	RJC [9] certification
Gold/silver	RJC certification and use of recycled materials
Other metals	ASi [10] certification

(1) Responsible Alpaca Standard, aims to improve the well-being of alpacas and the management of the ecosystems in which they are reared.
(2) Responsible Mohair Standard, aims to improve the well-being of the angora goats that produce the mohair and the management of the land.
(3) Responsible Down Standard enables the marketing of textiles containing feathers or down produced with respect for animal welfare.
(4) Aquaculture Stewardship Council: an independent organisation that certifies aquaculture products meeting strict environmental and social sustainability standards.
(5) Marine Stewardship Council: global organisation that certifies sustainable fishing products.
(6) Forest Stewardship Council, certifies that forest products come from forests managed in an ecological, socially beneficial and economically viable manner.
(7) Global Organic Latex Standard, certifies that products are made from natural, organically grown latex.
(8) Round table on Sustainable Palm Oil, ensures that palm oil is produced in a way that minimises negative environmental and social impacts, respecting strict sustainability criteria.
(9) Responsible Jewellery Council, certifies the best practices of companies contributing to the supply chain of gold or stones, from mining to distribution.
(10)Aluminium Stewardship initiative, an international standard that promotes responsible aluminium production throughout the value chain.

2.1.2.5.7 Resource inflows (E5-4)

As described in the sections below (ESRS 2 SBM 3, E5-1 and E5-2), the main resource inflows for Hermès are leather, silk, cashmere and precious metals.

Hermès' products (excluding perfume and beauty) are mainly composed of unique, unblended, natural materials. The quantities of materials shown in the table below are therefore taken from the Group's internal material purchasing databases.

The table below shows the materials used by the House, grouped by category with the same sustainability issues.

QUANTITY AND TYPE OF INFLOW MATERIALS USED IN 2024

Type of material *(in tonnes)*	**Animal supply chains**	**Animal supply chains**	**Artificial and synthetic supply chains**	**Metal supply chains**	**Mineral supply chains**	**Plant-based supply chains**	**Plant-based supply chains**	**Other supply chains**
Material qualification	*Biological materials*	*Technical materials*	*Technical materials*	*Technical materials*	*Technical materials*	*Biological materials*	*Technical materials*	*Technical materials*
Total weight (in tonnes)	**675**	**2,686**	**120**	**3,783**	**381**	**483**	**2,952**	**54**

Information on the percentage of organic materials used by the Group that come from sustainable sources, as well as the weight, in absolute value, and percentage of reused or recycled secondary components and intermediate secondary materials used by the Group were not available at the date on which Hermès published its sustainability information. Some materials could not be taken into account in the weight calculation because the information is available in a unit other than mass. This concerns hides expressed in units, precious stones expressed in carats and certain materials expressed in litres. The Group confirms that it has exercised the expected due diligence in producing this information and will work to establish ratios enabling conversion of its units.

The table below shows the quantities of inflow products purchased (finished products and packaging) used in 2024.

QUANTITY AND TYPE OF INFLOW PRODUCTS USED IN 2024

Type of product	Finished product	Packaging
Total weight (*in tonnes*)	**1,442**	**12,830**
% from sustainable sources [1]	1.0%	22%

The information expected in respect of the inflow resource requirement was not exhaustive at the date on which Hermès published its sustainability information. The Group confirms that it has exercised the expected due diligence in producing this information.

2.1.2.5.8 Resource outflows (E5-5)

The way in which Hermès designs products and materials in compliance with the principles of the circular economy, in particular by increasing the proportion of products, materials and waste put back into circulation is detailed in § 2.1.2.5.3. The strategy for reducing and managing waste within operations (including in particular the leather goods workshops, tanneries and packaging) is presented in § 2.2.5.4. As presented in the Group's business model (see § 2.1.1.5.2), the House is committed to making and offering its customers long-lasting objects that can be repaired and passed on.

Hermès follows European regulations on waste classification, given the location of its manufacturing sites in Europe. Waste is weighed at the exit of the sites and by the service provider responsible for its collection and possible recovery. These data are included in the waste register in accordance with regulations. The table below details the quantity and type of waste generated in 2024, by destination:

in tonnes		Total 2024
Total amount of waste produced		18,717
Total amount of waste not disposed of		10,933
Total amount of hazardous waste not disposed of	Preparation for reuse	0
	Preparation for recycling	1,113
	Preparation for other recovery operations	2,225
Total amount of non-hazardous waste not disposed of	Preparation for reuse	0
	Preparation for recycling	4,850
	Preparation for other recovery operations	2,745
Total amount of hazardous waste disposed of	Incineration	142
	Sent to landfill	357
	Other disposal operations	620
Total amount of non-hazardous waste disposed of	Incineration	43
	Sent to landfill	6,400
	Other disposal operations	222
Non-recycled waste		7,784
Percentage of non-recycled waste		64%
Total amount of hazardous industrial waste		4,457

1. *Sustainable sources: to date, these are recycled and/or certified materials, products or components.*

2.1.2.6 TAXONOMY

2.1.2.6.1 Reminder of the regulatory context

This section is drawn up in application of European Regulation 2020/852 of 18 June 2020 (referred to as the "Taxonomy" Regulation), delegated acts (EU) 2021/2139, (EU) 2021/2178, delegated climate regulation 2023/2485 and delegated environmental regulation 2023/2486 aimed at promoting sustainable investments.

The Taxonomy aims to identify economic activities that meet at least one of the following six environmental objectives [1]:

1. climate change mitigation;
2. climate change adaptation;
3. protection of water and marine resources;
4. transition to a circular economy;
5. pollution prevention and reduction;
6. protection of biodiversity and ecosystems.

An activity is said to be taxonomy "eligible" if it is explicitly included in the list of activities drawn up by the European Commission. This activity then becomes "aligned" if it cumulatively meets three conditions:

- it complies with the minimum technical environmental performance thresholds (substantial contribution criterion) for the objective(s) to which it is attached;
- it does no significant harm to the other five remaining criteria, known as the "Do No Significant Harm" (DNSH) criterion;
- it is carried out in accordance with the "Minimum Safeguards" criterion in terms of human rights, corruption, taxation and competition law.

For each of the environmental objectives, the regulation requires the publication of the percentage of eligible and/or aligned activity for each of the following three indicators:

- turnover (%);
- CapEx (%);
- OpEx (%).

2.1.2.6.2 Application to the Hermès Group

The detailed financial information was analysed and checked jointly by the sustainable development department, the finance department, the Group real estate development department, the industrial, technical and innovation department and the métier teams. The methodological elements on which the Group conducted its analysis – assumptions, estimates and limitations – are described in § 2.1.2.6.3.

Turnover eligibility and alignment ratios

The Hermès métiers do not present any significant turnover from activities currently on the list of eligible activities published by the European Commission.

The corresponding regulatory table is available in § 2.1.2.6.4.

OpEx eligibility and alignment ratios

In accordance with the regulation, as the ratio of operating expenses, as defined by the Taxonomy, to the Group's total operating expenses is less than 5%, and these expenses not being significant in terms of Hermès' business model, the Group has used the exemption provided for, allowing it not to publish the taxonomy eligibility and alignment ratios for its OpEx. As a reminder, the operating expenses used by the Taxonomy are defined as direct non-capitalisable costs relating to research and development, the renovation of buildings, short-term leases, maintenance and repair, and any other direct expenditure, related to the general maintenance of property, plant and equipment by the company or by the third party to which these activities are outsourced, that is necessary for these assets to continue to function properly.

The corresponding table is available in § 2.1.2.6.4.

Taxonomy CapEx eligibility and alignment ratios

The CapEx eligibility and alignment ratios, as defined by the Taxonomy, are detailed below. The corresponding regulatory table is available in § 2.1.2.6.4.

1. *Delegated Regulation (EU) 2021/2178 ("Article 8") specifying the reporting obligations of companies in relation to the taxonomy*

In millions of euros	2024	Eligible CapEx Amount	Eligible CapEx as a % of total CapEx	Aligned CapEx Amount	Aligned CapEx as a % of total CapEx	Aligned CapEx / Eligible CapEx
GRAND TOTAL TAXONOMY CAPEX	**1,502**	**816**	**54%**	**391**	**26%**	**48%**
Taxonomy real estate CapEx:	**816**	**816**		**391**		**48%**
◆ Renovation of existing buildings [1]	266	266		144		54%
◆ Acquisition and construction of buildings [1]	149	149		112		75%
◆ IFRS 16 right-of-use assets [2]	401	401		135		34%
Other taxonomy CapEx [1-3]	**686**	-	-	-	-	-

(1) I.e. total of €1,101 million, including operating investments for €1,067 million over the financial year (see Notes 9.2.1 and 9.2.2 to the consolidated financial statements), as well as changes in the scope of consolidation for €34 million.
(2) IFRS 16 rights-of-use of €401 million correspond to the implementation of new contracts and revisions of rights-of-use for €366 million over the financial year (see Note 9.3.1 to the consolidated financial statements), as well as changes in the scope of consolidation for €35 million.
(3) Concern CapEx not eligible under the taxonomy. These are mainly IT investments and land acquisitions.

In millions of euros	2023	Eligible CapEx Amount	Eligible CapEx as a % of total CapEx	Aligned CapEx Amount	Aligned CapEx as a % of total CapEx	Aligned CapEx / Eligible CapEx
GRAND TOTAL TAXONOMY CAPEX	**1,327**	**832**	**63%**	**267**	**20%**	**32%**
Taxonomy real estate CapEx:	**832**	**832**		**267**		**32%**
◆ Renovation of existing buildings [1]	228	228		76		33%
◆ Acquisition and construction of buildings [1]	136	136		82		60%
◆ IFRS 16 right-of-use assets [2]	468	468		109		23%
Other Taxonomy CapEx [1-3]	**494**	-	-	-	-	-

(1) I.e. total operating investments of €859 million over the financial year (see Notes 9.2.1 and 9.2.2 to the consolidated financial statements).
(2) Corresponds to the implementation of new contracts and revisions of rights-of-use for the financial year (see Note 9.3.1 to the consolidated financial statements).
(3) Concern CapEx not eligible under the Taxonomy. These are mainly IT investments and land acquisitions.

The Group considered it relevant to publish an alternative performance indicator in addition to the indicators required by regulations, corresponding to the proportion of aligned CapEx expressed in relation to eligible CapEx, in total and for each activity. This ratio stood at 48% in 2024, compared to 32% as reported in 2023.

GRAND TOTAL TAXONOMY CAPEX

In accordance with regulations, the Group analysed its acquisitions of property, plant and equipment and intangible assets (IAS 16 and IAS 38), right-of-use assets (IFRS 16) and business combinations (IFRS 3) constituting the CapEx Taxonomy denominator. This amounted to €1,502 million for 2024, compared with €1,327 million in 2023. It includes:

- acquisitions of property, plant and equipment and intangible assets (operating investments), in addition to new entries to the consolidation scope, for a total of €1,101 million;
- the increase in IFRS 16 right-of-use assets, plus new entries to the consolidation scope, for a total of €401 million.

ELIGIBLE CAPEX

Eligible CapEx are mainly related to the construction and renovation of buildings owned and rented for a total amount of €816 million.

The environmental objectives concerned by these eligible CapEx are as follows:

- climate change mitigation, including the following Taxonomy activities:
  - 7.2 Renovation of existing buildings, for €266 million,
  - 7.7. Acquisition and ownership of buildings, activity concerning both buildings for the Group's own account for €149 million and new property leases recognised in accordance with IFRS 16, for €401 million;
- transition to a circular economy, including the following activity:
  - 3.2 Renovation of existing buildings, for €266 million (since 2023 this activity has therefore been associated with two separate environmental objectives with the full application of the Taxonomy).

Other Taxonomy CapEx, which are non-eligible, amounted to €686 million and mainly included:

- investments in land for €298 million;
- IT investments amounting to €137 million;
- investments related to recurring maintenance, for €101 million;
- equipment and tooling for workshops, amounting to €97 million;
- real estate investments of individually less than €500 K, which were not analysed, representing a total of €19 million.

ALIGNED CAPEX

In 2024, the alignment of CapEx under the Taxonomy totalled 26% (aligned CapEx out of total Taxonomy CapEx), compared to 20% in 2023, in line with the increase in real estate investments over the financial year.

The Group owns almost all of its production sites. Hermès has created its own sustainable construction framework, called *Harmonie*, certified in 2022 for its alignment with the most ambitious labels and certifications on the market (§ 2.1.2.1.2). This framework is gradually being enhanced with the criteria and evidence required by the Taxonomy. Thus, the application of the *Harmonie* standard contributed significantly to the increase in the real estate CapEx alignment rate.

In addition, the Hermès Group leases most of the stores in the cities where it operates. These stores are sometimes located in the shopping avenues of historic city centres, in buildings that do not yet meet the highest energy performance standards, and are currently incompatible with the standards set by the Taxonomy. Nevertheless, whenever possible, Hermès undertakes renovation work to improve the environmental performance of the occupied point of sale.

2.1.2.6.3 Methodological note

In accordance with the regulatory requirements for the 2024 financial year, the alignment analysis was conducted for all the environmental objectives of the Taxonomy, with regard to the Group's eligible activities.

Substantial contribution

Alignment is based on compliance with the substantial contribution criteria and the non-enforceability of a generic or specific DNSH criterion (see methodology below). Compliance is assessed in the light of the supporting documents available to the Group. For example, large-scale renovation projects significantly improving the energy performance of buildings were considered aligned because they had such supporting documents.

7.2 Renovation of existing buildings *(climate change mitigation)*

Hermès carried out the eligibility and alignment analysis for this existing activity from the perspective of several environmental objectives.

In order to qualify the alignment of building renovation investments, meticulous work was carried out for each investment of more than €500 K in order to analyse the alignment with the substantial contribution, by demonstrating a reduction in demand for primary energy of at least 30%.

3.2 Renovation of existing buildings *(transition to a circular economy)*

The projects eligible for activity 3.2 were considered as non-aligned for this first alignment exercise with the objective of transition to a circular economy.

7.7. Acquisition and ownership of buildings *(climate change mitigation)*

The analysis of the substantial contribution criteria for activity 7.7 was based on the identification of elements to define the energy performance of buildings (RT2012-10% or RE2020 for buildings constructed from 2021, DPE A or national or regional top 15% for buildings built before 2021) depending on the date of their building permit. The criteria relating to airtightness and thermal integrity tests and life cycle analysis criteria were met for buildings constructed from 2021. The energy performance of buildings is systematically monitored and assessed through energy performance contracts.

As permitted by the Commission Communication of 20 November 2023 on the interpretation and implementation of certain legal provisions of the delegated act on the climate aspect of the Taxonomy, investments in the construction of new buildings by the Hermès Group were analysed using the relevant criteria of activity 7.7 and are reported under this activity.

Methodology for assessing generic and specific DNSH criteria

As indicated in the table presenting the CapEx eligibility and alignment ratios, only eligible activities categorised as 7.2 and 7.7 of the climate change mitigation objective show an alignment component. The DNSH criteria, for each of the Taxonomy activities, were applied as follows:

7.2 RENOVATION OF EXISTING BUILDINGS

DNSH adaptation

The Climate Delegated Act recommends compliance with three criteria:

- analysis of the various physical climate risks that could affect the activity;
- assessment of these risks using climate projections in order to determine their significance;
- assessment of adaptation solutions.

This analysis is included from the start of a real estate project and documented in the *Harmonie* standard. Depending on the hazard ranking obtained and the results of the climate projections, local real estate teams undertake the construction of adaptation plans consistent with the nature of the assets concerned, their geographical location and the priority physical climate risks.

DNSH Water

This DNSH imposes compliance with water flow rates per minute, which vary according to the water supply equipment. To ensure compliance with this criterion, Hermès verified the existence of water meters or solutions to manage water consumption. These solutions indicate alignment with the thresholds set by the European Commission.

DNSH Circular economy

The Delegated Act requires compliance with three criteria:

- the preparation of at least 70% by weight of construction waste for recycling, reuse or any other form of recovery;
- operators must limit waste production;
- building design and construction techniques must promote circularity.

These criteria are included in the *Harmonie* standards as well as in the Green Construction Site Charter applied by the Group. This referencing therefore leads to this DNSH being deemed respected.

DNSH Pollution

The DNSH relating to pollution require that the renovation activity referred to in 7.2 does not lead to the manufacture, marketing or use of substances specified in Appendix C of the Climate Delegated Act, the components and construction materials used in the renovation of buildings meet specific criteria and that measures are adopted to reduce noise, dust and pollutant emissions during work.

These requirements are included in the *Harmonie* standards; in this respect, the governance of the standards provides that the project management must certify the total absence of compounds deemed hazardous such as lead, asbestos, mercury, persistent organic pollutants, ozone-depleting substances, hazardous substances covered by REACH, as well as any other substances mentioned in Annex C.

In order to ensure compliance with this DNHS in its entirety, the Group actively monitors any uncertainties concerning the interpretation of the texts relating to criteria a) to f) and the additional paragraph, and to the scope of the substances concerned, and the Group is strengthening its data collection capacities. For the 2024 financial year, the Group had already mobilised the resources available at the date of the preparation of the Taxonomy report, so Hermès was able to conclude that the renovation activities are aligned with the DSNH. Hermès will continue its efforts to refine its analysis and make progress on its processes over the coming years, with the constant objective of fully meeting all of the requirements of the DNHS Pollution.

7.7. ACQUISITION AND OWNERSHIP OF BUILDINGS

DNSH adaptation

The applicability criteria and compliance with them by Hermès are the same as those detailed for activity 7.2.

Methodology for assessing minimum safeguards

Hermès followed the recommendations of the Final report on Minimum Safeguards by the European Platform on Sustainable Finance as well as those of the European Commission's FAQ of June 2023 on minimum safeguards [1]. The Group conducted an in-depth analysis of its practices with regard to the four themes described in the report (human rights, corruption, taxation and competition law) as well as an analysis of controversies with regard to the non-alignment criteria described in the report. These analyses showed that no definitive convictions were found, on the basis of existing processes, on any of these topics constituting a non-alignment criterion.

More specifically:

- to guarantee respect for human rights, Hermès formalises its commitments in a set of charters and codes accessible *via* the Group's website [2]. These charters and codes are part of major fundamental principles such as the Universal Declaration of Human Rights, the Charter of fundamental rights of the International Labour Organization, the OECD Guidelines and the UN Global Compact. Lastly, in accordance with French law no. 2017-399 of 27 March 2017 relating to the duty of vigilance, the Hermès Group has drawn up its own vigilance plan to identify risks and prevent serious violations of human rights and fundamental freedoms, and the health and safety of people, resulting from its activities as well as those of its commercial partners (suppliers and subcontractors, as well as exclusive *concessionaires*). All of the Group's commitments in this area are described in § 2.1.3.1.3;
- to prevent corruption, Hermès implements a series of internal systems, including the supplier code of conduct, the ethics charter, the anti-corruption code of conduct and the code of business conduct, in addition to specific measures and procedures on the fight against corruption. Dedicated anti-corruption training is also provided to all employees. All of the Group's commitments in this area are described in § 2.1.4.2 and § 2.1.4.3;
- in terms of tax policy, the Group complies with the OECD principles on taxation and has been using an IT tool deployed in all subsidiaries since 2023 to monitor tax obligations, tax payments and tax ethics. All of the Group's commitments in this area are described in section 4.1.5.3;
- to prevent breaches of competition law, Hermès has set up contractual commitments, such as the supplier code of conduct and the ethics charter, and provides training to its most exposed employees. All of the Group's commitments in this area are described in § 2.1.4.2.

As a result of these analyses, Hermès complies with the minimum safeguard requirements for this new alignment exercise.

1. *Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and links to the Sustainable Finance Disclosure Regulation (2023/C 211/01).*
2. *https://finance.hermes.com/en/ethics-human-rights-and-diversities/*

2.1.2.6.4 Regulatory tables

SHARE OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - INFORMATION FOR THE YEAR 2024

				Substantial contribution criteria						Do no significant harm criteria ("DNSH criteria")								
Economic activities	**Code**	**Revenue**	**Proportion of turnover, year N**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of turnover aligned with the Taxonomy (A.1.) or eligible under the Taxonomy (A.2.), Year N-1**	**Category of enabling activity**	**Category of transitional activity**
A. Activities eligible under the Taxonomy																			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																			
Turnover from environmentally sustainable activities (aligned with the Taxonomy) (A.1.)		-	-														-		
Of which enabling		-	-														-	E	
Of which transitional		-	-														-		T
A.2. Activities eligible under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
Turnover from activities eligible under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2.)		-	-	-	-	-	-	-	-								-		
A. Turnover from activities eligible under the Taxonomy (A.1 + A.2)		-	-	-	-	-	-	-	-								-		
B. Activities not eligible under the Taxonomy																			
Turnover from activities not eligible under the Taxonomy		**15,170**	**100%**																
TOTAL (A. + B.)		**15,170**	**100%**																

SHARE OF TURNOVER FROM ECONOMIC ACTIVITIES THAT ARE ELIGIBLE AND/OR ALIGNED WITH THE TAXONOMY BY ENVIRONMENTAL OBJECTIVE - INFORMATION FOR THE YEAR 2024

	Proportion of turnover/total turnover	
	Aligned with the Taxonomy by objective	**Eligible under the Taxonomy by objective**
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

PROPORTION OF CAPEX EXPENDITURE FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - INFORMATION FOR THE YEAR 2024

				Substantial contribution criteria						Do no significant harm criteria ("DNSH criteria")									
Economic activities	**Code**	**CapEx**	**Proportion of CapEx, year N**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of CapEx aligned with the Taxonomy (A.1.) or eligible (A.2.) under the Taxonomy, year N-1**	**Category of enabling activity**	**Category of transitional activity**
A. Activities eligible under the Taxonomy																			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																			
Renovation of existing buildings	CCM 7.2	144	10%	YES	N/EL	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	6%		T
Acquisition and ownership of buildings	CCM 7.7	247	16%	YES	N/EL	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	14%		
CapEx of environmentally sustainable activities (aligned with the Taxonomy) (A.1.)		**391**	**26%**	**26%**	**-**	**-**	**-**	**-**	**-**	**YES**	**YES**	**YES**	**YES**	**YES**	**YES**	**YES**	**20%**		
Of which enabling		-	-	-	-	-	-	-	-	YES	YES	YES	YES	YES	YES	YES	0%	E	
Of which transitional		144	10%	10%						YES	YES	YES	YES	YES	YES	YES	6%		T
A.2. Activities eligible under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
Renovation of existing buildings	CCM 7.2 and CE 3.2	121	8%	EL	N/EL	N/EL	N/EL	EL	N/EL								11%		
Acquisition and ownership of buildings	CCM 7.7	304	20%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								31%		
CapEx of activities eligible under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2.)		**425**	**28%**	**28%**	**-**	**-**	**-**	**-**	**-**								**43%**		
A. CapEx of activities eligible under the Taxonomy (A.1 + A.2)		**816**	**54%**	**54%**	**-**	**-**	**-**	**-**	**-**								**63%**		
B. Activities not eligible under the Taxonomy																			
CapEx of activities not eligible under the Taxonomy		**686**	**46%**																
TOTAL (A. + B.)		**1,502**	**100%**																

PROPORTION OF CAPEX FROM ECONOMIC ACTIVITIES THAT ARE ELIGIBLE AND/OR ALIGNED WITH THE TAXONOMY BY ENVIRONMENTAL OBJECTIVE - INFORMATION FOR THE YEAR 2024

	Proportion of CapEx/Total CapEx	
	Aligned with the Taxonomy by objective	**Eligible under the Taxonomy by objective**
CCM	26%	54%
CCA	-	-
WTR	-	-
CE	-	18%
PPC	-	-
BIO	-	-

PROPORTION OF OPEX CONCERNING PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - INFORMATION FOR THE YEAR 2024

				Substantial contribution criteria						Do no significant harm criteria ("DNSH criteria")									
Economic activities	Code	OpEx	Proportion of OpEx, year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of OpEx aligned with the Taxonomy (A.1.) or eligible under the Taxonomy (A.2.), year N-1	Category of enabling activity	Category of transitional activity
A. Activities eligible under the Taxonomy																			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																			
OpEx of environmentally sustainable activities (aligned with the Taxonomy) (A.1.)																			
Of which enabling																		E	
Of which transitional																			T
A.2. Activities eligible under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
OpEx of activities eligible under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2.)																			
A. OpEx of activities eligible under the Taxonomy (A.1 + A.2)																			
B. Activities not eligible under the Taxonomy																			
OpEx of activities not eligible under the Taxonomy																			
TOTAL (A. + B.)		259	100%																

PROPORTION OF OPEX FROM ECONOMIC ACTIVITIES THAT ARE ELIGIBLE AND/OR ALIGNED WITH THE TAXONOMY BY ENVIRONMENTAL OBJECTIVE - INFORMATION FOR THE YEAR 2024

	Proportion of OpEx/Total OpEx	
	Aligned with the Taxonomy by objective	Eligible under the Taxonomy by objective
CCM		
CCA		
WTR		
CE		
PPC		
BIO		

NUCLEAR ENERGY AND FOSSIL GAS RELATED ACTIVITIES

Line	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

2.1.3 SOCIAL INFORMATION

2.1.3.1 OWN WORKFORCE (ESRS S1)

Hermès, a family business with humanist values, offers its employees a human and responsible collective endeavour.

2.1.3.1.1 Interests and views of stakeholders

See § 2.1.3.1.4 for more information.

2.1.3.1.2 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The below table summarises the impacts, risks and opportunities concerning Hermès employees (company employees, excluding non-salaried personnel) relating to ESRS S1 (not specific to the entity) as well as policies implementing the Hermès "Hearts & Crafts" social model. In particular, with regard to risks and opportunities, Hermès has not measured actual material financial impacts on financial performance or cash flows.

Key internal stakeholders were involved in this process. Through its code of conduct and its vigilance plan, as described in § 2.4.1.3, Hermès presents its human resources management principles in terms of human rights.

	IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy
PEOPLE						
Teams						
Team health, well-being and development						
24	Impact of working conditions on employee health and safety	Negative impact	Direct operations	All time horizons	Actual	Health and safety policy
25	Impact of working conditions on employees' human rights	Negative impact	Direct operations	All time horizons	Potential	Policies currently being drafted
26	Impact of working conditions on employees' freedom of expression	Negative impact	Direct operations	All time horizons	Potential	Employee dialogue policy currently being drafted
Diversity and Inclusion						
27	Impact of discriminatory practices on employees' human rights	Negative impact	Direct operations	All time horizons	Potential	Vigilance plan, ethics charter, code of conduct Diversity and Inclusion Policy currently being drafted.
Savoir-faire						
Acquisition, enrichment and transmission						
28	Contribution to the employability of employees through the development of skills and savoir-faire	Positive impact	Direct operations	All time horizons	Actual	Savoir-faire and skills development policy currently being drafted
29	Opportunity to improve performance through talent, savoir-faire and skills management	Opportunity	Direct operations	All time horizons		

Link between impacts, risks and opportunities and the Hermès business model

As indicated in § 2.1.1.5, the risk analysis, prioritisation and action plan implementation process carried out on a recurring basis, particularly as part of the double materiality analysis and the vigilance plan, contributes to the resilience and sustainability of Hermès' strategy and business model. Hermès' model, anchored in exceptional craftsmanship and savoir-faire, places people at the heart of its corporate endeavour, paying particular attention to professional development and the fulfilment of each person in their work. Thus, Hermès recognises that the employees who make up its teams are essential to its success and that the impacts, risks and opportunities associated with them are closely linked to the Group's strategy and business model.

Particular attention is accordingly paid to the health and safety of employees (impacts on the health of employees related to occupational injuries or the development of occupational diseases due to degraded or inadequate safety conditions) as a result of Hermès' desire to promote a culture that is attentive to everyone. With regard to the Group's activities, impacts related to health and safety are more significant in manufacturing activities than in other métiers.

The opportunity to improve performance through the management of talent, savoir-faire and skills is also at the heart of the House's business model. The preservation and transmission of exceptional craftsmanship savoir-faire and the development of skills make it possible to maintain and develop the quality and creativity of Hermès' offering, and to strengthen the commitment of employees. Their efforts are essential to the success of Hermès' joint endeavour.

Hermès' humanist business model emphasises people and the constant development of their savoir-faire and skills. This also has an impact on the employability of the Group's employees.

The Group's other material impacts are not specific to Hermès' business model; however, Hermès pays particular attention to the following impacts:

- the impact of working conditions on the respect for employees' human rights, such as working hours, holidays and rest, adequate wages, job security, etc.;
- the impact of discriminatory practices and harassment in the workplace on employees' human rights;
- the impact of working conditions on employees' freedom of expression, including the non-respect of rights regarding dialogue with Group employees, freedom of association and collective bargaining.

The impacts are assessed and the prevention measures adapted to each of the Group's activities (see § 2.1.3.1.5 and § 2.1.3.1.6 for more information on this topic).

Details regarding identified impacts, risks and opportunities

Details regarding negative impacts

Employees concerned

- All the material impacts identified as part of the double materiality analysis, as well as the existing remediation efforts, concern all Hermès employees. However, certain impacts are more significant and affect certain categories of employees in particular. Thus, the impacts in terms of health and safety affect more specifically Hermès' employees located on the various manufacturing sites, the majority of which are located in France.

One-off nature of impacts

- The potential impacts identified during the materiality analysis are in most cases related to one-off cases:
  - the negative impact of working conditions on the human rights of employees is not systemic but rather relates to one-off cases. The analysis conducted as part of the duty of care and the double materiality analysis confirms that there is no significant risk of forced labour or child labour in Hermès' own workers, either in France or internationally. Hermès also emphasizes the fact that 62% of its employees are located in France, and thus benefit from protective regulations in terms of human rights;

    Discriminatory practices and harassment in the workplace are one-off events, as confirmed by the number of alerts reported during the year on this subject (see § 2.1.4.2);
  - the impact of working conditions on employees' freedom of expression is also a one-off potential impact, considering, for example, that reports on human rights mainly relate to harassment and discrimination (see § 2.1.4.2).

However, as indicated above, the employees who craft Hermès products are more specifically concerned by the negative impact on physical health and safety concerns - a natural result of their activity and therefore a systemic impact. Employees who mainly occupy positions in sales and support teams are significantly less affected by systemic exposure to risks, thus illustrating the differences in impacts depending on the employee populations concerned.

The Group's Health and safety policy establishes a self-assessment of sites with regard to the major risks defined by the Group. This self-assessment system is supplemented by a programme of site health, safety and risk culture audits carried out by an independent third party. These audits make it possible to enrich the operational roadmaps of the sites and to ensure a proper understanding of the specific risks to which employees are exposed.

Lastly, Hermès' decentralised organisation and its desire for proximity (sites at a "human scale") make it possible to know precisely and locally the specific risks to which employees are exposed through risk assessments at workstations. Local responses, adapted to the context of the entity or site are preferred and allow specific situations to be targeted.

A centrally coordinated network of EHS professionals enables the sharing of best practices and facilitates upward and downward information flows.

Details regarding positive impacts

Nature of impacts and employees concerned

- The Hermès business model, anchored in craftsmanship, places training, development and preservation of savoir-faire at the heart of the Company's strategy. The Group supports and strengthens its craftsmanship model and the sustainability of its culture through the following actions:
  - the École Hermès des Savoir-Faire (EHSF) in France aims to encourage careers in craftsmanship and promote apprenticeship through work/study contracts teaching the skills of the métiers within the relevant CFA (apprentice training centre). It supports future craftspeople (saddler-leatherworkers, leather cutters and preparers, mechanics), employees from the moment they are hired, and provides diploma training courses throughout France;
  - the École des artisans de la vente is intended for distribution teams in France. It consolidates its ambition based on four pillars: Emotional Intelligence, Networking and Transmission, Growing without Formatting, A School of Uniqueness. Similar initiatives also exist in other Group countries;
  - Hermès Bijouterie Académie is specifically intended for the sales teams of Hermès stores worldwide, specialising in Jewellery;
  - Hermès Campus is responsible for transmitting the Group's unique culture and meeting the strategic challenges of today and tomorrow. Its multi-modal, face-to-face and remote training offer meets the development needs of all categories of personnel. A number of very unique Hermès programmes are rolled out each year to support leaders, young talents and employees looking for mobility (see § 2.1.3.1.6 for more information on the training actions carried out in this area in 2024).

Details regarding opportunities

Employees concerned

- Hermès' success is based on a collective effort. The Group believes that all of its employees contribute to its development and influence. Two categories of employees have a particularly significant impact on the House's results, and thus are more closely linked with the opportunity to improve performance through management of talents, savoir-faire and skills: craftspeople (who are primarily based in France) and sales associates.

  Talent management within the Group makes it possible to identify expert craftspeople who have valuable technical savoir-faire and that they are able to pass on. These craftspeople are valued and encouraged to share their skills as part of established succession plans. The sales associates embody all aspects of the customer experience in a Hermès store. Specific onboarding programmes as well as training in customer culture and expert product knowledge are regularly offered to this population.

2.1.3.1.3 Policies related to own workforce (S1-1)

Each of the material impacts, risks and opportunities identified as part of the double materiality assessment is subject to a shared Group approach: a global strategic framework that shares a common reference base, while encouraging varied local actions, adapted to the specific contexts of each entity.

Health and safety policy

Committed to its role as a responsible employer and true to its humanist values, Hermès aims to guarantee all its employees a working environment conducive to their well-being and has thus set the ambition of zero occupational injuries.

The Group's Health and safety policy, formalised in 2023, aims to create a common strategic framework that helps preserve the health and ensure the safety of employees and prevent occupational injuries. It is structured around four areas:

Managing Health and Safety performance

These four areas are broken down into 13 commitments, which are tailored to the particular nature of each activity and each country.

This policy follows market practices and is supported by an internal network dedicated to Hermès' health and safety culture and risk management. It aims to create a common strategic framework that contributes to preventing risks, preserving the health and ensuring the safety of employees, advancing the Group's safety culture, and managing related performance. Prepared by a working group made up of representatives of the French stores, the métiers, support services, the Group human resources department and the industrial department, the Health and safety policy was signed by the Group Director of Human Resources and validated by the Executive Committee. It is updated every three years and available to employees *via* the Group's website and intranet. It is also shared through an awareness-raising process detailed in § 2.1.3.1.6.

Employee working conditions policy

Hermès aims to guarantee all its employees an environment and working conditions conducive to their well-being, and enabling them to reconcile their professional and personal life. This ambition is based on several key engagements:

- accompany and provide support adapted to different life stages by supporting employees who are parents, caregivers and employees in vulnerable situations. A company agreement regarding this has been set up in France;
- enable employees, through local initiatives, to benefit from flexibility, ensuring a balance between personal and professional lives, and whose terms are adapted to the constraints of each entity (working arrangements, flexible hours);
- measure the health and well-being of employees every two years through a Group survey, "Hermès Hears".

Furthermore, as the physical work environment consitutes a significant element of working conditions, the physical working environment is governed by the "*Harmonie*" framework (developed and implemented by the real estate department).

In addition to the working environment, Hermès has launched a project to roll out a core social protection system for all its employees worldwide, formalised in a Group social protection policy, and structured around five social protection pillars (parenthood, health, personal protection, life insurance and retirement).

Lastly, Hermès provides its employees with individual and collective compensation that respects their commitment to their desire to share the value created. Hermès offers democratic employee stock ownership plans, for which all employees are eligible subject to length of service conditions.

Specific policies related to employee working conditions (accompany and provide support adapted to different life stages and compensation) are currently being drafted for finalisation in 2025 and comply with the principles, standards and international agreements listed in the "Reference to international frameworks" chart below, taking into account all material sustainability matters presented.

Employee dialogue policy

It is Hermès' policy to constantly ensure that it implements and guarantees high quality dialogue with Group employees and freedom of expression for all employees. These exchanges with Group employees, which are essential to the Company, takes several forms in order to allow employees' interests to be taken into account in the Group's strategy:

- structured dialogue at the entity-level, with collective time for sharing and mutual listening;
- an emphasis on the employee-manager relationship, guaranteed by working environments on a human scale and reserved time between managers and employees;
- several channels for free and safe expression, through the Hermès Hears survey and the provision of the H-Alert! whistleblowing channel. The results of the Hermès Hears survey give rise to specific local action plans;
- structured dialogue with Group employees adapted to countries with employee representation.

For more information on these topics, see § 2.1.3.1.4 and 2.1.3.1.6.

In France more specifically, *i.e.* 62% of the Group's employees, dialogue with Group employees is organised at both the entity and Group level, through employee representation bodies set up according to the organisation of the various divisions or sites. These bodies are regularly consulted in relation to projects relating to the Company's business activity.

The Group ensures that there is a consistent and harmonious application of these systems in France, and that each entity builds and maintains lasting relationships with their stakeholders.

A policy formalising this constructive, participatory and regular approach to dialogue with employees is being drafted and will be finalised in 2025. It will will cover topics related to respect for human rights specified in § 2.1.3.1.3.

Diversity and inclusion policy

Through the House's métiers, creations, savoir-faire, distribution network and customers, diversity is deeply rooted within Hermès. In line with its humanist values, inclusion and the well-being of all are essential to exist harmoniously together.

Following a diagnostic carried out in 2021, the House structured its ambition and explained three areas of commitment to serve as a reference framework for local action plans.

The Diversity and inclusion approach for the entire Hermès Group is thus structured around a common commitment:

- fight against all forms of discrimination;
- promote gender equality;
- promote the inclusion of people with disabilities.

A dedicated governance for Diversity and Inclusion covering all entities has been established through a network of Diversity and Inclusion officers and ambassadors, with some specifically dedicated to disability. Their role is to give visibility on these issues to employees, roll out the global strategy, and develop specific initiatives according to local issues. These efforts are reflected in the employment rate of people with disabilities in France of 7.12% (1).

This network is coordinated regularly *via* meetings, annual seminars, webinars and *ad hoc* discussions on specific topics with the Diversity and Inclusion officers. It meets at an annual seminar to further officers' skills and knowledge regarding Diversity and Inclusion, share best practices and give momentum to their local Diversity and Inclusion ambition.

1. *This figure is taken from the DOETH (declaration on the obligation to employ workers with disabilities in France) drawn up in May 2024 for the year 2023. This mandatory declaration tracks the number of employees with disabilities according to their actual presence time (FTE from 01/01/year N to 31/12/year N).*

A policy formalising this approach is being drafted for publication in 2025. For further information on the Diversity and Inclusion actions taken in 2024 and those planned for 2025, please refer to § 2.1.3.1.6. This policy will cover all grounds for discrimination mentioned by EU regulations and national law; it should be noted that the Hermès Code of conduct also covers these grounds for discrimination. Additional information is presented in § 2.1.3.1.5 regarding the channels available to employees to report any alerts.

Skills and savoir-faire development policy

Hermès strives to offer development opportunities conducive to the success and fulfillment for all, and thus undertakes to develop the employability of its employees through access to training adapted to all. Savoir-faire is one of the Group's key intangible assets, which contributes to its long-lasting success. Hermès Campus continues to structure itself and support employees through multimodal training courses.

More specifically, the excellence of craftspeople's savoir-faire is at the heart of Hermès' business model and constitutes a considerable heritage. The Group's craftsmanship model creates the conditions needed to enable each craftsperson's learning and development. Hermès supports and strengthens its craftsmanship model through its internal training schools: the École Hermès des Savoir-Faire, in conjunction with the French Ministry of Education and the Ministry of Employment, offers diploma and certification training to production craftspeople; the École des Artisans de la Vente supports the Retail métiers; and the Hermès Bijouterie Académie strengthens the unique expertise of the Jewellery métiers.

In 2024, in order to anchor the Group's development, savoir-faire & employability ambition, the Group drafted a Group-wide policy (which is currently being finalised).

Human rights policy

Hermès does not tolerate any conduct that takes the form of behaviour, words, actions, gestures or writings that could infringe an employee's human rights. The House is committed to ensuring that its working conditions enable employees to flourish and develop personally and professionally. Preventing and combating infringements on employees' human rights and efforts to guarantee a work environment conducive to their well-being are therefore among Hermès' priorities.

The Group's policy is to adhere to universally recognised ethical principles, particularly those concerning human rights and the fight against corruption, and to ensure that they are implemented in its operations. This policy is formalised by several charters and codes, validated by the Executive Committee, and published in particular in the vigilance plan, aligned with these fundamental principles.

Furthermore, the Hermès Group and all its employees strive to comply with the laws and regulations applicable in all countries where they operate. These principles have been clearly set forth in the Group's ethics charter since 2009 and in its code of business conduct since 2012, given to all employees and are available on the Group intranet, as well as on the website https://finance.hermes.com/en/. The processes and mechanisms for monitoring compliance with these principles, standards and international agreements are specified in § 2.1.4.3.

In terms of governance, the Ethics Committee oversees all ethics issues, particularly those relating to human rights. Established in 2018, it is chaired by the Executive Vice-President Corporate Development and Social Affairs, a member of the Executive Committee, and composed of the Director of Human Resources, who is also a member of the Executive Committee, the Group Director of Social Relations, General Counsel and the Chief Compliance Officer.

For further information on the actions taken in this regard in 2024 and those planned for 2025, please refer to § 2.1.3.1.6.

Reference to international frameworks

Hermès is committed to promoting respect for human rights and fundamental freedoms and, as such, undertakes to comply with the principles, standards and international agreements listed in the table below. Hermès' social policies, which are currently being formalised and designed to provide a framework for practices governing all employees, comply with this framework.

MAJOR INTERNATIONAL ETHICS PRINCIPLES

The Universal Declaration of Human Rights

The Charter of fundamental rights of the European Union

The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the ILO Fundamental Conventions

The OECD Guidelines (2023) for Multinational Enterprises

The Global Compact under the aegis of the United Nations

As mentioned above, the Group's policy is to adhere to universally recognised ethical principles, particularly those concerning human rights and the fight against corruption, and to ensure that they are implemented in its operations. This policy is formalised through several additional charters and codes, validated by the Executive Committee, in line with fundamental principles such as the Universal Declaration of Human Rights, the rules of the ILO (International Labour Organisation), the OECD (Organisation for Economic Co-operation and Development) and the United Nations Global Compact for sustainable development. Furthermore, the Hermès Group and all its employees strive to comply with the laws and

regulations applicable in all countries where they operate. These principles have been clearly set forth in the Group's ethics charter since 2009 and in its code of business conduct since 2012, provided to all employees and are available on the Group intranet, as well as on the website https://finance.hermes.com/en/. The processes and mechanisms for monitoring compliance with these principles, standards and international agreements are specified in § 2.1.4.3.

Hermès regularly interacts with its employees on the subject of human rights *via* the communication channels detailed in § 2.1.3.1.10 concerning dialogue with Group employees; refer also to § 2.1.3.1.6 concerning the actions carried out in this regard.

Although the analysis carried out as part of the duty of care as well as the double materiality analysis confirm that there is no significant risk regarding forced labour or child labour in Hermès' workforce, either in France or abroad, the Hermès Group nevertheless adheres to the Charter of fundamental rights of the International Labour Organisation, which covers the fight against forced labour, child labour and the fight against discrimination. These principles, described in the ethics charter and presented in § 2.1.4.3, as well as in the supply chain briefs, apply to Group companies and their suppliers, who are obligated to comply with it.

2.1.3.1.4 Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

As mentioned in § 2.1.3.1.3, Hermès is convinced that it is essential to understand the employees' experiences and their feedback from the field in order to guarantee a relevant strategic corporate approach.

This conviction is reflected in a partnership-based approach to dialogue with employee representatives that takes into account their expectations, going beyond regulatory requirements for dialogue.

More spécifically, there are widespread collective dialogue initiatives and mechanisms in all countries and all métiers, making it possible to directly collect employee expectations and opinions and enable them to get involved in various projects.

A mechanism for hearing all employees (Hermès Hears survey) exists with, depending on the issues raised, action plans co-constructed locally in all entities. For example, in France, employee representatives are involved in the process *via* the Social and Economic Committees.

For more information on arrangements for dialogue with employees, please refer to § 2.1.3.1.4.

Hermès' Director of Social Development ensures the consistent and harmonious application of employment law in France and ensures that each entity builds and maintains lasting relationships with social partners.

Collective agreements

Numerous collective agreements are signed with Hermès employees in the French entities each year on various themes, such as quality of life at work, compensation, dialogue with employees and working conditions, demonstrating the vitality of employee dialogue at Hermès.

In order to strengthen high-quality, effective and constructive dialogue with employees at all levels, a continuation of the dialogue agreement with employees was signed in 2021, for all of the Group's activities in France (see § 2.1.3.1.3). This agreement includes a series of measures intended to encourage and promote dialogue with employees thanks to:

- more awareness of the dialogue mechanisms available to employees through communication actions relating to workplace elections in order to promote employee engagement and the feedback on their views;
- strengthening of interactions between the players involved in dialogue with Group employees *via* annual gatherings for management and employee representatives;
- development of the skills of the players involved in dialogue with Group employees through a training course throughout their term of office.

As another example of this commitment, a Group Disability agreement (France) 2024-2026 (signed in November 2023 and which entered into force on 1 January 2024) was co-constructed and negotiated with trade union coordinators, from the representative unions and the Group social development department, during several working meetings to discuss and consider issues, each party providing its perspective on the needs of employees with disabilities.

The agreement was signed unanimously by the four trade unions represented at Group level.

This agreement enables the Company to best support employees with disabilities, whatever their geographical location and métier, with: the help of disability officers in each entity; the support of on-site human resources teams (in charge of rolling out the agreement); where applicable, a network of healthcare professionals (nurses able to assess the needs of employees with disabilities, encourage their recognition as workers with disabilities and manage any technical or organisational workstation adjustments); and finally Disability ambassadors (volunteer employees trained in disability issues), who help to embody and implement the House's ambition as close as possible to the teams.

For more information on the coverage rates of the various mechanisms for collective bargaining and dialogue with Group employees, see § 2.1.3.1.10.

Measurement of dialogue effectiveness

The implementation of the dialogue mechanisms mentioned in the previous paragraph is accompanied by methods for assessing their effectiveness. Commissions for monitoring dialogue with Group employees, which are held several times a year, monitor the implementation of the agreement on the renewal of dialogue with Group employees. The results of the Hermès Hears survey, conducted worldwide every two years, also make it possible to monitor effectiveness. Interviews also take place every year. In addition, as previously mentioned, the H-Alert! line is available 24/7, and the whistle-blower is always informed of the decision taken, thus demonstrating the effectiveness of the system.

Listening to employees in vulnerable situations

Following a dialogue and feedback process with employees in vulnerable situations, made possible by feedback *via* human resources and employee representatives, the agreement on "Accompanying and providing support adapted to different life stages" was negotiated and signed in July 2023 for all Group companies in France. This agreement aims at:

- supporting caregiver employees;
- supporting parenting before and upon arrival and following the birth of a child;
- preventing and supporting people in vulnerable situations: long-term illnesses, professional burnout, bereavement, domestic violence, addictions or debt.

As detailed in the previous paragraphs, a Group Disability Agreement was signed in 2023 in France. The network of Diversity and inclusion officers and Disability ambassadors has also been extended internationally. This network of officers connect at least every quarter so that they can discuss the issues they are facing and best practices (organisation of job shadowing "DuoDays", expert services, mentoring, etc.). These moments of discussion, with the dialogue mechanisms detailed in § 2.1.3.1.4, enable Hermès to hear the points of view of all employees, including those in situations of potential vulnerability (disability, women, caregivers and others).

2.1.3.1.5 Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

For more information on the processes for engaging employees and their representatives, please see § 2.1.3.1.4. The coverage rates of the various schemes relating to collective bargaining and dialogue with Group employees are presented in § 2.1.3.1.10.

As a general approach, the remedy procedures for negative impacts may be different depending on the material issues identified by the double materiality analysis.

Material theme	Remedy procedures for negative impacts	Channels for Hermès employees to express their concerns & how to access them
Health and safety	Depending on the country where the accident occurred, application of local law, with a view to compliance Structured and collective analysis of the causes of the accident and implementation of action plans followed until the closure of the incident Any reassessment of risks related to workspaces; Verification of the absence of potential reoccurrence (workstation adjustments, restrictions on certain tasks, managerial and/or medical follow-up if necessary) Assessment of the effectiveness of actions by monitoring quantitative indicators (see § 2.1.3.1.7) All actions detailed in § 2.1.4.1.3	Managerial line (accessible *via* regular discussions and formal end- and mid-year interviews) Use of human resources teams (accessible *via* email or appointment; initial contact made *via* an onboarding interview with new employees) Use of social partners (lists of social partners are posted in all relevant entities) System for reporting alerts: H-Alert! (accessible 24/7 worldwide where Hermès is present, in 21 languages) Hermès Hears (survey every two years, sent to all Hermès employees)
Human rights	Compliance with local law Implementation of the approach: prevention, training, alerts Assessment of the effectiveness of actions by monitoring quantitative indicators (see § 2.1.3.1.7) All actions detailed in § 2.1.4.1.3	
Dialogue with Group employees	Compliance with local law Monitoring by management and human resources teams of the corrective action plans implemented Assessment of the effectiveness of actions by monitoring quantitative indicators (see § 2.1.3.1.7) All actions detailed in § 2.1.4.1.3	
Discrimination	Compliance with local law Formalisation of the Diversity and inclusion policy that will serve as a framework for Hermès' action plans Training (unconscious bias and micro-inequalities) Assessment by management and human resources of the effectiveness of measures Assessment of the effectiveness of actions through the monitoring of quantitative indicators (see § 2.1.3.1.7) All actions detailed in § 2.1.4.1.3	

As explained in § 2.1.3.1.4, various mechanisms exist for listening to employees and contributing to dialogue with Group employees at Hermès: the presence of dialogue mechanisms specific to each entity, a local managerial relationship, additional channels for free and secure expression (through the Hermès Hears survey or the H-Alert! whistleblowing channel) or employee representation where dialogue with Group employees is structured.

Mechanism for handling complaints

In accordance with laws and in order to boost the fight against breaches of ethics and integrity, in 2019 the Group set up a global whistleblowing system called H-Alert! The H-Alert! whistleblowing system is accessible to all Group stakeholders, both internal and external, whether *via* the HermèSphère intranet site (Group intranet site accessible to all employees) or *via* the website https://finance.hermes.com/en/. This platform is a third-party mechanism, available in 21 languages to ensure its proper distribution. Employees are informed of the availability of H-Alert! and its operation (detailed in § 2.1.4.2) *via* the following mechanisms:

- during the ethics and anti-corruption training, which is mandatory for all employees at least every two years;
- in the guide made available to all new employees and distributed at the time of their onboarding;
- in the code of business conduct and the anti-corruption code.

Any employee who believes that he or she is a victim or is a witness to such a situation is invited to inform their manager, a human resources manager or an employee representative as soon as possible or to report it through the H-Alert! professional whistleblowing system, which guarantees the confidentiality of exchanges.

In France, Group rules provide for mechanisms that make it possible to examine and address any situation relating to moral or sexual harassment, sexist behaviour or sexual aggression, with complete neutrality and impartiality, through the systematic establishment of an internal joint inquiry commission with a representative of management and an employee representative of the Social and Economic Committee. To support them in this role, an internal investigation procedure established that describes the different stages of an investigation, the precautions to be taken and the role of the various stakeholders.

Processing of alerts

Upon receipt of an alert, an acknowledgement of receipt is systematically sent within seven days of receipt.

The admissibility of alerts is processed within a maximum of one month and, if the alert is pertinent, it is immediately assigned to the entity concerned by the subject reported. The admissibility of reports on social issues (*i.e.* discrimination, harassment) is analysed by the human resources department. The admissibility of other reports is made by the Ethics Committee, which includes two members of the Hermès Executive Committee. Reports relating to social issues are dealt with by the Human Resources Manager or the local Director of Human Resources (outside the managerial line against which the complaint is made) and its follow-up is shared with the Ethics Committee. Other reports are handled by a person appointed by the Ethics Committee according to their topic (*i.e.* purchasing department, legal department). Where appropriate, these alerts may be investigated to determine whether the case is proven or not.

Regular discussions take place throughout the procedure with the person who made the alert in order to keep them informed during the process and to ask for clarifications if necessary. The person making the alert is informed of the planned measures within three months of receiving notification of the alert.

A decision is then taken locally to close the case and take all necessary measures.

Hermès continues to work on safeguarding the effectiveness of the system, namely *via*: 1/ the protection of whistle-blowers and the guarantee of confidentiality 2/ broad access and visibility of the system internally and externally 3/ monitoring of all ongoing cases by the Ethics Committee and their closure, thus demonstrating the effectiveness of the system.

For more information on H-Alert!, please refer to § 2.1.4.2.

Trust and effectiveness of whistleblowing mechanisms

Trust in the H-Alert! system can be measured by the number and types of alerts reported. Thus, the current trend in the number of alerts (see § 2.1.3.1.19) demonstrates continued confidence in the system, which also ensures complete confidentiality.

The Company undertakes not to impede access to legal or other available mechanisms, including mediation processes, for any person reporting negative impacts, especially on human rights, and also to protect the whistleblower. For more information on whistleblowers, see § 2.1.4.2.

2.1.3.1.6 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

Hermès' organisational model leaves room for the autonomy of its various métiers, each of which encounters their own unique situations. The Group establishes an ambition and a strategic framework, then encourages local action plans that are adapted to the entities' specific contexts. The actions described below are those conducted in 2024 at Group level.

The ambition of all the planned actions described below requires high-quality human resources and the provision of dedicated infrastructure and financial resources, and are described in § 2.1.3.1.6.

Human rights actions

As indicated in section § 2.1.3.1.3, Hermès does not tolerate any conduct that takes the form of behaviour, words, actions, gestures or writing that may harm the dignity, physical or psychological integrity of a person, thus undermining his or her person or employment, or degrading the social climate. Hermès is committed to ensuring that working conditions enable employees to flourish and develop professionally. Preventing and combating infringements on the human rights of employees and efforts to guarantee a work environment conducive to employee well-being are therefore among the House's priorities. As indicated in the Company's vigilance plan, Hermès operates in countries with a low risk of human rights violations, thanks to robust legislation in this area. The House relies on its network of human resources professionals and employee representatives to ensure, at the most local level, that these important laws relating to human rights in the workplace are respected wherever the Group operates.

In 2024, this constant monitoring continued, *via* the following methods:

- the alert tools in place (H-Alert!);
- tools for monitoring working hours to ensure compliance with local laws;
- a study conducted on the living wage, confirming that Hermès offers a living wage to its employees worldwide;
- the annual update of the vigilance plan, confirming that for Hermès the risk of infringements of human rights remains minimal;
- training on employment law offered to employee representatives;
- mandatory ethics and anti-corruption training given to new employees (and to all employees every two years);
- social audits carried out for any potential vertical integration of entities, based on a checklist of social issues with corrective action plans drawn up if necessary;
- annual assessments carried out by the internal control teams of each Hermès entity to ensure compliance on subjects including employment law, with corrective action plans drawn up in the event of areas identified for improvement;
- the local rollout of awareness-raising and training actions in terms of harassment prevention.

These actions will continue in 2025, with the adequate human and financial resources to ensure that the rights of Hermès' employees are respected.

Health and safety actions

Committed to its role as a responsible employer and true to its humanist values, Hermès aims to guarantee all its employees a working environment conducive to their well-being, as part of a zero occupational injuries trajectory. As described in § 2.1.3.1.3, the Health and safety policy establishes a strategic framework, structured around four axes, with the aim of preserving the health and ensuring the safety of its employees: preventing risks, preserving the health of employees, advancing the health and safety culture, and managing health and safety performance. Each entity translates its commitments into an operational roadmap. Details of actions to support people who may be affected by occupational injuries are available in § 2.1.3.1.5.

In 2024, Hermès set the ambition to make a sustained effort on the third pillar of this policy, "Advancing the health and safety culture". Initiatives were thus rolled out throughout the Group to strengthen the culture of health and safety within all of the House's entities. The objective is to develop the ability of the Group's managers to inspire and influence employees to adopt safer behaviours, as well as to involve and empower all employees in health and safety initiatives. This requires regular enrichment with best practices from local feedback.

More concretely, the major initiatives in 2024 were as follows:

- organisation of the first health and safety awareness-raising day at Group-level, involving members of the Executive Committee and members of management. This event made it possible to develop the concept of shared vigilance and to increase everyone's involvement in prevention initiatives;
- organisation of a safety awareness day entitled Positive Safety, bringing together managers from the industrial scope to continue to raise awareness of health and safety issues, to be inspired by best practices and to commit to health and safety initiatives;
- rollout worldwide of a training initiative by the industrial métiers department in order to engage people in Health and safety topics and give them the keys to developing their own safety requirements.
- communication and rollout of a major risk framework to all manufacturing sites.

These initiatives complement the activities of the Group EHS [1] network, which meets twice a year to share best practices and innovative health and safety projects, continue to develop skills, and align approaches around Group initiatives. Webinars for the entire EHS community (EHS managers, Health and safety officers (occupational nurses), EHS facilitators) are also offered several times a year with the same objectives. EHS networks coordinated across the métier complete the central system, enabling alignment at the site level.

In 2025, Hermès plans to continue its actions related to the development of its culture of safety, as well as its preventive actions in terms of employee health and safety.

1. *EHS: Environment, Health and Safety.*

Actions in terms of working conditions

Actions have been put in place to ensure that employees' working conditions are respected and contribute to the flourishing of employees. In this respect, and as mentioned in § 2.1.3.1.3, a policy to accompany and provide support to employees adapted to different life stages is being formalised and will provide a framework for these actions.

In 2024, in order to ensure a working environment conducive to the professional success of all, it was decided to expand the rollout of the Hermès Hears survey across all Group entities. This survey made it possible to draw up an inventory of Hermès' strengths and its areas for progress on these topics. This system for listening to employees' concerns implies taking action and the implementation of concrete initiatives as part of a continuous improvement approach, at all levels of the company, for and thanks to dialogue with the teams and the use of its strengths. The Hermès Hears system is intended to be renewed every two years, in order to measure the impact of the actions that have been implemented. Following feedback to local teams, action plans are currently being drawn up and their rollout will continue in 2025.

Employee dialogue actions

As indicated above, Hermès' policy is to constantly ensure the implementation and guarantee and ensure quality dialogue with employees aspreviously mentioned and freedom of expression for all employees. This dialogue with employees takes the form of close relationships with the teams and through employee representatives and collective bargaining.

In order to strengthen this dialogue with Group employees, an agreement to renew dialogue with Group employees was signed with the representative trade unions in France in 2021. In 2024, the application of the agreement on the renewal of dialogue with Group employees in this French context was continued, with many measures intended to encourage and promote dialogue with Group employees, such as:

- communication campaigns carried out on employee representative elections to share information on the essential role of employee representatives, elections and practical details regarding voting;
- an annual gathering of management and employee representatives to foster discussions on Group agreements and best practices in dialogue with employees. In 2024, this day was dedicated to sustainable development;
- meetings between employee representatives and their managers on the exercise of their mandates and the reconciliation of this with their professional activities, in order to allow better coordination of the mandate and the professional activity; and
- regulatory and specific training on subjects including the art of negotiation, employment law management, public speaking, project management, sustainable development, cross-functional management and time management are arranged by Hermès in order to promote the development and enhancement of the skills of the representatives.

In 2025, these efforts will continue, with the addition of a planned renegotiation of the collective agreements relating to the Group Works Council (a body that meets once a year in France).

Diversity and inclusion actions

The commitment as a responsible employer implemented within the Group consists of combating all forms of discrimination, in each entity, in France and internationally (more information on diversity and inclusion and Hermès' approach to this subject can be found in § 2.1.3.1.3). A shared Group approach to diversity and inclusion enables awareness to be raised and stakeholders to be trained on diversity, unconscious bias and micro-inequalities, in order to be aware and neutralise stereotypes in decision-making.

In 2024, as with every year, efforts to raise awareness of the risks of discrimination and the existence of unconscious bias continued in a number of different formats, targeting several populations of employees.

The human resources communities, managers and employee representatives followed various training modules with the aim of promoting inclusion, explaining the richness of difference for the Company and thus strengthening fair management in access to employment and career management.

Awareness-raising events are held each year on the theme of inclusion. For example, the annual Disability Forum brings together all of the House's internal players with time for inspiration, discussion and engagement, or the D&I seminar, with all stakeholders involved in the subject of diversity.

In 2025, awareness-raising efforts will continue in the same spirit, in order to share Hermès' culture as a responsible employer and to be a driver of the House's ambition of inclusion and non-discrimination. The House will also continue to make whistleblowing systems available, with investigations conducted and situations treated as described in § 2.1.3.1.5.

The progress of actions and action plans are monitored through the implementation of indicators and targets. As a reminder, the aim is to formalise a policy on this subject in 2025. For more information on the progress indicators for 2024, see § 2.1.3.1.7.

Actions to develop skills and savoir-faire

Hermès aims to grow the Company and enable each employee to grow with it, by offering a framework conducive to individual achievement and collective success.

True to its craftsmanship model, Hermès pays particular attention to the preservation and transmission of exceptional savoir-faire. Recognising this savoir-faire, reinforcing it and passing it on, as well as enabling everyone to find the best conditions for their personal development.

In this context, Hermès Campus has initiated and then in 2024 strengthened new multimodal and international skills development paths for buyers, industrial directors, collection developers, store directors, sales associates and managers, with the dual ambition of enhancing technical skills related to the evolution of their métiers in order to transform their practices and developing behavioural skills, including emotional intelligence. At the same time, Hermès continues to develop multimodal programmes for everyone, in the areas of corporate culture, management, expertise and personal development. To do this, the House developed several training offers in 2024,

resulting in an average of 23 hours of training per employee trained:

- in order to enable employees to master the knowledge necessary for the Group's ambitions in terms of sustainable development, the Académie Hermès du développement durable was created in June 2024 with four main training areas: the fundamentals, climate change, biodiversity and water. Thanks to a dedicated page on the digital training platform (my Campus), this training system is made available to employees with e-learning content and videos in partnership with AXA Climate School. A half-day in-person training session completes this system. Hermès Campus also ensures the dissemination of the principles of sustainable development in existing in-house culture training courses;
- the onboarding offer for new employees was made available *via* my Campus in a multimodal and international format with a virtual classroom enabling everyone to learn about the House ("Welcome to 24") in addition to face-to-face sessions conducted locally and/or at Group level, to ensure that all employees have a complete, high-quality and long-term understanding of the House's culture. As the Hermès culture is particularly unique and strong, understanding it is essential;
- in order to train all store employees on products, new collections and the art of selling, a digital offer was created, consisting of two hours of content per month that employees can access freely;
- a training programme on Hermès' conventions, more specifically in-store sales rituals, was also created and rolled out, in order to participate in the sales savoir-faire and spread the House's culture to in-store employees;
- the first level of an internal in-house Supply Chain course for all employees in the métier has been created so as to develop employees' specific skills and their tailor-made career paths and is being rolled out;
- the content of training offers is continuously being enriched and improved to respond to the development of employees skills and the issues of the House's business model.

In 2025, new topics will enrich training offers on sustainable development, management and métier expertise.

In addition to these training offers detailed above, Hermès is committed to preserving the savoir-faire, one of the Group's key assets, notably through the École Hermès des Savoir-Faire in France ("EHSF"; see § 2.1.3.1.3 for more information). The purpose of the EHSF is to promote craftsmanship métiers and to encourage work/study apprenticeships in métiers of excellence within the associated CFA. In order to enable employees to fully invest in their training and improve access to exceptional craftsmanship métiers, all learners in these training institutions are paid as soon as they join the institution, regardless of their previous situation. To address these issues, the following actions were carried out in 2024:

- several new schools were opened in France, for a total of 10, with nearly 700 learners supported during the year;
- the EHSF courses have been extended to an 18-month format, in order to allow craftspeople to be monitored over the long term, until they become independent;
- the Professional Aptitude Certificate (CAP) has been revised and implemented in order to address the leather goods métier in all its forms, including both industrial and handcrafted leather goods production; 355 learners obtained their CAP during the year;
- the Validation of Acquired Experience ("VAE") [(1)] system was set up and makes it possible to promote the acquisition of skills internally for craftspeople in order to strengthen their employability and perpetuate French savoir-faire;
- several new Cutter et Stitching courses (CQP) were created, also strengthening the employability of craftspeople and ensuring the consistency and quality of the training offered;
- the EHSF's quality approval (Qualiopi) was renewed, making it possible to confirm compliance with the learning requirements and to certify quality courses within the EHSF.

In 2025, new educational innovations with the help of virtual reality (VR) will be rolled out to enhance the material used during the exercises and allow better accessibility for people with disabilities. A repair programme will also be rolled out to strengthen the sustainability of Hermès' savoir-faire and the reparability of the Group's creations. In addition, Hermès will continue to develop its external communication in order to promote its savoir-faire and improve access to its métiers.

For more information on the Hermès Skills Development & Savoir-Faire policy currently being drafted, please refer to § 2.1.3.1.3.

Details of actions taken in response to impacts

As a general approach, the remediation procedures for negative impacts may be different depending on the issues identified as material by the double materiality analysis. The remedial measures mentioned in § 2.1.3.1.5 and the preventive actions described above are supplemented by the procedures for employee dialogue specified in § 2.1.3.1.4.

To remedy an actual or potential negative impact, Hermès has put appropriate measures in place. In order to anticipate and prevent impacts, Hermès uses a framework consisting of its policies, the ethics charter, the rollout of awareness-raising actions and mandatory training (fight against discrimination, safety, etc.). Moreover, the mechanisms for dialogue with employees (managerial interviews, Hermès Hears Group survey, etc.) and whistleblowing systems make it possible to report the occurrence of negative impacts identified as part of the double materiality analysis and identify those concerned (H-Alert!).

1. *A programme giving professionals the opportunity to obtain a diploma that recognises their skills acquired in their daily work.*

As mentioned in § 2.1.1.2, Hermès' organisational model leaves a great deal of room for the autonomy of its various métiers, each of them with unique situations. The Group formalises an ambition and a strategic framework, and then encourages action plans that are mainly local and adapted to the specific context. Analysis of the occurrence of potential or actual negative impacts and the determination of the nature of the response to be provided (whether it is a Group or local response - in connection with human resources governance) ensures adapted and relevant responses, the definition of action plans and any new measurement tools. Action plans are drawn up in a participatory manner, then shared within the communities of expertise in order to enable their monitoring as well as the sharing of best practices. Their monitoring is carried out by local governance, with project managers, clear objectives, supporting procedures and tools, and the necessary resources allocated.

As specified in § 2.1.3.1.7, the results of these action plans are presented to members of the Supervisory Board and in particular to employee representative members. Employee representatives, *via* the Social and Economic Committee in France, are also involved in sustainable development issues and have the opportunity to propose improvement actions.

Hermès constantly ensures that its practices do not cause or exacerbate material negative impacts on its own workers in several ways, in particular as mentioned in this report through:

- mechanisms for listening to employees' concerns, detailed in § 2.1.3.1.4 and above, enabling regular discussion with employees in order to monitor the occurrence or the possibility of occurrence of negative impacts;
- existing policies in the process of being formalised, detailed in § 2.1.3.1.3, related to material issues, ensuring a consistent and structuring Group approach to prevent negative impacts;
- targeted action plans detailed at the beginning of this section, drawn up in collaboration with its workforce, in order to respond to actual negative impacts and prevent potential negative impacts;
- performance indicators to monitor the effectiveness of actions to mitigate and prevent impacts, as detailed in the following section.

Effectiveness of actions undertaken

The effectiveness of Hermès' policies and actions is measured using key performance indicators (KPIs) detailed in § 2.1.3.1.7, the monitoring of which enables action plans to be strengthened or changed.

The Group's actions and initiatives are also monitored *via* feedback from employees targeted by these actions; for example, surveys sent to employees following training sessions, and feedback shared during moments when employees' concerns are heard, as detailed in § 2.1.3.1.4.

Human resources (the availability of teams to carry out the actions detailed in this section), financial resources (to finance the actions undertaken) and tools (for example, the whistleblowing mechanism in the event of a report of harassment, training platforms, and others that may be necessary to achieve the actions detailed above) are allocated by Hermès so that the Company can meet its material challenges.

2.1.3.1.7 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

The indicators and targets set to monitor the material impacts, risks and opportunities identified during the double materiality analysis are presented in the table below. Some of these objectives are qualitative, with the aim of securing the robustness of the processes.

Information relating to the monitoring of the effectiveness of the policies and actions on each of these subjects can be found in § 2.1.3.1.4 to 2.1.3.1.6.

Material topic	Metrics	Objective
Health, safety	◆ Number of occupational injuries ◆ Occupational injury frequency rate ◆ Occupational injury severity rate ◆ Number of days lost due to occupational injuries and fatalities ◆ Number of fatalities due to occupational injuries and illnesses	◆ Reduce the occupational injury frequency and severity rates by 50% (a relative target of 14.9 [frequency rate] and 0.63 [severity rate] in 2016 to 7.45 [frequency rate] and 0.31 [severity rate] targeted in 2025) for all of the Group's own operations worldwide, part of the Group's broader ambition of a "zero accident" trajectory driven by the Health and safety policy.
Human rights	◆ Number of alerts *via* the H-Alert! system	◆ Regularly process the admissibility of alerts within a maximum of one month.
Dialogue with Group employees	◆ Number of collective agreements	◆ Draft a Group policy in 2025.
Working conditions	◆ Number of alerts *via* the H-Alert! system ◆ Conduct a survey on working conditions	◆ Draft a Group policy in 2025. ◆ Regularly measure employee opinions on their working conditions through a survey every two years.
Diversity and inclusion	◆ Gender pay gap ◆ Equity ratio ◆ Ratio of women on management bodies ◆ Percentage of women in Top Management	◆ Draft a Group policy in 2025.
Training and skills development	◆ Average number of training hours per employee ◆ Number of École Hermès des Savoir-Faire (EHSF) training centres ◆ Number of learners supported *via* EHSF ◆ Number of people who obtained their CAP in leather goods	◆ Draft a Group policy in 2025.

Social objectives are set by the Group's HR department, taking into account current results, the results of the materiality analysis, the needs and lived experiences of employees, and a strong humanist ambition. These objectives are proposed by Management, and enriched through discussions with key internal stakeholders: Directors of Human Resources, through annual seminars for Directors of HR ("HR Leadership Team"), monthly meetings of the HR Council, a governance body composed of members of the Group HR department and operational Directors of HR representing the various Group entities, or during seminars bringing together the Managing Directors and their Directors of HR on social issues. The subject of health and safety is shared between the Group's various functions; the setting of these objectives is carried out in consultation with various key stakeholders (the industrial department, the sustainable development department and the HR department).

The Company's performance against the targets set is monitored by employees at several Group levels:

- **sharing results against targets with the Group HR Council** and key internal stakeholders on an annual basis;
- **communication of the results and targets to all employees** *via* the publication of the results of this report on the website https://finance.hermes.com/en as well as through its direct transmission to employees and employee representatives in their role as shareholders of the Group (the majority of employees);
- **consultation of employee representatives** *via*;
  - the Supervisory Board of Hermès International: firstly, through the appointment of two employees as members of the Supervisory Board representing the employees and who, by virtue of their duties as members of the Supervisory Board, take part in all of the Board's discussions and in the deliberations on any subject dealt with by the Board (see chapter 3 "Corporate governance", § 3.4.2.7.1), and secondly, through the participation, without voting rights, of a representative of Hermès International's Social and Economic Committee at Supervisory Board meetings (see chapter 3 "Corporate governance", § 3.4.2.7.1),

- the Social and Economic Committee of Hermès International: during a presentation of the sustainability report and the associated results and, from the 2025 financial year, an information-consultation of the Social and Economic Committee of Hermès International on the sustainability report, and
- the Group Works Council, in France: where employee representatives are also involved in sustainable development issues and thus monitor the Group's results on this subject.

These communication and engagement efforts enable progress to be monitored against targets set by key internal employees.

On these occasions they also have the opportunity to propose improvements. The Group's HR community is responsible for proposing local action plans associated with the results and targets, in collaboration with employees.

2.1.3.1.8 Characteristics of the undertaking's employees (S1-6)

As a reminder, the financial information relating to the Company's own workers is presented in Chapters 1 "Presentation of the Group and its results" § 1.5.3 and § 1.5.4 and 5 "Consolidated financial statements "§ 5.6, Note 7.

INFORMATION ON EMPLOYEES BY TYPE OF CONTRACT, BROKEN DOWN BY GENDER (HEADCOUNT)

	Female		Male		Not disclosed	Total	
	Number	Percentage	Number	Percentage	Number	Number	Percentage
Number of employees *(headcount)*	17,018	67.6%	8,167	32.4%	0	25,185	100%
Number of permanent employees *(headcount)*	15,010	66.6%	7,533	33.4%	0	22,543	89.5%
Number of temporary employees *(headcount)*	1,979	76.2%	618	23.8%	0	2,597	10.3%
Number of non-guaranteed hours employees *(headcount)*	29	64.4%	16	35.6%	0	45	0.2%
Number of full-time employees *(headcount)*	16,198	66.9%	8,005	33.1%	0	24,203	96.1%
Number of part-time employees *(headcount)*	820	83.5%	162	16.5%	0	982	3.9%

The total number of employees was calculated as follows: the number of employees, permanent and temporary, full-time or part-time, with a direct employment relationship with one of the Group's entities and whose assignment is active as of 31 December 2024. Interns, temporary workers and other external service providers are not taken into account in the calculation of the own workers.

BREAKDOWN OF OWN WORKERS BY GENDER FOR COUNTRIES IN WHICH HERMÈS HAS 50 OR MORE EMPLOYEES REPRESENTING AT LEAST 10% OF ITS EMPLOYEES

	Men	Women	Not disclosed	Total employees
France (excluding Monaco)	4,808	10,711	0	**15,519**

BREAKDOWN OF OWN WORKERS BY REGION

	Number of employees	Breakdown
France	15,556	62%
Europe (excluding France)	2,800	11%
Japan	1,062	4%
Asia-Pacific	3,701	15%
Americas	1,729	7%
Middle East	337	1%
TOTAL	**25,185**	**100%**

EMPLOYEE TURNOVER RATE IN 2024 AND NUMBER OF EMPLOYEES CONCERNED

	2024
Number of employees who left the Company during the reference period	1,517
Employee turnover rate during the reference period	**6%**

NB: The employee turnover rate is calculated by comparing the total number of voluntary and involuntary departures of permanent employees to the headcount as of 31 December 2024.

2.1.3.1.9 Characteristics of non-employees in the undertaking's own workforce (S1-7)

In accordance with the possibility offered by the CSRD, all of the datapoints concerning non-employees will be published at a later date, within a period of one year following the publication of this Sustainability report (phase-in).

2.1.3.1.10 Collective bargaining coverage and social dialogue (S1-8)

PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

	2024
Percentage of its total employees covered by collective bargaining agreements	97%

This figure reflects the headcount employed in EEA member countries. In accordance with the possibility offered by the CSRD, the percentage of all employees covered by collective bargaining agreements will be published at a later date.

	2024
Overall percentage of its employees covered by such agreement(s) for each country in which it has at least 50 employees by headcount representing at least 10% of its total number of employees in the EEA	
France	**100%**

	2024
Global percentage of employees covered by workers' representatives, reported at the country level for each EEA country in which the undertaking has significant employment	97%
France	**100%**

2.1.3.1.11 Diversity metrics (S1-9)

AT TOP MANAGEMENT LEVEL

Gender	Number of employees	Breakdown
Male	59	52%
Female	54	48%
Not disclosed	0	0
TOTAL EMPLOYEES	**113**	**100%**

NB: Top Management refers to to employees occupying positions with the highest levels of responsibility, according to the classification used by the Group.

By age	Number of employees	Breakdown
Under 30 years old	5,382	21.4%
30-50 years old	15,200	60.4%
Over 50 years old	4,603	18.3%
TOTAL EMPLOYEES	**25,185**	**100%**

2.1.3.1.12 Adequate wages (S1-10)

Hermès guarantees its employees a living wage in accordance with local regulations and applicable benchmarks, as confirmed in an analysis carried out in 2024. (1)

As a responsible employer and in line with the values intrinsic to its social model, the House aims to go beyond a living wage and provide competitive overall compensation and enable a quality of life and personal and professional development over the long term.

The overall compensation policy is composed of a wide range of individual and collective schemes, salary components and benefits that cover:

- the fundamental needs and achievements of employees, in particular health, safety, education, social inclusion, access to leisure and personal and professional development, through fixed salaries, individual and collective bonuses and various profit-sharing schemes, additional social protection schemes covering health costs and collective insurance;

1. *This indicator includes all Hermès entities with the exception of entities acquired in 2024 (see financial consolidation).*

- the need for recognition and belonging of employees in the medium and long term - for example through employee stock ownership plans granted to all employees worldwide;
- the need to look forward to the future with confidence, including at the end of working life - with post-employment benefits through retirement benefits, exceptional bonuses, and a collective free share allocation plan.

In addition to the dynamic changes in fixed salaries from which all employees benefited, additional and exceptional measures were also decided by the House in 2024, in a spirit of recognition of the commitment and contribution of each employee to the Group's performance and success. Thus, a bonus of 4,000€ was paid during the first half of 2024 for all eligible employees worldwide, in order to demonstrate the House's deep appreciation for the commitment of its employees. A similar bonus was already paid previously.

True to its family tradition and wishing to involve all its employees worldwide in the Group's sustainable and responsible growth over the medium and long term, Hermès has implemented six free share allocation plans for all of its employees, subject to length of service conditions, in more than 35 countries around the world. This is a unique scheme in terms of its scope and generosity, since 100% of employees meeting the length of service condition are eligible to receive rights to free shares.

All of these employee shareholding plans serve three purposes:

- to show the confidence of the House in the long-term commitment of its employees and unite them around the Hermès Group strategy;
- to acknowledge the contribution made by all employees, whatever their role, to the development of the House, by providing a single compensation component to share the benefits of the growth, enabling employees to identify more closely with the long-term Hermès growth decisions;
- to consolidate the strong links between employees and the House.

Hermès confirms its ambition to continue to involve all its employees in its corporate project in a single way by strengthening employee's shareholding.

As of 31 December 2024, 73% of employees held shares or rights in the process of vesting under plans already granted, *i.e.* more than 16,000 employee shareholders (see chapter 7 "Information on the Company and its share capital" for more information on this subject).

2.1.3.1.13 Social protection (S1-11)

In accordance with the possibility offered by the CSRD, all datapoints relating to this DR will be published at a later date, within a period of one year following the publication of this Sustainability report (phase-in).

2.1.3.1.14 Persons with disabilities (S1-12)

In accordance with the possibility offered by the CSRD, this datapoint will be published within a period of one year following the publication of this Sustainability report (phase-in).

As a reminder, in France during 2023, 7.12% of Hermès' employees had disabilities.

2.1.3.1.15 Training and skills development metrics (S1-13)

In accordance with the possibility offered by the CSRD, these datapoints will be published at a later stage, within a period of one year following the publication of this sustainability report (phase-in).

For information on training and skills development, see § 2.1.3.1.3 and 2.1.3.1.6.

2.1.3.1.16 Health and safety metrics (S1-14)

Employees	2024
Percentage of employees covered by its health management system	100%
Number of fatalities due to occupational injuries and illnesses	0
Number of recordable work-related injuries	303
Occupational injury frequency rate	7.89
Occupational injury severity rate	0.40

In accordance with the possibility offered by the CSRD, certain datapoints will be published at a later stage, within a period of one year following the publication of this sustainability report (phase-in).

2.1.3.1.17 Work-life balance metrics (S1-15)

In accordance with the possibility offered by the CSRD, these datapoints will be published at a later stage, within a period of one year following the publication of this sustainability report (phase-in).

2.1.3.1.18 Remuneration metrics (pay gap and total remuneration) (S1-16)

As mentioned in § 2.1.3.1.3, Hermès has always been vigilant regarding gender equality and more specifically on equal pay, *i.e.* the pay gap between women and men. In 2024, the pay gap was 2.10% in favour of men at the global level. Hermès continues its commitment on this topic and remains vigilant year after year.

The employees taken into account for the calculation of the compensation indicators are those present in the same country between 1 November 2023 and 31 October 2024, excluding those on work/study contracts. All countries interfaced in the Group's Human Resources Information System (HRIS) with more than 100 employees, as well as Japan, are included. These methodological choices, after analysis, do not have a significant impact on the 2024 indicator result presented above.

To calculate the equity ratio, a purchasing power index for each country, provided by a specialist firm is used. These indices enable Hermès to adjust employee compensation so that it can be compared to the compensation of the person with the highest compensation. Thus, the calculated Group median can be compared to the compensation of the person with the highest compensation.

	2024
Average pay gap between men and women	2.1%
The ratio of annual compensation between maximum annual compensation and total median annual compensation	92

2.1.3.1.19 Incidents, complaints and severe human rights impacts (S1-17)

As indicated in § 2.1.3.1.3, the Hermès Group and all its employees are committed to complying with the laws and regulations applicable in all countries where they conduct activities. These principles have been explicitly included in the Group's ethics charter since 2009 and in the code of business conduct since 2012. In accordance with laws and in order to boost efforts against breaches of ethics and integrity, in 2019 the Group set up a global whistleblowing system called H-Alert! The following data shows the number of alerts received through this system (including all alerts under the categories Harassment/Discrimination/Other HR issues, through channels made available to the Group's employees):

	2024
Number of alerts relating to the category Discrimination, Harassment and other HR topics (1)	111
Number of alerts filed through the various feedback channels	211
Total amount of fines, penalties and damages	Information unavailable

	2024
Number of serious human rights incidents	0
Total amount of fines, penalties and compensation resulting from the above cases	0

In 2024, 211 alerts were received through the H-Alert! whistleblowing system concerning human resources issues such as, among others, discrimination, moral harassment, sexual harassment and sexist behaviour.

All alerts are compiled in the H-Alert! system for better traceability, in particular direct reporting to local human resources teams.

Where appropriate, these alerts may be investigated to determine whether the case is proven or not.

All parties involved in the processing of alerts were mobilised and involved throughout the processing of the incidents.

1. *These data do not in any way prejudge the materiality of the facts reported.*

2.1.3.2 WORKERS IN THE VALUE CHAIN (ESRS S2)

Hermès' sustainable development is linked to the ability of its partners and suppliers to develop sustainably with regard to social, environmental and ethics issues, in particular human rights, fundamental freedoms and working conditions.

2.1.3.2.1 Interests and views of stakeholders (ESRS S2 SBM-2)

Workers in the value chain include all employees, suppliers and partners with whom Hermès works in its activities, as well as workers not included in its own workforce (see § 2.1.3) but working for the Group's account. The integration of the views of workers in the value chain is essential to ensure responsible practices in supporting and monitoring suppliers, preventing any risk of breaches of human rights, health and safety and, more broadly, related to the working conditions of these workers.

In this context, attention to the points of view of workers in the value chain is achieved mainly through audits and visits to supplier sites, which include interviews with supplier employees and/or their representatives. These regular interactions are essential and likely to influence Hermès' business model, particularly with regard to its practices and relations with its suppliers. For example, in the event that non-compliance is noted during the audit, regular reviews are carried out with the supplier to ensure that the issues raised (dialogue with Group employees, wages, working conditions, management, etc.) are taken into account. Depending on the level of criticality and the supplier's response, the commercial relationship may be modified or even terminated in the event of serious shortcomings. Furthermore, access to the H-Alert whistleblowing system, open to workers in the value chain (and all external stakeholders) can also enable alerts to be received relating to situations deemed to be of concern by employees who are exposed to them.

2.1.3.2.2 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The process for performing the double materiality analysis and identifying impacts, risks and opportunities is set out in § 2.1.1.3 "Description of the processes to identify and assess material impacts, risks and opportunities" and § 2.1.1.4 "Group risk management framework".

As explained in § 2.1.1.5 "Strategy, business model and value chain" and § 2.1.1.6 "Material impacts, risks and opportunities and their interaction with strategy and business model", Hermès places interactions with its suppliers and partners at the heart of its responsible purchasing strategy. Thus, Hermès recognises that through their savoir-faire and their involvement in its value chain, its partners' employees play an important role in the quality of the products placed on the market and that the impacts, risks and opportunities associated with them are closely linked to the Group's strategy and business model.

The table below summarises the impacts, risks and opportunities relating to ESRS S2 as well as the policies and reference frameworks governing the partnership between Hermès and its suppliers. No exclusions were made as part of this ESRS.

IRO title		Nature of IRO	Scope	Time horizon	Potential impacts	Policy
COMMUNITIES						
Partners and suppliers						
Supporting and auditing suppliers						
30	Impact on the human rights of workers in the value chain	Negative impact	Upstream value chain	All time horizons	Potential	Responsible purchasing policy Supplier code of conduct Supply chain and CSR brief Ethics charter Vigilance plan
31	Impact on the health and safety of workers in the value chain	Negative impact	Upstream value chain	All time horizons	Potential	

Impact on the health and safety of workers of suppliers in the value chain: Hermès may encounter health and safety issues in its upstream value chain due to limited control of the social practices undertaken by the suppliers with which it collaborates and from which it obtains supplies. The context of working conditions vary, with not all suppliers having the same obligations in terms of compliance with international standards of safety and quality of working environments.

Impact on the human rights of workers of suppliers in the upstream value chain: in the same way, Hermès may face issues relating to respect for human rights in its value chain. Suppliers may have insufficient levels of compliance with international standards in terms of respect for and promotion of fundamental human rights.

The Group's strategy and business model may be rethought or adapted due to these impacts, as specified in § 2.1.1.5.

Contextualisation of impacts identified

The Hermès craftsmanship model, in which 55% of objects are made in Hermès' exclusive in-house workshops, and 74% in France, relies on a network of suppliers based mainly in Europe, where labour practices are stricter than in other environments. As a result, Hermès' exposure to supplier risk is reduced especially since 58% of the top 50 direct suppliers are in France and 40% in other European countries. Nevertheless, Hermès treats the subjects of working conditions in its European value chain very seriously, considering that many of its suppliers are small craftsmanship structures (VSEs-SMEs) that require support on these topics. Lastly, a very small proportion of purchases take place in more distant countries and control and monitoring are extremely comprehensive. The House's practice is to maintain a close relationship with its suppliers, historically for reasons related to quality and initial mode of operation, but which is also very useful in ensuring the quality of ethics and social practices. Thus, working conditions (hours, health and safety, compensation, dialogue with Group employees and employee representation, disciplinary practices), risks of discrimination, forced labour, child labour and, more broadly, living conditions (considering the local context) are monitored directly by buyers in the various métiers.

Industry (for the packaging sector, for example) and geographical discussions are held to help identify the issues more precisely. When a major issue is identified, it is discussed with the partner and an action plan is determined jointly and put in place with a view to a long-term relationship and support. In the event of a serious breach, the suspension or even termination of the business relationship may result.

Action plans relating to respect for Human Rights and fundamental freedoms are part of the vigilance plan put in place by the Group as part of its duty of care. This is repeated and detailed in section 2.4.1.2.

Description of the types of workers in the Hermès value chain

Workers at company sites

Workers located on the Company's sites but who are not part of its own workers are mainly people who strengthen the IT teams as well as the teams responsible for site security. Given the proximity of these workers to the Group's direct operations, this category of worker generally benefits from the same protection measures put in place for the Group's own workers (see § 2.1.3.1) relating to health and safety issues and the protection of human rights. For example, health and safety initiatives also benefit these workers.

Trade payables

All suppliers include, for direct purchases, suppliers of materials (who may be Tier 1 [1] or Tier 2 [2]), suppliers of finished products (Tier 1) and their own value chains. Given the variety of materials used in the manufacturing of Hermès' finished products, these are mainly craftspeople, employees of industrial sites and, further up the chain, workers on sites at which metals and minerals are extracted or agricultural products harvested.

For indirect purchases, these include suppliers of finished products, excluding items used commercially by the Group, in particular packaging, and service providers for support functions.

Other information related to the categorisation of workers in the value chain

Downstream, the Group has not identified any categories of workers likely to be materially affected by its human rights or health and safety activities, with the exception of transport service providers who may be exposed to safety risks. These service providers are covered by all the policies and actions undertaken by the Group to prevent potential negative impacts on this category of workers.

Hermès does not have a joint venture.

At value chain level, particular attention is paid to workers who may be particularly vulnerable to potential negative impacts relating to human rights and health and safety as identified in the double materiality analysis. The categories of workers likely to be particularly exposed are young workers (under the age of 18), women, migrant workers, workers likely to be exposed to risks depending on the activity of the site (*e.g.* use of chemicals, use of machines), home workers, trade unions and employee representatives, and workers with disabilities.

As part of the audits carried out, special attention is paid to these types of workers.

Geographical presence

In terms of geographical presence, the following are updated annually:

- the list of sensitive countries defined by the legal department;
- the classification of country risks in the appendix of the supply chain brief and according to the type of supply chain (cotton, metals and stones, timber).

For the preparation of these lists, risks to human rights and social issues are taken into account (*i.e.* child labour, forced labour, freedom of association, living wage, discrimination, informal work and occupational health and safety). They are based on an external database of CSR indices monitored worldwide. Risk analyses and action plans are also adapted according to regulatory risks. By way of illustration, in Italy, a risk of non-compliance with working conditions has been identified (in particular, undeclared work and non-compliance with safety conditions). As a result, an awareness campaign was carried out for suppliers based in Italy and suppliers with subcontractors or suppliers in this country. Social audits have been conducted there for several years and, in some cases, unannounced or semi-announced audits take place.

Forced labour and child labour are priority topics in audits of agricultural supply chains in all non-OECD countries.

1. *who supplies the House directly*
2. *who supplies a Tier-1 supplier*

Negative impact related to sustainable transition

No material negative impact on the value chain related to the sustainable transition was identified. Hermès carries out supply chain diagnostics to identify systemic risks in its value chain. Furthermore, specific audits may be carried out on suppliers in connection with these supply chains studied. When the results of a supply chain audit highlight systemic negative impacts within the supply chain (and not Hermès), discussions are held with the players in the value chain in order to work on mitigating the impacts, strengthening knowledge of the value chain and identifying opportunities for improvement. In the event that it is difficult to improve the impacts for various reasons, suspension or even termination of the relationship is considered, with an action plan implemented to minimise the impact on workers as much as possible at the local level.

When Hermès plans to withdraw from certain specific commercial relationships, this can have negative impacts for employees. The remediation plans systematically proposed by the Group make it possible to better manage the potential impact on them.

Dialogue with workers in the value chain

As part of CSR audits, interviews are conducted with the personnel of suppliers in the upstream value chain, including the people considered to be the most exposed depending on the country or sector of activity and employee representatives, in order to understand how they may potentially be adversely affected in the course of their work.

2.1.3.2.3 Policies related to value chain workers (S2-1)

The protection of workers' human rights as well as the health and safety of workers in the value chain are covered by the policies and instruments presented below.

At Group level, the direct and indirect purchasing departments coordinate and monitor policies, tools and outcomes. These departments report directly to two members of the Executive Committee.

The Group's responsible purchasing policy formalises social, environmental and ethics commitments, in particular relating to human rights, fundamental freedoms and working conditions (*i.e.* health, safety, working hours, wages). It is made public and available on the https://finance.hermes.com/en/ website and has been signed by the Executive Vice-President of Governance and Organisational Development and the Executive Vice-President Manufacturing Division & Equity Investments. It formalises strategies promoting responsible purchasing based on the ISO 20400 international standard and the Responsible Supplier Relations and Procurement Label (LRFAR). It was established with the various in-house players responsible for supplier relationships, in particular the direct and indirect purchasing departments and the experience of a community of buyers.

All supplies are assessed in line with this policy. It is addressed to suppliers, manufacturers, service providers and any subcontractors. Upstream of commercial relationships and throughout them, purchasers assess suppliers to verify their compliance with the Group's social requirements. Based on this policy, the Group rolls out tools directly to its suppliers, in particular as part of the assessment and continuous improvement of the working conditions of workers in its value chain, and notably:

The briefs, covering in particular supply chain and CSR, present both the short-term objectives and longer-term trajectory for each raw material, as well as points requiring particular attention and those that are prohibitive. In particular, this brief includes certification targets for most of the materials according to the highest existing standards. These certifications cover topics related to human rights and safety of working environments and the health of workers.

The Supplier code of conduct: Hermès systematically seeks a formal commitment from its suppliers to comply with their social and regulatory obligations. This commitment is formalised by the signing of the Supplier code of conduct. This Code sets out clear and detailed commitments in terms of health and safety, working conditions and respect for working hours. It mentions forced labour, human trafficking and child labour. It also refers to international standards, and in particular ILO conventions. Suppliers undertake to declare their subcontractors in the appendix to this code and to implement vigilance and control measures to ensure that their subcontractors comply with all their obligations in terms of human rights and personal health and safety. In this context, the Hermès Group encourages suppliers to share this document with them. The Supplier code of conduct is published on the Group's institutional website.

The two instruments listed above were published in 2024 and were not updated during the financial year.

Compliance with international human rights reference frameworks

To monitor compliance with the OECD Guidelines for Multinational Enterprises, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights, Hermès is rolling out a robust supplier audit programme to assess risks in the value chain. In addition, interviews are conducted with workers in the value chain on these occasions.

By way of illustration, given the materiality of the negative impacts identified for the Perfume and Beauty métier, the mapping of environmental and social risks was carried out in 2024 on the raw materials used in perfumery. Since then, ambitious actions have been amplified or launched on the main raw materials used by the métier, such as vetiver and pink peppercorns. More information on the actions taken to mitigate the material impacts can be found in § 2.1.2.5.

Furthermore, Hermès' internal and external ethics approach is based on the universal framework established by major international principles. In this respect, the ethics charter, signed by the Executive Chairman, established in 2009 and updated in 2023, is communicated to all employees. It is available on the intranet and can be accessed by the public on the Group's institutional website [1]. As required by ESRS G1, it specifies that these principles apply to both Group companies and suppliers. In particular, explicit reference is made to the Universal Declaration of Human Rights, the charter of fundamental rights of the European Union, the charter of fundamental principles of the International Labour Organization, which covers freedom of association, the fight against forced labour, child labour and the fight against discrimination, and the OECD Guidelines. It is also a member of the United Nations Global Compact, which invites companies to adopt, support and implement in their sphere of influence a set of 10 core values (relating to issues involving human rights, labour standards, environment, the fight against corruption), and the UN Guiding Principles that commit companies to respecting human rights and addressing the negative impacts of their activities.

This approach is regularly discussed with suppliers during operational discussions with purchasers.

Hermès is involved in promoting respect for human rights and fundamental freedoms and, as such, undertakes to comply with the principles, standards and international agreements listed in the table below:

Major international ethics principles	Internal framework	Examples of implementation
The Universal Declaration of Human Rights The Charter of fundamental rights of the European Union The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the ILO Fundamental Conventions The OECD Guidelines (2023) for Multinational Enterprises The Global Compact under the aegis of the United Nations	**Ethics charter** *Aims to promote respect and ensure proper application of major international ethics principles.* **Code of business conduct** *Aims to raise awareness of certain risks and give employees appropriate behavioural reflexes.* **Anti-corruption code** *Aims to promote an ethics culture in which breaches of probity have no place.* **Supplier Code of Conduct** *Aims to promote ethical, responsible and sustainable conduct for all suppliers.*	**Ethics Committee** *The committee collects and processes alerts, as well as providing advice and recommendations on the Group's ethics culture.* **H-Alert! system** *Employees are encouraged to report grave and serious incidents through several information channels.* **Supply chain and CSR briefs** *Suppliers integrate the Group's human rights expectations.* **Métier/subsidiary EHS policies** *Policies include good working conditions for employees.* **UK modern slavery act** **California transparency supply chain act** **Australian Modern slavery act** **Swiss Duty of Care law** **Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada)**

No controversy related to non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises involving workers in the value chain has been reported in Hermès' upstream or downstream value chain.

Following audits identifying human rights impacts, an action plan is set up with the supplier. Buyers regularly monitor the progress of action plans.

1. *https://finance.hermes.com/en/*.

2.1.3.2.4 Processes for engaging with value chain workers about impacts (S2-2)

The interaction processes with Hermès' different stakeholders are described in § 2.1.1.5.3. The table below summarises the main forms of exchange and dialogue undertaken with workers in the value chain.

Affected communities	Inform	Dialogue	Collaborate
Suppliers & production partners	Communication of the Group's commitments to the Company's representatives (communication of the Supplier code of conduct)	Discussions with buyers as part of the CSR brief Supplier assessment and audits Interviews with workers in the value chain as part of field audits Discussions with stock market groups and sector initiatives	Quality support, product co-development CSR training actions Supply chain certification programme

As part of the audits carried out by independent third parties on behalf of Hermès, interviews with supplier employees are systematically conducted. Workers likely to be vulnerable to impacts, employee representatives, women and migrant workers are some of the people questioned on these occasions. The subjects addressed during these audits cover, but are not limited to, the material negative impacts that affect or are likely to affect workers in the value chain, in order to take their views into account in business relationships between Hermès and the suppliers.

The processes mentioned above take place at each tier-1 supplier audit.

	2024
Number of audits carried out on tier-1 suppliers	More than 100
Frequency of engagements with supplier staff	At each audit
Frequency of engagements with suppliers' employee representative bodies	At each audit

Responsibility for conducting the interactions mentioned above rests with the Managing Director of the Upstream division, who notably oversees the management of direct purchases related to the manufacture of objects.

Respect for the rights of workers in the value chain is covered by the reference framework presented in the previous section. The follow-up of audit action plans carried out by the lead purchaser ensures that the issues identified during the audits and interviews are taken into account.

To date, Hermès has not entered into any agreement with international trade union federations on respect for the human rights of workers in the value chain.

When workers in the value chain are likely to be particularly vulnerable to the identified material impacts, measures are taken to incorporate their views. Thus, the responsible purchasing policy specifies the expectations of suppliers involved in Hermès' solidarity purchasing approach, including the missions entrusted to companies employing people with disabilities, or people in priority neighbourhoods or rural revitalisation areas.

2.1.3.2.5 Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

Whistleblowing mechanism and monitoring system for major subjects

The close relationship between Hermès and its suppliers is one of the best guarantees for identifying any suspicious behaviour or concerns that workers in the value chain might have in terms of working conditions, including health and safety, equal opportunities and respect for human rights. On-site visits by purchasers and frequent assessments are important tools that make it possible to detect any breaches and to alert the Group.

Each of the métiers is responsible for monitoring the issues identified and for the proper implementation of corrective, preventive and remedial actions, where applicable according to the type of findings identified, with suppliers. Similarly, the legal framework of relations with suppliers and subcontractors is regularly updated in light of actual experience. The conclusions of the audits, which bring together buyers and the Group direct and indirect purchasing departments, enable rich discussions anchored in the real circumstances of suppliers and subcontractors.

As mentioned, in accordance with the Supplier code of conduct, any worker in the value chain who identifies suspicious behaviour in the supply chain is invited to report it through the H-Alert! mechanism, accessible to suppliers and subcontractors.

The global H-Alert! whistleblowing system was supplemented in 2022 to:

- strengthen the protection of whistleblowers against any form of retaliation. To this end, a new information notice on the whistleblowing system has been published;
- provide Hermès suppliers, dealers, distributors, intermediaries and co-contractors in general with access to the unique H-Alert! whistleblowing system.

This mechanism is accessible to all external stakeholders of the Group on the Group's institutional website. Available in 21 languages to ensure its proper distribution, the information notice was the subject of a communication within the Group and its suppliers.

In 2024, 211 alerts were received through the whistleblowing system, including alerts received from people other than Hermès employees, who may include workers in the value chain. These alerts are analysed by the legal compliance department and the Group purchasing department. In the event of a negative impact on workers in the value chain, the departments concerned take the necessary actions (*e.g.* supplier investigation, implementation of corrective action, etc.) in order to provide an effective solution to this alert. § 2.1.4. describes in more detail the implementation of this alert system.

100% of the alerts received in the financial year resulted in follow-up. Hermès carried out the internal investigations necessary to process said alerts. The use of the whistleblowing line by internal and external workers attests to the knowledge of the system and the trust placed by its target users.

2.1.3.2.6 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4)

Sustainable development risk mapping process in the supply chain

In order to better understand where social and environmental risks lie in the Group's supply chain, a methodology for managing supplier risks has been formalised and rolled out within the House's various métiers by the purchasing departments. This approach includes risks in terms of human rights and working conditions, as well as equal treatment and equal opportunities for all workers in the value chain.

The diagram below summarises this methodology and the corresponding tools:



The métier purchasers must sort their suppliers by purchase category, then, for each of these categories, map the global risks and then analyse the risks by supplier. Purchasers have several tools at their disposal to inform and refine their supplier risk analysis, in particular:

- a "supplier information questionnaire" including an exhaustive list of points to be explored in depth. This questionnaire is recommended for new suppliers and those identified as "at risk" (in particular on issues related to corruption, negative press, violation of human rights, risk to the health or safety of people, environmental risk, etc.), as well as for strategic or sensitive suppliers (business volume, specific savoir-faire, *intuitu personae*, succession, financial health, etc.);
- a "CSR self-assessment questionnaire" to be completed independently by the supplier.

Referencing or monitoring site visits are carried out by buyers.

Once the risk analysis has been completed and if a material risk is confirmed, the buyer can request EHS (Environment, Health and Safety) and CSR audits from a third-party organisation.

In addition, a Group-level risk mapping has been produced (see chapter 4 "Risk factors and management", § 4.1), into which the mappings produced by each of the main métiers, retail subsidiaries and support activities are fed. Each of them takes into account the risks related to suppliers and subcontractors, and in particular the risks with regard to human rights and fundamental freedoms, as well as the health and safety of people.

Since 2018, the emphasis has been on direct production purchases, for which control of the supply chain is a strategic challenge. With its 16 métiers, the Group has around 100 direct purchasing categories. These risk analyses by purchasing category are supplemented by supply chain analyses by raw material. The audits carried out make it possible to identify issues relating to human rights and fundamental freedoms, as well as the health and safety of people, and then implement appropriate action plans. Particular attention is paid to countries identified at risk.

Regular assessment procedures

For each purchasing category that has previously been the subject of a risk mapping, the métier purchasers carry out a risk analysis covering the risks in terms of human rights and fundamental freedoms, health and safety of people and, more generally, working conditions, as well as environmental risks.

If a risk is suspected, the purchaser conducts a more detailed analysis to confirm or rule out this risk, supported by a "supplier information questionnaire" setting out the various topics included in the previously completed supplier risk analysis framework.

This "supplier information questionnaire" is more generally used by the direct purchasers as the basis of visits to a Tier 1 or higher supplier with the aim of constantly improving their knowledge of the supply chains. Purchasers also use this questionnaire when conducting pre-accreditation visits before starting to work with a new supplier. These pre-accreditation visits are compulsory within the scope of direct purchasing.

CSR SELF-ASSESSMENT

In addition, the supply chain briefs, created in 2020, and the CSR briefs developed in January 2021 and then modified in accordance with updates from the risk analyses or when new materials are added, specify the House's objectives and its expectations vis-à-vis suppliers on these topics. To strengthen supplier engagement, a "CSR self-assessment questionnaire" has been developed, comprising of 69 questions relating to CSR. It enables purchasers to retrieve all the necessary CSR information from their suppliers (*i.e.* social policy, commitments to the environment and biodiversity, ethics charter). Tailor-made by the Hermès' teams, it is both comprehensive and corresponds to their typology and needs. The resulting progress plan will be easier to manage, having been jointly constructed. For example, this approach has made it possible to better understand the Group's manufacturers' social and energy issues.

AUDITS

Direct purchases

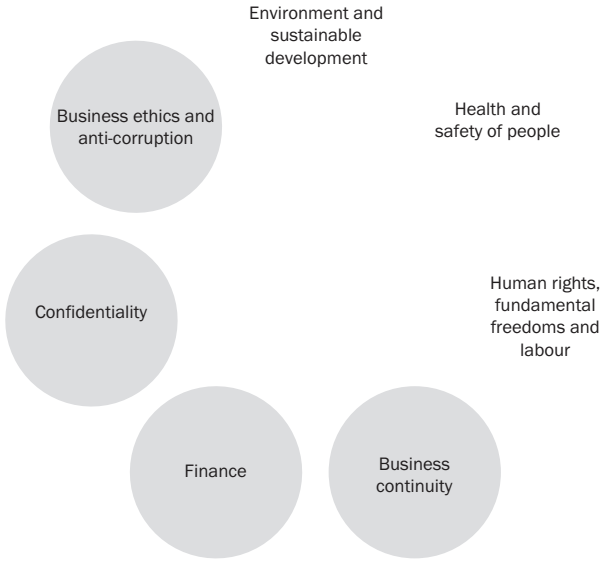
A procedure for conducting and monitoring external audits of Hermès' suppliers, updated in August 2022, governs the overall process of the supplier audit programme. Formalised on a voluntary basis in 2011, the process was strengthened with the implementation of the laws on the duty of care and Sapin II. The supplier audit programme is managed by the direct purchasing coordination department (DCAD) in partnership with all of the House's métiers.

In essence, if the supplier information questionnaire confirms a significant level of risk, the purchaser alerts the direct purchasing department and their line manager, a member of the métier's Management Committee, and an action plan is drawn up to prevent or mitigate the risks. If the risk is related to the environment, the health and safety of people, social issues or, more generally, human rights and fundamental freedoms, an external body recognised for its expertise in these areas, is asked to conduct an audit. The results of these audits and the quality of action plans are taken into account during any continuation of relationships.

Audits are also requested for strategic or sensitive suppliers (due in particular to business volume, specific savoir-faire, *intuitu personae*, located in a country far from France, for example).

These on-site audits last an average of two days each and are carried out in the presence of a Hermès representative. They make it possible to verify *in situ* the reality of suppliers' social, environmental and ethics commitments, the proper implementation of regulations that concern them, and the reality of the working conditions and well-being of employees. This audit approach favours the quality of the work over the number of suppliers reviewed.

In conjunction with the "supplier information questionnaire", these audits cover the following seven themes:



Of these seven topics, the three priorities, which also meet the obligations under the duty of care law are those identified in orange in the diagram above. If the audited supplier uses subcontractors, most of its subcontractors will also be audited by the third-party firm. These Tier 2 audits last an average of half a day and focus on health and safety, environment, labour, human rights and fundamental freedoms.

AUDITS PERFORMED ON DIRECT TIER-1 AND 2 SUPPLIERS

Direct purchases	2024
Number of suppliers audited	More than 200 suppliers
Types of suppliers	More than 100 Tier 1 suppliers More than 100 Tier 2 suppliers

Hermès places the health and safety of people at the heart of its concerns; accordingly, more than half of the audit findings relate to this theme in 2024. The suppliers in question all took immediate steps to implement the necessary actions to correct the situation and comply once more.

Since the beginning of the EHS and CSR audit programme, which began in 2011, Hermès has committed its suppliers to carrying out corrective and preventive actions, responding to the findings identified during the audit of external service providers. For example, many suppliers have since carried out a risk assessment on exposure to chemical products, including measurement of exposure and the implementation of appropriate collective and individual protective equipment. Furthermore, some suppliers have had to update their assessment of occupational risks and secure non-compliant machines that presented risks for operators.

The audits are a fundamental part of the risk assessment system for suppliers and subcontractors. They also contribute to the quality of the relationship, a key factor in the success of sustainable support towards better practices. This is why the métier purchasers are involved in the auditing of their suppliers, supporting the process upstream, participating in audits alongside the external firm and in monitoring the progress made in the action plans in a more formal manner.

Indirect purchases

Audits of indirect suppliers last one to two days. As with direct purchases, a risk-based approach is used. Since 2014, Hermès Sellier's strategic packaging suppliers have all been audited. Each year, this list is extended to strategic suppliers from other departments (such as logistics, temporary work agencies, transportation) or to suppliers whose purchasers have identified a risk. Health and safety issues, as well as the human rights of workers, are obviously included in these audits.

In line with its responsible purchasing strategy, in late 2018, the Indirect Purchasing division selected EcoVadis, which offers a collaborative platform for assessing the environmental performance and social responsibility (CSR) of its suppliers on four themes: environmental, social and human rights, ethics, and responsible purchasing. The results of supplier assessment with the platform are reflected in action plans proportionate to the risk exposure, depending on the score obtained.

Number of indirect suppliers assessed in 2024	Average score Hermès Suppliers // Average EcoVadis score	Average Hermès supplier score//EcoVadis			
		Environment	Social and human rights	Business ethics	Responsible purchasing
791	62.4 // 47.6	64.7 // 48	64.6 // 50.4	57.7 // 44.9	56.9 // 39

Risk management

SUPPORT AND CONTROL

Committed to providing long-term support for all its partners and maintaining balanced relationships, Hermès ensures, in addition to quality issues, that everyone shares and respects its social, environmental and ethics ambitions. In particular, the Group monitors issues related to human rights, fundamental freedoms, and working conditions (*i.e.* hygiene, health, safety, working hours, wages). This monitoring applies to its Tier-1 suppliers, but also to their own suppliers (Tier-2) and subcontractors, with the aim of always better understanding all the supply chains and aligning their CSR objectives with those of Hermès.

RISK MANAGEMENT AND MITIGATION OR PREVENTION OF SERIOUS HARM

The Group's policy is also based on a desire to train purchasers in an increasingly complex métier and formalise concrete commitments by suppliers.

Network management and training

The purchasing divisions are responsible for coordinating the network of buyers and organising joint training actions.

The Direct Purchasing Coordination Committee, led by its Group department, regularly brings together buyers from the métiers to review the Group's policy and procedures, regulations, legal rules and tools for monitoring suppliers and subcontractors. These meetings are also an opportunity to share the purchasing risk mapping of the various métiers. This helps purchasers to exercise their duty of care vis-à-vis their suppliers and subcontractors, and more generally vis-à-vis all supply chains. In addition, networks specific to certain supply chains, common to several métiers, have existed since 2022 and meet on average three times a year to monitor supply chain action plans. These are the leather, textile, metal and stone purchasing networks. Other networks have been created to address other supply chain categories such as wood and plant-based materials, raw materials in the Perfume and Cosmetics métier, and ceramics, enamel, glass and crystal. These meetings provide the opportunity to discuss the risks identified within the chains and steer the action plans to prevent or mitigate these risks.

The indirect purchasing department also brings together its buyers, in particular with an annual day of sharing and raising awareness on major issues. In 2024, the focus was on solidarity purchasing with external and internal training and sharing of experience.

Since the end of 2018, a training course for purchasers has been rolled out, with the aim of strengthening and structuring the training already existing within the Group. These dedicated sessions are either more general, with detailed CSR components, or more technical on EHS (environment, health and safety), legal compliance and human rights topics. This course includes:

- a "Hermès Purchasing Excellence" training course, finalised in early 2021 and which is continuing its rollout. It lasts three days, including a full day dedicated to CSR, responsible purchasing and supply chain management;
- EHS training has also been rolled out since 2020. It addresses buyers, as a priority, but also everyone who is required to travel to the House's suppliers and subcontractors;
- a 3.5-hour "GOTS certification" training course was made available to the métiers so that they could understand its inclusion in Hermès' CSR policy and its consequences for partners. This will make it easier to support them and develop their skills in the subject;
- all purchasers follow a half-day "Social issues and human rights" training course. This module aims to train them in the challenges of the duty of care and in particular respect for human rights within the Hermès value chain;
- in 2024, the direct purchasing coordination department also offered a webinar to raise awareness of the supply chain and the onboarding of new suppliers to all materials and product development teams.

Supplier commitments

From a legal standpoint, Hermès systematically seeks a formal commitment from its suppliers to comply with their social, regulatory and environmental obligations through the publication of the new Supplier code, which replaced the previous system in 2024. Handbooks 1 and 2 are now combined in a single document called the "Supplier code of conduct" (1).

2.1.3.2.7 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S2-5)

Hermès has objectives for the certification of its supply chains in order to remedy the negative impacts identified as material during the double materiality analysis. Some of them cover aspects relating to employees of the upstream value chain in terms of health, safety and human rights. For more details on the targets set in terms of supply chain certification, see § 2.1.2.5.6.

In the medium term, Hermès will adopt the appropriate measures for priority raw materials to:

- maintain the audit effort of its direct suppliers;
- pursue its duty of care and ensure respect for the human rights of stakeholders in its supply chains;
- restore and remedy proven harm (environmental and social, including human rights) directly related to these raw materials and caused directly by its activities.

These objectives were determined with the help of the departments involved in these internal issues (direct and indirect purchasing department, audit and risk management department, legal department and sustainable development department).

DIRECT PURCHASING SUPPLIER OBJECTIVES

Direct purchases	2024	2025 objectives
Audits carried out	More than 200 Tier-1 and Tier-2 suppliers audited	Maintain the audit effort of its direct suppliers

INDIRECT PURCHASING SUPPLIER OBJECTIVES

	2024	2025 objective
Number of national and international suppliers invited to use the EcoVadis platform since 2018	1,115 (of which 791 assessed)	Achieve a CSR assessment coverage rate of 80% of indirect purchasing expenditure (*via* the EcoVadis or another tool

1. *https://finance.hermes.com/en/publications/*

2.1.3.3 AFFECTED COMMUNITIES (ESRS S3)

Hermès' sustainable development is rooted in harmonious long-term relationships with its stakeholders. Hermès acts as a socially responsible company wherever it operates, contributing to the economic, social and cultural vitality of the regions. Through its activity, the House engages with the following three categories of local communities:

Local communities	Definitions
Local residents and residents of the regions where the Company operates	People or communities living or working near the Group's sites. This covers local populations, local administrations, regional training schools and local associations.
Communities along the upstream value chain	All communities located upstream or downstream of the undertaking's value chain. This includes suppliers and subcontractors (and the populations in contact with them).
Indigenous peoples (own operations and along the value chain)	Indigenous peoples are distinct social and cultural groups that share collective ancestral ties to the natural resources and lands where they live, which they occupy or from which they have been relocated.

2.1.3.3.1 Interests and views of stakeholders (ESRS 2 SBM-2)

The Hermès Group has prepared a risk analysis related to the duty of care. In this context, the impact on communities has been taken into account in the defined risk universe (see Group vigilance plan). The definitions used to identify the affected communities are identical in the context of the vigilance plan and that of the sustainability report.

Thus, the Hermès Group is developing its strategy and procurement taking into account the potential risks identified. Its procedures for assessing third parties and the supply chain reflect this (see § 2.1.3.3.2).

The interests of the communities are taken into account in the Group's strategy by adopting the commitments of the OECD guidelines and are included in its ethics charter.

Local residents and residents of the regions where the Company operates

Hermès listens to and incorporates the concerns of local communities in its sustainable development strategy, particularly in France, where most of its production activities are concentrated. The House continued its efforts to maintain a strong local presence, with production sites firmly anchored in the regions, thus creating sustainable jobs and contributing to the dynamism of local economies.

In addition to its manufacturing sites, Hermès is developing leather goods métier training sites (EHSF detailed in § 2.1.3.1.3), which also contribute to local economic development.

Regular dialogue is established with representatives of neighbouring communities, whether it is at the time a new site is being set up, in accordance with local law or during its day-to-day operations. Thus, in order to contribute to the development of the host regions, site construction projects are prepared in cooperation with local authorities. Special attention is paid to the potential of the local employment area, particularly in terms of transport infrastructure, accommodation and school facilities for Hermès employees and their families. As a result, the quality of the partnership with local authorities is decisive, driven by the desire to prioritise a real local life for the families who settle there. With this in mind, the Group works to develop relationships rooted in trust and transparency and the implementation of joint actions.

Communities in the value chain

As mentioned, the Hermès craftsmanship model, where 55% objects are made in in-house and exclusive workshops and 74% made in France, relies on a network of suppliers located mainly in Europe, where social and ethical practices are regulated. In addition, Hermès itself sometimes being the operator of subcontracted activities (*i.e.* for shoes) and, more generally, being extremely close to its partners, with an average length of business relationships with its main direct purchasing suppliers of 19 years, the Group is able to anticipate and take into account any problems on the subject.

As a result, the risk of Hermès' exposure to a supplier risk is lessened given that 97% of the top 50 direct purchasing suppliers are in Europe (including 55% in France). Some direct purchases take place in more distant countries, mainly for certain raw materials (such as exotic leathers), but the implementation of audits and monitoring are strengthened there, particularly in terms of respect for human rights (see § 2.1.3.2.6 for more information).

As described in § 2.4.1.2 and summarised in Table 2.4.1.2, Hermès' commitment is firmly in line with international principles and is designed to ensure that its suppliers comply with these principles in accordance with its ethics charter, which is aligned with the OECD guidelines and those of the UN Global Compact, which include specific elements for communities.

Consequently, the approach put in place as part of the dialogue with communities involved in the value chain is regularly shared with suppliers during operational discussions with purchasers, and formalised by the signing of the code of conduct made public and available online. These commitments are also available in the vigilance plan available on the Group's finance website [1].

1. *https://finance.hermes.com/en/*.

Indigenous peoples

Similarly, Hermès takes into account the interests and points of view of the indigenous peoples in the framework of its activities. In this respect, the main peoples concerned relate to the Group's purchases outside Europe and the Group's raw materials, such as precious leathers, cashmere and silk.

Thus, the House provides support for the economic development of indigenous communities directly or thanks to its suppliers, by contributing to local projects that promote the creation of economic opportunities and the equitable distribution of the benefits generated by its activities.

Hermès also sets up training programmes specifically for members of indigenous communities. These training courses aim to develop skills specific to its value chains, offering opportunities for high value-added jobs, thus strengthening the inclusion of indigenous communities.

In addition, the Company forges partnerships to promote environmental sustainability while ensuring the integration of the knowledge of indigenous peoples in projects to preserve natural resources, in particular for the monitoring and protection of habitats but also their traditional environments and ways of life.

2.1.3.3.2 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The process for performing the double materiality analysis and identifying impacts, risks and opportunities is set out in § 2.1.1.3 "Description of the processes to identify and assess material impacts, risks and opportunities" and § 2.1.1.4 "Group risk management framework".

As detailed in § 2.1.1.5 "Strategy, business model and value chain" and § 2.1.1.6 "Impacts, risks and opportunities and their interaction with strategy and business model", Hermès' sustainable development roadmap and business model include considerations related to the affected communities.

As part of the double materiality analysis required by ESRS S3, an exclusion was identified due to its lack of materiality for Hermès' business model and activities:

Communities' civil and political rights

The sub-targets of this standard concern aspects such as freedom of expression, freedom of assembly, and impacts on human rights. Hermès' activity and business model do not directly call into question the civil and political rights of the communities within the meaning of the CSRD. A potential impact may occur along the Hermès value chain, particularly in the context of the supply of raw materials. It was decided not to include this due to the absence of reports by the communities on these topics for many years. As a reminder, communication channels are open to them, in particular the H-Alert! whistleblowing line (see § 2.4.1.2.) allowing them to report alerts.

It should also be noted that Hermès' activities have no impact on the fundamental rights of the communities affected by its activity (local residents, communities along the value chain and indigenous populations).

	IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy
Stakeholders and transparency						
Regional responsibility						
34	Impact of the Group's activities on local communities	Negative impact	Communities located along the value chain of the undertaking, for example those affected by the supply of raw materials Local residents and residents of the regions where the Company operates Indigenous peoples	Short term	Actual/ Potential for indigenous populations	Supply chain brief CSR brief Vigilance plan Stakeholder dialogue policy (under construction)
35	Contribution to the Group's activities in regions and local communities	Positive impact		Short term	Actual	

Impact of the Group's activities on local communities: the Group's direct operations and facilities may potentially cause nuisances (land use, conflicts of use of common assets, use of environmental resources, etc.), affecting the quality of life of communities living nearby;

Contribution of the Group's activities to regions and local communities: the Group can stimulate the local economy and rural revitalisation by creating jobs, promoting access to training and supporting local businesses.

For the indigenous communities located along Hermès' upstream value chain, particularly those affected by the supply of raw materials, this includes projects to create jobs, train and maintain their ecosystems. These actions are carried out in conjunction with the populations, their representatives and suppliers.

The House engages in dialogue with its affected communities to ensure that their concerns are taken into account and addressed appropriately, and may adapt the initiatives and actions developed in the field.

Impacts observed in 2024

As a result of its activity, Hermès may potentially have negative impacts on the local communities, as presented in the table above. These impacts may relate to water and sanitation, land or security. Some impacts are detailed in § 2.1.1.6.3. Following analysis, it appears that the material negative impacts identified above were not observed in 2024.

2.1.3.3.3 Policies related to affected communities (S3-1)

As detailed in § 2.1.3.3.1., the Group is committed to a general human rights policy applicable across its entire value chain. More specifically, the Group's human rights commitments to communities are affirmed in its ethics charter and presented in its official documents, at the top of which is the vigilance plan. The ethics charter specifies that these principles apply to both Group companies and suppliers. In particular, explicit reference is made to the Universal Declaration of Human Rights, the charter of fundamental rights of the European Union, the charter of fundamental principles of the International Labour Organization, which covers freedom of association, the fight against forced labour, child labour and the fight against discrimination, and the OECD Guidelines. The ethics charter and its offshoots (vigilance plan and Supplier code of conduct) are available on the Hermès Finance website. The Hermès Executive Committee oversees all ethical issues, particularly those relating to human rights. It is supported by an Ethics Committee set up in 2018 and chaired by the Executive Vice-President of Governance and Organisational Development, a member of the Executive Committee, and composed of the Director of Human Resources, who is also a member of the Executive Committee, the Group Director of Social Development, Group General Counsel and the Chief Compliance Officer.

To further anchor its commitments in the operational reality of its métiers, in 2024, an internal charter was put in place for the entire scope of Hermès Maroquinerie-Sellerie (HMS). It details the possible methods of engaging with its major local communities in France.

Remediation actions

During the financial year, the Group did not identify any situation in which these communities were negatively affected in direct connection with its activities, as specified above. As a result, no measures to remedy any negative impact were carried out in 2024.

Vigilance plan & whistleblowing mechanism

The vigilance plan, available on the Group's finance website [1], describes the specific policy measures aimed at preventing and addressing impacts on the affected communities.

International reference frameworks

Hermès is committed to respecting and promoting human rights in all its operations, with a particular focus on communities affected by its activities. Hermès' policies are aligned with the UN Guiding Principles, the ILO declaration and the OECD Guidelines (as specified notably in § 2.1.3.2.3), while ensuring respect for the rights of indigenous populations.

Hermès actively engages with affected communities to understand their needs and concerns, incorporating their views into its decisions (see following section § 2.1.3.3.4).

In addition, Hermès has set up whistleblowing mechanisms (H-Alert!) in the event of human rights violations, while guaranteeing a response to any negative impact (see § 2.1.3.3.5).

No alerts were made in 2024 due to non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines, whether in the context of Hermès' own activities or in its upstream and downstream value chain.

2.1.3.3.4 Processes for engaging with affected communities about impacts (S3-2)

With its local communities

The contribution to a region reflects a company's ability to maintain a positive socio-economic climate while anticipating unforeseen incidents and events. It is also based on creating a lasting positive impact through strong, long-term relationships with local players. These relationships make it possible to understand the specific issues of the communities where Hermès activities are located (in particular the leather goods workshops) and to coordinate appropriate responses.

By collaborating with local players and reducing risks within or from communities, Hermès actively contributes to the economic development of the regions where it operates.

In France, this approach is evident at each stage of development projects, and in particular during the construction of new sites, from preliminary design to final delivery.

Preliminary phase: during preliminary discussions, the Group interacts with legitimate representatives of potentially affected local communities, such as economic development organisations (in France, chambers of commerce and industry or urban areas) on a confidential basis. This step makes it possible to assess opportunities while respecting the discretion required for these projects;

Study phase: at this stage, the Group organises monthly discussions with local communities and their credible representatives. These interactions include discussions with prefects, mayors, the Dreal (Regional Directorate for Environment, Development and Housing), Sdis (Departmental Fire and Rescue Services) in the case of ICPE sites (facilities classified for the protection of the environment), the Drac (Regional Directorate of Cultural Affairs to which the architects of the Bâtiments de France report) and other stakeholders, with the aim of identifying and eliminating the regulatory risks related to the project.

1. *https://finance.hermes.com/en/publications/*

Hermès includes any project in its policy of dialogue with the communities. Thus, and more particularly for new site projects concerning facilities classified for the protection of the environment (ICPE), an environmental authorisation including an impact study is required. This covers:

- the natural environment (air quality, wetland protection if applicable);
- the physical environment (geology, flood risks, surrounding cultural or archeological heritage);
- the human environment (agriculture, travel, urban planning).

In accordance with regulations, Hermès also takes care to arrange consultations with local communities for its new sites. This approach, implemented in the early planning phases, ensures that the unique needs and aspirations of communities are taken into account. By engaging in these constructive dialogues, Hermès ensures that each project is in harmony with its local context and contributes to the development of the regions concerned.

The opinion of stakeholders is taken into account both in the context of new operations (as illustrated above) and also more generally. Hence, in December 2024, the Group brought together for a day around 30 elected representatives from its manufacturing regions in France in order to understand their expectations and discuss potential joint projects for the benefit of local communities, particularly in the area of sustainable development.

With communities along the value chain including indigenous peoples

The following two examples are particularly illustrative of the Group's interaction with affected communities, including indigenous communities.

For a number of years, Hermès Textile Holding (HTH) has been diversifying its cashmere supplies, through the creation of a sustainable and high-quality supply chain in Mongolia, traceable to partner cooperative farmers in collaboration with AVSF (Agronomes et Vétérinaires Sans Frontières).

HTH interacts directly with local communities, which enables it to identify their needs and adapt the collaboration accordingly.

In 2023, a new phase of the HTH/AVSF project began with the aim of empowering the farmers of the project's partner cooperatives and developing internationally recognised Mongolian certification.

In 2024, HTH signed a partnership agreement with these cooperatives. For Mongolia, this is the first contract established by Hermès between an industrial sector and farmers.

This work was supplemented by a study conducted with WWF Mongolia on the levers for the sustainability of nomadic livestock farming, particularly in the face of the risks of overgrazing.

In Australia, prior to any project or interaction, Hermès engages in consultations with the aboriginal communities. These discussions include meetings with community leaders and representatives of local organisations such as ASRAC (Arafura Swamp Rangers Aboriginal Corporation) to ensure the free and informed consent of these populations. Communities are actively involved in the planning and implementation of projects, which ensures that their needs and concerns are taken into account. As a reminder, Hermès' activity may generate negative environmental impacts on regions but does not affect the fundamental rights of these communities.

2.1.3.3.5 Processes to remediate negative impacts and channels for affected communities to raise concerns (S3-3)

All Hermès entities, in particular assets in operation, regularly engage in consultations with their local communities, as detailed below and in § 2.1.4 on the subject of impacts with local communities. For more remote communities, this approach is led by the métiers and, where applicable, their management team to be as close as possible to the local operational reality, with the support of the Group's direct purchasing teams.

Whistleblowing procedure

As soon as a report is made, in accordance with the procedure described in § 2.1.4.2., it is subject to a qualification study, follow-up, and the implementation of a remediation plan. Its effectiveness is measured in conjunction with the affected stakeholders in question through dialogue with them.

In accordance with applicable legal obligations in France and in order to boost the fight against breaches of ethics and integrity, in 2019 the Group set up a global whistleblowing system called H-Alert!. (For more information, see § 2.1.4.2.).

Available to all internal and external stakeholders, 7 days a week, 24 hours a day and operated by an external service provider, the H-Alert! whistleblowing platform makes it possible to report facts that may constitute a violation of any law or regulation, or a violation of the Group's codes, procedures and ethics standards, as well as to report the existence of risks or violations of human rights and fundamental freedoms, the health and safety of people or the environment, resulting from the activities of the Group and/or its subcontractors or suppliers. To strengthen knowledge of and confidence in this system, H-Alert! is available in some 20 languages.

The global H-Alert! whistleblowing system was updated in 2022 and 2023 in accordance with French law no. 2022-401 of 21 March 2022 and the decree of 3 October 2022 in order to:

- strengthen the protection of whistleblowers against any form of retaliation;
- give suppliers, service providers and distributors, and in general, the Hermès Group's co-contractors, access to the H-Alert! whistleblowing system.

As mentioned in § 2.1.4, all means are made available so that affected communities have access to information relating to the existence of the H-Alert! system which, in accordance with French law, is accompanied by increased protection for whistleblowers against possible reprisals. This strengthening will increase the confidence of the communities in the use of this system.

2.1.3.3.6 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions (S3-4)

Local communities	Examples of actions
Local residents and residents of the regions where the Company operates	◆ Local projects relating to employment, mobility or biodiversity ◆ Site visits ◆ Discussions and consultations on Hermès projects and implementation of joint actions with local players ◆ Creation of professional training courses in craftsmanship métiers (*e.g.* École Hermès des Savoir-Faire)
Communities along the upstream value chain	◆ Supplier assessment and audits ◆ Co-contracting agreements with sheltered work establishments & adapted companies (EA/ESAT) ◆ Quality & Environmental Support (Supplier carbon footprint)
Indigenous peoples	◆ Projects with local players (*e.g.* projects with aboriginal people in Australia)

PROJECTS CONDUCTED WITH COMMUNITIES LOCATED NEAR HERMÈS' SITES IN FRANCE

The challenges of developing a local presence and managing the Group's impacts are operational issues addressed as closely as possible to the regions by the teams involved, depending on the project. As a result, the various teams concerned take part in the Group's actions: real estate, sustainable development, purchasing, training teams, *etc*.

Real estate presence in the regions

In order to avoid causing a negative impact on local residents near the Company's operating sites and on the residents of regions in which its sites are located, or contributing to such impacts through its own practices, Hermès undertakes numerous actions. These include, where applicable, actions relating to planning, land acquisition and exploitation, finance, extraction or production of raw materials, use of natural resources, and management of environmental impacts.

The Harmonie real estate standard, developed by the Group, applied to all its real-estate projects, is part of this approach and aims to minimise negative impacts near Hermès' own operating sites (see § 2.1.2.1.2).

Projects include initiatives in favour of biodiversity, in particular studies of fauna/flora. For example, at the Beyrand site in Limousin (France) it was necessary to consult naturalists, as well as to plant local non-invasive native species.

In France, as mentioned above, the construction of new leather goods workshops has made it possible to revitalise regions economically, due in particular to the fact that Hermès mainly hires local craftspeople and contributes to the local economy by supporting projects within these local communities.

In concrete terms, the locations of Hermès Maroquinerie-Sellerie (HMS), often in rural areas, lay the foundations for significant local revitalisation for the communities in question and are reflected in particular in the stimulation of local consumption and support for real estate, an influence on collective infrastructure needs. The Maroquinerie de Riom, inaugurated in 2024, is a good example of the establishment of workshops in the French regions. Originally, it was a brownfield site reused by the Group, from a former tobacco factory listed as a historical building and which is part of the local industrial heritage. Located about 10 minutes on foot from the station, it is accessible using soft mobility on regional trains, while being integrated into the Riom town centre. Prior to building this workshop, Hermès worked closely with local authorities and the architects of Bâtiments de France by conducting discussions on the economic, heritage and environmental impacts of the project. Stakeholders stressed the importance of this project in the employment dynamics of the region from the construction phase, to which local players made a significant contribution.

Positive contribution to employment and training

Other initiatives enable Hermès to express its uniqueness, as well as extend its outreach into numerous regions, and create constructive ties with local economic players. These harmonious relations with stakeholders contribute positively to its local integration. Thus, to promote local recruitment, Hermès relies on numerous partnerships with the local branches of France Travail and with schools. The goal is to help train the new generations of craftspeople, as well as showcase offers and métiers, allow hands-on practice, and explain the Group's métiers to the young generations. Regardless of the site's activity or its geographical location, this approach consists of:

- workshop visits by high school students to discover the craftsmanship métiers;
- talks in secondary schools to present the métiers and become known prior to the pupils' choice of a career path;
- the organisation of collective information with France Travail;
- the creation of appropriate local training programmes.

For its leather goods activity, Hermès, through its Écoles Hermès des Savoir-Faire (EHSF) initiative, is strengthening local training and the promotion of craftsmanship métiers in the French regions. After the opening of the Guyenne (Gironde) workshop-school, the Allan (Drôme), Pantin (Seine-Saint-Denis) and Pierre-Bénite (Rhône) sites are now home to the EHSF. Future craftspeople undergo an 18-month training course leading to a certificate prior to the opening of sites. Recruited without a CV, on the basis of their manual skills and their ability to learn, assessed in conjunction with France Travail, around 30 craftspeople join each class every six months. Once operational, these teams enable the immediate launch of activities, such as in Riom in 2024. Each leather goods workshop will eventually have around 250 craftspeople, maintaining craftsmanship skills in the local community. In addition, Hermès is offering new vocational certificates (CQP) for the cutting and stitching craftsmanship métiers, the first of which were awarded at the end of 2024.

As well as the training functions described in § 2.1.3.1.6, the Écoles Hermès des Savoir-Faire contribute to economic development and employment in the regions where they are located and, as such, benefit residents living near these sites in France.

Furthermore, as part of the Group's commitment to people with disabilities (see § 2.1.3.1), HMS has been involved with adapted companies (EA) and sheltered work establishments (ESAT) since 1999. Thus, in 2024, new partnerships were forged to support the leather goods workshops in the cutting of stiffeners. In addition to these production operations, Hermès Maroquinerie-Sellerie promotes the integration of people with disabilities in various local subcontracting contracts, such as collective catering or multi-technical maintenance.

In this way, Hermès takes into account the needs of people who are particularly vulnerable because of their difficulty in finding employment and on account of their disability in its own workers as well as in its value chain.

Textile sites

Interactions between Hermès, through Holding Textile Hermès (HTH), and local communities also have positive impacts. These actions are at the heart of HTH's commitment to regional development and social inclusion. In 2024, Hermès entrusted the Executive Master of the École urbaine de Sciences Po Paris with a field mission on the regional implementation strategy. The objective was to analyse and measure the externalities related to the establishment of certain HTH sites and to assess their impact as well as the creation of value for the regions concerned.

HTH also supports the transmission of savoir-faire in the textile sector by maintaining relationships with training organizations such as:

- Maya Campus, a training organisation for the professional textile industry;
- FrenchTex, the largest regional professional textile organisation in France.

These partnerships aim to facilitate access to the textile industry for young people and professionals undergoing training, thus contributing to the sustainability and development of skills in the sector.

Sites in Seine-Saint-Denis

Present with several sites in Seine-Saint-Denis, Hermès supports the economic development of the Seine Saint-Denis region by collaborating with the Réseau Entreprendre 93 association, created in 2003. The Company actively participates in supporting local business projects with strong job creation potential, by providing financial support and mentoring. Since 2022, Hermès takes part in a sponsorship programme for young companies, enabling regular exchanges between entrepreneurs and members of the House to support them in their development.

Since the commitment to the area of Seine-Saint-Denis also involves the protection of its biodiversity, in 2024 Hermès took part in the 20,000 Trees Plan, which consisted of planting trees in public spaces of the Est Ensemble community of municipalities (notably in Pantin and Montreuil).

Projects conducted with local populations abroad as part of the upstream value chain

Hermès sources its ostrich hides in South Africa, in the Klein Karoo region. While the region has developed a resilient agricultural model thanks to a network of dams and irrigation canals erected in the last century, it is now threatened by the proliferation of invasive exotic plants (such as the "black wattle" mimosa and the white "Poplar"), which now form real forests on valley floors. These plant formations smother endemic vegetation, destroy the original biodiversity, reduce or cancel out the low-water flow of watercourses and increase the frequency and intensity of fires. The fight against these invasive plants has become a national issue in South Africa. Faced with these challenges, the provincial government is subsidising an association of farmers to carry out projects to eradicate this invasive vegetation, supervised by the Cape Nature association, tasked with defining best environmental practices promoting the regeneration of endemic vegetation. Hermès, in accordance with its policy, has decided to support these actions, which are beneficial for biodiversity, water supplies for local populations and agriculture, thus perpetuating the Ostrich supply chain (meat - leather - feathers) essential to the economic and social fabric of this region. For more information, see § 2.1.2.3.4.

In Mongolia, the Group has initiated partnerships with NGOs to understand and secure the nomadic livestock activity that structures the local cashmere industry. This work aims to promote and secure acceptance of approaches that are more respectful for the environment and the development of herds while guaranteeing the revenue of farmers and the preservation of their age-old nomadic way of life.

In Brazil, through its partners, the Group is carrying out actions to ensure the sustainability of the silk sector (*i.e.* cultivation of mulberry trees, silkworm farming), particularly in the face of the challenges of environmental transition, thus helping to secure the activity of farmers and local communities.

In Australia, Hermès Cuirs Précieux (HCP) farms are located in the Northern Territories and Queensland, where Aboriginals account for 30% and 5% of the population respectively. As key stakeholders in these regions, the House supports the economic development of these local communities and contributes to the preservation of their culture and their land. In this way, HCP supports the economic development of local indigenous aboriginal communities and contributes to the preservation of their cultures and lands through reptile farming activities. In addition to the direct employment of community members, collaboration is established in the form of the payment of royalties. When eggs are collected on their land, aboriginal communities receive fees, set by local regulations. For example, Djelk rangers participate in the collection of eggs. participate in the collection of eggs. In addition, a *porosus* hatching and breeding micro-farm was built locally with ASRAC (Arafura Swamp Rangers Aboriginal Corporation). It is fully owned and operated by the community living nearby.

In 2024, no serious human rights issues or incidents related to affected communities were reported.

2.1.3.3.7 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S3-5)

In order to be able to assess the reduction of negative impacts on the affected communities, the advancement of positive impacts on the affected communities, and the management of material risks and opportunities related to the affected communities, Hermès launched a regional footprint study in France with a firm of experts in this field, using the Global footprint©, method, whose results will be made available in 2025.

In addition to Hermès' regional commitment charter presented above, a questionnaire was sent to all sites in order to measure the local impact and obtain objective results. This data reporting is designed to be repeated each year to monitor the effectiveness of the actions carried out.

2.1.3.4 CONSUMERS AND END-USERS (ESRS S4)

2.1.3.4.1 Interests and views of stakeholders (ESRS 2 SBM-2)

As indicated in § 2.1.1.5.3, Hermès has identified consumers and end-users as important stakeholders with whom the Company engages and holds discussions, in particular in order to provide responses adapted to their expectations. As a reminder, the methods used for engaging and holding discussions are as follows:

Stakeholders	Inform	Dialogue	Collaborate
Customers, consumers and their representatives	Website and social networks *Empreintes sur le Monde* ("Footsteps across the World") films *Le Monde d'Hermès* magazine	In-store interaction with sales staff "Hermès in the Making" event Open days Site visits	Links with the CRC (Customer Relations Centre) to improve the safety of Hermès products in the event that a quality defect is identified

Hermès' business model aims to offer its customers exceptional products, inducing aspiration and desire. This strategy is built on a loyal customer base, sometimes spanning several generations. The strength of Hermès is based on the principle of freedom of purchase, where each store offers a unique range of objects, a proposition based on the store directors' keen knowledge of the expectations of local customers. However, the Group makes every effort to offer unique, useful objects of unquestionable quality. This strict level of requirements is particularly important for products that come into contact with the skin or mucous membranes (such as perfume and make-up).

During the IRO identification workshops for the Group's customers, it was determined that negative impacts related to health and safety, although extremely rare across all Hermès métiers, were more likely to occur in the Perfume and Beauty segment. To avoid any impact, Hermès complies with extremely stringent regulations in terms of the composition of these product categories. § 2.1.2.2 provides more information on the House's approach to the use of chemicals and pollution prevention.

In addition, the Group communicates on the composition of its products in accordance with French, European and local regulations. Lastly, the Group adheres to best practices in terms of data protection.

2.1.3.4.2 Material impacts, risks and opportunities related to consumers and end-users (ESRS 2 SBM-3)

For more information on the double materiality analysis and the identification of impacts, risks and opportunities, please refer to § 2.1.1.3 "Description of the processes to identify and assess material impacts, risks and opportunities" and § 2.1.1.4 "Group risk management framework".

As detailed in § 2.1.1.5 "Strategy, business model and value chain" and § 2.1.1.6 "Impacts, risks and opportunities and their interaction with strategy and business model", Hermès' sustainable development roadmap and business model include considerations related to the health and safety of customers as well as the protection of personal data.

IRO title		Nature of IRO	Scope	Time horizon	Potential impacts	Policy
ETHICS AND COMPLIANCE						
36	Impact of inappropriate use of personal data	Negative impact	All customers	Short term	Potential	Ethics charter Code of conduct Compliance with data protection laws (including the General Data Protection Regulation) ISP procedure (Integration of security and privacy in projects)
37	Impact of the Group's products on customer health and safety	Negative impact	Perfume/Beauty customers	All time horizons	Potential	Compliance with the European cosmetics regulation Formulation charter H-Alert! procedure

Impact of inappropriate use of personal data: inadequate security measures or inappropriate use of customers' personal data could lead to a breach of their privacy.

Impact of the Group's products on customer health and safety: inherent product defects or poor design of the Group's cosmetics or perfume products could affect the health and well-being of customers.

Given Hermès' activity, the two negative impacts identified above remain rare and may be caused by one-off incidents (quality defect or improper data use). § 2.1.3.4.5 details the actions in place to manage these impacts.

As part of the identification of the impacts, risks and opportunities related to its customers and consumers, Hermès has not identified any categories of individual customers who are more vulnerable or more exposed to a risk of harm.

2.1.3.4.3 Policies related to consumers and end-users (S4-1)

The human rights policies that specifically address material issues related to consumers and end-users are based on the guidelines of the Group's framework (see § 2.1.3.2.3).

Customers' personal data

PERSONAL DATA PROTECTION POLICY

Respect for privacy is more than a legal obligation, it is one of the House's values and an essential commitment to maintaining a relationship of trust with its customers. This commitment is particularly significant in the context of its commercial activity, which requires it to process customers' personal information.

Since 2015, Hermès has adopted a set of rules to protect the personal data of its customers in the form of Binding Corporate Rules (BCR). These BCRs, approved by the European Data Protection Authorities, apply to all Group entities with a distribution activity. These BCRs, still in full force, foreshadowed the Group's more general data protection system implemented since then. This data protection system applies more broadly to all personal data collected (*i.e.* customers, employees, third parties) by all Hermès Group subsidiaries and métiers, regardless of their location. This Group system complies with the European General Data Protection Regulation (GDPR) which is one of the highest levels of data protection in the world and also takes into account local regulatory requirements. This system includes the code of business conduct, which contains a "Personal data" sheet (see § 2.1.4.2).

Customers have access on hermes.com and in stores to the Binding Corporate Rules as well as the confidentiality policy, which explains how their personal data is processed. The code of conduct is available on the company's finance website.

As part of this system, the Group Data Protection Officer is responsible for informing and advising the Company on its legal and regulatory obligations with regard to personal data, as well as steering and monitoring data processing and ensuring its compliance with these obligations. The Group Data Protection Officer is the point of contact for data subjects and for data protection authorities. This function reports to the Chief Compliance Officer.

Data protection guidelines have been rolled out to the network of internal control officers to support them in their second-level control duties. These guidelines provide, in particular, a reminder of the elements of governance, the control themes and the tools available for this purpose.

Lastly, personal data protection is more broadly part of the data governance set up by the Group. This governance also addresses the issues posed by artificial intelligence (AI), particularly in terms of risks and ethics.

Customer health and safety

CONSUMER HEALTH AND SAFETY POLICY FOR COSMETICS AND PERFUME PRODUCTS

Cosmetics are health products subject to cosmetic regulation 1223/2009 in Europe and the Group's policy is that all Hermès Perfume and Beauty products follow these requirements. This regulation strictly governs:

- their composition with positive lists of ingredients: UV-filters, preservatives, colourants; more than 1,700 prohibited substances and approximately 350 restricted substances;
- the selection of packaging that meets current regulations;
- labelling (*i.e.* list of ingredients, product function, claims, precautions for use, name and address of the person responsible);
- stability tests for the cosmetic product to ensure its durability;
- tolerance tests on alternative *in vitro* method models, usage tests to ensure cosmetic acceptability;
- manufacture and packaging (in accordance with ISO 22716: Good Manufacturing Practices);
- a safety assessment written by a toxicologist. This assessment takes into account, in particular, the toxicological profile of the ingredients in relation to consumer exposure. Safety margins are applied for the use of these ingredients;
- strictly regulated product claims on the performance and environmental impact of the cosmetic product;
- the creation of a Product Information File made available to the health authorities;
- notification of the cosmetic product on a European portal available to health authorities;
- an obligation to keep a watch on the market by monitoring adverse reactions. This cosmetovigilance process makes it possible to support consumers in the investigation of the occurrence of undesirable effects. Serious undesirable effects as defined by the cosmetics regulation shall be notified to the health authorities;
- regular inspections by health authorities;
- regulatory monitoring to anticipate regulatory changes.

Hermès Perfume and Beauty is also a member of professional associations such as Febea in France and PCPC in the United States and can thus closely monitor regulatory changes. The Group's Perfume activity systematically adapts its internal policy to the most demanding regulatory or sectoral instruments in terms of protecting the health of its customers.

Policies related to market surveillance on customer complaints, quality, including cosmetovigilance complaints

In the event of undesirable effects due to misuse, or the appearance of sensitisation or irritations to one of the ingredients in a formula, customers can report such reactions to the Customer Relations Centre. These situations can also be identified by internal teams. Each case is studied by the quality and regulation teams with the help of toxicologists. In the event that the frequency of a case is deemed too high, the product concerned may be withdrawn from the market or be reformulated. As a reminder, the labelling of cosmetic products mentions substances at risk of sensitisation (allergens) and the INCI list (International Nomenclature of Cosmetic Ingredients).

Ingredient phase-out policy

The formulation charter, which goes beyond regulations, aims to anticipate future regulations that could prohibit certain ingredients due to their impact on human health or the environment.

The proper implementation of the policies presented above is verified by regular inspections carried out by the supervisory authorities.

2.1.3.4.4 Processes for engaging with consumers and end-users about impacts (S4-2)

IMPACT ON PERSONAL DATA

The principles of protection of privacy by design and by default are ensured by the use of tools for managing data protection impact assessments and managing the record of processing activities. These tools are part of the procedure for integrating security and privacy into projects (ISP), which involves the Group's Chief Information Security Officer (CISO) and Data Protection Officer teams. In this context, the teams approach matters from the customer's perspective in order to check whether projects using personal data include privacy protection.

In the event of a personal data breach, the Group initiates the breach management procedure, which enables it to correctly report the incident, supervise its investigation, assess the risks to individuals and minimise the impacts, while ensuring compliance with the regulations in force, in terms of notification to the authorities and/or persons concerned, where applicable. Data breaches give rise to feedback to avoid the occurrence of similar situations.

HEALTH/SAFETY IMPACT

On many occasions, direct engagement occurs between the Group and consumers and end-users. Hermès' customers often enjoy a special and sometimes designated relationship with their in-store sales associate. The Hermès sales ritual, which values authenticity and simplicity, encourages customers to ask whatever questions they wish, especially regarding the health and safety of the products offered.

This approach is no exception in the perfume-beauty segment. Dialogue with customers takes several forms:

- like all of the Group's métiers, Hermès Perfume and Beauty is passionate about creating desire and surprise in a customer rather than simply meeting expectations. For this reason, the Group does not consult representative populations of its customers (such as focus groups). Visibility studies looking at knowledge of the perfume-beauty universe may occasionally be carried out indirectly, with the support of service providers specialising in media studies;
- nevertheless, the opportunity for customers to report any dissatisfaction or concern about possible risks to their health and safety after using a Hermès product is part of the Group's written cosmetovigilance procedure [1].

1. *As a reminder, cosmetovigilance is governed by Regulation (EC) No. 1223/2009 of the European Parliament and of the Council of 30 November 2009 on cosmetic products (cosmetics regulation), in particular Article 23 and Articles L. 5131-5. , L. 5431-8 and R. 5131-6 to R. 5131-15 of the French Public Health Code (CSP).*

In order to organise moments to listen to its customers, particularly its most loyal customers, Hermès Perfume and Beauty organises events on product safety or possible adverse effects on their health.

To date, there is no direct measurement of the effectiveness of Hermès' customer engagement. Certain media studies can assess customers' positive or negative perception of perfume-beauty products, but these do not cover the quality of the dialogue measures in place with these customers.

The quality department and the customer service department issue mid-year and annual summaries of customer feedback.

This dialogue is supervised by the Managing Director of the Perfume and Beauty métier.

Vulnerable customers

Hermès has not identified any categories of customers likely to be further marginalised or vulnerable to the material negative impacts above, and as a result has not adopted any specific measures to respond to these categories.

For information, the stores are accessible to people with disabilities in accordance with the regulations applicable locally, and the Group is working to make its e-commerce platforms ever more accessible to different types of disabilities.

2.1.3.4.5 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

IMPACT ON PERSONAL DATA

The Group's data protection system takes into account the potential impacts of its personal data management practices to limit the risks of breaches of privacy. For example, when a processing operation is considered sensitive, an impact analysis is carried out in order to identify, classify and define the actions to be carried out according to the potential risk.

In the event of a personal data breach, the Group initiates the breach management procedure, which enables it to correctly report the incident, supervise its investigation, assess the risks to individuals and minimise the impacts, while ensuring compliance with the regulations in force in terms of notification to the authorities and/or persons concerned, where applicable. Data breaches give rise to feedback to avoid the occurrence of similar situations.

Any individual whose data is processed by the Hermès Group has rights, in particular the right to access, modify, erase or oppose its processing. Any individual may file a complaint with the Group's Data Protection Officer. Individuals also have the right to file a complaint with their local data protection authority in the event of an alleged breach of the data protection rules applicable to them.

When consumers or end-users use one of the channels presented above, they are reminded of their rights over the data concerning them (in writing, by mentioning information on the data collection forms, by telephone *via* an automated message, as well as at any time *via* the privacy policy available in stores and online). These rights can be exercised online, in-store, by email, by telephone and by post.

The Data Protection Officer can also be contacted directly by any individual at the following email address: privacy@hermes.com. The processing of requests is confidential and is carried out in accordance with the Group's procedures, in compliance with applicable laws and regulations. Individuals always have the right to lodge a complaint with the competent authority if they believe that their rights have not been respected or that the processing of their data does not comply with regulations. Whistleblowers are thus protected from the risk of retaliation (see § 2.1.4.2).

HEALTH AND SAFETY IMPACT

Reporting of alerts

To date and during this financial year, the Group's Perfume-Beauty division is not aware of any product health/safety concerns, and there have been no product recalls due to controversies related to possible health impacts. When customers are faced with a use or situation that they consider risky as a result of the use of the Group's perfume or cosmetics products, the possible channels for raising alerts are as follows:

- by telephone *via* the Consumer Relations Centre (CRC), which covers 78.5% stores, and which can redirect requests to the Perfume-Beauty customer service department:
- online *via* the Hermès.com website (which can also redirect requests to the Perfume-Beauty customer service department);
- through retailers and e-retailers who forward requests directly to the Perfume-Beauty customer service department for Europe, or to the Hermès Perfume and Beauty entity in any other market region, which can then redirect to the centralised customer service department.

H-Alert! system accessible to all third parties as indicated in § 2.1.4.2 allows consumers and end-users to make an alert if they deem it necessary. If necessary, these alerts are sent to the appropriate department in the Perfume and Beauty métier for processing and implementation of corrective actions. The users of the system are protected from the risk of retaliation.

Consumer confidence in these channels is strengthened by the efficiency of the request processing process, as well as by the availability of information on these channels on its main platforms (website, stores, etc.). Hermès ensures that each request is handled with professionalism and rigour, thus ensuring an adequate and rapid response to customer concerns.

Treatment and remediation

In the event of an alert, precise analyses can be carried out according to the type of complaint (for example, olfactory analysis if feedback is received on a scent). In all cases, a traceability process is initiated to verify the separate items from subcontractors or directly on Hermès sites.

The customer department can provide a response to the consumer, either directly or via the relevant geographic market area. This response is prepared by the customer department with the support of experts in the departments concerned (for example via the quality department for a technical issue, regulatory affairs for a formulation issue). The customer may be invited to exchange the product under investigation for an identical product if it is a packaging issue, or an alternative product if the problem is a reaction to the formula.

In the event of repeated or serious cases, following analysis, customer feedback may lead to changes in packaging or reformulations.

2.1.3.4.6 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions (S4-4)

Hermès determines the necessary and appropriate actions to be adapted based on strict regulatory or sectoral frameworks, and by applying them to its own policies and activities. These frameworks are presented in § 2.1.3.4.3. The Group monitors and measures the absence of personal data leaks, as well as the impact of perfume-beauty product recalls. No human rights incidents related to consumers and end-users have been recorded by Hermès.

Actions relating to the quality of perfume-beauty products protect this activity from the risk of negative impact on its customers. With regard to personal data, the remedial actions presented above as well as the actions detailed below are intended to protect consumers from the inappropriate use of their personal data and to protect their privacy.

Actions to limit risks related to the use of personal data

As indicated in § 2.1.3.4.4, at the request of the métiers when a project covers a computerised dimension and/or includes personal data, specific procedures (in particular the “Integration of Security into Projects" procedure or “ISP”) are implemented according to the data protection principle of privacy by design & by default. The risks in terms of IT security (cybersecurity) and the protection of privacy and personal data are assessed and may lead to adapting the project to meet the standards presented in § 2.1.3.4.3.

Employee data protection training through an e-learning module is included in the onboarding programme for new employees, and then renewed every two years. In-person training is provided to the categories of employees most exposed to risk, such as in-store teams.

In the event of inappropriate use or securing of personal data resulting in their breach by unauthorised disclosure, modification or disappearance, the Group’s data breach management procedure is immediately applicable. This procedure covers the reporting and management of data breaches, including their possible notification when required by law. It also provides for a feedback phase to prevent an identical or similar breach from occurring again. Remediation actions may be technical and organisational, or consist of training/awareness-raising actions; these actions are all monitored.

Actions taken to limit risks related to the health and safety of perfume-cosmetics products

In advance of each product release prior to its marketing, the Hermès Perfume and Beauty quality department performs various tests and controls: release controls on all batches manufactured (internally and externally), as well as on aesthetic, functional and olfactory aspects, microbiology release tests on high-risk formulas (for example formulas with a particular pH), and lastly, physicochemical tests in the event that product non-compliance is detected.

A product may only be released and placed on the market when all non-compliance identified during the manufacturing/packaging process has been resolved.

Hermès Perfume and Beauty audits its subcontractors, packaging and raw materials suppliers to ensure that they comply with best manufacturing practices according to cosmetic goods regulations: audit every three years or more frequently depending on the risk.

Hermès Perfume and Beauty follows the best manufacturing practices of the European cosmetics regulation.

In the event of an alert related to the safety of perfume-beauty products, the cosmetovigilance process is applicable as described above: upstream and downstream traceability would be carried out, *via* the finished product reference number and batch number. The communication that accompanies a product withdrawal/recall procedure is decided on a case-by-case basis. If the withdrawal is related to a customer safety issue, Hermès Perfume and Beauty would be obliged to declare the withdrawal to the authorities *via* a dedicated RAPEX regulatory website.

Hermès’ sales practices have no impact on consumer health. Hermès does not engage in any aggressive marketing or advertising aimed at its customers. The complaints filed by the latter are related to occasional quality defects. Hermès therefore does not take any particular action relating to its communication and sales practices.

Teams dedicated to the actions undertaken

Teams are dedicated to personal data protection, the Consumer Relations Centre (CRC) and after-sales service. In particular, the Data Protection Officer relies on a network of liaison officers throughout the Group – mainly consisting of the Chief Information Security Officer (CISO), members of the legal department, internal control officers and Regional Data Protection Officers. This network enables him or her to be regularly informed of issues related to personal data, to ensure that they are dealt with consistently by the subsidiaries and to be alerted to local legal and regulatory changes where applicable. In addition, the Data Protection Officer is supported by a network of specialised lawyers, present in all the countries where the Group operates.

Teams are also dedicated to consumer health and safety in all operations that ensure the management of a potential negative impact: regulatory teams, product quality, cosmetovigilance, after-sales service, etc. The quality teams in particular are mobilised, with the provision of controllers, who ensure the quality of the separated and semi-finished elements, and releasers, who ensure the quality of finished products.

No positive social contribution has been identified for consumers and/or end-users in the context of the material impacts, risks and opportunities identified. In terms of risks relating to personal data, training and raising awareness of Group employees about cybersecurity may help to limit the risk of personal data theft and benefit the Group's customers.

Through its organisation and policies presented in § 2.1.3.4.3, Hermès ensures that procedures are put in place to remedy or make it possible to remedy the material negative impacts identified as part of its double materiality analysis, as well as the effectiveness of their implementation and outcomes.

2.1.3.4.7 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

The targets below have been established for the two types of impacts identified.

Data protection target - valid for the entire scope of Group customers

Stay continuously below the legal obligation in terms of managing rights, which is 30 days according to the GDPR standard, as mentioned in the Group's policy. This objective is constant over time.

Product health & safety

The Perfume-Beauty activity has not, to date, defined targets related to the health and safety of its products. This is mainly due to the absence of any controversy or risky situation identified, and the robustness of the mechanisms in place. Targets may be defined in the coming years.

2.1.4 GOVERNANCE INFORMATION

The role of the administrative, management and supervisory bodies (ESRS 2 GOV1)

As business conduct is an integral part of the sustainability of Hermès' business model, information relating to the roles of the administrative, management and supervisory bodies and their expertise is presented under ESRS 2, within this document.

2.1.4.1 Description of the processes to identify and assess material impacts, risks and opportunities (ESRS 2 IRO-1)

The process for performing the double materiality analysis and identifying impacts, risks and opportunities is set out in § 2.1.1.3 "Description of the processes to identify and assess material impacts, risks and opportunities" and § 2.1.1.4 "Group risk management framework".

As detailed in § 2.1.1.5 "Strategy, business model and value chain" and § 2.1.1.6 "Impacts, risks and opportunities and their interaction with strategy and business model", Hermès' sustainable development roadmap and business model include considerations related to business conduct. In the specific case of this ESRS, a non-material sub-topic was identified:

- political engagement and lobbying activities: this non-materiality is justified by the very limited lobbying activities.

Furthermore, given the fact that negative impacts on workers in the value chain were identified as part of ESRS S2, the policies, actions and targets relating to supplier support and the positive transformation of the value chain are presented in § 2.1.3.2. The IROs relating to supplier support, given their inclusion in the G1 standard, are nevertheless described below.

	IRO title	Nature of IRO	Scope	Time horizon	Potential impacts	Policy
PLANET						
Environment						
Responsible supply chains						
22	Impact of the Group's practices and its value chain on animal welfare	Negative impact	Upstream value chain	All time horizons	Actual	Animal welfare policy Supply chain brief Certification
23	Risk of damage to the Group's image related to animal welfare	Risk	Upstream value chain	All time horizons		
COMMUNITIES						
Partners and suppliers						
Supporting and auditing suppliers						
32	Contribution to the sustainable approach of the Group's suppliers	Positive impact	Upstream value chain	All time horizons	Actual	Vigilance plan Responsible purchasing policy
33	Opportunity stemming from the Group's long-term partnerships with its suppliers	Opportunity	Upstream value chain	All time horizons		
ETHICS AND COMPLIANCE						
38	Risk related to controversies over unethical or non-compliant practices	Risk	Direct operations and value chain	Short term		Vigilance plan Responsible purchasing policy Code of conduct Ethics charter

- **Impact of the Group's practices and its value chain on animal welfare:** due to the use of raw materials of animal origin in the manufacture of its objects, the Group, through its supply chains and direct operations, may have a negative impact on the livestock farming practices used in its value chain, which could be contrary to the principles of animal welfare.
- **Risk of damage to the Group's image related to animal welfare:** likewise, controversies related to animal well-being and welfare that may arise in the Group's value chain may directly or indirectly harm its image as an ordering party. These controversies could then negatively affect the reputation and desirability of the brand.

- **Contribution to the sustainable approach of the Group's suppliers:** thanks to long-term relationships of trust with its business partners, Hermès can support the adoption of ethical, social and environmental practices by its suppliers. This support can take the form of material assistance or expert support (by training and raising awareness among Hermès' suppliers on how to manage their carbon footprint, for example)
- **Opportunity stemming from the Group's long-term partnerships with its suppliers:** the long-term relationship maintained with its suppliers may also enable Hermès to better control social and environmental practices in its value chain, and thus increase resilience and risk management for Hermès. The quality of these relationships also helps the Group to secure its value chains.
- **Risk related to controversies over unethical or non-compliant practices:** practices contrary to the ethics rules of business conduct could lead to a loss of trust and credibility with all of the Group's internal and external stakeholders (employees, suppliers, customers, investors, etc.). Non-compliance with ethics rules and regulations may also result in sanctions from the competent authorities.

In terms of the fight against corruption, the procedures and risk analyses implemented are described in § 2.1.4.2. The procedures applicable to whistleblowers are detailed in § 2.1.4.2.

In order to identify and assess impacts, risks and opportunities related to business conduct throughout its value chain, Hermès used the duty of vigilance risk mapping, itself consistent with the analysis of non-financial risks and the risk mappings generated for its activities and supply chains. This global duty of vigilance risk mapping was developed in association with internal and external stakeholders.

The vigilance plan takes into account all of the Hermès Group's activities (internal entities, distribution subsidiaries and the activities of value chain players (see Hermès value chain in the vigilance plan)).

The universe of risks analysed and identified as part of the vigilance plan was defined by the Hermès Group in light of the requirements of the Duty of Care law and according to the Hermès Group's activities (see Duty of care risk universe, included in the vigilance plan).

The vigilance plan enables the Hermès Group to identify, avoid or reduce as far as possible the impact of disruptions in its supply chain.

In this context, the Group has also rolled out training designed for Purchasing and Supply Chain Managers. This training covers collaboration and dialogue with suppliers. It includes the general purchasing framework (legal regulations, payment terms, etc.), social issues and respect for human rights.

As part of the preparation of this mapping, the Compliance and Vigilance Committee thus:

- defined a specific Hermès risk universe, which includes animal welfare;
- deepened the analysis of risks in certain scopes assessed as priorities;
- determined a single framework for the analysis of gross risks.

2.1.4.2 Corporate culture and business conduct policy (G1-1)

General approach to business conduct

Hermès has remained true to its values since 1837 and continues to thrive as a house where craftspeople are at the fore. By selecting the finest materials, it produces exceptional, useful and aesthetic objects, designed to last, thanks to their quality and desirability, and to be passed on. Hermès has a world-wide reputation, but the House has always been, and remains, an independent company supported by family shareholders, a sign of pragmatism, stability and longevity. Promoting French manufacturing, its project is based on the excellence of the craftsmanship métiers; human hands, savoir-faire and quality are the keys.

The attention paid to people is naturally at the heart of the House's craftsmanship model.

Business conduct approach

Driven by its humanist values, the Hermès Group's ethics policy aligns with the universal framework set down by the major principles, standards and international agreements, in particular those relating to human rights.

Hermès pays close attention to working conditions and to respect for human rights as defined by the United Nations and OECD principles set out in § 2.1.3.2.3 (table of international standards of conduct).

Specific governance, carried out at the highest level of the organisation, guarantees the commitments, policies, control and alert systems that form the foundation of the approach.

The attributes of craftsmanship have shaped the development of the House since its founding and, at the same time, its relationship with the world. Naturally rooted in respect and humility, these attributes, over time, have become company values.

The presence of these values permeates all employees, suppliers and partners. They form the platform for the House's actions in matters of sustainable development by appropriating the notions of individual and group responsibility, authenticity in the search for excellence, or acceptance of the long-term approach as a factor influencing performance. Lived and embodied by the Senior Executives and all employees, today they are the lifeblood of its DNA and represent the founding pillars of the sustainable development approach that Hermès shares with its stakeholders.

To promote its business conduct, Hermès has two documents that present its ethics values and structure its strategy: the ethics charter and the code of business conduct. These documents enable it to implement and assess the way in which its ethics rules are put in place. They are regularly reviewed by the Compliance and Vigilance Committee, a body described in § 2.1.4.2.

Furthermore, Hermès has formalised its ethics requirements through the commitments, tools and documents presented below, and in particular:

- its determined commitment to a culture of ethics and respect for human rights. This commitment is accompanied by a structured approach to protecting individuals' personal data processed by the Hermès Group (see § 2.1.4);
- a policy on the prevention and fight against corruption, and zero tolerance in terms of breaches of probity, described below.

ETHICS CHARTER

The House's ethics have been formalised in an ethics charter since 2009. Updated in 2023, it is distributed worldwide in several languages and is accessible to all its employees and stakeholders.

The ethics charter serves to enrich the corporate project around the genuineness of the Group's purpose and ethics. It guarantees respect for the debt of gratitude that is owed to Hermès's employees and partners.

This charter does not replace the laws and regulations applicable in the countries where the Group operates, but aims to promote compliance with them and ensure their proper application. It is of course in line with fundamental principles such as the Universal Declaration of Human Rights, and the rules of the ILO, the OECD and the Global Compact. It is one of the means of ensuring the sustainability of the Group's unique business model.

Henri-Louis Bauer – Chairman of the Executive Management Board of Émile Hermès SAS; Axel Dumas – Executive Chairman

A summary version is also available externally on the website [1] and internally, can additionally be found on the HermèSphère intranet in the "Our Ethics" section. It reaffirms the Group's desire to respect fundamental principles in its relations with its stakeholders and is signed by the Executive Management.

The ethics charter, designed as a tool for progress and dialogue, aims to promote compliance and ensure the proper application of laws, regulations and fundamental principles. It invites employees, in the event of difficulty in application or misunderstanding, to talk to their line manager. It is structured around the following points:

- relations between Hermès and its employees;
- relations between Hermès and its suppliers;
- relations between Hermès and its customers;
- relations between Hermès and its shareholders;
- the uncompromising principles of Hermès objects;
- relations between Hermès and society:
  - its environment,
  - relations with communities and local authorities,
  - its cultural and solidarity actions,
  - its communication;
- adherence to international principles;
- relations with its stakeholders, with which Hermès aims to ensure dialogue and consultation in order to contribute to the economic and social development of the regions and employment areas where its manufacturing and commercial sites are located. Hermès is investing in this to have a positive impact, by using local resources as much as possible, as a socially responsible company in a spirit of regional responsibility.

CODE OF BUSINESS CONDUCT

A code of business conduct, available in several languages, is distributed to all employees worldwide. It sets out the House's guiding principles on business ethics. It was updated in 2023, in particular to strengthen the Group's commitment in terms of competition law.

To help make sure that everyone is on the same page, this "code of business conduct" has been formalised. Its role is to raise awareness of certain risks and to instil Group employees with behavioural reflexes in response to frequently raised issues.

The sheets below, each of which must be responsible for the proper application of the code, are instruments of progress and dialogue.

Axel Dumas – Executive Chairman

The code is issued to all employees as soon as they join the House, is signed by the Executive Management and is available on the internet [2].

Its purpose is to raise employees' awareness about ethics risks and to instil behavioural and alert reflexes. It consists of factsheets, dealing with key issues.

The Hermès Group maintains relationships with its employees and partners based on trust, open communication and a control strategy adapted to the issues. To ensure that each employee adheres to the rules of good conduct adopted by Hermès, numerous training sessions help them to understand the importance and the issues of the Group's ethics approach in the performance of their activities. Partners are informed of the Group's expectations and the existence of information reporting channels and the procedures for using these.

The promotion of ethical values is supported through actions to raise awareness and provide training in the Group's policies. The Group has also put in place prevention and detection systems to prevent any infringement of its principles.

1. *https://finance.hermes.com/en/publications/*
2. *https://finance.hermes.com/en/publications/*

Business ethics governance and compliance network

Strategic governance

Alongside other members of the Executive Committee, Axel Dumas, Executive Chairman, drives compliance with ethics rules, applying a firm policy of zero tolerance of any act of corruption. Thus, the commitment of the governing bodies is embodied at the Group's highest level.

In this context, the Executive Committee reviews the Group's strategic compliance and risk management tools, the first of which is mapping of the duty of care and corruption risks. See in particular details in § 2.1.4.3.

The fight against corruption in all its forms permeates all the Group's policies and procedures.

Governance of anti-corruption is supported by the legal compliance department and includes the Compliance and Vigilance Committee and the Ethics Committee with a local relay thanks to the network of Group compliance liaison officers.

The update of the Group's anti-corruption risk mapping, as well as all the recommendations resulting from the action plans aimed at controlling these risks, demonstrate the Group's unwavering commitment to combating all forms of corruption and influence-peddling.

This exercise is part of the Group's approach to continually improve its anti-corruption and influence-peddling plan to make it increasingly robust and effective.

Axel Dumas – Executive Chairman; Olivier Fournier – Executive Vice-President Corporate Development and Social Affairs

A Group corruption risk mapping was produced jointly in 2018 by the legal compliance department and the audit and risk management department and was then approved by the Group's Executive Committee.

This Group corruption risk mapping was updated in 2020 and then shared with all Group entities and departments. A further update of the Group's anti-corruption risk mapping will be completed in 2025.

The corruption risk mapping, carried out according to a rigorous methodology, covers all the Group's activities and all the geographical areas in which it operates. Each risk scenario identified corresponds to a potentially risky behaviour or situation in terms of corruption and influence peddling and specifies the geographical areas, the métiers mainly concerned and the third parties that may be involved. This is so that the anti-corruption action plans corresponding to each risk scenario can be implemented to respond as a priority, in a proportionate and effective manner to the challenges facing the Group.

As indicated above, the commitments made by the Group and its partners relate in particular to the following points:

- good labour practices and respect for human rights: prohibition of child labour, prohibition of forced labour, compliance with health and safety rules, respect for freedom of association, non-discrimination, respect of working time, appropriate compensation, prohibition of illegal work;
- good ethical conduct: the fight against corruption and money laundering and recommendations on best practices in relation to subcontracting.

The Hermès Group allows internal and external stakeholders to make reports.

In accordance with laws and in order to boost the fight against breaches of ethics and integrity, in 2019 the Group set up a global whistleblowing system called H-Alert!

Operational governance

The main task of the legal compliance department is to design, develop, implement and lead the Group's compliance programmes and ethics policies worldwide. It identifies, evaluates and controls the compliance risks to which the Hermès Group is exposed, verifies compliance with the various laws and regulations, and ensures, in close cooperation with the Group's various departments, the coordination, implementation and updating of compliance programmes. The Chief Compliance Officer reports to the Group General Counsel, who reports to the Executive Vice-President of Governance and Organisational Development.

Business conduct matters are monitored by the Executive Vice-President of Governance and Organisational Development, a member of the Executive Committee. The latter reports to the Group's Executive Chairman.

The independence of the Chief Compliance Officer is ensured by direct and regular reporting to the Executive Vice-President of Governance and Organisational Development.

The Chief Compliance Officer chairs and coordinates the Compliance and Vigilance Committee and is also a member of the Group's Ethics Committee.

At least once a year, the Chief Compliance Officer reports on his duties to the Audit and Risk Committee of the Hermès International Supervisory Board.

For the implementation of compliance programmes and ethics policies within the Group, the legal compliance department relies in particular on the legal officers of the legal department of Hermès International in Paris, the legal departments of the subsidiaries (United States, China, Japan, Singapore and South Korea), the Group's network of internal controllers as well as on all department members of the Compliance and Vigilance Committee.

These employees take part in the implementation and management of compliance programmes, as well as the deployment of ethics policies in all of the Group's métiers and entities. They verify in particular that the policies and procedures put in place are applied by the operational staff in all the métiers and entities.

COMPLIANCE AND VIGILANCE COMMITTEE

The Compliance and Vigilance Committee meets at least four times a year. It is composed of the Group legal department and the Group legal compliance department, the audit and risk management department, the sustainable development and consolidation, tax and management control departments, the Group social development and Group direct purchasing and indirect purchasing departments, and finally the Group distribution activities department.

Its duties specifically include:

- advice and recommendations on prevention and monitoring actions, notably in terms of duty of care and the fight against corruption for all Group entities;
- monitor the development of compliance programmes: ethics and anti-corruption, vigilance plan, anti-money laundering, economic sanctions and competition law;
- the management of the deployment of awareness-raising and training campaigns for employees most at risk;
- monitor and update all the compliance programmes;
- supplement internal compliance guidelines, *e.g.* in terms of human rights.

The actions of the Compliance and Vigilance Committee contribute to:

- the provision of expertise;
- the dissemination of a culture of compliance by relaying the programmes to the entities' governing bodies and employees;
- ensuring programme coordination and consistency;
- develop the Group's policies in this area;
- supporting and monitoring compliance programmes.

ETHICS COMMITTEE

The Hermès Executive Committee oversees all ethical issues, particularly those relating to human rights. It is supported by an Ethics Committee set up in 2018 and chaired by the Executive Vice-President of Governance and Organisational Development, a member of the Executive Committee, and composed of the Director of Human Resources, who is also a member of the Executive Committee, the Group Director of Social Development, Group General Counsel and the Chief Compliance Officer.

The Ethics Committee oversees ethics actions with three main duties:

- advise on the Group's ethics culture and make recommendations;
- receive alerts (through various reporting channels);
- direct and monitor the treatment of these alerts.

A GLOBAL NETWORK OF COMPLIANCE LIAISON OFFICERS

In addition, legal teams located in France as well as in the United States, China, Japan, Singapore and South Korea are part of the network of compliance liaison officers and act as compliance relays. The latter collaborate with the Group legal compliance department and with the Group Data Protection Officer in order to develop, facilitate, coordinate and monitor compliance programmes and ethics policies within the Group. The legal teams benefit from a compliance review framework enabling them to apply the corresponding programmes.

The international legal departments monitor compliance issues with the local teams. By way of illustration, a regional Compliance Committee was created in 2020 and meets quarterly to deal with all compliance, ethics and personal data issues in the South and South-East Asia region. This committee brings together the legal, human resources, internal control and management functions of the entities concerned.

The internal control officers and auditors are also compliance liaison officers and monitor the application of compliance programmes (see chapter 4 "Risk factors and management", § 4.3). The Group's internal control officers have access to a compliance review framework and second-level control plan developed in collaboration with the legal compliance department and the audit and risk management department.

Prevention and internal control measures

In order to verify the proper application of its compliance system, Hermès has deployed a control plan based on three levels:

- the first level of control is implemented directly by operational staff. This involves applying the principles and processes described in the Group's procedures on a daily basis. Compliance with the commitments made by the Group and its partners is initially checked by the métiers or operational entities. Each métier or entity is responsible for managing its relations with third parties, monitoring the issues identified and the implementation of corrective actions with them. Adopting a métier or entity approach guarantees third party proximity, awareness of the issues ahead and realistic systems set up to comply with the Group's rules. Nevertheless, to ensure that the Group system is well implemented in all métiers, entities and subsidiaries, coordination is carried out at Group level by the legal compliance department;
- the second level of control involves internal control officers in each entity/métier, working in close collaboration with the legal department, in particular, on the proper application of procedures;
- the third level of control is operated by the audit and risk management department during audits of the métiers and entities. The implementation of the Group's policies is assessed during this control. The audit and risk management department also conducts audits of the various Group systems.

The second and third levels are described in detail in chapter 4 "Risk factors and management AFR", § 4.3.

In order to roll out compliance programmes effectively, the métiers and entities have the following tools:

- risk mapping;
- procedures for entering into business relationships with third parties;
- procedures for selecting, assessing and managing suppliers and service providers, business intermediaries, agents, distributors and concessionaires;

- an IT tool for assessing the integrity and reputation of third parties, set up with the help of an external service provider and accessible to all Group entities;
- analysis grids and questionnaires to assess third party risk levels;
- a list of "sensitive countries";
- a procedure to prevent money laundering;
- a suppliers' charter, a business ethics charter for the selling of products and compliance clauses to ensure third parties' commitment to complying with social, environmental and ethics policies, including anti-corruption regulations;
- external evaluations/investigations on third-party compliance and integrity risks;
- rights of access and right to request documentation;
- the right to conduct internal and external on-site audits and, if necessary, to implement corrective measures.

ACCOUNTING CONTROL PROCEDURES

Internal control and risk management procedures relating to the preparation and processing of accounting and financial information, as described in chapter 4 "Risk factors and management AFR", § 4.3, form an integral part of the general compliance system comprising prevention and anti-corruption and are, in particular, aimed at preventing and detecting any breaches of the Group's ethics rules. Controls on accounts deemed "more sensitive" in terms of the fight against corruption are regularly strengthened. An accounting control procedure dedicated to the prevention and detection of corruption and influence-peddling has been put in place and controls are carried out regularly.

In 2024, the accounting control system for the prevention and detection of corruption was strengthened by the rollout of a standardised tool within the Group, facilitating their implementation and formalisation.

Furthermore, annual self-assessment campaigns are an important tool when it comes to the process of applying accounting control procedures across all the Group's entities.

The audit and risk management department monitors the proper application of these procedures during its internal audits.

Audit of the application of ethics values by the Group's partners

Control assessments *via* external audits on the application of the commitments required from the Group's partners are carried out regularly with its suppliers and partners. Among other areas, these audits cover compliance with ethics procedures, the fight against corruption, combatting money laundering, the protection of personal data, respect for the environment, respect for human rights and fundamental freedoms, hygiene, health and employee safety. These controls are further detailed in § 2.1.3.2.6.

SANCTIONS SYSTEM SET UP

A system of sanctions has been set up for compliance programmes because any breach of ethics and integrity is contrary to the Group's intrinsic values and internal rules laid down in this area.

In accordance with existing French law, rules of procedure are in place which devote a chapter to disciplinary law and the right of defence.

At international level, depending on applicable local law, there are either rules of procedure, which set out rules on disciplinary matters and which may go as far as dismissal, or an employee handbook is issued to employees on joining, which contains rules on disciplinary law, as well as anti-corruption measures. In the event of a breach of the Group's ethics rules and compliance programmes, commercial relations with a distributor or supplier may be suspended pending the implementation of corrective actions or be terminated.

WHISTLEBLOWING SYSTEM

The whistleblowing system is composed of several channels, including in particular the traditional communication channel (HR/manager) as well as the H-Alert! platform. This system has been designed to enable its employees worldwide, its external and occasional employees and all external stakeholders to report breaches and violations.

With regard to information for Hermès employees, this system is presented in all mandatory training courses dedicated to business conduct and described in § 2.1.4.3.

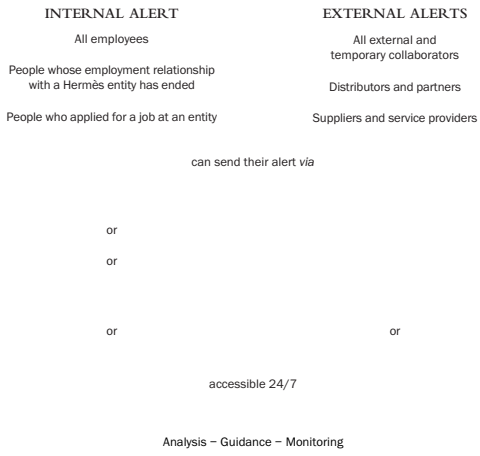
Available seven days a week, 24 hours a day and operated by an external service provider, the H-Alert! whistleblowing platform makes it possible to report facts that may constitute a violation of any law or regulation, or a violation of the Group's codes, procedures and ethics standards, as well as to report the existence of risks or violations of human rights and fundamental freedoms, the health and safety of people or the environment, resulting from the activities of the Group and/or its subcontractors or suppliers.

The global H-Alert! whistleblowing system was updated in 2022 and 2023 in accordance with French law no. 2022-401 of 21 March 2022 and the decree of 3 October 2022 in order, in particular, to:

- strengthen the protection of whistleblowers against any form of retaliation; and
- give suppliers, service providers and distributors, and in general, the Hermès Group's co-contractors, access to the H-Alert! whistleblowing system.

The H-Alert! whistleblowing system is now accessible to all Group stakeholders, both internal and external, either *via* the HermèSphère intranet site or the Hermès Finance website. Available in 21 languages to ensure its proper distribution, the new information notice was the subject of a communication within the Group and its suppliers.

Upon receipt of an alert, an acknowledgement of receipt is systematically sent within seven days of receipt of the alert. The admissibility of alerts is processed within a target of one month and, if the alert is admissible, it is immediately assigned to the entity concerned by the subject reported. Thus, the admissibility of reports on social issues (discrimination, harassment, etc.) is analysed by the human resources department. The admissibility of other reports is determined by the Ethics Committee, described below. Reports relating to social issues are dealt with by the human resources manager or local Director of Human Resources (outside the managerial line against which the alert is made) and its follow-up is shared with the Ethics Committee. Other reports are handled by a person appointed by the Ethics Committee according to their topic (purchasing department, legal department, etc.).



In accordance with the applicable law transposing Directive (EU) 2019/1937 of the European Parliament and of the Council, Hermès has implemented measures to protect whistleblowers. A whistleblower who acts in good faith benefits from protection that may vary depending on applicable laws and any specific local regulations. In France, and more generally in Europe, this protection applies even if the facts prove to be inaccurate or do not lead to any action. In application of this protection, an employee may not be dismissed, sanctioned or discriminated against in any way for having reported incidents in compliance with these conditions. More generally, no retaliation may be taken against him or her. However, any misuse (particularly in the event of slanderous denunciation, defamation or insult) of the H-Alert! whistleblowing system may expose the perpetrator to disciplinary sanctions and, where applicable, civil and/or criminal sanctions. Conversely, the good faith use of the H-Alert! whistleblowing system shall not expose its author to any disciplinary sanction. No data identifying the author of the alert may be disclosed to third parties without his or her consent. However, in cases where the Hermès entity responsible for collecting and processing the alerts is required to report the facts to the judicial authority, the identity of the person who made the alert may be disclosed (the person who made the alert will be informed in writing, unless this information is likely to compromise legal proceedings). In the context of this H-Alert! whistleblowing system, persons who may be involved in the processing of the reports made are not considered as third parties.

The protection applicable to whistleblowers who choose to report an alert may also be extended to other persons in accordance with applicable legal provisions. For information purposes, the following persons benefit from protection under French law:

- facilitators (any natural person or legal entity governed by non-profit private law, who helps the whistleblower to report);
- natural persons linked to the person who made the alert (*i.e.* all those who might be subject to reprisals in the course of their professional activities by the employer, their client or the recipient of their services); and
- legal entities controlled by the whistleblower (for which the whistleblower works or with which he or she has dealings in a professional context).

To illustrate this, in terms of whistleblower protection, the Group has introduced effective measures guaranteeing the confidentiality of information and processing of reports at all times, such as the prohibiting of retaliatory measures against whistleblowers. Where appropriate, following an investigation, disciplinary sanctions may be decided upon and implemented against employees who violate the Group's ethics rules, which may go as far as dismissal. Contracts and commercial relationships (with suppliers or business partners) may also be terminated in the event of serious breaches of the Group's ethics rules.

Thus, in 2024, 211 alerts were received through the whistleblowing system (compared with 105 alerts received in 2023). This increase reflects a process that is now well-known and efficient, but also the opening up of this system to all the Group's external partners.

- 100% of the alerts received in the financial year resulted in follow-up. Hermès carried out the internal investigations necessary to process said alerts.
- All parties involved in the processing of alerts were mobilised and involved throughout the processing of the incidents.

To ensure that this whistleblowing system is properly used by external stakeholders, a dedicated section is included in the Supplier Code of Conduct updated and rolled out in early 2024. Specific communication aimed at suppliers and service providers has also been put in place.

The Hermès Group has an internal procedure governing the management of alerts. The principles of this procedure are shared with whistleblowers *via* the communication of the whistleblowing notice (available on the H-Alert! platform). The terms and timeframes applicable to the system are described in the said information notice.

Depending on the reports and in order to guarantee the independence of the persons in charge of managing whistleblowing reports, the Ethics Committee may:

- delegate the processing of the alert to a member or department of the Hermès entity concerned; or
- process the alert directly and/or delegate it to a competent third party.

To strengthen the independence of the people responsible for handling alerts, investigations are conducted separately from the management line against which the alert is made.

Always in accordance with applicable local rules, the House may also use third parties, such as lawyers, to conduct these investigations.

Hermès has procedures in place to promptly, independently and objectively investigate incidents related to business conduct, including incidents of corruption and bribery.

1. Acknowledgement of receipt of the alert

In the days following receipt of the alert, a written and dated acknowledgement of receipt will be sent by any means (*via* the platform, by e-mail or by post depending on the channel and the information communicated). However, acknowledgement of receipt does not necessarily constitute admissibility of your alert.

2. Admissibility of the alert

The admissibility of alerts is analysed according to the following criteria:

- the alert concerns a situation falling within the scope of the H-Alert! whistleblowing system (see § 2.1.3.1.5);
- the information provided by the person making the alert is sufficient to characterise the situation and makes it possible to identify the person(s) potentially targeted by the alert.

Where appropriate, the authors of inadmissible alerts will be informed of the inadmissibility of their alert and the reasons for this inadmissibility.

The admissibility of alerts is processed within a maximum of one month.

3. Processing of the alert

Depending on the alerts, the Ethics Committee may:

- delegate the processing of the alert to a member or department of the Hermès entity concerned, the outcome of which will be monitored by the Ethics Committee; or
- process the alert directly with the help of competent persons from the Hermès entity or an external person.

The time required to process an alert varies depending on its complexity and the research and verification procedures to be undertaken in this context.

In any event, the whistleblower shall be informed within three months of the acknowledgement of receipt of the alert, of the measures planned or which have already been taken to assess the accuracy of the allegations and, where appropriate, remedy the subject of the alert.

At the end of the processing of the alert, the person responsible for processing it will inform the author of the alert of the conclusion of the processing and, if applicable, the measures taken.

Animal welfare policy

Hermès has set up a strict and ambitious policy in terms of animal welfare for all the animal supply chains concerned, both within its direct sphere of responsibility and for its external partners. Formalised in 2021, then updated in 2023, this policy, and all the concrete objectives it sets, have been shared with Hermès' suppliers and partners. It is published on the Group's website [1] and is part of a process of continuous improvement of practices. In this respect, the update in 2023 aims to better take into account the latest scientific and operational advances. Hermès' Animal Welfare policy is based on the following principles:

- a commitment to the fundamental principles of animal welfare (*i.e.* "the five freedoms [2]" defined by the FAWC [3]), based on the most recent observations and knowledge of scientists and university experts on the subject according to the species. In order to ensure proper animal welfare, Hermès' approach now focuses on the observation of animals and their behaviour. This therefore means an obligation of results (outcome-based) to be compared with more traditional approaches, which are limited solely to a material analysis of resources, without taking the animal into account;
- adoption of the "One Welfare" concept. This holistic approach recognises interdependency links between animal welfare, human well-being and the environment, and promotes an interdisciplinary approach;
- a multi-stakeholder collaboration to ensure that the results obtained on animal welfare correspond to the expectations and analyses of a wide range of stakeholders, including several international and national associations (NGOs) involved in the Group's issues;
- a formal governance framework: created in 2019, the Animal Welfare Committee brings together members of Group Management, the purchasing departments of the various métiers, the technical and sustainable development departments. An independent expert, a specialist in animal welfare, is also a member of this committee, which meets regularly to monitor the strategy, validate the policy and standards, measure the progress made and ensure that the resources made available are adequate;
- implementation of strict standards detailing best practices, specific to each supply chain, covering, depending on the species, a broad range of areas such as farming and slaughtering practices, transportation, traceability, employee working conditions and training, the environmental performance of farms and their safety, the protection of biodiversity, conservation of species and assistance to communities and populations;
- a monitoring system adapted to each sector allowing progression of best practices by conducting regular internal, or external, controls and audits in the supply chains.

1. *https://finance.hermes.com/en/publications/*
2. *Absence of hunger, thirst and malnutrition, absence of physical or thermal discomfort, absence of pain, injury or disease, ability to express normal behavioural patterns, absence of fear or distress.*
3. *Renamed the Animal Welfare Committee (AWC) in 2019.*

An animal welfare roadmap has been adopted for each species concerned by the sale of products, in all of the Group's métiers, and the House is working with its suppliers to draft operational roadmaps.

Training programmes on ethics issues

The people identified as being most exposed to the risk of corruption and bribery are Hermès employees with spending commitment powers and/or links with third parties.

Within the Group, several training courses on ethics issues (face-to-face or remotely) are provided to employees, regardless of their type of contract (fixed-term, permanent, temporary or intern employment contracts). Depending on the subject, they may be designed by the legal department or the human resources department, with the help of internal control.

The information expected relating to the percentage of at-risk functions covered by training programmes was not available at the date on which Hermès International published its Sustainability report. The Group confirms that it has exercised due diligence in producing this information and should be in a position to produce this information in the coming years.

In view of the governance put in place in terms of business ethics and the commitments adopted by the Group, the members of the administrative, management and governance bodies are made aware of these topics. An update on the status of the prevention and fight against corruption programme was presented to the Group Audit and Risk Committee in November 2024.

Moreover, a mandatory online training module dedicated to ethics and the fight against corruption has been rolled out since 2020 to all employees worldwide, as well as external and temporary employees. It uses practical scenarios to give them the keys to preventing risks of corruption and breaches of ethics. This e-learning system includes a comprehension and simulation exercise, for which a minimum score must be achieved, to ensure that employees have fully understood the risks of corruption and how to manage them. This e-learning module is mandatory for people considered to be exposed to the risk of corruption in accordance with the Group's corruption risk mapping.

Furthermore, specific training modules on the Group's ethics and anti-corruption policy, the contents of which are adapted to the teams, subsidiaries and métiers in question, are delivered by the legal department to those employees who are most exposed to the risks of corruption, as identified and prioritised in the Group corruption risk mapping. They may in particular be buyers, people in charge of internal control or members of management committees. They aim to provide employees with the knowledge and tools needed to prevent and detect at-risk situations and to determine the behaviour to be adopted. They are also an opportunity to set out all internal procedures relating, for example, to gifts and invitations, conflicts of interest, accounting control and the third-party assessment system.

More specifically, the internal control officers are trained and take part in Group training sessions in order to promote an awareness of risk management and internal control best practices amongst the management.

Activities focusing on ethics and compliance issues continued this year thanks to the organisation of three seminars by the audit and risk management department for internal controllers worldwide.

The "Ethics, Integrity and Anti-Corruption" (EIAC) training course, the content of which was updated in 2024, is intended for all sales staff in the stores within the Group's entities. Its purpose is to explain the risks of corruption to sales staff. They learn about different forms of corruption and how to effectively combat these risks in their daily tasks. Lastly, they are reminded about the tools and procedures they can use in case of doubt. Attendance at these training sessions is monitored. This module is regularly delivered in all subsidiaries worldwide. The objective is to train all distribution subsidiary employees, whether their employment contract is fixed-term, permanent, temporary or as an intern, and whatever their role (*i.e.* members of the Management Committee, support staff, sales associates, stockists, cashiers, managers). This training must be renewed every two years.

The roll-out of all training sessions on ethics issues is closely monitored by the legal compliance department, in collaboration with internal control and human resources.

Lastly, the themes relating to the fight against corruption are also addressed as part of the policies and training courses put in place within the Group to combat counterfeiting and the parallel market.

Legal requirements for the protection of whistleblowers

The Hermès Group is subject to legal requirements under the national law transposing Directive (EU) 2019/1937, or equivalent legal requirements for the protection of whistleblowers, and may discharge the publication requirements referred to in paragraph 10 (d).

2.1.4.3 Prevention and detection of corruption and bribery (G1-3)

Policy on preventing and combatting corruption

ANTI-CORRUPTION CODE OF CONDUCT

As mentioned in § 2.1.4.2, the Hermès Group has an anti-corruption policy (described below) formalised through an anti-corruption code of conduct, set up in 2018 based on the results of the mapping of the Group's corruption risks, and which is distributed in several languages. This code of conduct was validated by the Group's governing bodies and communicated to all Group entities and structures. It has been issued and applies to all Group employees.

This anti-corruption code of conduct is in line with the commitments taken by the Hermès Group in the area of ethics and integrity. It sets forth the personal commitment of the Hermès Group's Senior Executives and forms an integral part of the values and principles that unite all Hermès Group employees.

Axel Dumas – Executive Chairman

The anti-corruption code of conduct is available on the Hermès finance institutional website [1].

It describes rules on gifts and invitations, relations with third parties and public officials, the ban on facilitation payments, management of conflicts of interest, patronage and sponsorship, representation of interests, etc.

The opportunity to update the anti-corruption code of conduct is reassessed each year by the Compliance and Vigilance Committee.

Corruption is in contradiction with the values of the Hermès Group. The Group has a two-fold requirement: zero tolerance for breaches of probity on the one hand, and a determined commitment to a culture of ethics, on the other.

The Group's policies in terms of ethics and the fight against corruption are clearly set out in the code of business conduct, available on the Group intranet as well on the Hermès Finance institutional website [1].

The Hermès Group continues to improve its corruption prevention plan, in accordance with the requirements of the French law of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life in France.

Furthermore, the Group conducts global legal monitoring of legislative changes on the fight against corruption and complies with current legislative and regulatory requirements both in France and in other countries in which it operates, such as the United Kingdom Bribery Act and legislative decree 231 in Italy. This monitoring is carried out in-house and by external firms.

As detailed in § 2.1.4.2, to strengthen the independence of the people responsible for handling alerts raised *via* the systems put in place, in particular H-Alert!, investigations are conducted separately from the management line against which the complaint is made.

Always in accordance with applicable local rules, the House may also use third parties, such as lawyers, to conduct these investigations.

In addition, the processing of alerts is monitored by the Ethics Committee, whose collegial composition ensures a neutral and objective approach, and in line with the House's ethics values.

Actions to prevent and fight against corruption

As indicated above and in summary, the Hermès Group has deployed the following measures to prevent and manage corruption risks:

- preventive measures, namely risk mapping for all its activities, the dissemination of the anti-corruption code of conduct, training on ethics and the fight against corruption and a system for evaluating the integrity of its third parties (see section on the training programme on ethics issues);
- detection measures, namely the deployment of the Hermès Group's whistleblowing system, H-Alert!, and the implementation of specific anti-corruption controls (see sections on prevention and internal control systems and accounting control procedures);
- remedial measures, i.e. the application of disciplinary sanctions in the event of violation of the anti-corruption code of conduct (see section Sanctions system set up).

All of these measures are described in detail in § 2.1.4.1.2 "Business conduct policy" and § 2.1.4.1.3 "Prevention and detection of corruption and bribery".

2.1.4.4 Confirmed incidents of corruption or bribery (G1-4)

	Comparative year N-1	Year N	Change (in %)
Amount of fines for violation of anti-corruption laws	€0	€0	0%

Given the absence of breaches in procedures and standards of anti-corruption and bribery during 2024, no particular remedial action was undertaken.

1. *https://finance.hermes.com/en/publications/*

2.1.4.5 Management of relationships with suppliers (G1-2) and payment practices (G1-6)

In order to support the cash flow of their partners, the Hermès Group policy provides that the French subsidiaries pay their supplier invoices as soon as they are approved, without necessarily waiting for the contractual deadline.

This Group policy applies to all suppliers regardless of their size, whether large companies, mid-sized companies or SMEs.

The average time for the payment of suppliers regardless of their size, whether large companies, mid-sized companies or SMEs for all Group companies was 27 days in 2024.

Hermès does not publish the percentages of late payments by suppliers because they are not significant and there are no legal proceedings.

As at 31 December 2024, there were no ongoing legal proceedings relating to late payments.

Methodology

The methodology used to calculate the reference payment terms is based on the legal terms by country. In order to meet payment deadlines, a reminder system is put in place to ensure that invoices are recorded and checked before their due date. Reports are available to all subsidiaries to ensure that payment deadlines are met.

Policies related to social and environmental issues

Hermès has adopted a supplier relations policy based on the principles of sustainability, trust and high standards. The Company is committed to maintaining balanced and lasting relationships with its partners, excluding any aggressive or unfair practices, and ensuring compliance with ethical practices, the preservation of the environment and respect for human rights in its value chain. Details of the policies and actions undertaken to better control the risks and impacts related to its suppliers, as well as the social and environmental issues of its value chain are described in detail in § 2.1.3.2.3 and § 2.1.3.2.6.

Disclaimer

This document contains certain statements and other information that constitute forward-looking statements within the meaning of applicable securities laws. These forward-looking statements are not historical data and should not be construed as guarantees that the facts and data stated will occur. These forward-looking statements are sometimes identified by the use of the future or conditional or forward-looking terms such as “consider”, “aim”, “envisage”, “think”, “target”, “expect to”, “understand”, “must”, “strive”, “estimate”, “believe”, “wish”, “may” or, where applicable, the negative form of these same terms, or any other variant or similar terminology. These forward-looking statements are subject to numerous risks and uncertainties, which are difficult to predict, generally outside the control of the Hermès Group or are even unknown, and which are liable to lead to results or events that are significantly different from those expressed, implied or anticipated by such forward-looking statements.

Given the significant uncertainties inherent in these forward-looking statements, they should not be considered as an affirmation or guarantee, by the Hermès Group or any other person, that the Hermès Group will achieve its goals, objectives, aspirations, indicators, plans or targets within a given timeframe, or that it will achieve them at all, and in particular with regard to sustainability issues. In addition, it is not excluded that certain statements relating to sustainability issues, whether concerning the past, present or future, may be based on standards still being developed, on internal controls and processes that are continuing to evolve, or on assumptions that may change in the future.

In this respect, it is specified that chapter 2 of this document has been prepared in accordance with the regime imposed by European Directive 2022/2464/EU concerning the publication of information on sustainability by companies (the “**CSRD**”). This document uses certain specific terms that may lead to the classification of certain information or data points as “material” or “significant” in order to reflect certain specific impacts, risks or opportunities or other matters identified as “material” or “significant” for the Hermès Group or its stakeholders in accordance with these initiatives or standards. However, as used in this report, these terms are distinct from, and should not be confused with, such terms as they are defined or interpreted under various laws and regulations relating to securities and other matters, and in particular with regard to Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, or in the context of financial statements. In particular, for the purposes of the CSRD, these terms are used as part of the concept of double materiality analysis, a concept that applies, for the purposes of the CSRD, a specific standard and regime that are completely distinct from the materiality concepts referred to in other applicable laws and regulations.

The forward-looking statements contained in this document are valid only as at the date of their publication; the Hermès Group makes no commitment to update or revise forward-looking information or statements.

2.2 REPORT ON THE CERTIFICATION OF SUSTAINABILITY INFORMATION

Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852

(For the year ended 31 December 2024)

This is a translation into English of the statutory auditor's report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on "*Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*".

To the Shareholders,

This report is issued in our capacity as statutory auditor of Hermès International. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 and included in section 2.1 «Sustainability information» in the group management report.

Pursuant to Article L. 233-28-4 of the French Commercial Code, Hermès International is required to include the above mentioned information in a separate section of the group management report. This information has been prepared in the context of the first time application of the aforementioned articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. It enables to understand the impact of the activity of the group on sustainability matters, as well as the way in which these matters influence the development of the business of the group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L.821-54 paragraph II of the aforementioned Code our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 ter of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for *European Sustainability Reporting Standards*) of the process implemented by Hermès International to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code;
- compliance of the sustainability information included in section 2.1 "Sustainability information" of the group management report with the requirements of L. 233-28-4 of the French Commercial Code, including ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on "*Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*".

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by Hermès in the group management report, we have included an emphasis of matter paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantee regarding the viability or the quality of the management of Hermès International, in particular it does not provide an assessment, of the relevance of the choices made by Hermès International in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the group management report are not covered by our engagement.

COMPLIANCE WITH THE ESRS OF THE PROCESS IMPLEMENTED BY HERMÈS INTERNATIONAL TO DETERMINE THE INFORMATION REPORTED, AND COMPLIANCE WITH THE REQUIREMENT TO CONSULT THE SOCIAL AND ECONOMIC COMMITTEE PROVIDED FOR IN THE SIXTH PARAGRAPH OF ARTICLE L. 2312-17 OF THE FRENCH LABOUR CODE

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by Hermès International has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that lead to the publication of information disclosed in section 2.1 «Sustainability information» of the group management report, and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by Hermès International with the ESRS.

Concerning the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code we inform you that as of the date of this report, this consultation has not yet been held.

Elements that received particular attention

We set out below the elements that have been the subject of particular attention in relation to our assessment of compliance with the ESRS of the process implemented by Hermès International to determine the information reported.

Concerning the identification of stakeholders

Information on the identification of stakeholders is set out in section 2.1.1.5.3 "Interests and views of stakeholders (SBM-2)" of the group management report.

We interviewed management and others within the entity as appropriate and inspected available documentation. Our work consisted primarily of assessing the consistency of the primary stakeholders identified by the group in view of the nature of its activities and its geographical location, taking into account its business relationships and value chain. We exercised professional scepticism in assessing the representative nature of the stakeholders identified by the group.

Concerning the identification of impacts, risks and opportunities

Information on the identification of impacts, risks and opportunities is provided in section 2.1.1.6 "Process for identifying material impacts, risks and opportunities (IRO-1) and their interaction with strategy and business model (SBM-3)" of the group management report.

We obtained an understanding of the process implemented by the entity to identify actual or potential impacts – both negative and positive – risks and opportunities (IROs), in relation to the sustainability matters mentioned in paragraph AR 16 of ESRS 1, "Application requirements", and where applicable, those specific to the entity, as presented in note 2.1.1.6 "Process for identifying material impacts, risks and opportunities (IRO-1) and their interaction with strategy and business model (SBM-3)" of the group management report.

We obtained an understanding of the group's mapping of identified IROs, including a description of their distribution within the group's own operations and its value chain, as well as their time horizon (short, medium or long term), and assessed the consistency of this mapping with our knowledge of the group.

In performing our procedures, we:

- assessed how the entity has taken into account the list of sustainability matters set out in ESRS 1 (AR 16) in its analysis;
- assessed whether the entity has taken into account its dependence on natural, human and/or social resources in identifying risks and opportunities.

Concerning the assessment of impact materiality and financial materiality

Information on the assessment of impact materiality and financial materiality is provided in section 2.1.1.6.2 "IRO materiality assessment" of the group management report.

Through interviews with management and inspection of available documentation, we obtained an understanding of the process implemented by the entity to assess impact materiality and financial materiality, and assessed its compliance with the criteria defined in ESRS 1.

In particular, we assessed the way in which the entity established and applied the materiality criteria defined in ESRS 1, including those relating to the setting of thresholds, in order to determine the following material information reported metrics relating to material IROs identified in accordance with the relevant ESRS standards.

COMPLIANCE OF THE SUSTAINABILITY INFORMATION INCLUDED IN SECTION 2.1 "SUSTAINABILITY INFORMATION" OF THE GROUP MANAGEMENT REPORT WITH THE REQUIREMENTS OF ARTICLE L.233-28-4 OF THE FRENCH COMMERCIAL CODE, INCLUDING THE ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in section 2.1 "Sustainability information" of the group management report, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by Hermès International for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, that this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in section 2.1 "Sustainability information" of the group management report, with the requirements of Article L.233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the information provided in paragraphs "Value chain estimates and sources of uncertainty associated with estimates and results" and "Elements of progressivity" of the section 2.1.1.1 "Reporting basis (BP-1 and BP-2)" in the group management report which outline, in the context of the first application of CSRD, the methodological choices, environmental data estimates, and progressive elements regarding the missing information or the information to be completed in the future years.

Elements that received particular attention

We set out below the elements that have been the subject of particular attention in relation to our assessment of compliance of sustainability information included in section 2.1 "Sustainability information" of the group management report, with the requirements of Article L.233-28-4 of the French Commercial Code, including the ESRS.

Information provided in application of environmental standards (ESRS E1 to E5)

Information reported in relation to greenhouse gas (GHG) emissions and Transition plan for climate change mitigation are respectively mentioned in sections 2.1.2.1.9 “Gross scopes 1, 2, 3 and total GHG emissions (E1-6)” and 2.1.2.1.2 “Transition plan for climate change mitigation (E1-1)” of the group management report.

We set out below the elements that have been the subject of particular attention in relation to our assessment of the compliance of this information with the ESRS.

- With regard to the information published on the greenhouse gas (GHG) emissions:
  - we obtained an understanding of the internal control and risk management procedures implemented by the entity to ensure the compliance of the reported information with ESRS requirements;
  - we obtained an understanding of the greenhouse gas emissions inventory protocol used by the entity to draw up its greenhouse gas emissions assessment, and checked its application, for a selection of emissions categories and sites, for Scope 1 and Scope 2.
  - with regard to Scope 3 emissions, we assessed the process of gathering information on which disclosures were based,
  - we assessed the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data;
  - we reconciled physical data (such as energy consumption), on a sample basis, to the underlying data used to draw up the greenhouse gas emissions assessment and traced to supporting documents;
  - with regard to the estimates that we considered to be critical, used by the entity to prepare its greenhouse gas emissions assessment, through interviews with management, we obtained an understanding of the method used to calculate the estimate and the information sources on which the estimates were based;
  - we verified the accuracy of the calculations used to prepare this information.
- With regard to our procedures regarding the transition plan for climate change mitigation our work primarily consisted of assessing whether the information published in the transition plan meets ESRS E1 requirements with an appropriate description of the plan’s underlying key assumptions, it being understood that we are not required to express a conclusion on the appropriateness or the level of ambition of the transition plan’s objectives.

COMPLIANCE WITH THE REPORTING REQUIREMENTS SET OUT IN ARTICLE 8 OF REGULATION (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by Hermès International to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We set out below the elements that have been the subject of particular attention in relation to our assessment of compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Concerning the alignment of eligible activities

Information on the alignment of activities is set out in section 2.1.2.6 “Taxonomy” of the group management report.

Our procedures primarily consisted of inspecting, on a sample basis, the documentary sources used, including external sources where appropriate, and conducting interviews with the appropriate persons in the group to assess the compliance with alignment requirements for CapEX.

Key performance indicators and accompanying information

The key performance indicators and accompanying information are set out in section 2.1.2.6 “Taxonomy” of the group management report.

With regard to total turnover, CapEx and OpEx (the denominators) presented in the regulatory tables, we verified the group’s reconciliations with the accounting data used to prepare the financial statements.

With regard to the other amounts making up the various indicators of eligible and/or aligned activities (the numerators), we assessed these amounts based on a selection of activities, operations or projects that we determined to be representative, based on the activity to which they relate and their contribution to the indicators.

Neuilly-sur-Seine, March 18th 2025,

The statutory auditor

PricewaterhouseCoopers Audit

French original signed by

Amélie Wattel

2.3 DUTY OF CARE

In accordance with French law no. 2017-399 of 27 March 2017 relating to the duty of care of parent companies and contractors, the Group has drawn up a vigilance plan to identify risks and prevent serious violations of human rights and fundamental freedoms, and the health and safety of people and the environment, resulting from its activities as well as the activities of its subcontractors and suppliers.

Since 2023, the Group published its vigilance plan in a stand-alone document, accessible on its institutional website. (1) The measures required by the duty of care are presented in detail there. They are summarised below.

2.3.1 GOVERNANCE

The Compliance and Vigilance Committee oversees the vigilance plan. It meets quarterly in order to:

define compliance guidelines;

recommend preventive actions;

manage and roll out employee awareness and training campaigns;

monitor the entire vigilance plan.

Hermès also called on several stakeholders – suppliers, employee representatives, associations and universities – as part of the preparation of its vigilance plan, with the support of an independent firm. For its update, stakeholders were again questioned, to follow up on the weak signals identified and integrate the societal issues that had emerged over the period.

2.3.2 RISK MAPPING AND ASSESSMENT METHODOLOGY

In order to identify and assess risks throughout its value chain and to strengthen its mapping of risks related to the duty of care, Hermès has used the analysis of non-financial risks, the double materiality analysis and the risk mapping generated for its activities and supply chains. In addition, the risk mapping was developed in association with internal and external stakeholders.

In particular, the Compliance and Vigilance Committee:

- defined a universe of risks specific to Hermès;
- deepened the analysis of risks in certain scopes assessed as priorities;
- added a source of raw risk data.

The Group's vigilance plan was constructed by analysing its entire value chain as presented in section §2.1.1.5.2.

This analysis enabled the Group to draw up the following mapping of risks related to the duty of care.

2024 RISK MAPPING RELATED TO THE DUTY OF CARE



1. *Available on finance.hermes.com*

2.3.3 WITHIN HERMÈS

Human rights and fundamental freedoms

The level of risk of serious human rights violations is relatively low in Hermès' activities, on its sites. The Group's sustainable development is based on the fulfilment and well-being of its teams, as part of a corporate project that places people at the heart of its values since 1837. Hermès contributes to respect for human rights through its proactive actions in terms of ethics, diversity, employee equality, consideration of disability and, in general, respect for human rights.

Health and safety

The sustainability of the House rests on the women and men who contribute in a harmonious and positive manner to its functioning and development. For this reason, the Group is very demanding in terms of working conditions: everyone can express their potential safely, in a pleasant environment, whether on production sites, in stores or offices. Thus, for example, any investment in health and safety within a manufacturing site is a priority.

Environmental protection

The Group's sustainable and responsible development involves knowing, controlling and reducing its environmental impacts, as part of a responsible approach. More broadly, Hermès contributes, through its commitments and actions, to the fight against climate change and the preservation of biodiversity.

2.3.4 IN THE VALUE CHAIN

Human rights related to affected communities

The House is concerned with the protection and promotion of human rights within its value chain wherever it operates. The level of risk of serious human rights violations is relatively low in Hermès' activities, including given the geography of its production operations (mainly Europe). Its commitments to comply with the OECD principles, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights and the ILO fundamental conventions are the documents underpinning the human rights policy set out in the vigilance plan updated annually.

Direct purchases

The Hermès craftsmanship model, with 74% of objects made in France, relies on a network of suppliers based mainly in Europe, where labour and environmental practices are some of the strictest and are monitored frequently due to the close operating proximity. In addition, Hermès builds balanced partnerships with its direct suppliers, according to its principle of transparency, high standards and fairness.

The risk exposure to its direct suppliers is therefore reduced for Hermès. In order to secure the use of its exceptional raw materials, Hermès is also committed, as part of the sustainable development of its supply chains, to exceeding compliance with regulations in social, environmental and ethics areas, as well as animal welfare.

Indirect purchases

The indirect purchasing department coordinates a network of dedicated buyers in the support functions in each country and métier managers for categories such as real estate, general services, communications, IT and intellectual services.

The indirect purchasing department, supported by a community of buyers in France and international contacts, implements a procedure to control the risks of its various partners. This includes a mapping of CSR risks by purchasing family and, if necessary, by supplier, including social issues, triggering the assessment *via* a third-party tool and an audit.

Concessionaire partners

Hermès works with concessionaire partners in France and abroad for its distribution.

Hermès' relationships with them are long-standing relationships based on the trust acquired over the years.

The few recent partners concern travel retail stores. These are major structures, leaders in their market, whose requirements in terms of respect for human rights and fundamental freedoms, health and safety and environmental protection are in line with those of the Group.

SUMMARY OF THE APPLICATION OF THE LAW ON THE DUTY OF CARE IN THE VALUE CHAIN – REFERENCES ARE TO THE VIGILANCE PLAN

	Suppliers and subcontractors	Human rights and fundamental freedoms	Health and safety	Environment
Risk mapping	Risk mapping and assessment methodology (chapter 2 – Vigilance plan framework) Mapping by theme in the chapters in question			
Regular assessment procedures	Chapter 6 – Direct purchases and Chapter 7 – Indirect purchases	Chapter 3 – Human rights and fundamental freedoms Chapter 6 - Direct purchases and Chapter 7 – Indirect purchases	Chapter 4 – Health and safety, Chapter 6 – Direct purchases and Chapter 7 – Indirect purchases	Chapter 5 – Environmental protection
Mitigation and prevention measures	Transversal actions, chapters 3 to 8			
Measuring and monitoring system	Transversal actions, chapters 3 to 8			
Alert mechanism	Chapter 9 – Alert collection and processing system			

2.3.5 WHISTLEBLOWING SYSTEM

In 2019, the Group set up a platform as part of its global H-Alert! whistleblowing system (Procedures described in § 2.1.4.2), intended for its employees worldwide and for external and temporary employees.

2.3.6 SUMMARY & OUTLOOK

In 2025, Hermès will continue to strengthen the vigilance programme through the following actions:

- rollout of the Supplier code of conduct;
- continued rollout of human rights training for buyers (see § 2.1.3.2.6);
- raising awareness among suppliers and partners of ethics and social issues;
- strengthening of the vigilance system as part of a continuous improvement approach;
- continuing communication and training on the update of the whistleblowing system;
- active monitoring of new European and international regulations.

2.4 CROSS-REFERENCE TABLES AND ADDITIONAL INFORMATION

2.4.1 CROSS-REFERENCE TABLES

2.4.1.1 HERMÈS' CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS



No. 3: Good health and well-being

3.d	*Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks.*
3.8	*Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.*

Hermès' main contributions in 2024

100%
of employees worldwide covered by the health management system

Employee turnover rate:
6%



No. 4: Quality education

4.4	*By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.*
4.7	*By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.*

Hermès' main contributions in 2024

3 days
of training per employee

Nearly 700
learners supported and trained in the Leather Goods métiers thanks to the École Hermès des Savoir-Faire.
3 new EHSF schools opened in France for a total of 10

Creation of the Hermès Sustainability Academy



No. 5 Gender equality

5.1	*End all forms of discrimination against women and girls everywhere.*
5.5	*Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.*

Hermès' main contributions in 2024

68%
women at Hermès and

48%
at top management level

Gender pay gap
< 3%



No. 6: Clean water and sanitation

6.4	*By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.*

Hermès' main contributions in 2024

65.4%
decrease in water withdrawals over 10 years

100%
of its tanneries (the industrial sites that consume the most water in its operations) are equipped with their own water treatment plants



No. 7: Affordable and clean energy

7.2	*By 2030, increase substantially the share of renewable energy in the global energy mix.*
7.3	*By 2030, double the global rate of improvement in energy efficiency.*

Hermès' main contributions in 2024

71%
of the Group's energy consumption is of renewable origin (+2.6 points compared to 2023)

Energy intensity
15.4 MWh/€M revenue



No. 8 : Decent work and economic growth

8.3	*Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.*
8.5	*By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.*
8.6	*By 2020, substantially reduce the proportion of youth not in employment, education or training.*

Hermès' main contributions in 2024

19 years:
average length of relationship with the top 50 direct purchasing suppliers

2,306 jobs
created worldwide

Grand Prix Emploi 2024
awarded by Humpact



No. 10: Reduced inequalities

10.2	*By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.*
10.3	*Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.*
10.4	*Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.*

Hermès' main contributions in 2024

Humpact prize 2024
people with disabilities category

Approximately €45 million
in social value-added purchases (supported employment sector, social and solidarity economy), in France

7.1%
of employees in France with disabilities in 2024 (above the legal minimum)



No. 11: Sustainable cities and communities

11.a	*Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning.*
11.3	*By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.*
11.4	*Strengthen efforts to protect and safeguard the world's cultural and natural heritage.*

Hermès' main contributions in 2024

75
production sites of which 60 in France

Nearly 1,300
jobs created in France in 2024

Inauguration
of the leather goods workshop in Riom enabling the creation of local jobs



No. 12: Responsible consumption and production

12.2	*By 2030, achieve the sustainable management and efficient use of natural resources.*
12.5	*By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.*
12.6	*Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.*
12.8	*By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.*

Hermès' main contributions in 2024

The cardboard for the orange packaging boxes comprise
100% recycled materials, and
100% of orange bags are FSC-certified

More than 200,000
after-sales service interventions

38
expatriate craftspeople dedicated to repairs in 2025



No. 13: Climate action

13.1	*Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.*
13.2	*Integrate climate change measures into national policies, strategies and planning.*
13.3	*Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.*

Hermès' main contributions in 2024

A decrease of **63.7%** in absolute value of scopes 1 and 2 compared to 2018, and **-50.5%** of scope 3 in intensity.

Cancelled **carbon credits** corresponding to **100%** of GHG scopes 1 and 2 emissions, and emissions related to upstream and downstream transportation



No. 15: Life on land

15.a	*Mobilise and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.*
15.b	*Mobilise significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.*
15.1	*By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.*
15.2	*By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.*
15.9	*By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts.*

Hermès' main contributions in 2024

100% of leather goods workshops have a biodiversity plan

100% of purchases related to animal supply chains are covered by the Group's Animal Welfare policy

In-depth study of the impact on biodiversity of leather (Hermès Maroquinerie Sellerie), wool and wood (Furniture and Art of Living), *via* the Global Biodiversity Score tool



No. 17: Partnerships for the goals

17.17	*Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.*

Hermès' main contributions in 2024

Partnership with Livelihoods carbon funds since **2012**

Renewed partnership with **WWF France** in the development of transformative practices

2.4.1.2 SFDR-PAI CORRESPONDENCE ANALYSIS

Thematics	PAI	Paragraph
Greenhouse Gases (GHG)	◆ Greenhouse gas emissions	◆ § 2.1.2.1.9
	◆ Carbon footprint	
	◆ Intensity of greenhouse gas emissions	◆ § 2.1.2.1.9
	◆ Exposure to the fossil fuel sector	◆ § 2.1.1.5.1 No exposure
	◆ Share of non-renewable energy consumption and production	◆ § 2.1.2.1.8
	◆ Intensity of energy consumption	◆ § 2.4.2
Biodiversity	◆ Activities significantly affecting biodiversity-sensitive areas	◆ § 2.1.2.4.2
Water	◆ Water consumption and discharge into water	◆ § 2.1.2.3.6
Waste	◆ Rate of hazardous/radioactive industrial waste	◆ § 2.1.2.2.6 / § 2.1.3.2.3
Social and employee issues	◆ Violations of the principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	◆ § 2.1.3.1.19 No violation
	◆ Lack of compliance processes and mechanisms to monitor compliance with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	◆ § 2.1.3.2.3 / 2.1.3.3.3 / 2.1.4.1.2
	◆ Unadjusted gender pay gap	◆ § 2.1.3.1.18
	◆ Gender diversity on the Board of Directors	◆ Chapter 3 “Corporate governance”
	◆ Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	◆ § 2.1.1.5.1 No exposure

2.4.1.3 GRI CORRESPONDENCE ANALYSIS

Standard	**Name of standard**	**Paragraph**
GRI 1	General principles	§ 2.1.1.1
GRI 2	General disclosures	§ 2.1.1.1
GRI 3	Management approach	§ 2.1.1.2
GRI-201	Economic performance	Chapter 1 "Presentation of the Group and its results"
GRI-202	Market presence	Chapter 1 "Presentation of the Group and its results"
GRI-203	Indirect economic impacts	§ 2.1.3.3
GRI-204	Procurement practices	§ 2.1.3.2.3
GRI-205	Anti-corruption	§ 2.1.4.1.2
GRI-206	Anti-competitive behaviour	§ 2.1.4.1.2
GRI-207	Tax	Chapter4 “Changes in, complexity and interpretation of tax regulations”
GRI-301	Materials	§ 2.1.2.5.7
GRI-302	Energy	§ 2.1.2.1.8
GRI-303	Water and effluents	§ 2.1.2.3
GRI-304	Biodiversity	§ 2.1.2.4
GRI-305	Emissions	§ 2.1.2.1.9
GRI-306	Effluents and waste	§ 2.1.2.2.4 / § 2.1.2.5.8
GRI-308	Supplier environmental assessment	§ 2.1.3.2.6
GRI-401	Employment	§ 2.1.3.1.8
GRI-402	Labour/management relations	§ 2.1.3.1.10
GRI-403	Health and safety at work	§ 2.1.3.1.13 / § 2.1.3.1.17
GRI-404	Training and education	§ 2.1.3.1.15
GRI-405	Diversity and equal opportunity	§ 2.1.3.1.11 / § 2.1.3.1.14
GRI-406	Non-discrimination	§ 2.1.3.1.3
GRI-407	Freedom of association and collective bargaining	§ 2.1.3.1.10
GRI-408	Child labour	§ 2.1.3.2.2
GRI-409	Forced or compulsory labour	§ 2.1.3.2.2
GRI-410	Security practices	§ 2.1.3.2.2
GRI-411	Rights of indigenous peoples	§ 2.1.3.3
GRI-413	Local communities	§ 2.1.3.3
GRI-414	Supplier social assessment	§ 2.1.3.2.6
GRI-415	Public policy	§ 2.1.4.1.1
GRI-416	Customer health and safety	§ 2.1.3.4
GRI-417	Marketing and labelling	§ 2.1.3.4.3
GRI-418	Customer privacy	§ 2.1.4

2.4.1.4 TCFD CORRESPONDENCE ANALYSIS

The international working group on transparency of climate-related financial risks (Task Force on Climate-related Financial Disclosures, TCFD) was created at COP21 by the G20 Financial Stability Board to establish a common global framework for the reporting of climate risks to companies.

The TCFD published its recommendations on the information to be published by companies in June 2017.

The references of the elements of the universal registration document that meet these recommendations are indicated in the cross-reference table below.

TCFD recommendations	Correspondence with Hermès' strategy	Paragraph
Governance		
Oversight by the Board of Directors of climate-related risks and opportunities	*The Supervisory Board, through its committees (CAG-CSR and Audit and Risk Committee) oversees sustainable development issues and interviews the operating departments several times a year, enhancing the stringency of requirements regarding climate topics.*	§ 2.1.1.2.2
Management role in assessing and managing climate-related risks and opportunities	*The Group's Executive Chairman, Axel Dumas, has been involved in many climate-related issues in recent years, including in particular the decisions to revise Hermès' climate commitment upwards with the SBTi validation for a trajectory of 1.5 °C.* *The Executive Committee devotes several session per year to the subject of sustainable development, including the climate.*	§ 2.1.1.2.4
Climate strategy		
Risks and opportunities related to the climate that the Group has identified in the short, medium and long term	*The exposure to transition risk is studied both by the audit and risk management department in its vertical analysis of the House's main activities, by the industrial and sustainable development departments, during the Sustainable Development Board and via dedicated Executive Committee sessions, with a more cross-cutting vision.*	§ 2.1.1.6.3
Impact of climate-related risks and opportunities on the Group's activities, strategy and financial planning	*Climate system disruptions and related operational, regulatory and political transition issues (such as carbon pricing), are already identified as physical and transition risks with impacts on the Group's supply chain, various operations (manufacturing, logistics, distribution), as well as on the behaviour of its customers.*	§ 2.1.2.1.3
Resilience of the organisation's strategy, taking into account different climate-related scenarios, including a 2°C or lower scenario.	*The Group analysed the IPCC (Intergovernmental Panel on Climate Change) scenarios for RCP 1.9, 2.6, 4.5 and 8.5 over three time scales (budget visions of two years, less than five years and a long-term vision of 25 years).*	§ 2.1.2.1.4
Management of climate risk		
Group processes to identify and assess climate-related risks	*The Group's risk management process is based on the preparation of risk mapping as well as the use of additional tools and the support of external experts to define the level of priority to be associated with the risks identified and the actions to be implemented to mitigate them.*	§ 2.1.2.1.4
Group processes for managing climate-related risks	*The risk maps are regularly updated and the action plans are monitored directly by the Group's various entities under the supervision of the audit and risk management department and the Group industrial department.*	§ 2.1.2.1.5
Integration of processes for identifying, assessing and managing climate-related risks into the organisation's overall risk management	*The risk maps are consolidated annually into a Group-wide risk mapping, including climate-related risks such as the scarcity of certain raw materials.*	§ 2.1.2.1.3

TCFD recommendations	Correspondence with Hermès' strategy	Paragraph
Metrics and targets		
Indicators used by the Group to assess climate-related risks and opportunities, in accordance with its strategy and risk management process	*The SBTi validated Hermès' carbon emission reduction targets, confirming the consistency of its policy with the Paris Agreement's 1.5 °C trajectory.*	§ 2.1.2.1.4
Communicate scopes 1, 2 and, if appropriate, 3 greenhouse gas (GHG) emissions, as well as related risks	*Hermès bases its carbon emissions calculations on the rules of the GHG Protocol. The Group has set up a specific reporting tool and regularly calls on experts to refine the calculations of emission factors and revise some of the calculations carried out by the métiers or subsidiaries.* *Hermès ensures that the calculation of its carbon emissions is audited by an independent third party.*	§ 2.1.2.1.7
Objectives used by the Group to manage climate-related risks and opportunities and performance against these objectives	*The science-based targets, aligned with a world at 1.5 °C, aim to reduce the absolute value of GHG emissions for scopes 1 and 2 by 50.4%, and the relative value by 58.1% (GHG emissions per million euros of gross margin) for scope 3 emissions over the period from 2018 to 2030.*	§ 2.1.2.1.7

2.4.1.5 TNFD CORRESPONDENCE ANALYSIS

A working group was set up on the disclosure of financial information relating to nature (Taskforce on Nature-related Financial Disclosures – TNFD) to develop and provide a reporting framework for risks and opportunities related to the evolution of nature and to act accordingly, with the ultimate aim of supporting a reorientation of global financial flows towards projects with positive externalities for nature. In September 2023, this group published a transparency framework, to which Hermès is aligned by publishing the information required in this Non-Financial Performance Statement. The details of the alignment with this framework are presented in the table below:

TNFD recommendation	Correspondence with Hermès' strategy	Paragraph
Governance		
Board oversight of nature-related dependencies, impacts, risks and opportunities	*The CAG-CSR Committee assists the Supervisory Board in monitoring matters relating to CSR and, more generally, sustainability, in order that the Hermès Group anticipates associated opportunities, challenges and risks as much as possible, based on all the information published by the Group on social and environmental matters.*	-
Management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities	*The subject of "Biodiversity" is overseen by the Executive Committee, which relies on the work of the Sustainable Development Board. In addition, this issue is driven by specific competence present on the Supervisory Board.*	§ 2.1.2.4
The organisation's human rights policies and engagement activities, as well as the oversight conducted by the Board of Directors and management, with respect to indigenous peoples, local communities, stakeholders affected and others, in the assessment and response of the organisation to nature-related dependencies and impacts, risks and opportunities	*Driven by its humanist values, the Hermès Group's ethics and compliance policy aligns with the universal framework set down by the major principles, standards and international agreements, in particular those covering the subject of human rights.* *The Group has several requirements in terms of ethics: zero tolerance for breaches of probity, a determined commitment to a culture of ethics, an anti-corruption policy and, lastly, a structured approach to protecting personal data.* *Specific governance, carried out at the highest level of the organisation, guarantees the commitments, policies, control and alert systems that form the foundation of the approach.*	-
Nature strategy		
Disclose the actual and potential impacts of nature-related risks, opportunities and dependencies on the activities, strategy and financial planning of the organisation when this information is material	*The Group's biodiversity master plan is built around six components in line with the recommendations of the TNFD and those of the Act4nature international system: vision, governance and organisations, the four pillars of our commitments (train, collaborate, assess, act).* *In line with the biodiversity blueprint, the SBTN approach was launched in 2023.*	§ 2.1.2.4
Nature-related dependencies, impacts, risks and opportunities that the organisation has identified in the short, medium and long term	*The diagnostics carried out on the sites' biodiversity and water resources made it possible to assess the risks for the Group's direct activities. Since 2019, Hermès has methodologically mapped its supply chains in order to identify their risks, including on the environment.*	§ 2.1.2.4.2 and § 2.1.2.5.6
Effects that nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analyses	*The rollout of the biodiversity strategy is overseen by the Executive Committee and the Sustainable Development Board, and regularly reviewed by external organisations such as Act4nature international. The action plan follows four areas: training all employees in biodiversity, collaboration with recognised external stakeholders, measuring Hermès' relations with biodiversity and the activation of action plans commensurate with the issues.*	§ 2.1.2.4
Resilience of the organisation's strategy to nature-related risks and opportunities, taking into account different scenarios	*The large diversity of types and geographical origins of Hermès' natural materials, and its mainly French production, make it possible to reduce its exposure to the occasional or chronic degradation of certain ecosystems.*	§ 2.1.2.5
Disclose the locations of assets and/or activities in the organisation's direct operations and, if possible, the upstream and downstream value chain(s) that meet the priority location criteria	*Hermès publishes its sites close to biodiversity-sensitive areas and supply chain briefs for its suppliers, which also take into account biodiversity issues as well as the mapping of its production sites.*	§ 2.1.2.4.2 and § 2.1.2.2.2

TNFD recommendation	Correspondence with Hermès' strategy	Paragraph
Management of nature-related risk and impacts		
Organisational processes to identify, assess and prioritise nature-related dependencies, impacts, risks and opportunities in its direct operations	*The Group's risk management process is based on the preparation of risk mapping as well as the use of additional tools to define the level of priority to be associated with the risks identified and the actions to be implemented to mitigate them. In addition, steps 1 and 2 of the SBTN approach have made it possible to assess the materiality of the issues and establish the conditions for prioritisation.*	§ 2.1.2.4.2
The organisation's processes to identify, assess and prioritise nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s)	*Risk management for value chains is included in the Group process.* *It is based on the preparation of risk mapping, and supplemented by steps 1 and 2 of the SBTN approach, which have made it possible to assess the materiality of the issues and establish the conditions for prioritisation.*	§ 2.1.2.4.2
Organisational processes to manage nature-related dependencies, impacts, risks and opportunities	*The risk maps are regularly updated and the action plans are monitored directly by the Group's various entities under the supervision of the audit and risk management department.*	§ 2.1.2.4.1
Processes for identifying, assessing and managing nature-related risks integrated into the organisation's overall risk management	*The risk maps are consolidated annually into a Group-wide risk mapping, including for risks related to biodiversity such as reduced ecosystem integrity.*	§ 2.1.2.4.2
Measurement tools and targets		
Measurements used by the organisation to assess and manage nature-related risks and opportunities in accordance with its strategy and risk management process.	*Hermès uses specific metrics to assess and manage nature-related risks and opportunities, in line with its risk management strategy and process (MSA : Mean Species Abundance).*	§ 2.1.2.4.6
Measurements used by the organisation to assess and manage dependencies and impacts on nature	*In 2021, Hermès measured its footprint using the Global Biodiversity Score tool developed by CDC Biodiversité (a subsidiary of Caisse des Dépôts), implemented with the support of WWF France and based on field, financial and theoretical data from 2019.* *An update was made at the scope of the Leather activity. This biodiversity footprint measurement approach is part of Target 15 of the Kunming-Montreal Agreement.* Launch of the SBTN approach during the financial year.	§ 2.1.2.4.2
Targets & objectives used by the organisation to manage nature-related relationships of dependency, impacts, risks and opportunities, as well as its performance in relation to these	*Hermès sets targets that are both specific on biodiversity but also related to its industrial performance (water, waste, pollution) and the responsibility of these sectors (certification). These objectives are reviewed at least annually to ensure performance.*	§ 2.1.2.1, § 2.1.2.2 and § 2.1.2.5

2.4.1.6 GLOBAL BIODIVERSITY AGREEMENT OF THE CONVENTION ON BIOLOGICAL DIVERSITY

Voluntarily, without waiting for the implementation of the Convention on Biological Diversity as a French national biodiversity strategy or other binding mechanism, Hermès has launched a reflection with its partners, such as WWF France, in order to generate concrete responses by companies under the Kunming-Montreal Global Biodiversity Framework, in particular on objectives for Hermès' activities. They are summarised in the table below:

Targets of the Kunming-Montreal Global Framework	Correspondence with Hermès' strategy	Paragraph
Objective A – Reducing threats to biodiversity		
Target 1: Regional planning	Harmonie real estate standard to limit artificialisation of land	§ 2.1.2.4.4
Target 2: Restoration	Projects to restore sensitive ecosystems	§ 2.1.2.4.4
Target 4: Endangered species	Compliance with CITES regulations	§ 2.1.2.5.3
Target 5: Trade of wild species	Sustainable supply chain & CSR briefs	§ 2.1.2.5.3
Target 6: Invasive species	Ostrich supply chains: protection, with local NGOs, of the South African hydraulic network by combatting invasive draining plants Removal of invasive plants from operated sites	§ 2.1.2.4.4
Target 7: Pollution	Target of phasing out unnecessary single-use plastics, chemicals management policy	§ 2.1.2.2 and § 2.1.2.5.5
Target 8: Climate change	Scopes 1, 2 and 3 reduction objectives validated by the SBTi	§ 2.1.2.1
Objectives B & C – Meeting people's needs through sustainable use and benefit-sharing		
Target 9: Sustainable use	Promotion of the sustainable management and use of wild species in supply chains *via* sustainable supply chain & CSR briefs Eco-design, promotion of circularity and sustainable and repairable products, reducing pressure on nature thanks to a longer life cycle with less impact	§ 2.1.2.5
Target 10: Resource exploitation	Promotion of the application of biodiversity-friendly practices in supply chains *via* sustainable supply chain & CSR briefs, and Group Forest Policy	§ 2.1.2.4 and § 2.1.2.5
Target 12: Urban areas	Management of tertiary sites to increase the surface area, quality and connectivity of green and blue spaces in urban areas	§ 2.1.2.4.4
Target 13: Access to and sharing of benefits	n/a	
Target 14: Integration and normalisation	n/a	
Objective D – Tools and solutions for implementation and mainstreaming		
Target 15: Business	Measurement of the biodiversity footprint of the value chains of 92% of Hermès' revenue *via* the GBS and communication of major results, implementation of SBTN steps 1 and 2	§ 2.1.2.4.2
Target 16: Sustainable consumption	Actions to promote circularity and reduce waste production	§ 2.1.2.5.5

2.4.1.7 FRENCH NATIONAL BIODIVERSITY STRATEGY FOR 2030

The National Biodiversity Strategy for 2030 (SNB) is the expression of France's commitment to the Convention on Biological Diversity for the period 2022-2030, succeeding two previous strategies covering the periods 2004-2010 and 2011-2020. It also falls within the framework of the European Green Deal. Its major objective is to reduce pressures on biodiversity, protect and restore ecosystems, as well as initiate fundamental changes to reverse the trajectory of biodiversity decline. The philosophy of Hermès' biodiversity strategy (train, collaborate, measure, act) is fully aligned with the four pillars of the SNB:

SNB key measures	Correspondence with Hermès' strategy	Paragraph
Pillar 1: Reduce pressure on biodiversity		
Limiting changes in land and sea use – Measures 1 and 2	The Harmonie standard includes an objective of reducing land use in the Group's real estate projects	§ 2.1.2.4.4
Combatting the overexploitation of species, in France and abroad – Measures 3 and 4	Supply chain briefs define the Group's requirements for raw materials, including certifications. In particular, the Group does not use materials or species that are threatened with extinction (CITES – appendix 1) or are sold illegally	§ 2.1.2.5.3
Reducing the impact of climate change on biodiversity through climate policies – Measure 5	1.5 °C trajectory validated by SBTi on scopes 1, 2 and 3	§ 2.1.2.1
Reducing pollution – Measures 6, 7, 8 and 9	Deployment of diagnostics and biodiversity measures on operated sites, including zero phyto. Objective of eliminating unnecessary single-use plastics. Installation of own effluent treatment plant and reduce water discharges	§ 2.1.2.2 and § 2.1.2.4.4
Combatting invasive alien species – Measure 10	Combatting invasive alien species in supply chains (draining plants in South Africa, in the Ostrich sector), and on operated sites	§ 2.1.2.4.4
Stepping up the fight against environmental damage – Measure 11	EHS audit programmes and vigilance plan	§ 2.1.3.2
More specifically supporting priority sectors to reduce their impacts on biodiversity – Measures 12, 13, 14, 15, 16, 17 and 18	Offering suppliers support on energy and carbon, water and biodiversity aspects	§ 2.1.3.2 and § 2.1.2.5.3
Pillar 2: Restore degraded biodiversity wherever possible		
Restoring ecological continuity and bringing nature back to the city – Measures 20 and 21	Biodiversity plan on operating sites, particularly in urban areas (creation of gardens, bio-monitoring through beehives)	§ 2.1.2.4.3 and § 2.1.2.4.4
Strengthening the resilience of forest ecosystems – Measure 22	Publication of the Group's Forests policy, certification of the wood and paper/cardboard supply chains	§ 2.1.2.4.3 and § 2.1.2.4.4
Maintaining and restoring specific ecosystems (hedges, permanent grasslands, wetlands, soils) – Measures 23, 24, 25 and 26	Investment in Livelihoods projects since 2012: restoration and preservation of natural ecosystems (mangroves), agroforestry and soil restoration through sustainable agricultural practices, access to rural energy to reduce deforestation	§ 2.1.2.1.7
Reversing the decline in endangered flagship species, in particular endemic species in the French Overseas Departments and Collectivities – Measure 27	Preservation of natural crocodilian habitats by breeding farms	§ 2.1.2.4.4

SNB key measures	Correspondence with Hermès' strategy	Paragraph
Pillar 3: Mobilise all stakeholders		
Ensuring the exemplary nature of the State and public services – Measures 28 and 29	n/a	-
Supporting the action of local authorities – Measure 30	n/a	-
Supporting companies' commitment to biodiversity – Measure 31	Implementing biodiversity training actions for all employees	§ 2.1.2.4.5
Mobilising citizens throughout their lives – Measures 32, 33, 34 and 35	Mobilisation of the Fondation d'entreprise Hermès in favour of the preservation of the living world	§ 1.11
Pillar 4: The means to achieve these ambitions		
Developing and enhancing knowledge of biodiversity data and issues – Measure 36	Hermès has been measuring and publishing its footprint since 2021 using the Global Biodiversity Score tool	§ 2.1.2.4.2
Mobilising public and private financing for biodiversity, in France and abroad – Measures 37, 38 and 39	Investment plan for industrial projects to reduce environmental pressures (energy, water, carbon, waste, pollution)	§ 2.1.2
Establishing inter-ministerial governance for the oversight and accountability of the SNB – Measure 40	n/a	-
Implementing detailed oversight using indicators – Measure 40	Application of the SBTN method to implement a science-based method for managing biodiversity issues	§ 2.1.2.4.2

2.4.1.8 SASB CORRESPONDENCE GRID

SASB topic	Correspondence with Hermès' strategy	Paragraph
Chemicals management (CG-AA-250a)	Hermès assumes all its responsibilities as a company that places goods on markets, to ensure the regulatory compliance of all products sold, in all countries where it operates. The list of restricted substances monitored by the Group is the list of restricted substances worldwide. The Group has set a target of compliance with the most stringent regulations, which are generally European regulations. -	§ 2.1.2.2.1
Environmental impacts in the supply chain (CG-AA-430a)	Hermès ensures that it monitors the environmental footprint of its supply chain. The Group verifies through regular audits that its suppliers (Tiers 1 and 2) comply with local regulations. The Group's entities and those of its suppliers are regularly subject to audits carried out by Hermès' teams and external consultants, in addition to those carried out by the authorities (in particular for sites subject to authorisation).	§ 2.1.3.2
Working conditions in the supply chain (CG-AA-430b)	The Group's supplier relations policy is based on four pillars: safety, quality & innovation, cost control and CSR. Hermès systematically requests a formal commitment from its suppliers to comply with their social, regulatory and environmental obligations through two undertaking handbooks signed by both parties.	§ 2.1.3.2
Raw materials sourcing (CG-AA-440a)	The Group exercises close control over these raw materials, particularly in terms of quality and the conditions for obtaining these materials and their environmental and social impact. As soon as a risk related to social or environmental non-compliance is detected, the Group carries out investigations that may lead to supplies being halted. The objectives and recommendations concerning Hermès' supply chains are presented in the supply chain brief.	§ 2.1.2.5

2.4.2 ADDITIONAL INFORMATION

2.4.2.1 ENVIRONMENTAL DATA

The tables and infographics below present historical data on a selection of key indicators.

The data for 2023 and earlier are taken from previous reporting exercises (NFPS) and when their calculation method has been aligned with the expectations of the CSRD, they have not been updated (unless otherwise indicated).

The 2024 data are those used in Section 2.1 "Sustainability information", however, they provide more specific figures (by métier, by region, for example) and may relate to a more restricted scope not presented in section 2.1. These more detailed data have not been verified by a sustainability verifier.

In order to facilitate the reading of this data, 2024 data have been shaded grey.

2.4.2.1.1 Water

BREAKDOWN OF WATER WITHDRAWALS BY ACTIVITY

(In megalitres)	2019	2020	2021	2022	2023	2024
Tannery	407	343	352	365	339	357.4
Textile	198	165	196	217	186	181.6
Leather	29	26	33	30	31	33.9
Metal	-	9	13	25	20	19.1
Cristalleries	11	9	8.9	9	8	10.2
Logistics	6.6	7.0	4.2	5.5	5.5	6.1
Perfume and Beauty	5.1	6.7	6.2	5.9	6.7	7.1
Watch division	3.2	4.9	4.9	5.2	3.6	3.3
Beyrand	2.6	2.3	2.1	1.8	2.8	2.8
Bootmaker	3.0	5.0	3.3	2.7	2.2	3.2
Porcelain	2.3	2.3	2.3	2.8	2.8	2.6
Silversmith	-	0.24	0.18	0.18	0.2	0.2
Jewellery	-	-	-	-	-	0.3
Sub-total Industrial water	**668**	**580**	**627**	**671**	**608**	**628**
Farms	**4,514**	**4,514**	**4,810**	**4,680**	**4,757**	**5,018**
TOTAL	**5,182**	**5,094**	**5,437**	**5,351**	**5,365**	**5,646**

CHANGE IN INDUSTRIAL WATER WITHDRAWALS

Year	*(In megalitres)*	**Intensity** *(m^3/€m)*
2014	493	120
2015	503	104
2016	768	148
2017	714	129
2018	720	121
2019	668	97
2020	580	91
2021	627	70
2022	671	58
2023	608	45
2024	**628**	**41**

2.4.2.1.2 Energy

BREAKDOWN OF THE GROUP'S ENERGY CONSUMPTION (ELECTRICITY AND GAS) BY DIVISION

Group breakdown *(in MWh)*	**Industry**	**Farms**	**Stores**	**Services**	**Total**	**Intensity** *(In MWh/€M revenue)*
2020	147,955	4,100	36,969	14,253	203,277	31
2021	162,147	5,100	38,451	14,209	219,907	24
2022	160,256	4,831	41,290	16,715	223,091	19
2023	152,119	4,796	40,013	16,968	213,896	16
2024	**161,780**	**4,727**	**43,564**	**13,558**	**223,629**	**15**
2024 in %	72%	2%	20%	6%	-	-

BREAKDOWN OF INDUSTRIAL ENERGY CONSUMPTION (ELECTRICITY AND GAS) BY ACTIVITY

Breakdown by métier *(in GWh)*	**2020**	**2021**	**2022**	**2023**	**2024**
Tannery	40	38	37.9	34.6	36.2
Textile	31	36	38.6	37.7	37.5
Leather	23	24	23.8	21.9	24.4
Metal	-	4.3	4.8	6.0	7.6
Cristalleries	40	42	37.8	35.1	39.9
Logistics	4,8	4.4	4.2	3.9	3.4
Perfume and Beauty	3.1	3.7	3.5	3.6	3.8
Watch division	1.4	1.5	1.6	1.7	2.1
Beyrand	3.7	4.1	4.1	4.1	4.1
Bootmaker	0.95	1.1	1.0	1.0	1.2
Porcelain	1.7	2.4	2.5	2.5	2.3
Silversmith	0.64	0.56	0.41	0.12	0.1
Jewellery -	-	-	-		0.2
TOTAL (GWH)	**148.0**	**162.1**	**160.3**	**152.1**	**161.8**
TOTAL (MWH)	**147,955**	**162,147**	**160,256**	**152,119**	**161,780**

CHANGE IN INDUSTRIAL ENERGY CONSUMPTION (GAS AND ELECTRICITY - EXCLUDING FARMS)

2024	**Gas** *(MWh)*	**Electricity** *(MWh)*	**Total** *(MWh)*	**Intensity** *(MWh/€M revenue)*
2014	83,397	50,398	133,795	32
2015	81,625	51,678	133,303	28
2016	99,449	54,645	154,094	30
2017	105,894	54,768	160,662	29
2018	105,042	56,489	161,531	27
2019	101,744	56,373	158,117	23
2020	91,106	56,849	147,955	23
2021	99,406	62,741	162,147	18
2022	93,213	67,043	160,256	14
2023	82,538	69,581	152,119	11
2024	**82,092**	**79,687**	**161,780**	**11**

BREAKDOWN OF ELECTRICITY CONSUMPTION OF STORES BY GEOGRAPHICAL AREA IN 2021, 2022, 2023 AND 2024 *(MWH)*

Geographical area	2020	2021	2022	2023	2024
France	2,721	3,536	4,018	3,282	3,282
Europe (excluding France)	7,321	7,513	7,625	7,478	8,099
Americas	9,698	10,682	11,930	9,557	11,916
Japan	5,164	4,471	5,683	5,806	5,067
Asia-Pacific (excluding Japan)	12,066	12,249	12,033	13,889	15,200
TOTAL	**36,969**	**38,451**	**41,290**	**40,013**	**43,564**

2.4.2.1.3 Waste

2024	NHIW [1] *(t)*	HIW [2] *(t)*
Tannery	8,479	633
Textile	575	1,088
Cristalleries	294	833
Leather	1,412	104
Perfume and Beauty	1,367	254
Logistics	538	1
Metal	220	1,377
Porcelain	96	21
Beyrand	60	36
Watches	79	80
Bootmaker	137	1
Silversmith	5	13
Jewellery	25	1
TOTAL (EXCLUDING FARMS)	**13,287**	**4,442**

(1) Non-hazardous industrial waste.
(2) Hazardous industrial waste.

INDUSTRIAL WASTE INTENSITY (EXCLUDING FARMS) OVER THE LAST THREE YEARS

	2020	2021	2022	2023	2024
NHW intensity *(t/€M)*	0.94	1.12	0.93	1.01	0.94
Change	+9%	+19%	+17%	+8.6%	- 6.9%
HIW intensity *(t/€M)*	0.81	0.31	0.27	0.30	0.29
Change	+12%	+62%	+14%	+11.1%	- 2.1%

2.4.2.1.4 Climate change

GREENHOUSE GAS EMISSIONS ASSESSMENT – SCOPES 1 AND 2 AND DETAIL OF SCOPE 3

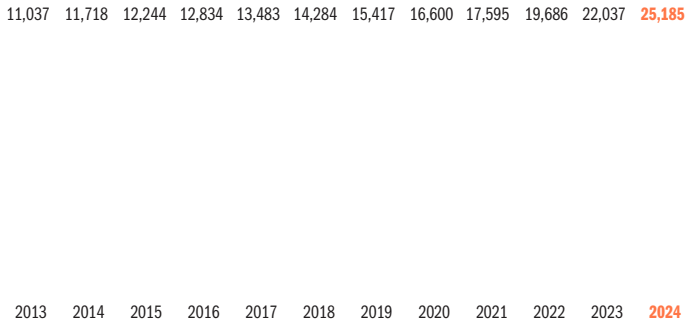
(In k tonnes CO_2eq)		2018	2019	2020	2021	2022	2022 comparable	2023	2024
Scopes 1 and 2 market-based		**43.7**	**41.4**	**38.5**	**37.4**	**31.2**	**31.2**	**22.0**	**15.9**
Scope 3									
Upstream	1. Products and services purchased	402.9	365.6	336.2	361.8	415.1	433.6	462.4	530.1
	2. Capital goods	26.7	10.7	31.5	24.6	61.2	61.2	31.0	62.0
	3. Fuel- and energy-related activities not included in scopes 1 or 2 emissions	3.0	2.9	2.8	3.0	2.9	2.9	2.6	2.7
	4. Upstream transportation and distribution	20.7	14.2	17.7	10.9	17.8	17.8	17.6	7.7
	5. Waste generated by the sites	8.8	9.3	5.8	6.2	7.3	7.3	8.1	8.5
	6. Business travel	27	15.9	3.2	1.3	4.8	4.8	10.7	10.0
	7. Employee commuting	19.7	13.1	14.6	20.3	22.6	22.6	25.3	29.1
	8. Upstream leased assets	N/S	N/S	N/S	N/S	N/S	N/S	N/S	N/S
Downstream	9. Downstream transportation and distribution	70	51.7	48.5	57.7	73.5	73.5	82.1	77.6
	10. Processing of products sold	N/S	N/S	N/S	N/S	N/S	N/S	N/S	N/S
	11. Use of products sold	N/S	N/S	N/S	N/S	N/S	N/S	N/S	N/S
	12. End-of-life treatment of products sold	N/S	N/S	N/S	1.9	1.9	1.9	1.6	1.4
	13. Downstream leased assets	N/S	N/S	N/S	N/S	N/S	N/S	N/S	N/S
	14. Franchises	-	-	2.1	2.4	2.6	2.6	2.6	2.7
	15. Investments	N/S	N/S	N/S	N/S	N/S	N/S	N/S	N/S
TOTAL SCOPE 3		**578.7**	**483.5**	**462.5**	**490.1**	**609.6**	**628.1**	**643.8**	**731.9**

NB: calculations or estimates that led to non-material amounts (threshold <0.5% of the total) are included as "not significant" (N/S).
NB 2: the data in the "2022 like-for-like" column include changes in scope, methodology and emission factors to make the data comparable to those for 2023.

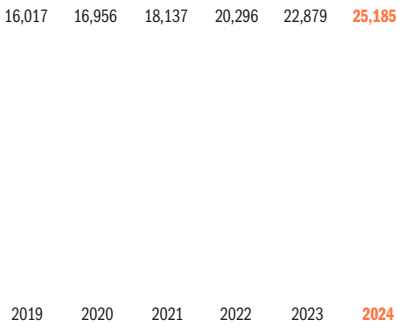
2.4.2.2 SOCIAL DATA

2.4.2.2.1 Own workers

CHANGE IN OWN WORKERS SINCE 2013



CHANGE IN OWN WORKERS SINCE 2019 WITH PROFORMA DATA FROM 2019 TO 2024 USING THE CSRD METHODOLOGY



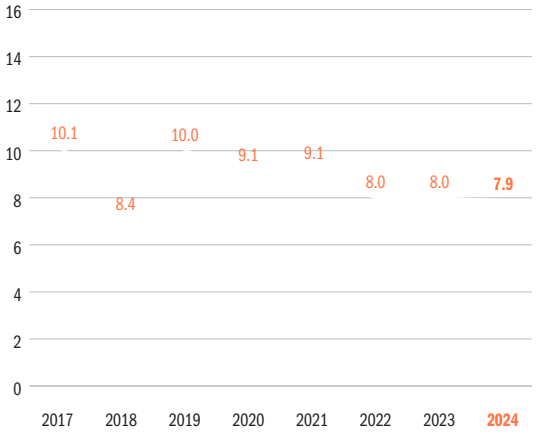
2.4.2.2.2 Diversity and inclusion

EMPLOYMENT RATE OF PEOPLE WITH DISABILITIES IN FRANCE

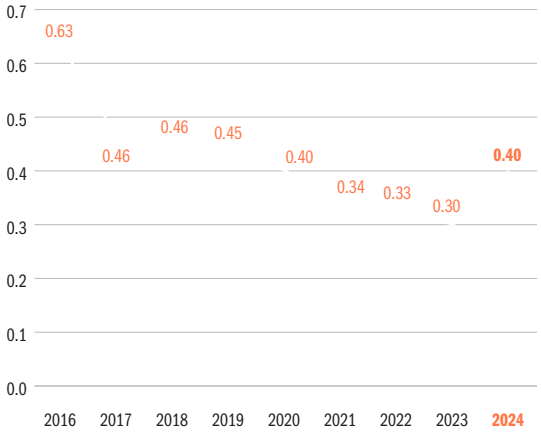
(In %)	2018	2019	2020	2021	2022	2023
Direct employment rate of people with disabilities in France	4.2	4.9	5.7	6.4	6.8	7.12

2.4.2.2.3 Health and safety

CHANGE IN THE FREQUENCY RATE OF OCCUPATIONAL INJURIES RESULTING IN ABSENCE



CHANGE IN THE SEVERITY RATE OF OCCUPATIONAL INJURIES RESULTING IN ABSENCE



2.4.2.2.4 Training

	2022	2023	2024
Number of training days per employee (total number of training hours/ number of employees trained)	3 days	3 days	3 days -

3

CORPORATE GOVERNANCE AFR

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SUPERVISORY BOARD REPORT ON CORPORATE GOVERNANCE AFR

This chapter 3 "Corporate governance" incorporates in § 3.1 to 3.9 the Supervisory Board corporate governance report prepared pursuant to Article L. 22-10-78 of the French Commercial Code (*Code de commerce*) and in accordance with the recommendations of the French Financial Markets Authority (AMF).

A cross-reference table for the corporate governance report is presented in chapter 9 "Additional information", § 9.5.3.

It was prepared with the assistance of the Chairman of the Supervisory Board, the CAG-CSR Committee and the Secretary of the Board, on the basis of the work and procedures carried out by the functional departments concerned. It was approved by the Supervisory Board at its meeting of 13 February 2025.

3.1 THE COMPANY'S CORPORATE GOVERNANCE CODE

3.1.1 CORPORATE GOVERNANCE PRINCIPLES APPLIED

The Supervisory Board officially adopted the Afep-Medef recommendations on corporate governance in 2009, as it deemed these recommendations to be entirely in keeping with the Group's corporate governance policy. This framework includes the Afep-Medef Corporate Governance Code for listed companies, updated in December 2022, available on the Afep website (www.afep.com) or the Medef website (www.medef.com), and the application guide of the High Committee on Corporate Governance (HCGE), revised in June 2022, which explains the recommendations of this code.

The positions and recommendations issued by the French Financial Markets Authority (AMF) are also taken into account:

- concerning corporate governance and the compensation of Executive Corporate Officers (AMF position-recommendation - DOC-2021-02 and AMF recommendation - DOC-2012-02);
- on Shareholders' General Meetings of listed companies (AMF recommendation DOC-2012-05).

With each revision of the Afep-Medef Code, the CAG-CSR Committee performs an exhaustive comparative analysis of the Company's application of the Afep-Medef Code's recommendations, and reports to the Supervisory Board.

These periodic reviews, as well as monitoring of market practices and analyses, make it possible to adapt the systems in force each year with the aim of constant improvement.

3.1.2 PROVISIONS OF THE AFEP-MEDEF CORPORATE GOVERNANCE CODE NOT APPLIED AND THOSE NEWLY COMPLIED WITH

The table below lists the provisions of the Afep-Medef Code not applied by the Company at the date of publication of this universal registration document, together with the corresponding explanations.

We have also listed the changes made since the most recent update of the Afep-Medef Code in December 2022 to ensure compliance therewith.

The Afep-Medef Code states as a preamble that its recommendations "most of them have been written with reference to *sociétés anonymes* (public limited companies) with a Board of Directors. Public limited companies with a Management Board and a Supervisory Board, as well as *sociétés en commandite par actions* (partnerships limited by shares) will therefore need to make the necessary adjustments".

A *société en commandite par actions* (partnerships limited by shares, SCA) is a flexible legal form and intended as such by the legislator. Furthermore, if some constants can be observed between the various large French SCAs, there is also a very diverse variety of organisation and functioning within the framework of the law.

The Afep-Medef Code also recognises the freedom of organisation of companies (Article 2.2): "The wide diversity of listed corporations does not allow formal and identical forms of organisation and operation to be imposed for all Boards of Directors. The organisation of the Board's work, and likewise its membership, must be suited to the shareholder make-up, to the size and nature of each firm's activity, and to the particular circumstances facing it. Each Board is the best judge of this, and its foremost responsibility is to adopt the mode of organisation and operation that enable it to carry out its tasks in the best possible manner. "

The very specific functioning of an SCA and the organisation of powers between the Executive Management, the Supervisory Board and the Active Partner make certain recommendations of the Afep-Medef Code inapplicable. These recommendations have therefore been rejected or adapted by Hermès International due to its legal form. No recommendations were dismissed for other reasons.

Provisions of the Afep-Medef Code not applied due to the Company's legal form	Explanations
The Board and CSR (Articles 5.1 to 5.3) The Board's missions are strengthened so that it determines the multi-year strategic orientations in terms of CSR and is the guarantor of their implementation.	The Supervisory Board of Hermès International has powers strictly defined by the Company's Articles of Association and does not have the authority to determine the strategic orientations that fall within the exclusive competence of the Executive Management. It is therefore the responsibility of the Executive Management to: ◆ determine the CSR strategy including climate objectives; ◆ decide on the implementation methods: action plan and time horizons within which these actions will be carried out; ◆ annually review the results obtained and the opportunity to adapt the action plan or modify the objectives in light of changes in the Company's strategy, technologies, shareholder expectations and the economic capacity to implement them; and ◆ prepare the sustainability report. The governance put in place by the Executive Management to monitor CSR issues is presented in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.1.2.2). As part of its management control role, the multi-year strategic guidelines in terms of CSR and their implementation methods were presented to the Supervisory Board. The results obtained are presented each year to the CAG-CSR Committee, which reports to the Supervisory Board. In addition, the double materiality analysis, and more generally all the elements making up the sustainability report, were the subject of joint meetings of the Audit and Risk and CAG-CSR Committees in early 2025. The conclusions of their work were shared with the Supervisory Board. This provision of the Afep-Medef Code has been adapted to suit Hermès International, given its legal form and the role assigned to the Supervisory Board (described in § 3.5.1).
Board meetings and Committee meetings (Article 12.3) It is recommended that at least one meeting not attended by the Executive Corporate Officers be organised each year.	Hermès International's Supervisory Board holds powers that are strictly defined by the Company's Articles of Association and does not have the power to appoint the Executive Chairmen or determine their compensation policy. These decisions are the responsibility of the Active Partner, Émile Hermès SAS, under the aegis of its Executive Management Board. Furthermore, and this is an essential point of the Company's governance, the duties of the Supervisory Board do not entail any involvement in the Executive Management, nor any liability for management actions and the results thereof. This provision of the Afep-Medef Code is therefore not applicable to Hermès International, given its legal form and the role assigned to the Supervisory Board (described in § 3.5.1).
Succession plan for Executive Corporate Officers (Article 18.2.2) The Appointments Committee (or an ad hoc committee) should design a plan for replacement of Executive Corporate Officers. This is one of the Committee's most important tasks even though it can, if necessary, be entrusted by the Board to an ad hoc committee. The Chairman may take part or be involved in the Committee's work during the conduct of this task.	The Company's CAG-CSR Committee (described in § 3.6.2) is not in charge of establishing the succession plan for the Executive Chairmen, a task that does not fall within the remit of the Supervisory Board in a *société en commandite par actions* (partnership limited by shares). In accordance with its rules of procedure, since 2016 the CAG-CSR Committee has been tasked with ensuring the existence of a succession plan for the Executive Chairmen, which is reviewed annually (see § 3.3.5.1). Since 2018, the CAG-CSR Committee has also ensured the existence of a succession plan for the Chairman of the Supervisory Board (see § 3.4.4) and this mission is included in its rules of procedure (see https://finance.hermes.com/en/governing-bodies/).
Composition of the Compensation Committee (Article 19.1) The Compensation Committee "shall not include any Executive Corporate Officers and shall be composed of a majority of independent directors. It is recommended that the Chairman of the Committee be independent and that an employee director be a member." This recommendation is supplemented in Article 19.2 by the description of the powers of the Compensation Committee, as defined by Afep-Medef: "The Compensation Committee is responsible for reviewing and proposing to the Board all of the elements determining the compensation and entitlements accruing to the company officers. The Board of Directors in its entirety is responsible for making the corresponding decisions. "	This recommendation is primarily intended for monist or dual-tier *sociétés anonymes* (public limited companies) since it is up to the Board of Directors or the Supervisory Board of such structures to establish the compensation policy and the effective compensation of Executive Corporate Officers (Article L. 22-10-8 of the French Commercial Code (*Code de commerce*)). Its application remains debatable in the case of *sociétés en commandite par actions* (partnerships limited by shares) (SCA). In an SCA, the Supervisory Board is the body representing the Limited Partners. Its duties and powers of control are defined as those of a Statutory Auditor. The Supervisory Board of an SCA has exceptional powers of control (in the audit sense) of the management of the company, as a counterpart to the dormant partner role of the Limited Partners. The Supervisory Board of Hermès International has powers strictly defined by the Company's Articles of Association and does not have the authority to determine the compensation policy for the Executive Chairmen, which falls within the sole remit of the Active Partner Émile Hermès SAS, under the aegis of its Executive Management Board. The law (Article L. 22-10-76 of the French Commercial Code (*Code de commerce*)) provides that the role of the Supervisory Board of an SCA is limited to issuing an advisory opinion on the compensation policy and deliberating on the actual compensation. The role of Hermès International's CAG-CSR Committee is strictly limited to that of monitoring compliance with the Articles of Association and the compensation policy and monitoring the actual compensation proposed by the Active Partner as well as the assessment of the achievement of the variable compensation CSR criterion. The responsibilities of the CAG-CSR Committee therefore do not correspond to the responsibilities of the Committee in charge of compensation as defined by the Afep-Medef Code. The Board therefore decided to set aside this provision of the Code, in a clear, relevant and detailed manner, due to the legal form of the company. The role of the Supervisory Board in the decision-making process applicable to the compensation policy for the Executive Chairmen is described in § 3.8.1.2.

Provisions of the Afep-Medef Code not applied due to the Company's legal form	Explanations
Proportion of independent members on the Audit Committee (Article 17.1) Independent directors should account for at least two thirds of Audit Committee members and the Committee should not include any Executive Corporate Officers.	This provision of the Afep-Medef Code has been adapted to suit Hermès International, given its legal form and the role assigned to the Supervisory Board (described in § 3.5.1). The Supervisory Board determined that slightly less than two-thirds of the Audit and Risk Committee members are independent (60%, *i.e.* three out of five members). This situation enables the Audit and Risk Committee to carry out its duties in an appropriate manner. The Audit and Risk Committee rules of procedure stipulate that at least one-half of the seats on the Audit and Risk Committee should be held by members who qualified as independent at the time of their appointment and throughout their term of office. Thus, the Chairwoman of the Audit and Risk Committee is an independent member of the Supervisory Board. In addition, the Supervisory Board wished to favour the contribution of specific and complementary skills, while ensuring compliance with the spirit of the Afep-Medef Code. This practice was also in line with the positions expressed by the HCGE in its 2014 and 2017 reports. Nevertheless, as it does regularly – and at least once a year – the Supervisory Board carried out a new assessment of the composition of its Audit and Risk Committee in early 2025. This was conducted in order to take into account changes in the composition of the Supervisory Board (chapter 8 "Combined General Meeting of 30 April 2025", § 8.2, Explanatory statement to the sixteenth to eighteenth resolutions), as well as, more generally, being part of Hermès' constant commitment to adopting best governance practices, while taking into account the specificities of its organisation. Thus, if the General Meeting approves the proposals submitted to it by the Supervisory Board (chapter 8 "Combined General Meeting of 30 April 2025", § 8.2, Explanatory statement to the sixteenth to eighteenth resolutions), the Audit and Risk Committee would comprise only four members (three of whom are independent) instead of five, at the end of the meeting (see § 3.6.1.3). The Audit and Risk Committee would thus comply strictly with the recommendation of the Afep-Medef Code in this respect, being composed of 75% independent members.
Severance payment (Article 26.5.1) The performance requirements set out by Boards for these benefits must be evaluated over at least two financial years. They must be demanding and may not allow for the indemnification of a director unless his or her departure is forced, regardless of the form of this departure.	The company made a commitment to pay Mr Axel Dumas a severance payment under the conditions described in § 3.8.1.2.4. Given the importance of the role of the Active Partner in a *société en commandite par actions* (partnership limited by shares) – which has the power to appoint and dismiss any manager – and in the case of a legal entity, its legal representative, it was considered that the termination of duties as Executive Chairman of Mr Axel Dumas, which would result from the replacement of the Chairman of Émile Hermès SAS, should be treated as a forced departure. The Supervisory Board therefore considered that the deferred compensation commitment made to Mr Axel Dumas complied with the requirements of the Afep-Medef Corporate Governance Code. In its November 2018 report on corporate governance and Senior Executive compensation, the AMF recommends that the Board carry out a regular review of the components of compensation that may be due at the time of or subsequent to the departure of a Senior Executive and that it questions the possibility and desirability of compliance with new Code provisions.

Provisions of the Afep-Medef Code excluded for other reasons	Explanations
None	

Corporate governance award

True to the values of the craftspeople and the authenticity of its craftsmanship model, Hermès is committed to seeking quality in all domains and is constantly reinventing itself in a spirit of continuous progress.

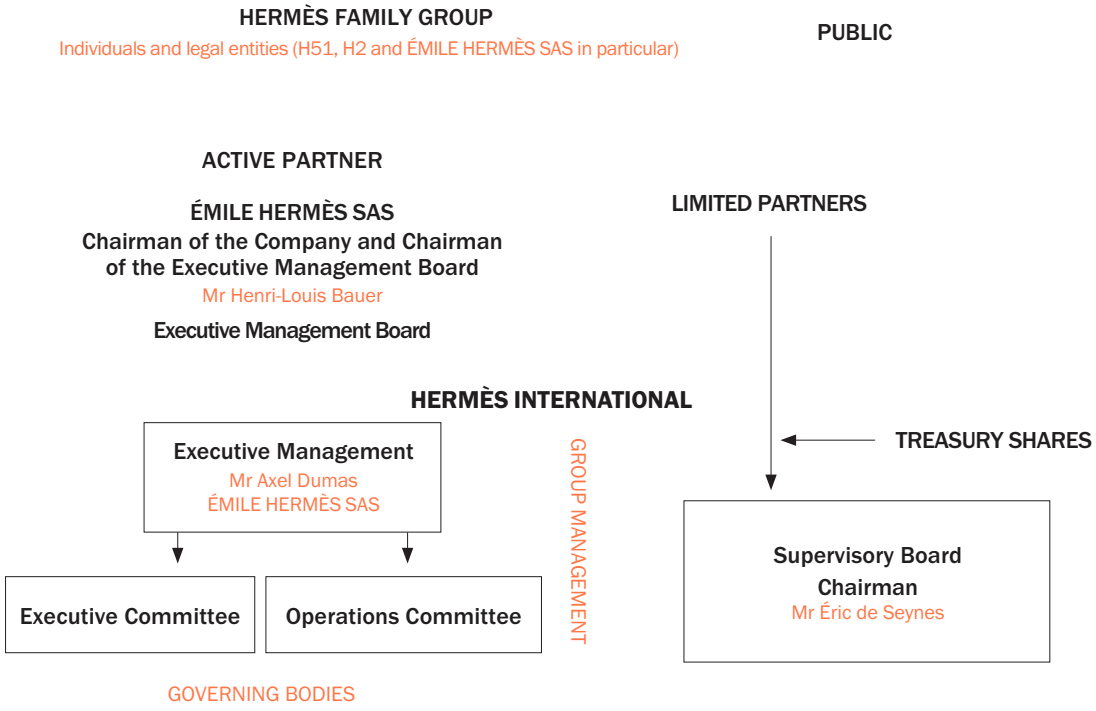
Since 2009, the Grand Prix de la Transparence, now known as the **Transparency Awards**, have rewarded the quality of regulated information of French SBF 120 companies. The objective of these awards is to enable issuers to measure their performance each year in terms of transparency and to identify market best practices.

The Transparency Awards are based on the criteria of accessibility, accuracy, comparability, availability and clarity of information in each company's key media (universal registration document, finance website, notice of general meeting brochure). An independent Scientific Committee ensures the neutrality and fairness of the ranking. It is composed of nine personalities from organisations and associations representing users of the information. The Transparency Awards are also certified by Bureau Veritas Certification. This certification validates the approach, the exclusive and scientific methodology, as well as commitments to fairness and progress for all company information. These awards recognise the work of all the House's teams who contribute to the production of regulated information.

- 2024: **"SBF 120" Transparency Award** Winner (All categories)
- 2023: Winner of the **"CAC Large 60"** (CAC 40 and CAC Next 20) **Transparency Award** and nominated for the "ESG Information", "Universal registration document" and "Notice of meeting" awards
- 2022: Winner of the **"SBF 120" Transparency Award** (All categories) and nominated for the "ESG Information", "Universal registration document", "Website" and "Notice of meeting" awards
- 2021: Winner of the **"CAC Large 60"** (CAC 40 and CAC Next 20) **Grand Prix de la Transparence** and nominated for the "All categories" and "Website" awards
- 2020: Winner of the **"Notice of meeting" Grand Prix de la Transparence**
- 2019: Nominated for the "Clarity of the registration document" award
- 2018: Winner of the **"Best progress" Grand Prix de la Transparence**

3.2 AMBITIOUS AND BALANCED GOVERNANCE

3.2.1 ORGANISATIONAL STRUCTURE OF HERMÈS INTERNATIONAL AS AT 31 DECEMBER 2024



3.2.2 TWO TYPES OF PARTNERS

Hermès International was converted into a *société en commandite par actions* (partnership limited by shares – SCA) by a decision of the Extraordinary General Meeting held on 27 December 1990, in order to preserve its identity and culture and thus ensure its sustainability over the long term, in the interests of the Group and all shareholders. This singular legal form, whose capital is divided into shares, brings together two types of partners:

The Active Partner (Émile Hermès SAS) – § 3.3.1

The Active Partner Émile Hermès SAS is involved in the operation and organisation of the Company. It has structuring powers.

Powers:

- determining for the Group: (i) strategic options, (ii) consolidated operating and investment budgets, and (iii) proposals to the General Meeting for the distribution of share premiums, reserves and retained earnings;
- approving the decisions of the General Meeting of Limited Partners (except those falling within their own powers);
- appointing or dismissing the Executive Chairmen;
- establishing the compensation policy for the Executive Chairmen;
- authorising all significant transactions (loans, guarantees, investments, etc.) when their amount exceeds 10% of the Hermès Group's net consolidated financial position;
- formulating recommendations to the Executive Management on all issues of general interest to the Group;
- proposing the appointment or dismissal of members of the Supervisory Board.

Émile Hermès SAS has been the sole Active Partner of Hermès International since 1 April 2006.

The Executive Management Board of Émile Hermès SAS exercises the powers attached to being an Active Partner of the Company.

The Active Partner cannot participate in the vote on the appointment of members of the Supervisory Board at a General Meeting. The shares held in the Company are therefore removed from the quorum of the resolutions of the General Meetings concerned.

The Active Partner is jointly and severally liable for all the Company's debts, for an indefinite period of time.

In accordance with Article 26 of the Articles of Association, each year, the Company pays the Active Partner an amount equal to 0.67% of the distributable profits.

The Limited Partners (shareholders) – chapter 7 "Information on the Company and its share capital", § 7.2.2

The Limited Partners or shareholders, who provide capital, enjoy limited prerogatives.

Powers:

- voting the parent company financial statements and the consolidated financial statements approved by Executive Management;
- determining the allocation of net income (including the distribution of dividends);
- approving related-party agreements;
- appointing the Statutory Auditors and auditors tasked with certifying sustainability information;
- appointing and dismissing the members of the Supervisory Board.

Any other decision of the shareholders is only valid if approved on the same terms by the Active Partner.

The law explicitly prohibits them from any interference in the Company's management, for any reason whatsoever, on pain of being liable under the same conditions as the Active Partner.

The liability of the shareholders is limited to the amount of their contribution.

Shareholders receive a share of the profits in the form of dividends.

The main Limited Partners are listed in chapter 7 "Information on the Company and its share capital", § 7.2.2.5.

3.2.3 GOVERNANCE BY NATURE DISSOCIATED

The organisation of governance within an SCA follows the principle of the separation of powers. Executive powers are exercised by the Executive Management and control powers by the Supervisory Board. Hermès International's governance therefore has a structure that is by nature dissociated.

Executive Management – § 3.3.2

The Company is currently administered and managed by two Executive Chairmen, one of whom is the Active Partner.
The role of Executive Chairman is to manage the Group.

Powers:
- defining and implementing the Group's strategy in accordance with the strategic options adopted by the Active Partner;
- directing the Group's operations;
- establishing and implementing internal control and risk management procedures;
- approving the parent company and consolidated financial statements;
- convening General Meetings and setting their agendas;
- preparing the management report for the General Meeting, including the sustainability report;
- exercising the broadest of powers to act on behalf of the Company in all circumstances with regard to third parties, subject to the limits of the corporate purpose and powers granted to the Supervisory Board and to Shareholders' General Meetings.

The Executive Management is controlled by a Supervisory Board representing the Limited Partners.

The Afep-Medef Code qualifies the Executive Chairmen as "Executive Corporate Officers".

The Executive Management is assisted by the Executive Committee (see § 3.3.3.1) and the Operations Committee (see § 3.3.3.2), which constitute the Governing bodies.

The Joint Council – § 3.5.2.2

The Joint Council, composed of the members of the Executive Management Board of Émile Hermès SAS (see § 3.3.1.4), the Active Partner (see § 3.2.2 and § 3.3.1) and the members of the Hermès International Supervisory Board (see § 3.4), is a consultation body that has no decision-making powers of its own.

It is aware of all issues that are submitted to it or that it takes up, without being able to replace the bodies to which the decision-making powers are assigned.

Nevertheless, the Active Partner, through the Executive Management Board, and the Supervisory Board may, as the Joint Council if they so wish, take any decisions or issue any opinions within their competence.

Supervisory Board – § 3.4

The Supervisory Board, a collegiate body, is an offshoot of the General Meeting of Limited Partners. The appointment of members of the Board (except for the employee representatives) is solely that body's responsibility.

Powers:
- controlling the management of the Company (power comparable to that of the Statutory Auditors): audit of the parent company and consolidated financial statements and respect for equality between shareholders;
- determining the allocation of net income to be put to the General Meeting each financial year;
- convening the Shareholders' General Meeting whenever it deems it appropriate;
- preparing the corporate governance report;
- preparing a report to the General Meeting on the performance of its duties;
- authorising or downgrading related-party agreements;
- authorising the Executive Management to grant sureties, endorsements and guarantees;
- establishing the compensation policy for the members of the Supervisory Board;
- deliberating on the actual compensation of the Executive Chairmen;
- approving any proposed new wording of certain clauses of the Articles of Association of Émile Hermès SAS;
- is required to be consulted by the Active Partner with regard to: (i) strategic options, (ii) consolidated operating and investment budgets, (iii) proposals to the General Meeting pertaining to the appropriation of share premiums, reserves or retained earnings, and (iv) setting the compensation policy for the Executive Chairmen;
- issuing, for the intention of the Active Partner, a reasoned opinion on: (i) any appointment or dismissal of any Executive Chairman of the Company, and (ii) the reduction in the notice period in the event of resignation of the Executive Chairman.

The functions exercised by the Supervisory Board do not entail any interference with the Executive Management, or any liability arising from the management's actions or from the results of such actions.

The law does not confer any other powers on the Supervisory Board. Consequently, it may neither appoint or dismiss the Executive Chairmen, nor set their compensation policy.

The Afep-Medef Code qualifies the Chairman and the members of the Supervisory Board as "non-Executive Corporate Officers".

The Board is supported by the work of two permanent committees:
- the Audit and Risk Committee;
- the Compensation, Appointments, Governance and CSR Committee or "CAG-CSR Committee".

These committees act under the collective and exclusive responsibility of the Supervisory Board. Their role is to discuss, analyse and prepare for certain deliberations of the Board, to which they submit their opinions, proposals or recommendations.

3.3 ADMINISTRATIVE AND MANAGEMENT BODIES

3.3.1 THE ACTIVE PARTNER AND ITS EXECUTIVE MANAGEMENT BOARD

Composition as at 31/12/2024

ACTIVE PARTNER
Émile Hermès SAS
Represented by its Executive Management Board:



Mr Henri-Louis Bauer
Chairman of Émile Hermès SAS, Chairman and member of the Executive Management Board

Mr Frédéric Dumas
Vice-Chairman and member of the Executive Management Board

Ms Pascale Mussard
Vice-Chairwoman and member of the Executive Management Board

Other members of the Executive Management Board:

- **Ms Sandrine Brekke**
- **Ms Capucine Bruet**
- **Ms Alice Charbin**
- **Mr Édouard Guerrand**
- **Mr Laurent E. Momméja**
- **Mr Jean-Baptiste Puech**
- **Mr Guillaume de Seynes**

3.3.1.1 PRESENTATION

Émile Hermès SAS is a *société par actions simplifiée à capital variable* (simplified joint stock company with variable capital), incorporated under French law, created on 2 November 1989, whose partners are the direct descendants of Mr Émile-Maurice Hermès (see chapter 1 "Presentation of the Group and its results", § 1.1) and his wife. It is registered with the Trade and Companies Register under number 352 258 115 RCS Paris. Its registered office is located at 23, rue Boissy d'Anglas, 75008 Paris, France.

Its sole purpose is:

- to serve as Active Partner and, if applicable, as Executive Chairman of Hermès International;
- potentially, to hold direct or indirect equity interests in Hermès International; and
- to carry out all transactions in view of pursuing and accomplishing these activities and to ascertain that any liquid assets it may hold are appropriately managed.

The role and powers of the Active Partner are described in § 3.2.2.

The control exercised by Émile Hermès SAS over Hermès International is described in chapter 7 "Information on the Company and its share capital", § 7.2.2.3.

Émile Hermès SAS, incorporated as a SARL (*société à responsabilité limitée*, or limited liability company), was transformed in 2021 into a SAS (*société par actions simplifiée*, or simplified joint-stock company). This transformation took effect on 4 May 2021. The aim is to allow a number of partners that may exceed 100, the limit provided for in Article L. 223-3 of the French Commercial Code (*Code de commerce*) for SARLs.

The economy and the essential characteristics of the company, such as its operations, the organisation of its governance and the powers of its various corporate bodies, remain unchanged.

3.3.1.2 PARTNERS

Only the following may be partners in Émile Hermès SAS:

- the descendants of Mr Émile-Maurice Hermès and his wife, born Julie Hollande; and
- their spouses, but only as usufructuaries of shares.

All partners of Émile Hermès SAS must have, for each share they hold on to deposit with the social funds:

- either a number of Hermès International shares, undivided and free from any encumbrance or other commitment to third parties, equal to 2,250; or
- the beneficial or bare ownership of a number of Hermès International shares, free from any encumbrance or commitment to third parties, equal to 4,500.

Any transaction that would result in a change of owner, even for the benefit of a spouse, ascendant or descendant of a partner, of wholly-owned shares, shares in bare ownership or usufruct, immediately, in the future or on option, is subject to the approval of the group of partners of Émile Hermès SAS. Nevertheless, transfers between partners may be freely made. The subscription of shares, other than by persons who are already partners, is also subject to this approval.

3.3.1.3 CHAIRMAN

Émile Hermès SAS is chaired by Mr Henri-Louis Bauer, a direct descendant of Mr Émile-Maurice Hermès.

He has been a legal representative since 1 July 2012, first as Executive Chairman and then as Chairman since the transformation of the company into a simplified joint-stock company (*société par actions simplifiée*) on 4 May 2021.

3.3.1.4 EXECUTIVE MANAGEMENT BOARD

Émile Hermès SAS has an Executive Management Board with 10 members, including the Chairman, who is an *ex-officio* member and chairs the Board.

The Executive Management Board appoints two Vice-Chairmen from among its members.

The members of the Executive Management Board are all natural persons chosen from among the shareholders of Émile Hermès SAS.

The Executive Management Board of Émile Hermès SAS exercises the powers attached to being an Active Partner of the Company.

3.3.2 EXECUTIVE MANAGEMENT

The Executive Chairmen are appointed by the Active Partner, after consultation with the Supervisory Board. In accordance with the Articles of Association, the Executive Management comprises one or two Executive Chairmen, who are natural persons, Active Partners or from outside the Company, each having the same powers. The term of office of the Executive Chairmen is open-ended.

The role and powers of Executive Management are described in § 3.2.3.

The Executive Chairmen's roles are distributed as follows: Axel Dumas is in charge of strategy and operational management and Émile Hermès SAS, through its Executive Management Board, is responsible for vision and strategic priority areas.

Composition as at 31/12/2024



Mr Axel Dumas
Executive Chairman
Appointed by decision of the Active Partner dated 4 June 2013 (effective 5 June 2013)



Émile Hermès SAS
Executive Chairman (represented by Mr Henri-Louis Bauer)
Appointed by decision of the Active Partner dated 14 February 2006 (effective 1 April 2006)

- **Changes among the Executive Management in financial year 2024:** None.
- **Changes among the Executive Management since 31 December 2024:** None.

3.3.2.1 NUMBER OF SHARES TO BE HELD BY THE EXECUTIVE CHAIRMEN

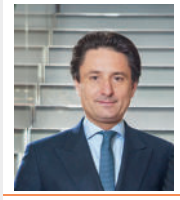
At its meeting of 21 March 2017, the Supervisory Board decided that the Executive Chairmen should each be required to hold a minimum of 1,000 Hermès International shares pursuant to Article 24 of the Afep-Medef Code revised in December 2022.

The two Executive Chairmen fulfil this obligation as at 31 December 2024.

Information concerning restrictions relating to the sale of shares by the Executive Chairmen is provided in § 3.10.2.3.

3.3.2.2 PROFILE, EXPERIENCE AND EXPERTISE OF THE EXECUTIVE CHAIRMEN

Age
54 years old (1)
(3 July 1970)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
11,638 full ownership and 30 in usufruct and registered
Date of first appointment
5 June 2013
Term of current office
Open-ended



AXEL DUMAS

Executive Chairman

Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience

Mr Axel Dumas is a graduate of the Institut d'Études Politiques de Paris and Harvard Business School (AMP 179). He also has a bachelor's degree in philosophy and a master's degree in business law. He began his career at BNP Paribas in China from 1995 to 1997 and then in the United States from 1999 to 2003.

Mr Axel Dumas joined the Hermès Group in 2003. He served as Director of Sales in France and headed up the Jewellery division from 2006 to 2008, followed by the Leather Goods & Saddlery division from 2008 to 2011. He was appointed Managing Director of Operations and member of the Executive Committee on 2 May 2011.

He was appointed Executive Chairman by the Active Partner on 4 June 2013 (effective 5 June 2013).

Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Co-Manager ◆ **Comptoir Nouveau de la Parfumerie** ✱ Permanent Representative of Hermès International, Director ◆ **Hermès Sellier** Chairman	**Foreign companies** ▲ ◆ **Faubourg Middle East** (*United Arab Emirates*) Director ◆ **Hermès Of Paris** (*United States*) Chairman and Director
	Outside Hermès Group companies	**French companies** ◆ **Axam 2** Executive Chairman ◆ **H51** Director ◆ **Krefeld** Director ◆ **Maia** Executive Chairman ◆ **Mathel** Executive Chairman	**Foreign companies** ◆ **Exor N.V.** (*Netherlands*) ● Independent Director and member of the Compensation and Appointments Committee
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		◆ **Hermès Asia Pacific** ▲ (*Hong Kong*) Director (term ended on 15/05/2021) ◆ **Hermès China** ▲ (*China*) Chairman and Director (term ended on 09/04/2021) ◆ **Hermès China Trading** ▲ (*China*) Chairman and Director (term ended on 09/04/2021)	◆ **Hermès Japan** ▲ (*Japan*) Director (term ended on 30/03/2021) ◆ **Hermès Korea** ▲ (*South Korea*) Chairman (term ended on 05/08/2021) and director (term ended on 26/03/2021) ◆ **La Montre Hermès** ▲ (*Switzerland*) Director (term ended on 30/06/2021)

(1) The ages indicated are determined in number of full years as at 31 December 2024.

▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris

Shares held as at 31 December 2024
49,792
full ownership
and registered

Date of first appointment
From 27 December 1990 to 31 December 1994 and again since 1 April 2006

Term of current office
Open-ended



ÉMILE HERMÈS SAS

Executive Chairman
Represented by its Chairman, Mr Henri-Louis Bauer

Summary of main areas of expertise and experience

Émile Hermès SAS is a *société par actions simplifiée à capital variable* (simplified joint stock company with variable capital), incorporated under French law, whose partners are the direct descendants of Mr Émile-Maurice Hermès and his wife.

It is represented by its Chairman, Mr Henri-Louis Bauer.

Émile Hermès SAS's main purpose is to be the Active Partner of Hermès International. Its operation is presented in § 3.3.1.

Émile Hermès SAS has been the Active Partner of Hermès International since 27 December 1990. Émile Hermès SAS was appointed as Executive Chairman on that date and held that office until 31 December 1994. Since 1 April 2006, it has again been Executive Chairman of Hermès International for an open-ended term.

It does not now hold nor has in the past held any offices in any other company.

Main activities outside the Company		*None*	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**Émile Hermès SAS** **French companies** ▲ ◆ **Hermès International** ● Active Partner and Co-Executive Chairman **Foreign companies** ▲ *None*	**Henri-Louis Bauer** *Direct descendant of Mr Émile-Maurice Hermès* **French companies** ▲ *None* **Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** *None* **Foreign companies** *None*	**French companies** ◆ **Émile Hermès SAS** Company Chairman and Chairman of the Executive Management Board ◆ **Aucleris 2** Executive Chairman ◆ **H2** Director ◆ **H51** Director ◆ **Krefeld** Director ◆ **Micolline invest I** Executive Chairman ◆ **Sabarots** Executive Chairman ◆ **Samain B2** Executive Chairman ◆ **SIFAH** Director and partner **Foreign companies** *None*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** *None* **Foreign companies** *None*	**French companies** *None* **Foreign companies** *None*

▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.3.3 GOVERNING BODIES

The definition of the Governing bodies retained for a number of years includes the committees established by the Executive Management several years ago to regularly assist it in exercising its general duties, namely:

- the Executive Committee;
- the Operations Committee.

This scope complies with the definition of Article L. 23-12-1 of the French Commercial Code (*Code de commerce*) in its wording resulting from law no. 2021-1774 of 24 December 2021 aimed at accelerating economic and professional equality (known as the Rixain law).

As Hermès International employs fewer than 1,000 employees, it is not subject to the obligations of the Rixain law.

The policy of non-discrimination and gender balance within the Governing bodies is described in § 3.3.4.

3.3.3.1 EXECUTIVE COMMITTEE

3.3.3.1.1 Role and composition

Role

The Executive Chairmen are supported in their management of the Group by the Executive Committee. This consists of Executive Vice-Presidents, each of whom has well-defined areas of responsibility.

The role of the Executive Committee is to oversee the Group's strategic and operational management.
The Executive Committee meets every two weeks.
Its composition reflects the Group's main areas of expertise.

Composition as at 31/12/2024

10
MEMBERS

33%
WOMEN
(EXCLUDING THE EXECUTIVE CHAIRMAN)

10 years
AVERAGE LENGTH OF SERVICE ON THE EXECUTIVE COMMITTEE

21 years
AVERAGE LENGTH OF SERVICE IN THE GROUP

57 years old
AVERAGE AGE [1]



Members of the Executive Committee, from left to right: Olivier Fournier, Florian Craen, Agnès de Villers, Axel Dumas, Éric du Halgouët, Charlotte David, Pierre-Alexis Dumas, Wilfried Guerrand, Sharon MacBeath, Guillaume de Seynes

Mr Axel Dumas
Executive Chairman

- **Mr Florian Craen**
  Executive Vice-President Sales & Distribution
- **Ms Charlotte David**
  Executive Vice-President Communication
- **Mr Pierre-Alexis Dumas**
  Artistic Executive Vice-President
- **Mr Olivier Fournier**
  Executive Vice-President Corporate Development and Social Affairs
- **Mr Wilfried Guerrand**
  Managing Director Métiers, Information Systems and *data*
- **Mr Éric du Halgouët**
  Executive Vice-President Finance
- **Ms Sharon MacBeath**
  Group Director of Human Resources
- **Mr Guillaume de Seynes**
  Executive Vice-President Manufacturing Division & Equity Investments
- **Ms Agnès de Villers**
  Chairwoman and Executive Vice-President of Hermès Perfume and Beauty, Executive Vice-President of Hermès Horizons, petit h and Internet of Things (IoT)

Changes in the Executive Committee in financial year 2024: Following the departure of Ms Catherine Fulconis from the Executive Committee, who retired with effect from 1 April 2024, the following changes took place:

- Mr Wilfried Guerrand extended his responsibilities to the Leather Goods & Saddlery métiers; and
- Ms Agnès de Villers was entrusted with the responsibility of developing the métiers Hermès Horizons, petit h and IoT.

(1) Average calculated on the basis of the age of the members of the Executive Committee, determined on a full-year basis as at 31December 2024.

3

3.3.3.1.2 Profile, experience and expertise of the members of the Executive Committee

Name Age Date of birth Nationality	Date of appointment to the Executive Committee	Training	Positions held within the Hermès Group (date of appointment)	Other positions
Axel Dumas 54 years old[1] 03/07/1970 French	02/05/2011	see § 3.3.2.2		
Florian Craen 54 years old [1] 31/10/1970 French	01/09/2013	École Supérieure du Commerce Extérieur de Paris (1992) Harvard Business School (AMP 184)	Executive Vice-President Sales & Distribution of Hermès International (since 01/09/2013) Managing Director of Hermès North Asia (2009) Managing Director of Hermès Great Britain (2006) International Director of Hermès Travel Retail (2001) European Director of Hermès Travel Retail (1997)	
Charlotte David 49 years old [1] 28/03/1975 French	12/10/2015	Essec (1997)	Executive Vice-President Communication (since 12/10/2015)	
Pierre-Alexis Dumas 58 years old [1] 04/06/1966 French	01/10/2005	Graduate in visual arts from Brown University (1991)	Artistic Executive Vice-President (since 01/10/2005)	
Olivier Fournier 63 years old [1] 10/07/1961 French	01/06/2015	EM Lyon (1983) Graduate degree in accounting and finance	Executive Vice-President Corporate Development and Social Affairs of Hermès International (2015) Executive Vice-President Hermès Sellier craftsmanship division (2008) Managing Director of Holding Textile Hermès (2001) Managing Director of Bucol (1998) Managing Director of Sport Soie (1994) Director of Internal Audit and Taxation of Hermès International (1991)	Chairman of the Fondation d'entreprise Hermès (since 08/02/2016)

Name Age Date of birth Nationality	Date of appointment to the Executive Committee	Training	Positions held within the Hermès Group (date of appointment)	Other positions
◆ **Wilfried Guerrand** 53 years old [1] 01/02/1971 French	01/07/2014	Neoma Business School (1993, Rouen) MBA from London School of Economics, NYU Stern and HEC (2011, TRIUM)	Executive Vice-President Leather Goods & Saddlery (since 01/04/2024) Managing Director Métiers (Hermès Femme, Hermès Homme, Hermès Bijouterie, Hermès Soie et Textiles and Hermès Maison), Information Systems and Data (since 01/04/2019) Executive Vice-President Digital Projects and E-commerce of Hermès International (2014) Managing Director of Hermès Femme (2012) Managing Director Europe of Hermès International (2009) Group Director of Sales of Hermès International (2007) Managing Director Hermès France for Hermès Sellier (2004) Director of Industrial Development of Hermès International (2002) Advisor to the Chairman of Hermès Sellier (1999) Financial Controller for Hermès Sellier (1995)	Director of Icicle Carven China France ("ICCF") (since 23/11/2023)
◆ **Éric du Halgouët** 61 years old [1] 14/03/1963 French	01/06/2015	Neoma Business School (1986, Rouen) Graduate degree in accounting and finance	Executive Vice-President Finance of Hermès International (2015) Group Chief Financial Officer (2007) Director of Consolidation and Financial Control (2006)	
◆ **Sharon MacBeath** 55 years old [1] 30/03/1969 British	01/03/2022	University of Glasgow Master's degree in psychology & management (1990) University Panthéon-Sorbonne Paris I Master's degree in HR (1994) INSEAD (2004)	Group Director of Human Resources (since 17/06/2019) Member of the Supervisory Board (from 2016 to 2019) Member of the Audit and Risk Committee (from 2016 to 2019) Member of the CAG-CSR Committee (from 2017 to 2019)	Coface – Independent Director and Chairwoman of the Appointments, Compensation and CSR Committee (since 01/07/2014)
◆ **Guillaume de Seynes** 67 years old [1] 14/10/1957 French	01/01/2005	Graduate in law and political science in Paris (1978) and an Essec graduate (1982)	Executive Vice-President Manufacturing Division & Equity Investments of Hermès International (since 02/05/2011) Chairman of John Lobb (2007) Deputy Managing Director of Hermès International (2006) Managing Director Métiers of Hermès Sellier (2004) Managing Director of La Montre Hermès (1999) Director of Sales and Marketing of La Montre Hermès (1997)	Chairman of the Colbert Committee (since 10/06/2016 and until June 2022) Chairman of the Strategic Committee, Fashion and Luxury sector (from 2018 to November 2023)
◆ **Agnès de Villers** 55 years old [1] 24/12/1969 French	01/03/2022	Institut d'études politiques de Paris Economics and Finance (graduated in 1993) Université Paris X Master's in economic history (1991) Hypokhâgne/Khâgne Modern Letters (1988-1989)	Executive Vice-President of Hermès Horizons, petit h and Internet of Things (IoT) (since 01/04/2024) Executive Vice-President (since 01/05/2015) and Chairwoman of the Board of Directors (since 06/06/2019) of Comptoir Nouveau de la Parfumerie (Hermès Perfume and Beauty)	Director of CEW (since 2015) Director of the FEBEA (Fédération des Entreprises de la Beauté) Director of SFP (Syndicat Français de la Parfumerie)

(1) The ages indicated are determined in number of full years as at 31 December 2024.

3.3.3.2 OPERATIONS COMMITTEE

Role

The Operations Committee, which reports to the Executive Management, is made up of certain members of the Executive Committee and the Senior Executives of the main métiers and geographical areas, as well as the sales and support functions of the Group.

Its duties are:

- to involve Senior Executives in the Group's major issues and strategic orientations;
- to promote communication, sharing and reasonable exchanges amongst its members in their area of responsibility;
- to enable the Executive Committee to take certain decisions.

The Operations Committee meets two or three times a year.

Composition as at 31/12/2024

23	65%	36%
MEMBERS	WOMEN	MEMBERS WITH FOREIGN NATIONALITY

3

Composition of the Operations Committee as at 31 December 2024

Executive Committee members (see § 3.3.3.1)

- **Mr Florian Craen**
  Executive Vice-President Sales & Distribution
- **Mr Wilfried Guerrand**
  Managing Director Métiers, Information Systems and Data
- **Ms Agnès de Villers**
  Chairwoman and Executive Vice-President of Hermès Perfume and Beauty, Executive Vice-President of Hermès Horizons, petit h and Internet of Things (IoT)

Senior Executives of the métiers

- **Ms Alix Coindreau**
  Silk and Fashion Accessories
- **Mr Laurent Dordet**
  Watches
- **Ms Cielo Dunbavand**
  Women's ready-to-wear/Men's ready-to-wear
- **Mr Julien Faurie**
  Shoes
- **Ms Ly Lallier**
  Leather Goods & Saddlery
- **Ms Véronique Nichanian**
  Artistic director
- **Ms Anne-Sarah Panhard**
  Home
- **Ms Ambre Pulcini**
  Jewellery

Senior Executives of the Geographical areas

- **Mr Masao Ariga** [1]
  Japan
- **Ms Ségolène Audras-Verdillon**
  Travel Retail
- **Ms Caroline Jacques** [1]
  France
- **Mr Eric Festy**
  South Asia
- **Mr Luc Hennard** [1]
  Europe
- **Ms Diane Mahady** [1]
  Americas
- **Ms Sophie Vissing** [1]
  Greater China

Senior Executives Sales and support functions

- **Mr Frédéric Agostini**
  Hermès Commercial (central logistics, services to subsidiaries, after-sales service)
- **Ms Corinne Fénéon**
  Retail operations (Supply chain Retail, eco-responsibility)
- **Ms Marine Cambuzat**
  Retail activities (customer experience, customer services and relationships, Retail)
- **Ms Hinde Pagani**
  Digital Sales and Service
- **Ms Élodie Potdevin**
  Data, Technology and Innovation

Changes in the Operations Committee in financial year 2024

- 01/01/2024: Monitoring of activities in the Middle East (United Arab Emirates, Qatar, Kuwait, Bahrain and Lebanon) has been separated from the South Asia region and transferred to the Europe region.
- 01/02/2024: Ms Caroline Jacques took on the general management of the France region, replacing Ms Hélène Dubrule.
- 01/04/2024: The following changes were made to the organisation of the métiers:
  - Ms Ly Lallier was appointed Managing Director Leather Goods & Saddlery;
  - Ms Alix Coindreau was appointed Managing Director Silk and Fashion Accessories;
  - Ms Cielo Dunbavand became Managing Director of a Fashion division combining Women's Ready-to-wear and Men's Ready-to-wear;
  - Ms Élodie Potdevin became Managing Director of a new Data, Technology and Innovation division.
- 01/07/2024: Ms Marine Cambuzat was given responsibility for the Retail Operations Department, replacing Ms Caroline Jacques.

Changes in the Operations Committee since 31 December 2024

- 01/01/2025:
  - Ms Diane Mahady was given responsibility for the entire Americas region (including the United States, Latin America and Canada).
  - Mr Thierry Outin took on the general management of the South Asia region, replacing Mr Eric Festy.
  - Mr Eric Festy took on the general management of Hermès Suisse and Hermès Pologne.

(1) Members with foreign nationality.

3.3.4 NON-DISCRIMINATION AND DIVERSITY POLICY

3.3.4.1 GENDER BALANCE POLICY WITHIN GOVERNING BODIES

In accordance with the provisions of Article L. 22-10-10 paragraph 2 of the French Commercial Code (*Code de commerce*), the way in which the Company seeks balanced representation of men and women on the committees established, where relevant, by the Executive Management, in order to regularly assist it in exercising its general duties, is presented below, alongside the results in terms of gender balance in the 10% of management positions with the greatest responsibility.

Since 2018, the Supervisory Board has been tasked with ensuring that the Executive Chairmen implement a non-discrimination and diversity policy in the Governing bodies.

Pursuant to Article 8 of the Afep-Medef Code, Boards are recommended to set gender balance objectives within governing bodies.

The HCGE implementation guide stipulates that in *sociétés en commandite par actions* (partnerships limited by shares):

- it is the responsibility of the Executive Management to set gender balance objectives and the time frame for attaining them, as well as to determine how these objectives and the action plan are implemented;
- the Supervisory Board ensures compliance with and monitoring of this recommendation. It is informed annually by the Executive Management of the results obtained so that they can be included in the corporate governance report.

The Executive Management has set Company gender balance objectives since 2020 as follows:

Overall gender balance target for Governing bodies: that the proportion of members of each gender be at least equal to 40%. The scope of the Governing bodies selected includes the committees established by the Executive Management several years ago to regularly assist it in exercising its general duties, namely:

- the Executive Committee (role and composition described in § 3.3.3.1);
- the Operations Committee (role and composition described in § 3.3.3.2).

Time horizon: the proportion set having already been reached in 2019, the Executive Management has set the target of maintaining the current balance (over both the medium and long term).

Action plan: for several years now, the Company has been encouraging female representation among Senior Executives, which should help achieve this goal.

The diversity policy applied to the members of the Supervisory Board is described in § 3.4.3.

3.3.4.2 GENDER BALANCE ON THE GROUP'S GOVERNING AND GOVERNANCE BODIES AND SENIOR EXECUTIVES

The table below illustrates gender balance on the governance bodies, on the Supervisory Board and in the Senior Executives category:

	As at 31 December 2024		As at 1 February 2024 [1]
Governing bodies (Executive Committee and Operations Committee, excluding the Executive Chairmen)			
Proportion of women	59%	17/29	60%
Proportion of men	41%	12/29	40%
Overall female representation			
Supervisory Board (excluding the employee representatives on the Supervisory Board)	50%		50%
CAG-CSR Committee	67%		67%
Audit and Risk Committee	40%		40%
Senior Executives [2]	48%		47%

(1) The date of 1 February 2024 was used to take into account the appointments made on this same date (see § 3.3.2.3). As at 31 December 2023, the proportions were as follows (excluding the Executive Chairman):
- *Proportion of women: 61%, i.e. 19 women out of 31 members (excluding the Executive Chairman);*
- *Proportion of men: 39%, i.e. 12 men out of 31 members (excluding the Executive Chairman);*
- *29% foreign nationals (excluding the Executive Chairman and members of the Executive Committee)*

(2) Within the meaning of Article L. 3111-2 of the French Labour Code, this category consists of 112 positions with the highest responsibility in the classification adopted by the Group.

3.3.4.3 GENDER EQUALITY INDEX

The Hermès Group is committed to the principles of recognition and respect, irrespective of one's origin, gender, family situation or position. Employees are reminded of this respect for differences in the ethics charter (available at https://finance.hermes.com/en/ethics-human-rights-and-diversities/) ensuring objectivity and equal opportunities and promoting diversity and inclusion in recruitment, career development and day-to-day management.

As the results published below illustrate, the Hermès Group is constantly committed to promoting gender equality. Particular attention is paid to equality, particularly in the awarding of equal pay for equal work and ensuring equal opportunities in access to employment and internal promotions. At all levels of the organisation, equality of opportunity, diversity and inclusion in terms of employment, training, supervision and compensation are backed by the House's commitment, with the objective of taking concrete and sustainable actions.

Since 2019, Hermès has harmonised its international maternity leave practices by defining a minimum maternity leave period of 16 weeks, maintaining 100% of basic pay and making 100% coverage of maternity expenses available in all locations.

In addition, in order to offer an increasingly inclusive framework for parenthood and to support the professional careers of women, since 1 January 2022, the Group has been offering paternity or adoption leave for employees in France (*i.e.* 62% of the House's workforce) by maintaining the compensation of the persons concerned at 100%. This policy was extended on 1 January 2023 to the rest of the subsidiaries worldwide.

In July 2023, an agreement on "Work-life balance" was signed with all representative trade unions at Group level. This came into force on 1 January 2024 and benefits all employees of entities in France. It aims to support employees faced with personal situations impacting their professional daily life: caregivers, parents or those in vulnerable situations. For these three aspects, various measures were negotiated, taking care to provide responses adapted to the diversity of the situations encountered:

- supporting caregiver employees:
  - (I) by providing an information and assistance platform for the most common situations,;
  - (II) by offering flexibility in more demanding situations,
  - (III) by freeing up time through financial support in the most difficult situations;
- supporting parenting before and upon arrival and following the birth of a child;
- preventing and supporting people in vulnerable situations: long-term illnesses such as cancer, professional burnout, bereavement, domestic violence, addictions or excess debt.

In France, agreements or action plans relating to professional equality are regularly renewed in order to reaffirm the guarantee of a balanced salary positioning between men and women, as well as respect for equal treatment in the allocation of salary increases. These agreements define progress targets in order to promote the role of fathers in the exercise of family responsibility, and to enable women to carry out a professional activity corresponding to their wishes. Women in managerial roles and positions of responsibility at production sites also benefit from personalised coaching support.

In accordance with Article L. 1142-8 of the French Labour Code, on 5 March 2025 Hermès International published the professional gender equality index for 2024, which was 99/100.

This index measures the gender pay gap within a single company. It takes into account all components of a compensation package and must be calculated each year, thereby serving to identify any points of progress. This index includes the following five indicators (the results obtained for each indicator are given in brackets):

- gender pay gap (39/40);
- difference in the breakdown of individual pay increases (20/20);
- number of employees receiving a pay increase upon their return from maternity leave (15/15);
- number of employees of the under-represented gender among the 10 highest-paid employees (10/10).

The methodology for calculating the index includes all compensation paid (fixed + benefits).

The overall weighted average index of the Group for financial year 2024 was 92/100.

3.3.4.4 DIVERSITY POLICY AND GROUP RESULTS IN TERMS OF GENDER BALANCE

Whether appointments to governing bodies, recruitment or the appointment of any employee, the Hermès Group is particularly committed to compliance with the principle of non-discrimination.

Whenever possible, all employees are reminded of the importance of this principle.

The "Hermès, a Responsible Employer" policy insists on compliance with two essential principles: the principle of non-discrimination and the principle of gender equality.

The Group has also made commitments to promote the professional integration and job retention of people with disabilities. Hermès was rewarded for the first time by the Grand Prix Emploi for people with disabilities.

In 2021, 13 women from different backgrounds in the House took the initiative to create Hécate, a network of Hermès women, whose ambition is to enable each woman to be a driving force in her own development at Hermès. Hécate aims to be active in three areas: networking, inspiration and development. Since its creation, Hécate has brought together more than 100 women, who have begun to structure the network and reflect on themes as varied as parenthood, careers and vulnerabilities. The network continued its work in 2024 to promote inclusion and diversity at all levels of the organisation.

The Group has put in place an "Alterego" training programme which focuses on integration and diversity management. This training is attended by all Management Committee members and the Group's local managers. It takes the form of a one-day programme, which alternates between a theory-based and a more hands-on approach, for preventing and identifying all forms of discrimination (direct, indirect or even involuntary) and reaffirming the Group's zero tolerance with regard to this type of practice.

3.3.5 SUCCESSION PLAN FOR SENIOR EXECUTIVES

It should be noted that the existence of two Executive Chairmen, one of which is a legal entity, guards against the Executive Management falling vacant unexpectedly.

The succession plan for the Chairman of the Supervisory Board is presented in § 3.4.4.

3.3.5.1 EXECUTIVE MANAGEMENT SUCCESSION PLAN

A succession plan was established in 2016 for the Executive Management. This succession plan, which has been set down in writing since 2019, covers:

- temporary interim succession (temporary absence of an Executive Chairman, *e.g.* due to illness or accident);
- unplanned succession (permanent impairment, death or resignation of an Executive Chairman in the short or medium term).

Every year, the CAG-CSR Committee conducts an annual review of this plan. In early 2025, it noted that it remained unchanged and maintained its assessment that this plan is understandable, of good quality and sufficiently protective to ensure business continuity.

3.3.5.2 TALENT REVIEW

An annual Talent Review process was rolled out throughout the Group in 2020, with the following objectives:

- take stock of our leadership talents to ensure succession within Hermès;
- improve anticipation of succession plans;
- engage a stronger dynamic in the development of talents.

This Talent Review covers the succession of the members of the Executive Committee and of the members of the Operations Committee.

The Talent Review and succession plans for the Executive Management and the Chairman of the Supervisory Board are presented to the CAG-CSR Committee every year.

3.4 ORGANISATION OF THE SUPERVISORY BOARD

3.4.1 KEY DATA ON THE SUPERVISORY BOARD AS AT 31 DECEMBER 2024

SUPERVISORY BOARD

50%
PROPORTION OF WOMEN [1]

1/3
PROPORTION OF INDEPENDENT MEMBERS [1]

7 meetings in 2024 | 94.90% attendance

2 committees

AUDIT AND RISK COMMITTEE

5 members

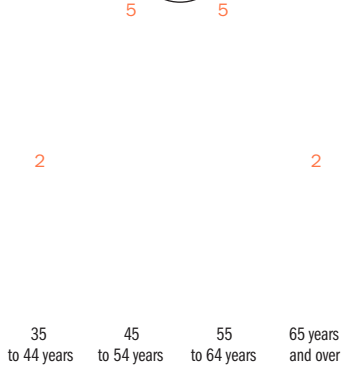
6 meetings in 2024 | 93.33% attendance
60% independence | 11 years' average length of service[2]
40% women including the Chairwoman

COMPENSATION, APPOINTMENTS, GOVERNANCE AND CSR COMMITTEE

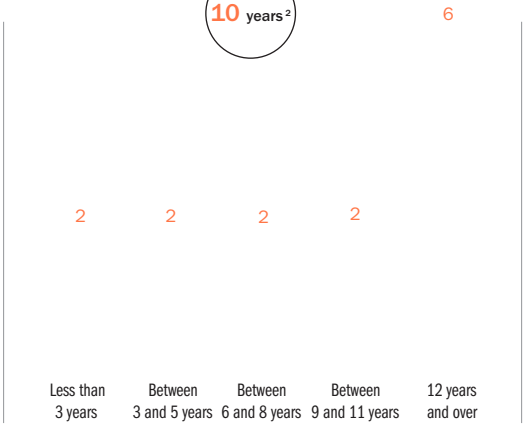
3 members

6 meetings in 2024 | 83.33% attendance
67% independence | 11 years' average length of service[2]
67% women including the Chairwoman

Age
Average
55 years [2]



Seniority
Average
10 years [2]



Number of terms of office expiring
1/3 per years [5]



1. *The members of the Supervisory Board representing employees are not taken into account for the calculation of these proportions.*
2. *Average calculated on the basis of ages and lengths of service of members of the Supervisory Board, determined on a full-year basis as at 31 December 2024.*
3. *12 members are appointed by the Shareholders' General Meeting and two members, representing employees, are appointed by the Group Works Council.*
4. *Supervisory Board members representing employees.*
5. *Excluding Supervisory Board members representing employees.*

3.4.2 APPLICABLE PRINCIPLES

Number of Supervisory Board members

The Supervisory Board is composed of between three and fifteen members (not including members representing employees). These members are chosen from among shareholders who are neither Active Partners nor legal representative of the Active Partner nor Executive Chairmen (Article 18.1 of the Articles of Association). They are appointed by the Shareholders' Ordinary General Meeting.

The Afep-Medef Code qualifies the Chairman and the members of the Supervisory Board as "non-Executive Corporate Officers". The Supervisory Board accordingly does not include any Executive Corporate Officers.

When appointments to the Supervisory Board come up for renewal, the number of Supervisory Board members is set by a decision adopted by the Active Partner.

Two Supervisory Board members (one woman and one man) representing the Group's employees are designated by the Group Works Council in accordance with the provisions of Article L. 225-79-2 of the French Commercial Code (*Code de commerce*).

The diversity policy applied within the Supervisory Board is described in § 3.4.3.

3.4.2.1 SELECTION PROCESS FOR NEW MEMBERS OF THE SUPERVISORY BOARD

3.4.2.1.1 Members of the Supervisory Board appointed by the General Meeting (Article L. 226-4 of the French Commercial Code (*Code de commerce*))

The selection process for Supervisory Board members appointed by the General Meeting is as follows:

Setting of objectives by the Supervisory Board for changes in its composition (in accordance with its diversity policy, see § 3.4.3)

Identification of candidates (male and/or female) by a recruitment advisor, in addition to profiles proposed by the Executive Management Board and Supervisory Board

Identification of candidates (male and/or female) by a recruitment advisor, in addition to profiles proposed by the Executive Management Board and Supervisory Board

Initial selection of candidates to meet the Chairman of the Supervisory Board and a member of the CAG-CSR Committee individually, based on a detailed report and an oral presentation by the recruitment consultant

Meeting with the other members of the CAG-CSR Committee and the Executive Chairmen and selected candidates

Deliberation of the CAG-CSR Committee on the results of the interviews before proposal to the Executive Management Board of Émile Hermès SAS and to the Supervisory Board

This selection is carried out taking into account the personal and professional qualities of the candidates and ensuring that they are able to comply with the guiding principles for exercising the duties of Supervisory Board member laid down in the rules of procedure (Article 2.2.2.1).

3.4.2.1.2 Members of the Supervisory Board representing employees appointed by the Group Works Council (Article L. 225-79-2 of the French Commercial Code (*Code de commerce*))

Pursuant to Article L. 225-79-2 of the French Commercial Code (*Code de commerce*), a Supervisory Board of more than eight members must appoint two employee representatives, respecting gender parity.

Conditions of eligibility are as follows:

- to have or have had an employment contract for at least two years with the Company or one of its direct or indirect subsidiaries having its registered office in France or abroad;
- to have a clean criminal record;
- to complete the application form prepared by the Group Works Council.

Each trade union active at Group level may submit a candidate through its union representative on the Group Works Council.

Each Economic and Social Committee may nominate one candidate by secret ballot.

As an exception, companies with more than 300 employees may present two candidates (one male and one female).

Candidates submitted by representative trade union organisations and employee representative bodies are examined by the Group Works Council, which appoints two employee representatives to the Supervisory Board, one male and one female, in two rounds.

Since the end of 2019, the Supervisory Board has been composed of two members representing employees (one woman and one man).

Thus, the appointment of Supervisory Board members representing employees, elected or appointed pursuant to Article L. 225-79-2 of the French Commercial Code (*Code de commerce*), respects the obligation of balanced representation of women and men mentioned in Article L. 225-69-1 of the same code.

3.4.2.1.3 Effective implementation

Ms Dominique Senequier will have served terms of office totalling 12 years on 4 June 2025 and will therefore lose her status as an independent Board member according to the criteria of the Afep-Medef Code. As Hermès International has always strictly applied this rule, this term of office will not be renewed.

Furthermore, Mr Alexandre Viros informed the Supervisory Board of his wish to end his term of office at the end of the General Meeting of 30 April 2025, in order to focus on his new professional projects.

As a result, the selection process was implemented in 2024 and 2025, as part of the aforementioned replacements. Thus, the Supervisory Board has appointed a recruitment consultant to help identify candidates. The profiles selected by the recruitment consultant were presented to the Chairman of the Supervisory Board and to a member of the CAG-CSR Committee for an initial meeting, followed by a meeting with the other members of the CAG-CSR Committee and the Executive Management. This process enabled the Supervisory Board of 13 February 2025 to approve the candidates proposed for appointment to the General Meeting of 30 April 2025: Ms Cécile Béliot-Zind, Mr Jean-Laurent Bonnafé and Mr Bernard Emié.

These three candidates, whose details are presented in chapter 8 "General Meeting of 30 April 2025" – explanatory statement to the sixteenth to eighteenth resolutions, comply with all the guidelines for exercising the duties of Supervisory Board members as provided for by the rules of procedure, as well as the Supervisory Board's diversity policy described in § 3.4.3.

3.4.2.2 APPOINTMENT OF THE CHAIRMAN AND VICE-CHAIRMEN

The Supervisory Board elects a Chairman (a natural person) and two Vice-Chairmen from among its members (Article 19.2 of the Articles of Association) whose duties are described respectively in § 3.5.1.2 and § 3.5.1.3.

In accordance with Article 2.1.9 of the Supervisory Board's rules of procedure, the Vice-Chairmen are the Chairmen of one of the two committees. Ms Dominique Senequier, Chairwoman of the CAG-CSR Committee and therefore Vice-Chairwoman of the Supervisory Board, will be replaced in her duties by Ms Estelle Brachlianoff.

3.4.2.3 TERM OF OFFICE

Category	Appointment procedures	Term of office	Number
Board members	Appointment by the Shareholders' General Meeting	3 years (until the end of the third Ordinary General Meeting following their appointment)	12
Board members representing employees	Designated by the Group Works Council	3 years (from the date of their appointment)	2

The term of office of the members of the Supervisory Board is three years (Article 18.2 of the Articles of Association).

This duration may be less:

- at the time of first appointment, in accordance with the principle of replacing one-third of the Supervisory Board, as set out in Article 18.2 of the Articles of Association;
- if there is a renewal, in accordance with the rules relative to the duration of the term of office for independent members or to the age limit.

Following the General Meeting of 2 June 2009, the Company has introduced, in accordance with the recommendations of the Afep-Medef Code, the practice of replacing one-third of Supervisory Board members each year.

3.4.2.4 CO-OPTION

In the event of a vacancy, the Supervisory Board may, when the legal requirements are satisfied, appoint a new member of the Board on a provisional basis, subject to ratification by the next Ordinary General Meeting, for the remaining term of office of his or her predecessor.

3.4.2.5 NUMBER OF SHARES TO BE HELD BY THE MEMBERS OF THE SUPERVISORY BOARD

The rules of procedure (Article 2.2.1), since their adoption in 2009, require Supervisory Board members, except for the employee representatives, for whom this requirement is waived, to own a relatively significant number of registered shares. This number was originally set at 200. In view of the high Hermès International share price, the number of shares to be held by the members of the Board was reduced in 2019 to 100 shares.

The Supervisory Board meeting of 10 January 2025 noted that all members of the Supervisory Board continued to comply with this obligation as at 31 December 2024.

In view of the evolution of the Hermès International share price since 2019, on 13 February 2025, the Supervisory Board decided to amend its rules of procedure and lower the shareholding threshold from 100 shares to 50 shares. Given the Hermès International share price as at 31 December 2024 (€2,322.00), this represents a significant investment for the members of the Board, in line with the spirit of the Afep-Medef Code and the rules of procedure.

On 13 February 2025, the Supervisory Board also introduced an exemption from this obligation to hold 50 shares. This covers the case in which a member is subject to specific internal and/or sectoral regulations, directives or policies imposing restrictions on such holdings, preventing him or her from reaching the minimum threshold required by the rules of procedure. In this event, the member concerned must provide proof of this restriction and inform the Supervisory Board of his or her situation. He or she is required to regularise the situation and comply with the obligation to hold Hermès International shares if such situation changes during his or her term of office. In any event, each member of the Supervisory Board must hold at least one share in the Company, in accordance with the provisions of Article 18.2 of the Articles of Association.

The number of shares held by each member of the Supervisory Board is shown in § 3.10.1.

Information on the restrictions on the sale of shares by members of the Supervisory Board is provided in § 3.10.2.3.

3.4.2.6 AGE LIMIT

Pursuant to Article 18.3 of the Articles of Association: "No person over the age of 75 may be appointed to the Supervisory Board if their appointment would result in more than one-third of Board members being over that age" (collective age limit).

In 2021, the Supervisory Board's rules of procedure (Article 2.1.7.1) provide that, as an internal rule, no person may be appointed to the Supervisory Board or have his or her term renewed if they have reached the age of 80 (individual age limit).

The Chairman and Vice-Chairmen are not subject to any age limit other than the age limits applicable to all Board members (individual and collective).

No member of the Supervisory Board has reached the age of 75 and the oldest member was 71 in 2024.

The breakdown of Board members by age group is detailed in § 3.4.1.

3.4.2.7 EMPLOYEE REPRESENTATION ON THE SUPERVISORY BOARD

3.4.2.7.1 Members of the Supervisory Board representing employees (voting rights)

Pursuant to Article L. 225-79-2 of the French Commercial Code (*Code de commerce*), two members of the Supervisory Board representing the Group's employees (one woman and one man) sit on the Board with voting rights.

The process for selecting the members of the Supervisory Board representing employees is described in § 3.4.2.1.2.

They have the same status, rights and obligations as any other member of the Supervisory Board, including confidentiality. They are required to comply with the Board's rules of procedure.

The members of the Supervisory Board representing employees are not counted for the purpose of determining the minimum and maximum number of members of the Supervisory Board, nor for the calculation of the diversity of the Board or the proportion of independent members.

Their term of office as a member of the Supervisory Board is three years.

Notwithstanding the rule contained in Article 18.1 of the Articles of Association, the members of the Supervisory Board representing employees are not required to be shareholders.

They have a credit of 15 hours per meeting (plus meeting time) to carry out their duties.

In accordance with Article L. 225-30-2 of the French Commercial Code (*Code de commerce*), the members of the Supervisory Board representing employees receive training adapted to the performance of their duties, at the expense of the Company. This training must ensure that they acquire and improve the knowledge and techniques required to carry out their duties. It mainly concerns the role and functioning of the Supervisory Board, the rights and obligations of the members of the Supervisory Board and their responsibilities, as well as the organisation and activities of the Group.

This training period, which may not be less than 40 hours per year, is not deducted from the hours credited. A portion of this training time is carried out within the Group but most of it is carried out by an external training organisation (in particular the IFA). After obtaining the favourable opinion of the members concerned, the Supervisory Board determines the training programme for the year at the beginning of each year.

During the second year of their term of office, Ms Anne-Lise Muhlmeyer and Mr Prescience Assoh completed the following training programme:

- internal training: networking at the Sèvres store;
- IFA training: governance and compliance;
- internal training: anti-corruption;
- IFA training: Board simulations: the keys to efficiency and impact;
- internal training: data protection;
- internal training: discovery of the Compagnie des Cristalleries de Saint-Louis;
- internal training: discovery of Hermès Perfume and Beauty;
- internal training: company law and civil and criminal liability of Corporate Officers.

3.4.2.7.2 Representative of the Social and Economic Committee (without voting rights)

In accordance with the provisions of Article L. 2312-75 of the French Labour Code (*Code du travail*), a full member of the Social and Economic Committee (SEC) appointed by the latter attends all meetings of the Supervisory Board in an advisory capacity (meetings and site visits). The SEC has decided to set up a rotation in order to allow several representatives of the SEC to sit on it for one year each.

The SEC representative receives the same documents as those provided to the members of the Supervisory Board and at the same time. During the meeting, he or she has the opportunity to take the floor and give opinions on the items on the agenda.

3.4.3 DIVERSITY POLICY APPLIED WITHIN THE SUPERVISORY BOARD

3.4.3.1 CHANGES IN THE COMPOSITION OF THE SUPERVISORY BOARD

The Supervisory Board is composed of members, one-third of whom are independent, with qualifications or a professional background enabling them to contribute effectively to the work of the Supervisory Board, as a collegiate body, in all its areas of activity and to the quality of the discussions.

In accordance with the provisions of Article L. 22-10-10 (2) of the French Commercial Code (*Code de commerce*), the diversity policy applied to members of the Supervisory Board is presented below, based on criteria such as age, gender or qualifications and professional experience, along with a description of the objectives of this policy, its means of implementation and the results obtained in the financial year ended.

Since 2011, the CAG-CSR Committee has been assigned the duty to advise the Supervisory Board of its recommendations as to the changes in the Board's composition.

The Supervisory Board has set itself objectives or principles in terms of optimal Board size, age limit, number of independent members and diversity (representation of women and men, nationalities, international experience, expertise, etc.) and has gradually changed its composition to achieve this.

The work carried out has been presented in each subsequent registration document/universal registration document.

At the end of 2020, the Supervisory Board reviewed and approved the diversity policy applied to the members of the Supervisory Board, taking into account the changes in the composition of the Board in recent years, as set out in § 3.4.3.2.

At the end of 2024, it reviewed the diversity policy applied within the Supervisory Board and considered that there was no need to change the composition of the Board for 2025.

This diversity policy was applied in the search for new members of the Supervisory Board in 2024.

3.4.3.2 SUMMARY TABLE OF THE DIVERSITY POLICY APPLIED TO MEMBERS OF THE SUPERVISORY BOARD

Size (number of Board members)

Pursuant to Article 18.1 of the Articles of Association, the Supervisory Board comprises between three and 15 members appointed by the General Meeting (excluding employee representative members).
Objective:
Maintain the size of the Board at a maximum of 15 members, in order to maintain the effectiveness of the Board and ensure a balanced representation of men and women and fulfil the market recommendations in terms of proportion of independent members.
This objective could be reconsidered if new constraints lead to the need to review the size of the Board.
Implementation procedures and results obtained:
Since November 2019, the Board has comprised 12 members appointed by the General Meeting and two members representing employees, appointed by the Group Works Council. It is proposed to change the composition of the Supervisory Board in 2025, and increase the number of members to 15 in total (chapter 8 "Combined General Meeting of 30 April 2025", § 8.2, explanatory statement to the 16th to 18th resolutions).

maximum 15 members

Age

Pursuant to Article 18.3 of the Articles of Association, the number of members aged over 75 cannot exceed one-third of the total (collective age limit).
Since 2021, pursuant to Article 2.1.7.1 of the Board's rules of procedure, as an internal rule, no person may be appointed to the Supervisory Board or have his or her term renewed if they have reached the age of 80 (individual age limit).
Objective:
Maintain the current statutory age limit rule, which is satisfactory.
Implementation procedures and results obtained:
As at 31 December 2024:

- no member was over the age of 75;
- the members of the Board were between the ages of 41 and 71;
- the average age of Board members was 55;
- as shown in the "Age" chart in § 3.4.1, the breakdown of age groups within the Board is balanced.

Average age: 55 years

Gender parity [1]

Article L. 22-10-74 of the French Commercial Code (*Code de commerce*) requires a minimum of 40% of each gender.
Objective:
Maintain a proportion of women and men in line with legal requirements.
Implementation procedures and results obtained:
Since the end of 2017: 50% women and 50% men; the legal requirement is therefore exceeded.

50% women [1]

Number of independent members [1]

In accordance with Article 10.3 of the Afep-Medef Code revised in December 2022, independent members must make up at least one-third of the Supervisory Board in controlled companies as defined by Article L. 233-3 of the French Commercial Code (*Code de commerce*). This minimum proportion has been included in the Supervisory Board's rules of procedure (Article 2.1.5.3).
Objective:
Maintain the proportion of independent members, which is satisfactory and complies with market recommendations.
Implementation procedures and results obtained:
The proportion of one-third independent members has been met since it was introduced in 2009. As at 31 December 2024, this corresponds to four members out of 12 appointed by the General Meeting. It is proposed to change the composition of the Supervisory Board in 2025, moving the number of independent members to five out of 13 appointed by the General Meeting (chapter 8 "Combined General Meeting of 30 April 2025", § 8.2, explanatory statement to the 16th to 18th resolutions).

1/3 independent

(1) Only Board members appointed by the General Meeting are included in the calculation of the percentages of women members (Article L. 225-79, II of the French Commercial Code (Code de commerce)) and independent members (Afep-Medef Code – Article 10.3), not employee representatives. Nevertheless, the obligation of balanced representation of women and men mentioned in Article L. 225-69-1 of the French Commercial Code (Code de commerce) is respected (see process for selecting Supervisory Board members representing employees, elected or appointed pursuant to Article L. 225-79-2 of the French Commercial Code (Code de commerce) described in § 3.4.2.1.2).

Nationalities, experience and expertise

Objectives:
- retain a variety of skills and experience that can cover each of the seven areas of expertise and experience (see § 3.4.5.2) corresponding to the Hermès Group's major operational challenges and the main issues that the Supervisory Board and its committees are required to monitor as part of their duties:
  - business management/operational management of companies/director of large companies,
  - finance/internal control/risks,
  - human resources/CSR,
  - international/Asia,
  - legal/ethics/compliance/governance,
  - IT/cybersecurity/artificial intelligence/digital,
  - knowledge of the history and culture of Maison Hermès;
- maintain a composition that takes into account the specific nature of the Maison Hermès with members:
  - all French-speaking, culture of the Maison Hermès being very French,
  - benefiting from experience or belonging to a family group (collective rather than individual ambition),
  - having a good knowledge of the history and culture of the Maison Hermès,
  - without experience in the luxury goods sector (given potential conflicts of interest).

Implementation procedures and results obtained:
As at 31 December 2024:
- the proportion of Board members competent in each of the seven areas of expertise and experience (see § 3.4.5.2) corresponded to the Hermès Group's major operational challenges and the main issues that the Supervisory Board and its committees are required to monitor as part of their duties;
- the composition takes into account the specific nature of the Maison Hermès:
  - all members were French-speaking,
  - a majority of members were direct descendants of Mr Émile-Maurice Hermès, belonging to the Hermès family, who bring to the Board their knowledge of the history and culture of the Maison Hermès,
  - no member had experience in the luxury goods sector.

3.4.3.3 NUMBER OF MEMBERS AND REPRESENTATION OF WOMEN AND MEN ON THE SUPERVISORY BOARD

31/12	2022	2023	2024
Members appointed by the General Meeting	12	12	12
Employee representative members appointed by the Group Works Council	2	2	2
Women [1]	50%	50%	50%
Men [1]	50%	50%	50%

(1) The appointment of Supervisory Board members representing employees, elected or appointed pursuant to Article L. 225-79-2 of the French Commercial Code (Code de commerce), respects the obligation of balanced representation of women and men mentioned in Article L. 225-69-1 of the same code.

3.4.4 SUCCESSION PLAN FOR THE CHAIRMAN OF THE SUPERVISORY BOARD

A succession plan for the Chairman of the Supervisory Board was drawn up in 2018.

This succession plan, which has been set down in writing since 2019, covers:

- temporary interim succession (temporary absence of the Chairman, *e.g.* due to illness or accident);
- unplanned succession (permanent impairment, death or resignation of the Chairman in the short or medium term);
- normal succession (medium and long term).

The succession plan for the Chairman of the Supervisory Board was co-signed by Ms Dominique Senequier then placed in two sealed envelopes, one of which was handed to the Chairwoman of the CAG-CSR Committee and the other to the legal department. As part of the end of her term of office as member of the Supervisory Board and therefore as Chairwoman of the CAG-CSR Committee, scheduled for the end of the General Meeting of 30 April 2025, Ms Dominique Senequier passed the sealed envelope that she held to Ms Estelle Brachlianoff, new Chairwoman of the CAG-CSR Committee from 30 April 2025 (post-General Meeting).

Every year, the CAG-CSR Committee conducts an annual review of this plan. In early 2025, it noted that it remained unchanged and maintained its assessment that this plan is of good quality and appropriate.

3.4.5 COMPOSITION OF THE SUPERVISORY BOARD

3.4.5.1 COMPOSITION OF THE SUPERVISORY BOARD AS AT 31 DECEMBER 2024

The Company has a Supervisory Board comprising 14 members, including:

- 7 women and 7 men (*i.e.* 50% of each gender);
- 4 independent members (*i.e.* one-third, see § 3.4.6); and
- 2 members representing employees (see § 3.4.2.1.2).

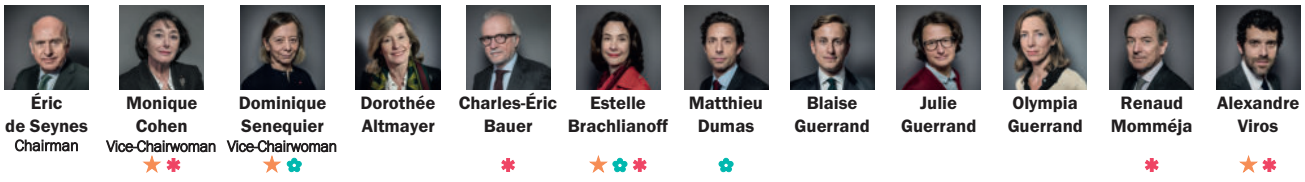
Twelve members are appointed by the General Meeting from among the shareholders who are neither the Active Partner nor the legal representative of the Active Partner nor Executive Chairman.

As the provisions of Article L. 225-79-2 of the French Commercial Code (*Code de commerce*) apply to the Company, two members of the Supervisory Board representing employees are appointed by the Group Works Council, given the role of this employee representative body which is the preferred contact for management and whose members are drawn from the Social and Economic Committees of the Group companies.

All the Supervisory Board members are French except Ms Olympia Guerrand, who is Franco-Portuguese.

Mr Nicolas Huonic, Director of Corporate law and Stock Exchange regulations and Compliance Officer, is the Supervisory Board Secretary.

MEMBERS APPOINTED BY THE GENERAL MEETING



Éric de Seynes Chairman	Monique Cohen Vice-Chairwoman	Dominique Senequier Vice-Chairwoman	Dorothée Altmayer	Charles-Éric Bauer	Estelle Brachlianoff	Matthieu Dumas	Blaise Guerrand	Julie Guerrand	Olympia Guerrand	Renaud Momméja	Alexandre Viros
	★ ✱	★ ✿		✱	★ ✿ ✱	✿				✱	★ ✱

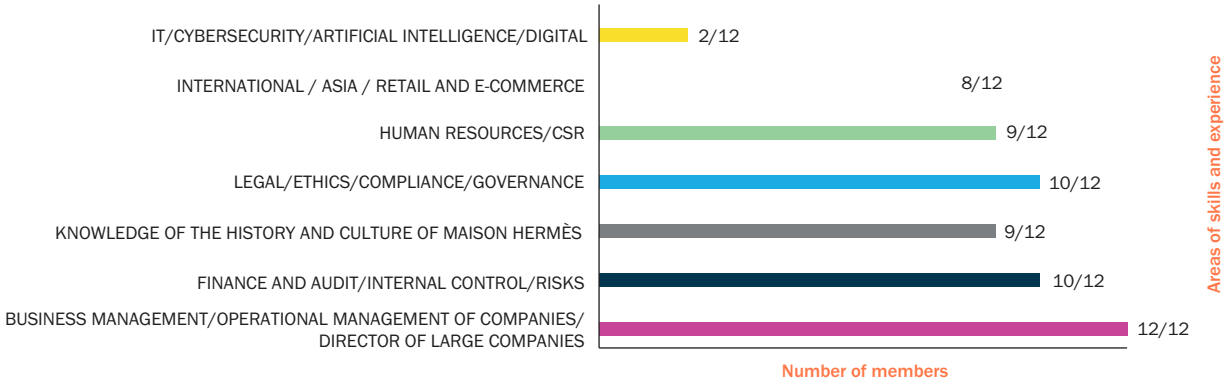
MEMBERS REPRESENTING EMPLOYEES APPOINTED BY THE GROUP WORKS COUNCIL



Prescience Assoh — Anne-Lise Muhlmeyer

★ *Independence* ✿ *CAG-CSR Committee* ✱ *Audit and Risk Committee*

Main areas of skills and expertise of the members of the Board appointed by the General Meeting [1-2]



1. *Excluding Supervisory Board members representing employees.*
2. *According to the annual declarations of the Board members.*

SUMMARY PRESENTATION OF THE MEMBERS OF THE SUPERVISORY BOARD AS AT 31 DECEMBER 2024

Personal details		Experience		Position on the Board			Membership of Board committees	
Gender, nationality, age[1], date of birth	Number of shares (direct holding)	Number of offices in listed companies[5]	Independence[2]	Date of first appointment	Date term ends	Length of service on the Board[1]	Audit and Risk Committee	CAG-CSR Committee
Members of the Supervisory Board appointed by the General Meeting								
Éric de Seynes (M) (Chairman) Nationality: French 64 years old - 09/06/1960	226 (BO) 285			07/06/2010 03/03/2011 (Chairman)	2026 GM	14 years		
Monique Cohen (F) (Vice-Chairwoman) Nationality: French 68 years old –28/01/1956	250	2 BNP Paribas Safran	✓	03/06/2014	2026 GM	10 years	✓ **(Chairwoman)**	
Dominique Senequier (F) (Vice-Chairwoman) Nationality: French 71 years old – 21/08/1953	200		✓	04/06/2013	2025 GM	11 years		✓ **(Chairwoman)**
Dorothée Altmayer (F) Nationality: French 63 years old – 01/03/1961	200			06/06/2017	2026 GM	7 years		
Charles-Éric Bauer (M) Nationality: French 60 years old – 09/01/1964	71,748			03/06/2008	2025 GM	16 years	✓	
Estelle Brachlianoff (F) Nationality: French 52 years old – 26/07/1972	100	1 Veolia	✓	04/06/2019	2025 GM	5 years	✓	✓
Matthieu Dumas (M) Nationality: French 52 years old – 06/12/1972	1,433 (US) 30			03/06/2008	2027 GM	16 years		✓
Blaise Guerrand (M) Nationality: French 41 years old - 04/06/1983	200			29/05/2012	2027 GM	12 years		
Julie Guerrand (F) Nationality: French 49 years old –26/02/1975	6,825			02/06/2005	2025 GM	19 years		
Olympia Guerrand (F) Nationality: French and Portuguese 47 years old –07/10/1977	600			06/06/2017	2027 GM	7 years		
Renaud Momméja (M) Nationality: French 62 years old – 20/03/1962	3,959 (US) 109,944			02/06/2005	2026 GM	19 years	✓	
Alexandre Viros (M) Nationality: French 46 years old – 08/01/1978	100		✓	04/06/2019	2027 GM	5 years	✓	
Members of the Supervisory Board representing employees appointed by the Group Works Council								
Prescience Assoh (M) Nationality: French 41 years old – 26/01/1983	13 [3]		n/a [4]	15/11/2022	15/11/2025	2 years		
Anne-Lise Muhlmeyer (F) Nationality: French 59 years old –10/10/1965	44 [3]		n/a [4]	15/11/2022	15/11/2025	2 years		
						Average: 10 years		

(1) The ages and lengths of service indicated are determined in number of full years as at 31 December 2024.
(2) The independence criteria for its members, formalised since 2009 by the Supervisory Board, are described in § 3.4.6.1.
(3) The obligation to hold a minimum number of Company shares does not apply to members of the Board representing employees.
(4) n/a: not applicable. In accordance with the provisions of the Afep-Medef Code (Article 10.3), employee representatives are not included in the calculation of independent members.
(5) Other than the Company. In accordance with the recommendation of the Afep-Medef Code (Article 20.4), a member of the Supervisory Board may not hold more than four other offices in listed companies outside the Group, including foreign ones.

3.4.5.2 MAIN AREAS OF EXPERTISE AND EXPERIENCE OF BOARD MEMBERS

Each member of the Supervisory Board is asked to make a declaration listing the areas in which he or she has particular expertise. This declaration is made upon their appointment and again each year when the universal registration document is prepared.

The seven areas proposed correspond to:

- the Hermès Group's major operational issues;
- the main subjects that the Supervisory Board and its committees are required to monitor as part of their duties (see § 3.4.3.2); and
- CSR issues resulting from the materiality analysis presented in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.1.6.3.

The skills and experience matrix produced on the basis of these declarations is reviewed by the CAG-CSR Committee.

The chart "Main areas of experience and expertise of the members of the Board appointed by the General Meeting" in § 3.4.5.1 indicates:

- the seven areas of expertise selected;
- the number of Board members for each area of expertise.

A description of the main areas of expertise and experience of each Board member can be found in the individual presentations in § 3.4.8.

	Criteria for the validation of expertise	
	IT	Several years' training or experience, technical or managerial, in information technology.
	Cybersecurity	Several years' training or experience, technical or managerial, in cybersecurity, data processing or networks.
	Digital/Artificial intelligence/New technologies/Innovation	Expertise and knowledge in the digital sector, digitisation, data and innovative technologies, artificial intelligence. Experience in digital transformation.
	International experience	Several years' professional experience abroad or at the head of departments in charge of or present in international/geographically varied markets.
	Asian markets	More specific knowledge of the Asian market or several years' professional experience in an Asian country.
	Retail/e-commerce	Several years' expertise and knowledge, technical or managerial experience in the Retail and distribution sector. Development experience in e-commerce.
	Human resources/Social issues	Degree in human resources, psychology or sociology. Experience in a human resources department or committee of listed companies dealing with these subjects. Experience as a manager.
	Sustainable development/Management of raw materials and supplies/ Resource and waste management	Completion of a body of training on these topics, including those offered by Hermès (water, sustainable forestry, sustainable development, etc. – see § 3.5.6.1.2). Experience in a sustainable development department or equivalent. Experience as a member of a CSR Committee for a listed company. Experience in sustainable development strategy.
	Climate change/Biodiversity	Completion of a body of training on these topics, including those offered by Hermès (climate change, biodiversity, animal welfare, etc. – see § 3.5.6.1.2). Significant contribution to sustainable development in the context of their activities or known for their promotion of sustainable activities in the economy in general. Experience as a member of a CSR Committee for a listed company.
	Legal	Legal training or professional experience in a legal profession.
	Ethics/Compliance	Experience and theoretical knowledge in ethics, human rights, compliance and governance. Member of the Ethics Committee of a listed company.
	Governance	IFA membership. Knowledge of corporate governance through training. Experience within a governance committee of a listed company.
	Knowledge of the history and culture of Maison Hermès	Direct descendant of the founder, in-depth knowledge of the House's history and culture.

	Criteria for the validation of expertise	
	Finance and audit	Experience in banking, investment, corporate finance, restructuring, mergers and acquisitions, audit and control processes, risk management, as well as accounting. Member of an Audit Committee (or equivalent) of a listed company.
●	Internal control/Management control	Experience in internal control and management control, in a finance department or general management.
	Risk management	Experience in the field of insurance or risk mapping. Company Senior Executive.
	Executive of a listed company	Several years' management experience in listed companies, as a Chief Executive Officer, Senior Executive or in other senior management positions.
●	Executive of an unlisted company	Several years' management experience in unlisted companies, as a Chief Executive Officer, Senior Executive or in other senior management positions.
	Director of a listed company	One or more terms of office in a listed company.
	Director of an unlisted company	One or more terms of office in an unlisted company.

		Board		Specialised committees		
	Skills and experience matrix as at 31/12/2024 [1]	By domain [2]	By sub-domain	Overall rate in %	CAG-CSR Committee	Audit and Risk Committee
	IT	2	2	16.67%	1	2
●	Cybersecurity		2	16.67%	1	2
	Digital/Artificial intelligence/New technologies/Innovation		2	16.67%	1	2
	International experience	8	7	58.33%	2	3
●	Asian markets		4	33.33%	1	1
	Retail/e-commerce		4	33.33%	0	2
	Human resources/Social issues	9	8	66.66%	3	4
●	Sustainable development/Management of raw materials and supplies/ Resource and waste management		7	58.33%	3	2
	Climate change/Biodiversity		3	25.00%	1	2
	Legal	10	4	33.33%	2	1
●	Ethics/Compliance		4	33.33%	2	2
	Governance		8	66.66%	2	2
●	Knowledge of the history and culture of Maison Hermès	9	9	75.00%	1	2
	Finance and audit	10	9	75.00%	3	4
●	Internal control/Management control		6	50.00%	2	2
	Risk management		6	50.00%	1	3
	Executive of a listed company	12	2	16.67%	1	2
●	Executive of an unlisted company		8	66.66%	3	4
	Director of a listed company		3	25.00%	2	2
	Director of an unlisted company		12	100.00%	3	5

(1) Excluding Board members representing employees.
(2) Combines the skills and experience mastered in the sub-fields by at least one member.

3.4.5.3 CHANGES WITHIN THE SUPERVISORY BOARD DURING FINANCIAL YEAR 2024

The General Meeting of 30 April 2024 renewed the terms of office as members of the Supervisory Board of Ms Olympia Guerrand, as well as Messrs Matthieu Dumas, Blaise Guerrand and Alexandre Viros, for a three-year term expiring at the end of the Annual Ordinary General Meeting called in 2027 to approve the financial statements for the year ending 31 December 2026.

SUMMARY OF CHANGES IN THE COMPOSITION OF THE SUPERVISORY BOARD OVER THE PAST THREE FINANCIAL YEARS

	Departures	Appointments	Renewals
2022	◆ Ms Pureza Cardoso (12/11/2022) ◆ Mr Rémy Kroll (12/11/2022)	◆ Mr Prescience Assoh (15/11/2022) ◆ Ms Anne-Lise Muhlmeyer (15/11/2022)	◆ Ms Estelle Brachlianoff (20/04/2022) ◆ Ms Dominique Senequier (20/04/2022) ◆ Ms Julie Guerrand (20/04/2022) ◆ Mr Charles-Éric Bauer (20/04/2022)
2023			◆ Ms Dorothée Altmayer (20/04/2023) ◆ Ms Monique Cohen (20/04/2023) ◆ Mr Renaud Momméja (20/04/2023) ◆ Mr Éric de Seynes (20/04/2023)
2024			◆ Ms Olympia Guerrand (30/04/2024) ◆ Mr Matthieu Dumas (30/04/2024) ◆ Mr Blaise Guerrand (30/04/2024) ◆ Mr Alexandre Viros (30/04/2024)
Changes in terms of diversification (representation of women, nationality or experience) or change with respect to corporate governance	The renewal of Board members in 2022, 2023 and 2024 made it possible for: ◆ the proportion of independent members on the Board (1/3), the Audit and Risk Committee (60%) and the CAG-CSR Committee (2/3) to be maintained; ◆ the proportion of women (50%) to be maintained; ◆ the balance of powers within the Board to be maintained; ◆ the proportion of employee representative members to be maintained (2).		

A summary of changes in the composition of the Board committees can be found in § 3.6.1.2.

3.4.5.4 CHANGES WITHIN THE SUPERVISORY BOARD AFTER 31 DECEMBER 2024

Ms Dominique Senequier will have served terms of office totalling 12 years on 4 June 2025 and will therefore lose her status as an independent Board member according to the criteria of the Afep-Medef Corporate Governance Code. Furthermore, Mr Alexandre Viros informed the Supervisory Board of his wish to end his term of office at the end of the General Meeting of 30 April 2025, in order to focus on his new professional projects.

The Supervisory Board, in conjunction with the CAG-CSR Committee, has therefore organized a selection process (as detailed in § 3.4.2.1.1 of this universal registration document) in order to propose to the General Meeting of 30 April 2025 the appointment of three new independent members, replacing, notably, Ms Dominique Senequier and Mr Alexandre Viros. The profiles of these three candidates, Ms Cécile Béliot-Zind, Mr Jean-Laurent Bonnafé and Mr Bernard Emié, are detailed in chapter 8 “Combined General Meeting of 30 April 2025”, § 8.2.1 – Explanatory statement to the 16th to 18th resolutions.

3.4.5.6 FUTURE CHANGES WITHIN THE SUPERVISORY BOARD

The "Number of terms expiring" chart in § 3.4.1 indicates the number of terms of office expiring over the next three years.

SUMMARY OF TERMS OF OFFICE

Maturity	Member concerned	Office(s) concerned	Impacted functions
2025 GM	Ms Dominique Senequier [1]	Board member appointed by the General Meeting	Vice-Chairwoman of the Board Chairwoman and member of the CAG-CSR Committee
	Mr Charles-Éric Bauer		Member of the Audit and Risk Committee
	Ms Estelle Brachlianoff		Member of the Audit and Risk Committee Member of the CAG-CSR Committee
	Mr Alexandre Viros [2]		Member of the Audit and Risk Committee
	Ms Julie Guerrand		
End 2025	Mr Prescience Assoh	Member of the Board representing employees appointed by the Group Works Council	
	Ms Anne-Lise Muhlmeyer		
2026 GM	Mr Éric de Seynes	Board member appointed by the General Meeting	Chairman of the Board
	Ms Monique Cohen		Vice-Chairwoman of the Board Chairwoman and member of the Audit and Risk Committee
	Ms Dorothée Altmayer		
	Mr Renaud Momméja		Member of the Audit and Risk Committee
2027 GM	Mr Matthieu Dumas	Board member appointed by the General Meeting	Member of the CAG-CSR Committee
	Mr Blaise Guerrand		
	Ms Olympia Guerrand		

(1) The term of office of Ms Dominique Senequier, whose length of service on the Supervisory Board will reach 12 years in 2025, will not be proposed for renewal at the General Meeting of 30 April 2025.

(2) Mr Alexandre Viros informed the Supervisory Board that he wished to resign from his office with effect from 30 April 2025, in order to focus on his new professional projects.

3.4.5.6.1 Renewal of terms of office expiring in 2025

The terms of four members of the Supervisory Board (Mses Estelle Brachlianoff, Julie Guerrand and Dominique Senequier, as well as Mr Charles-Éric Bauer) expire in 2025 and all except Ms Dominique Senequier wished to present themselves as candidates for their own succession.

The General Meeting of 30 April 2025 is asked to renew the terms of office of Mses Estelle Brachlianoff and Julie Guerrand, as well as that of Mr Charles-Éric Bauer for the period of three years as set out in the Articles of Association, for the reasons set out in chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 – Explanatory statement to the thirteenth to fifteenth resolutions.

3.4.5.6.2 Non-renewal of terms of office expiring in 2025

As indicated above, the term of office of Ms Dominique Senequier as a member of the Supervisory Board, whose length of service on the Supervisory Board will reach 12 years in 2025, will not be proposed for renewal. Her term of office as a member of the Supervisory Board will therefore end at the close of the General Meeting of 30 April 2025, as will her duties as Vice-Chairwoman of the Supervisory Board and Chairwoman and member of the CAG-CSR Committee.

3.4.5.6.3 Resignation(s) in 2025

Before the General Meeting of 30 April 2025, Mr Alexandre Viros informed the Supervisory Board that he wished to resign from his office. This will therefore end at the close of the General Meeting of 30 April 2025, as will his duties as a member of the Audit and Risk Committee.

3.4.5.6.4 Appointment of new members of the Supervisory Board proposed to the General Meeting of 30 April 2025

The General Meeting of 30 April 2025 is asked to appoint Ms Cécile Béliot-Zind, Mr Jean-Laurent Bonnafé and Mr Bernard Emié as independent members of the Supervisory Board, for terms of respectively three years (for Ms Cécile Béliot-Zind and Mr Jean-Laurent Bonnafé) and two years (for Mr Bernard Emié). Ms Cécile Béliot-Zind, Mr Jean-Laurent Bonnafé and Mr Bernard Emié are presented in chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 - Explanatory statement to the sixteenth to eighteenth resolutions.

3.4.6 INDEPENDENCE OF THE MEMBERS OF THE SUPERVISORY BOARD

3.4.6.1 DEFINITION AND INDEPENDENCE CRITERIA

Members of the Supervisory Board are independent if they have no relationship of any kind whatsoever with the Company, its group or its management that is liable to compromise the exercise of their freedom of judgement in any way (Article 2.1.5 of the rules of procedure). This independence allows for freedom of expression and judgment that contributes to the quality of the Board's debates and deliberations.

In 2009, the Supervisory Board formally adopted the following criteria for its members to be deemed independent:

- comply with the criteria set out in the Afep-Medef Code revised in December 2022 (Articles 10.5 to 10.7):

Criterion 1:	*Employee or Corporate Officer in the previous five years* Not to be and not to have been during the course of the previous five years: ◆ an employee or Executive Corporate Officer of the Company; ◆ an employee, Executive Corporate Officer or a director of a company consolidated by the Company; ◆ an employee, Executive Corporate Officer or a director of the Company's parent company or a company consolidated by this parent.
Criterion 2:	*Cross-directorships* Not to be an Executive Corporate Officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an Executive Corporate Officer of the Company (currently in office or having held such office during the last five years) is a director.
Criterion 3:	*Significant business relationships* Not to be a customer, supplier, commercial banker, investment banker or consultant: ◆ that is material to the Company or its group; or ◆ for which the Company or its group represents a significant part of its business. The evaluation of the significant or non-significant relationship with the Company or its group must be debated by the Board and the quantitative and qualitative criteria that lead to the evaluation (continuity, economic dependence, exclusivity, etc.) must be explicitly stated in the corporate governance report.
Criterion 4:	*Family ties* Not to be related by close family ties to a Corporate Officer.
Criterion 5:	*Statutory Auditors* Not to have been a Statutory Auditor of the Company within the previous five years.
Criterion 6:	*Term of office exceeding 12 years* Not to have been a Director of the Company for more than 12 years. The status of independent director is lost as soon as the 12-year limit is reached.
Criterion 7:	*Status of non-Executive Corporate Officer* A non-Executive Corporate Officer cannot be considered as independent if he/she receives variable compensation in cash or in shares or any compensation linked to the performance of the Company or the Group.
Criterion 8:	*Status of main shareholder* Directors representing main shareholders of the Company or its parent company can be considered as independent provided that they do not contribute to the control of the Company. However, beyond the threshold of 10% shareholding or voting rights, the Board, based on the report of the Appointments Committee, systematically reviews the qualification of independence, by taking into account the share ownership in the Company and the existence of a potential conflict of interest.

- comply with an additional criterion specific to Hermès International:

Criterion 9:	*Status of partner or member of the Executive Management Board of the Active Partner* Not to be a partner or member of the Executive Management Board of Émile Hermès SAS, Active Partner.

3.4.6.2 SITUATION AS AT 31 DECEMBER 2024 WITH REGARD TO THE INDEPENDENCE CRITERIA SET OUT ABOVE

3.4.6.2.1 Independence of the Supervisory Board

The proportion of independent members on the Supervisory Board has been one-third (*i.e.* four out of 12 members appointed by the General Meeting) since the criteria were introduced in 2009. In accordance with the provisions of the Afep-Medef Code (Article 10.3), employee representative members of the Board are not included in the calculation of this proportion.

This proportion is consistent with:

- the recommendations of the Afep-Medef Code (Article 10.3) for controlled companies within the meaning of Article L. 233-3 of the French Commercial Code (*Code de commerce*);
- the Supervisory Board rules of procedure (Article 2.1.5.1).

Each year, the Supervisory Board devotes an item on its agenda to the assessment of the independence of its members appointed by the General Meeting. On the basis of the work of the CAG-CSR Committee, the Supervisory Board reviews each of the criteria included in the Afep-Medef Code as well as the additional criterion specific to Hermès International, making it possible to assess the independence of each Supervisory Board member. This analysis is carried out each year on the basis of a questionnaire sent to all Supervisory Board members (see § 3.4.7.5) in which they are asked to make a sworn statement:

- in order to categorise Board members as independent under the criteria set out above;
- to detail the business relationships with the Group during the year and to confirm that these are not likely to create a potential conflict of interest.

In particular, the Supervisory Board examined particular closely, and in the same way as the other criteria, the business relationships that may exist between the Hermès International Group and the entity or group from which each member of the Board (who may be qualified as independent) comes and who carries out executive management functions or acts as chair of an administrative or supervisory body, namely:

- Ms Monique Cohen;
- Ms Dominique Senequier;
- Ms Estelle Brachlianoff; and
- Mr Alexandre Viros.

The assessment was carried out on a case-by-case basis, with regard to both quantitative and qualitative criteria and in particular:

- the duration of the relationship between the Hermès International Group and the entity or group concerned;
- the stability of this relationship;
- the economic importance of this relationship (distribution of powers in negotiation, exclusivity of the relationship for the parties, or the share that the relationship represents in the revenue of related parties);
- any investments made as part of the relationship;
- the economic interdependence between the two parties;
- the organisation of the relationship and in particular the decision-making power that the person concerned would have or the compensation of this person in connection with the business relationship;
- the possible existence of links between the entity or group in question and other companies in which other members of the Supervisory Board hold executive management positions or chair an administrative or supervisory body.

In addition, the Supervisory Board also included in its analysis the specificities related to the legal form (*société en commandite par actions* (partnership limited by shares)) of Hermès International, and in particular:

- the absence of interference by the Supervisory Board in the management of the Company, which falls under the exclusive power of the Executive Management. Furthermore, the members of the Supervisory Board are not involved in any way and have no decision-making power in the establishment, maintenance or termination of the business relationships established by the Group; these are managed exclusively by the Executive Management and the operational departments concerned;
- the fact that the Supervisory Board's rules of procedure provide for a reliable system for managing conflicts of interest. Thus, in the event of a potential conflict of interest, the member or members of the Supervisory Board concerned have a duty to inform the Chairman of the Supervisory Board of the situation and, ultimately, to abstain from taking part in discussions and the corresponding vote as well as in any decision on the topics in question (see § 3.4.7.5 "Measures taken to ensure a balance of powers within the Board and avoid potential conflicts of interest").

Lastly, in accordance with its rules of procedure and the AMF report of 1 December 2022 on corporate governance and compensation of Senior Executives in listed companies, the Supervisory Board conducted its analysis with regard to any business relationships with the majority Limited Partner of Hermès International (H51).

Analysis of business relationships with Ms Monique Cohen

An in-depth analysis was carried out on the basis of the offices held by Ms Monique Cohen as at 31 December 2024.

After verification, it should be noted that Hermès International has no business relationships with companies in which Ms Monique Cohen is a Corporate Officer.

Analysis of business relationships with Ms Dominique Senequier

An in-depth analysis was carried out on the basis of the offices held by Ms Dominique Senequier as at 31 December 2024.

After verification, and as indicated in chapter 5 "Consolidated financial statements" § 5.6 (note 13 "Related-party transactions"), it should be noted that, as part of the diversification of its investments, Hermès International has an 11.91% stake in Ardian Holding, of which Ms Dominique Senequier is Chairwoman.

The Supervisory Board carried out a quantitative and qualitative review of the situation of Ms Dominique Senequier and of the business relationships between the Ardian group and Hermès International.

Given, in particular, that this commitment was made prior to the appointment of Ms Dominique Senequier to the Supervisory Board, the latter considers that Ms Senequier did not have, directly or indirectly, any significant business relationships with the Hermès International Group likely to affect her freedom of judgment or independence. Moreover, this investment was part of a policy to diversify Hermès International's holdings.

Analysis of business relationships with Ms Estelle Brachlianoff

An in-depth analysis was carried out on the basis of the offices held by Ms Estelle Brachlianoff as at 31 December 2024.

After verification, it should be noted that Hermès International has no business relationships with companies in which Ms Estelle Brachlianoff is a Corporate Officer.

Analysis of business relationships with Mr Alexandre Viros

The Supervisory Board noted that Mr Alexandre Viros did not hold any other offices as at 31 December 2024.

Following its analysis, the CAG-CSR Committee concluded that four members out of 12 meet all the criteria set out above: Ms Monique Cohen, Ms Dominique Senequier, Ms Estelle Brachlianoff and Mr Alexandre Viros.

The table below summarises the criteria satisfied for each member of the Supervisory Board:

Criteria	Éric de Seynes (Chairman)	Monique Cohen (Vice-Chairwoman)	Dominique Senequier (Vice-Chairwoman)	Dorothée Altmayer	Prescience Assoh (employee represent-ative)	Charles-Éric Bauer	Estelle Brachlianoff	Matthieu Dumas	Blaise Guerrand	Julie Guerrand	Olympia Guerrand	Renaud Momméja	Anne-Lise Muhlmeyer (employee represent-ative)	Alexandre Viros
Criterion 1		√	√				√							√
Criterion 2	√	√	√	√	√	√	√	√	√		√	√	√	√
Criterion 3	√	√	√	√	√	√	√				√	√	√	√
Criterion 4		√	√		√		√						√	√
Criterion 5	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Criterion 6		√	√	√	√		√		√		√		√	√
Criterion 7	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Criterion 8		√	√		√		√						√	√
Criterion 9		√	√		√		√						√	√
Independent		√	√		n/a		√						n/a	√

√: represents an independence criterion satisfied.
n/a: not applicable.

3.4.6.2.2 Independence of the CAG-CSR Committee

The proportion of independent members on the CAG-CSR Committee is two-thirds (*i.e.* two out of three members), including its Chairwoman.

This proportion is in line with the recommendations of the Afep-Medef Code, revised in December 2022 (Article 19.1).

3.4.6.2.3 Independence of the Audit and Risk Committee

The proportion of independent members on the Audit and Risk Committee is 60% (*i.e.* three out of five members), including its Chairwoman.

This proportion is slightly lower than the recommendation of the Afep-Medef Code revised in December 2022 (Article 17.1). However, the Board considers that it allows the proper functioning of the Committee, which remains chaired by an independent member, while presenting a variety of fundamental skills for the Audit and Risk Committee, whether financial or cultural.

In addition, the Supervisory Board wishes to favour the contribution of specific and complementary skills, while ensuring compliance with the Afep-Medef Code.

Nevertheless, as it does regularly – and at least once a year – the Supervisory Board carried out a new assessment of the composition of its Audit and Risk Committee in early 2025. This was conducted in order to take into account changes in the composition of the Supervisory Board (chapter 8 "Combined General Meeting of 30 April 2025", § 8.2, Explanatory statement to the sixteenth to eighteenth resolutions), as well as, more generally, being part of Hermès' constant commitment to adopting best governance practices, while taking into account the specificities of its organisation. Thus, if the General Meeting approves the proposals submitted to it by the Supervisory Board (chapter 8 "Combined General Meeting of 30 April 2025", § 8.2, Explanatory statement to the sixteenth to eighteenth resolutions), the Audit and Risk Committee would comprise only four members (three of whom are independent) instead of five, at the end of the meeting (see § 3.6.1.3). The Audit and Risk Committee would thus comply strictly with the recommendation of the Afep-Medef Code in this respect, being composed of 75% independent members (i.e. three out of four members), including its Chairwoman.

3.4.7 SUPERVISORY BOARD ETHICS

3.4.7.1 SUPERVISORY BOARD RULES OF PROCEDURE

At its meeting of 18 March 2009, the Supervisory Board adopted its rules of procedure, which set out the terms governing the structure and functioning of Hermès International's Supervisory Board and its committees, in addition to applicable legal and statutory provisions. Their purpose is to enhance the quality of the Board's work by promoting the application of good corporate governance principles and best practices, in the interests of ethics and greater effectiveness.

These rules of procedure are regularly reviewed to adapt to legal and regulatory changes and to take into account the recommendations of the French Financial Markets Authority (AMF) and revisions to the Afep-Medef Code.

The full text of the **Supervisory Board's rules of procedure** is made available at each update at https://finance.hermes.com/en/governing-bodies/.

The main provisions of the Supervisory Board and committee rules of procedure are set out in this chapter 3.

It details in particular the ethics principles during the holding of office:

- duties: guiding principles;
- confidentiality;
- prevention of insider trading – stock market ethics – abstention obligation – reporting obligation;
- business relationships, conflicts of interest and personal statements.

3.4.7.2 COMMITTEE RULES OF PROCEDURE

Committee rules of procedure are described in § 3.6.2.2 for the CAG-CSR Committee and § 3.6.3.2 for the Audit and Risk Committee.

The full text of the **committees' rules of procedure** is made available at each update at https://finance.hermes.com/en/governing-bodies/.

3.4.7.3 STOCK MARKET ETHICS CODE

On 1 February 2017, the Supervisory Board adopted a **Hermès Group Stock Market Ethics Code** as recommended by the AMF. Its purpose is to describe the measures put in place within the Hermès Group to prevent market abuse in Hermès International shares.

This Stock Market Ethics Code is regularly reviewed to adapt to legislative and regulatory changes and to take into account the recommendations of the French Financial Markets Authority (AMF).

A summary of the Hermès Group Stock Market Ethics Code can be found in chapter 7 "Information on the Company and its share capital", § 7.2.4.

It is made available at each update at https://finance.hermes.com/en/governing-bodies/.

It covers the following measures:

- prevention of insider trading;
- stock market ethics;
- abstention obligation (blackout periods);
- reporting obligation.

This code is sent to all members of the Supervisory Board each time it is updated.

The members of the Supervisory Board are subject to blackout periods. They are also required to report transactions in Hermès International shares to the AMF within three trading days. The AMF General Regulation provides that the reporting obligation only applies when the total amount of transactions carried out during the calendar year is greater than €20,000.

The declarations made during 2024 are listed in chapter 7 "Information on the Company and its share capital", § 7.2.3.

They may seek the advice of the Compliance Officer prior to carrying out a transaction.

In addition, the Company has developed an e-learning training course on the prevention of market abuse, which all Supervisory Board members must follow.

3.4.7.4 ATTENDANCE

The Supervisory Board's rules of procedure (Article 2.2.2.1) state that Supervisory Board members undertake to participate actively in all meetings of the Board and of the specialised committees of which they are a member.

The compensation policy for members of the Supervisory Board established by the Board is described in § 3.8.1.3.

This policy includes a majority variable component proportional to attendance at meetings (see tables in § 3.5.7.1).

Barring an unforeseen obstacle or exceptional circumstances, remote participation by telecommunication means should remain exceptional but is remunerated under the same conditions.

During financial year 2024, seven meetings of the Supervisory Board, six meetings of the Audit and Risk Committee and six meetings of the CAG-CSR Committee were held, with the regular attendance of almost all members, as shown in the table below: 10 of the 14 members attended all Board meetings.

Each absence was the subject of a precise and detailed justification by the relevant Board members.

All members were physically present at the meetings in which they participated (no remote participation by videoconference).

2024	Attendance at Supervisory Board meetings	Attendance at Audit and Risk Committee meetings	Attendance at CAG-CSR Committee meetings
Total number of meetings	**7**	**6**	**6**
Overall attendance rate	**94.90%**	**93.33%**	**83.33%**
Éric de Seynes (Chairman)	100%	n/a	n/a
Monique Cohen (Vice-Chairwoman)	100%	100%	n/a
Dominique Senequier (Vice-Chairwoman)	71.43%	n/a	83.33%
Dorothée Altmayer	85.71%	n/a	n/a
Prescience Assoh (employee representative)	100%	n/a	n/a
Charles-Éric Bauer	85.71%	100%	n/a
Estelle Brachlianoff	100%	83.33%	66.67%
Matthieu Dumas	100%	n/a	100%
Blaise Guerrand	100%	n/a	n/a
Julie Guerrand	100%	n/a	n/a
Olympia Guerrand	85.71%	n/a	n/a
Renaud Momméja	100%	83.33%	n/a
Anne-Lise Muhlmeyer (employee representative)	100%	n/a	n/a
Alexandre Viros	100%	100%	n/a

Attendance calculated by establishing the ratio between the number of actual attendance or attendance using telecommunication and the number of meetings applicable to each member.
n/a: not applicable.

3.4.7.5 MEASURES TAKEN TO ENSURE A BALANCE OF POWERS WITHIN THE BOARD AND AVOID POTENTIAL CONFLICTS OF INTEREST

The governance of the Company is by nature dissociated (see § 3.2.3), which guarantees a strict separation of executive powers and control powers.

The Supervisory Board comprises at least one-third independent members (see § 3.4.3.2). The Audit and Risk Committee is three-fifths independent members and the CAG-CSR Committee two-thirds.

In accordance with Article 2.2.2.4 of the Supervisory Board's rules of procedure, each member of the Supervisory Board shall at all times maintain his or her independence of thought, analysis, judgment and action and shall endeavour to this end to avoid any conflicts of interest.

Each member shall inform the Supervisory Board of any conflicts of interest in which they might be involved. In the event of a potential conflict of interest, the member concerned must immediately notify the Chairman of the Supervisory Board, who then informs the CAG-CSR Committee so that, based on an analysis of the situation declared, it can form an opinion. This opinion is then submitted to the Supervisory Board and, if the Board decides to follow it, is then notified to the person concerned by the Chairman of the Board. The Board's decision is recorded in the minutes of the meeting. The Supervisory Board member concerned shall refrain from attending the discussions and from voting on the corresponding deliberation and any decisions on the matters in question.

More specifically, the member concerned shall inform the Chairman of the Supervisory Board of their intention to accept a new corporate office or any involvement in the specialised committees of a corporate body, or any new position, such that the Supervisory Board, upon the proposal of the CAG-CSR Committee, may decide on the compatibility of such an appointment with the term of office as a member of the Company's Supervisory Board.

At the end of their term of office, members of the Supervisory Board must respect a minimum period of three years before seeking and/or accepting the exercise of a term of office in a company conducting activities that compete with those of the Group and/or in a company in which the Group holds a significant investment.

Each member of the Supervisory Board must also make a sworn statement stating whether or not there is a conflict of interest, even a potential one:

- at the time of his or her appointment;
- each year when the universal registration document is being prepared.

The declaration describes all possible situations, with precise examples, inviting the members of the Board to declare all situations that could represent a potential conflict of interest.

The declaration serves as a basis to evaluate the material nature of business relationships that could affect the independence of a Supervisory Board member as required by recommendation 10.5.3 of the Afep-Medef Code. The business relationship evaluation criteria are quantitative (amount of sales or revenue generated during the financial year and the percentage represented by those amounts in relation to the counterparty's total sales or revenue) and qualitative (nature of existing business relationships).

As regards the quantitative criteria, the Supervisory Board did not consider it appropriate, given the diversity of possible situations, to set a threshold below which a business relationship would be deemed immaterial. The evaluation is made on a case-by-case basis.

As detailed in chapter 3 "Corporate governance", § 3.4.6 "Independence of the members of the Supervisory Board", Mses Monique Cohen, Estelle Brachlianoff and Mr Alexandre Viros did not declare any business relationships with the company.

Ms Dominique Senequier declared a non-material business relationship described in chapter 5 "Consolidated financial statements" § 5.6 (note 13.2 [Ardian Holding]) in respect of related-party transactions and reviewed by the Supervisory Board as part of its analysis of the independence of the members of the Board (see chapter 3 "Corporate governance", § 3.4.6.2 "Situation as at 31 December 2024 with regard to the independence criteria set out above").

The Supervisory Board, in the context of the appointments proposed to the General Meeting of 30 April 2025 and, more broadly, in the context of its general reflection on its composition, also analysed the situation of the candidates proposed for appointment. Details of this analysis can be found in chapter 8 "General Meeting of 30 April 2025" - Explanatory statement to the sixteenth to eighteenth resolutions.

After examining each of these situations in early 2025, the CAG-CSR Committee recommendations led the Supervisory Board to conclude that none of them were of such a nature as to constitute a conflict of interest for the persons concerned and that none of the independent members of the Board had, directly or indirectly, significant business relationships with the Company or its group (see § 3.4.6.2.1).

3.4.7.6 PLURALITY AND NUMBER OF OFFICES

The offices of members of the Supervisory Board are not taken into account when calculating the plurality of offices, Articles L. 225-21 and L. 225-77 of the French Commercial Code (*Code de commerce*) being expressly excluded from the provisions applicable to *sociétés en commandite par actions* (partnerships limited by shares).

Each member of the Supervisory Board must disclose the list of offices and positions held in any company during the last five years at the time of his or her first appointment and each year when the universal registration document is being prepared. The information disclosed, and in particular the offices held in listed companies, is detailed in the information on each individual Board member presented in § 3.4.8.

The examination of the situation of each member of the Supervisory Board and of the Executive Chairmen as regards the plurality and number of offices, showed that no member of the Supervisory Board or Executive Chairman was in a situation of concurrent holding of offices, with regard to both the legal rules and to the principles set out in Article 20.4 of the Afep-Medef Code revised in December 2022.

3.4.8 INFORMATION ON SITTING MEMBERS OF THE SUPERVISORY BOARD

3.4.8.1 MR ÉRIC DE SEYNES

Age

64 years old [1]
(09/06/1960)

Nationality

French

Address

c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris

Shares held as at 31 December 2024

226 full ownership and 285 bare ownership and registered

—

Date of first appointment

Supervisory Board

7 June 2010 (he previously held this office from 2005 until 2008)

Chairman of the Supervisory Board
3 March 2011

Éric de Seynes was also: a member of the Audit and Risk Committee from 2005 to 2008 and a member of the Executive Management Board of Émile Hermès SAS (SARL at that time) from 2008 to 2010

Term of current office

2026 GM



ÉRIC DE SEYNES

Member of the Hermès International Supervisory Board (Chairman)

Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience

Mr Éric de Seynes is a graduate of the École Supérieure Libre des Sciences Commerciales Appliquées (ESLSCA) with a specialisation in marketing.

Prior to 2023, he was successively: Head of Marketing for Mobil Oil Française, Director of Sponsoring for Seita, Marketing Director for Sonauto-Yamaha, Director of Marketing and Sales for Yamaha Motor France, Chairman of the Option group, Chairman and Chief Executive Officer of Yamaha Motor France, Operational Director of Yamaha Motor Europe, and Chief Operating Officer of Yamaha Motor Europe, Chairman and Chief Executive Officer of Yamaha Motor Europe, as well as, since 2016, Executive Officer, then Senior Executive Officer of Yamaha Motor Co. Ltd (Japan).

Since 2014, he has been a member of the Executive Committee of the Association des Constructeurs Européens de Motocycles (ACEM), since 2022, Chairman of the International Motorcycle Manufacturers' Association (IMMA), and since 1 January 2024, Chairman of the Supervisory Board of Yamaha Motor Europe NV.

Key skills

He brings to the Board his in-depth knowledge of the history and culture of Hermès, alongside his leadership skills. His professional background, his extensive managerial experience, his skills as an operational and functional executive of an industrial group with an international dimension, and the commitment with which he carries out his duties and chairs the Board enable him to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

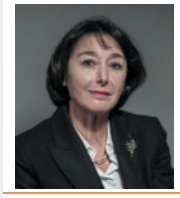
Main activities outside the Company		Chairman of the Supervisory Board of Yamaha Motor Europe NV. Member of the Decathlon Strategy Committee. Chairman of the International Motorcycle Manufacturers' Association (IMMA).	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Chairman and member of the Supervisory Board ◆ **Hermès Sellier** Member of the Management Board	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** ◆ **CAPI** Co-Manager ◆ **Groupe option SARL** Manager ◆ **Guise** Member of the Management Committee ◆ **H51** Director ◆ **Krefeld** Director ◆ **MBK SA** ✱ Director ◆ **Sféric 2** Manager ◆ **Yamaha Motor France Finance SAS** Director	**Foreign companies** ◆ **Inha Works Limited** (*Finland*) Director ◆ **Motori Minarelli** (*Italy*) Director ◆ **Yamaha Motor Europe NV** (*Netherlands*) Chairman and Chief Executive Officer ◆ **Yamaha Motor Research & Development Europe S.p.A** (*Italy*) Director
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** ◆ **Sféric SAS** Chairman (term ended on 25/11/2022)	**Foreign companies** ◆ **Yamaha Motor Germany GmbH** (*Germany*) Chairman (term ended in 2023)

(1) The ages indicated are determined in number of full years as at 31 December 2024.

▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.2 MS MONIQUE COHEN

Age
68 years old [1]
(28/01/1956)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
250
full ownership and registered
–
Date of first appointment
Supervisory Board
3 June 2014
Audit and Risk Committee
3 June 2014
Term of current office
2026 GM



MONIQUE COHEN

Independent member of the Hermès International Supervisory Board (Vice-Chairwoman)
Member of the Audit and Risk Committee (Chairwoman)

Summary of main areas of expertise and experience

Ms Monique Cohen is a graduate of École Polytechnique (X76), and holds a master's degree in mathematics and a degree in business law.

She began her career in 1979 at Paribas as a senior banker, then as the worldwide manager for equity-related métiers. From 2000 to 2020, she was a partner at Seven2 (formerly Apax Partners), in charge of investments in business services, financial services and healthcare. Until 31 December 2024, she was Senior Advisor at Seven2 (formerly Apax Partners).

Ms Monique Cohen is a lead independent Director of the Safran group. She was appointed to the Board of Directors of BNP Paribas on 12 February 2014. Until September 2014 she sat on the Board of the French Financial Markets Authority (AMF).

Key skills

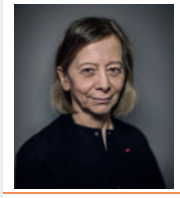
Her professional background, her experience as a manager and director of large international groups, her knowledge of financial and banking markets, her expertise in managing equity investments and her financial vision of shareholders, and the commitment with which she carries out her duties and chairs the Audit and Risk Committee enable her to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company		Senior Advisor at Seven2 (formerly Apax Partners) (until 31/12/2024).	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Vice-Chairwoman and member of the Supervisory Board, Chairwoman of the Audit and Risk Committee	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** ◆ **BNP Paribas** ● ✱ Director, member of the Internal Control, Risks and Compliance Committee, Chairwoman of the Governance, Ethics, Appointments and CSR Committee ◆ **Safran** ● ✱ Lead Director and Chairwoman of the Compensation and Appointments Committee ◆ **SC Fabadari** Managing Partner	**Foreign companies** ◆ **Proxima Investissement** (*Luxembourg*) Chairwoman of the Board of Directors and Director
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** ◆ **Apax Partners MidMarket** Director (term ended on 30/06/2020) ◆ **Fidès Participations** Member of the Supervisory Board (term ended on 16/04/2024)	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.3 MS DOMINIQUE SENEQUIER

Age
71 years old [1]
(21/08/1953)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
200
full ownership and registered
–
Date of first appointment
Supervisory Board
4 June 2013
CAG-CSR Committee
4 June 2013
Term of current office
2025 GM



DOMINIQUE SENEQUIER

Independent member of the Supervisory Board of Hermès International (Vice-Chairwoman)
Member of the CAG-CSR Committee (Chairwoman)

Summary of main areas of expertise and experience

Ms Dominique Senequier is a graduate of École Polytechnique (X72) and holds a postgraduate diploma (DEA) in Currency Banking Finance from the Sorbonne University.

She began her career at GAN (1980) where she started up and developed the subsidiary GAN Participations, after being Acquisitions Manager for the group and spending five years in the insurance inspectorate.

In 1996, she joined the AXA group and founded AXA Private Equity. At the end of 2013, AXA Private Equity became the Ardian group, of which she is currently Chairwoman.

Ms Dominique Senequier has been an Academic at the Académie des sciences morales et politiques since 16 January 2023 and member of the Board of Directors of the Fondation du Collège de France since 14 December 2023.

Key skills

She brings to the Board her expertise in the fields of finance and private equity, as well as her understanding of global macroeconomic and geopolitical issues. Her grasp of corporate governance, her international dimension acquired in China, the United States, the Middle East and emerging countries, and the commitment with which she carries out her duties and directs the work of the CAG-CSR Committee enable her to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company

Chairwoman of the Ardian Group.

Ms Dominique Senequier is a qualified member of the Board of Directors and Treasurer of the Fondation Jean-Jacques Lafont - Toulouse Sciences Économiques (TSE) and a qualified member of the Board of Directors of the Singer-Polignac Foundation.

Offices and positions held during financial year 2024

In Hermès Group companies

French companies ▲
- **Hermès International** ●
  Vice-Chairwoman and member of the Supervisory Board, Chairwoman of the CAG-CSR Committee

Foreign companies ▲
None

Outside Hermès Group companies

French companies
- **Ardian Holding**
  Permanent Representative of Senus SAS, Chairwoman
- **SCI 30 rue Jacob**
  Manager
- **Senus SAS**
  Chairwoman
- **William Christie (Association loi 1901)**
  Member of the Board of Directors

Foreign companies
- **Ardian US LLC** (*United States*)
  Member of the ANAF II Investment Committee
- **Paros Properties Corp.** (*United States*)
  Chairwoman

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

Other offices and positions held during the previous four financial years and having ended before 1 January 2024	French companies	Foreign companies
	◆ **Théâtre des Champs-Élysées SA** Director (term ended on 31/08/2020)	◆ **Ardian Investment Switzerland AG** (*Switzerland*) Chairwoman of the Board of Directors (term ended on 19/09/2022) ◆ **Ardian Investment Switzerland Holding AG** (*Switzerland*) Chairwoman of the Board of Directors (term ended on 19/09/2022) ◆ **Ardian Investment UK Ltd** (*United Kingdom*) Member of the Board of Directors (term ended on 22/03/2022) ◆ **Ardian US LLC** (*United States*) Chairwoman of the Supervisory Committee, member of the SOLAR Investment Committee, member of the ANAF II Investment Committee (term ended on 04/11/2022) ◆ **Ardian US LLC** (*United States*) Member of the ASF III-2, AESF III-2 and AESF IV Investment Committees (term ended on 26/06/2020) ◆ **Seneq Srl** (*Belgium*) Managing Director (term ended on 30/06/2022) ◆ **Ardian Investment Switzerland AG** (*Switzerland*) Director (term ended on 08/11/2023) ◆ **Ardian Investment Switzerland Holding AG** (*Switzerland*) Director (term ended on 08/11/2023)

▲ Hermès Group company. ● Listed company. ✻ Offices taken into account when calculating plurality of offices.

3.4.8.4 MS DOROTHÉE ALTMAYER

Age
63 years old [1]
(01/03/1961)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
200
full ownership and registered
–
Date of first appointment
Supervisory Board
6 June 2017
Term of current office
2026 GM



DOROTHÉE ALTMAYER

Member of the Supervisory Board of Hermès International
Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience

Ms Dorothée Altmayer holds a degree in clinical psychology from École de Psychologues Praticiens (EPP/Psychoprat) (1984), a diploma in graphology from the Société française de graphologie (1987) and a diploma in plastic arts mediation psychotherapy (2006).

She first worked as a recruitment and outplacement consultant at International Business Drive (Algoe Executive group). Since 2000 she has been a practising clinical psychologist.

She has held temporary positions at the Hôpital Necker, the Main dans la main association, the Institut Mutualiste Montsouris (day hospital for adolescents) and the Centre Recherches et Rencontres.

From 2007 to 2020, she ran her own private practice, specialising in parent-child interviews, psychological evaluations and individual art therapy sessions for children. Since the end of 2020 she has continued to carry out this activity in reduced form, with her current customers.

Key skills

She brings to the Board her in-depth knowledge of the history and culture of Hermès. Her professional background, her skills in human resources, and the commitment with which she carries out her duties enable her to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company		Clinical psychologist specialised in parent-child interviews and individual art therapy sessions for children.	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies ▲** ◆ **Hermès International ●** Member of the Supervisory Board ◆ **Comptoir Nouveau de la Parfumerie ✱** Director	**Foreign companies ▲** *None*
	Outside Hermès Group companies	**French companies** ◆ **Alvila 2** Manager ◆ **Jeanstedor** Member of the Management Board	**Foreign companies** *None*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** ◆ **Alvila** Manager (term ended on 10/12/2020) ◆ **Alvila Immobilier** Manager (term ended on 10/10/2022)	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.5 MR PRESCIENCE ASSOH

Age
41 years old [1]
(26/01/1983)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
24
full ownership and registered
–
Date of first appointment
Supervisory Board
(Designated by the Group Works Council)
15 November 2022
Term of current office
15 November 2025



PRESCIENCE ASSOH

Employee representative member of the Supervisory Board of Hermès International

Summary of main areas of expertise and experience

Holder of a technical Baccalaureate in civil engineering, Mr Prescience Assoh has been working in the Luxury goods sector for 20 years (particularly in watches). He joined the Group less than eight years ago as a sales associate at the Hermès store on rue de Sèvres in Paris, first in the Watches department, then in the Jewellery Accessories department, and currently works in the leather goods department.

From 2018 to 2022, he was employee representative in the Hermès Distribution France division.

Key skills

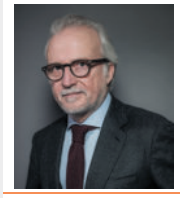
He brings to the Board his internal knowledge of the Maison Hermès, and more specifically the Hermès Distribution France division, retail store sales and the vision of the employees he represents.

Main activities outside the Company		*None*	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ *None*	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** *None*	**Foreign companies** *None*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** Member of the Hermès Sellier SEC (HDF division)	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.6 MR CHARLES-ÉRIC BAUER

Age
60 years old [1]
(09/01/1964)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
71,748
full ownership and registered
–
Date of first appointment
Supervisory Board
3 June 2008
Audit and Risk Committee
26 January 2005
Term of current office
2025 GM



CHARLES-ÉRIC BAUER

Member of the Supervisory Board of Hermès International
Member of the Audit and Risk Committee
Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience
Mr Charles-Éric Bauer holds graduate degrees of École d'Administration et Direction des Affaires (EAD) business school, with an option in finance. He also holds a degree in technical analysis from Institut des Techniques de Marchés.
He also served as Co-Managing Director and Head of Mutual Fund Management at CaixaGestion from 2000 to 2005, and as Director of Corporate and Institutional Clients, CaixaBank France from 2005 to 2007.
Since March 2007 he has been the Managing Partner of Hem-Fi Conseil, a private equity firm.

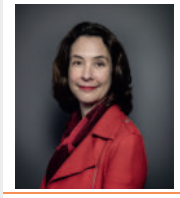
Key skills
He brings to the Board his in-depth knowledge of the history and culture of Hermès. His expertise in banking and finance, and the commitment with which he carries out his duties and participates in the Audit and Risk Committee enable him to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company		Associate Director of Hem-Fi Conseil, a capital investment company.	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Member of the Supervisory Board and Audit and Risk Committee	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** ◆ **Almareen 2** Manager ◆ **H51** Director ◆ **Hem-Fi Conseil** Associate Director ◆ **Krefeld** Director ◆ **Sabarots** Manager ◆ **Samain B2** Manager ◆ **Yundal** Manager ◆ **Zumsee** Manager	**Foreign companies** ◆ **Carlynedie** (*Spain*) Executive Chairman
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** *None*	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.7 MS ESTELLE BRACHLIANOFF

Age
52 years old [1]
(26/07/1972)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
100
full ownership and registered
–
Date of first appointment
Supervisory Board
4 June 2019
Audit and Risk Committee
4 June 2019
CAG-CSR Committee
4 June 2019
Term of current office
2025 GM



ESTELLE BRACHLIANOFF

Independent member of the Supervisory Board of Hermès International
Member of the Audit and Risk Committee
Member of the CAG-CSR Committee

Summary of main areas of expertise and experience

Ms Estelle Brachlianoff is a graduate of École Polytechnique and École Nationale des Ponts et Chaussées.

Ms Estelle Brachlianoff began her career in transport infrastructure and worked with the Prefect of the Île-de-France Region on transport and urban planning issues. She joined Veolia in 2005, and was appointed head of Industrial Cleaning and Facilities Management in 2007 before serving as head of the Waste Management business in the Île-de-France region from 2010 and then the UK from 2012.

A member of Veolia's Executive Committee since 2013 and Director of the United Kingdom & Ireland zone from 2013 to 2018, then Deputy Managing Director of Operations from 2018 to 2022, Ms Estelle Brachlianoff has been Chief Executive Officer of Veolia since 1 July 2022.

Key skills

Her experience as a high-level manager in a group with an international dimension, steering structures undergoing transformation, as well as her expertise in CSR and the commitment with which she carries out her duties and participates in the Audit and Risk Committee and the CAG-CSR Committee enable her to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility. She also brings her dynamism, intellectual agility and the special care she gives to the quality of human relations in organisations.

Main activities outside the Company		Managing Director of Veolia.	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Member of the Supervisory Board, member of the Audit and Risk Committee and member of the CAG-CSR Committee	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** ◆ **Eaux de Marseille** Chairwoman and Director ◆ **Veolia** ● ✱ Managing Director and director ◆ **Veolia Eau – Compagnie Générale des Eaux** Co-Manager	**Foreign companies** None

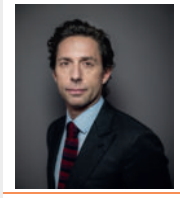
(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

Other offices and positions held during the previous four financial years and having ended before 1 January 2024	French companies	Foreign companies
	◆ **SARP** Director (term ended on 07/11/2022) ◆ **SARP Industries** Director (term ended on 26/09/2022) ◆ **Veolia Eau – Compagnie Générale des Eaux** Member of the Supervisory Board (term ended on 30/06/2022) ◆ **Veolia Énergie France** Chairwoman (term ended on 20/09/2022) ◆ **Veolia Énergie International** Chairwoman and Chief Executive Officer and Director (term ended on 03/03/2022) ◆ **Veolia Propreté** Chairwoman (term ended on 12/10/2022) ◆ **Veolia Water** Chairwoman (term ended on 19/09/2022)	◆ **Comgen Australia** (*Australia*) Chairwoman and Director (term ended on 31/12/2022) ◆ **Veolia China Holding** (*China*) Chairwoman and Director (term ended on 13/09/2022) ◆ **Veolia Energy UK Plc.** (*United Kingdom*) Director (term ended on 03/10/2022) ◆ **Veolia Environmental Services Australia** (*Australia*) Chairwoman and Director (term ended on 31/12/2022) ◆ **Veolia Environmental Services China** (*China*) Chairwoman and Director (term ended on 13/09/2022) ◆ **Veolia Environmental Services UK** (*United Kingdom*) Director (term ended on 10/10/2022) ◆ **Veolia ES Holding UK** (*United Kingdom*) Director (term ended on 03/10/2022) ◆ **Veolia Holding America Latina, S.A.** (*Spain*) Chairwoman (term ended on 02/09/2022) ◆ **Veolia Japan K.K.** (*Japan*) Director (term ended on 28/12/2022) ◆ **Veolia UK Limited** (*United Kingdom*) Director (term ended on 03/10/2022) ◆ **Veolia Water UK Limited** (*United Kingdom*) Director (term ended on 03/10/2022)

▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.8 MR MATTHIEU DUMAS

Age
52 years old [1]
(06/12/1972)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
1,433 full ownership and 30 in usufruct and registered
–
Date of first appointment
Supervisory Board
3 June 2008
CAG-CSR Committee
3 June 2008
Term of current office
2027 GM



MATTHIEU DUMAS

Member of the Supervisory Board of Hermès International
Member of the CAG-CSR Committee
Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience

Mr Matthieu Dumas holds a master's degree in law from Université Paris II-Panthéon-Assas and a master's degree in management, majoring in strategic marketing, development and corporate communication from the Institut Supérieur de Gestion.

From 2001 to 2003, he was Head of Promotion and Partnerships at Cuisine TV (Canal+ group) and then Director of Marketing and Business Development from 2003 to 2006. In 2008 he was appointed Brand Manager of 13e Rue, NBC Universal group, then Deputy Managing Director of all Pure Screens brands in 2010, and was Director of Marketing and Communication of the Discovery Channel in France from 2011 to 2013.

Mr Matthieu Dumas has been certified as a Company director (ASC France) by the IFA and Sciences Po since 2015.

Since 2013, he has been the Manager of Eaque.

Key skills

He brings to the Board his in-depth knowledge of the history and culture of Hermès. His professional background, his skills in the fields of governance and CSR, as well as his expertise in the operational management of companies and the commitment with which he carries out his duties and participates in the CAG-CSR Committee enable him to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company

Manager of Eaque. Since 2022, he has been Chairman and Director of Krefeld.

Offices and positions held during financial year 2024

In Hermès Group companies

French companies ▲
- **Hermès International** ●
  Member of the Supervisory Board and the CAG-CSR Committee
- **Comptoir Nouveau de la Parfumerie** ✱
  Director

Foreign companies ▲
None

Outside Hermès Group companies

French companies
- **Asope**
  Manager
- **Axam 2**
  Manager
- **Boves**
  Manager
- **Chantier**
  Manager
- **DCR**
  Manager
- **DRestauration**
  Manager
- **Eaque**
  Manager
- **EDP**
  Chairman
- **H2**
  Director

Foreign companies ▲
None

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

Offices and positions held during financial year 2024	**Outside Hermès Group companies**	**French companies** ◆ **Hestia** Manager ◆ **Krefeld** Chairman and Director ◆ **Krefeld Aref** Manager ◆ **Krefeld Immo** Manager ◆ **Krefeld Infra** Manager ◆ **Krefeld Invest** Manager ◆ **La Perriere** Manager ◆ **LDMD** Manager ◆ **Magvinum** Manager ◆ **Mathel** Manager ◆ **Micoline invest I** Manager ◆ **SCI Englesqueville 51** Manager ◆ **SIFAH** Director ◆ **Xenia** Chairman	**Foreign companies ▲** *None*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** ◆ **Hecate** Manager (term ended on 14/11/2020)	**Foreign companies** *None*

▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.9 MR BLAISE GUERRAND

Age
41 years old [1]
(04/06/1983)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
200
full ownership and registered
–
Date of first appointment
Supervisory Board
29 May 2012
Term of current office
2027 GM



BLAISE GUERRAND

Member of the Supervisory Board of Hermès International
Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience

Mr Blaise Guerrand is a graduate of HEC Paris.

He began his career as an Analyst in the equity capital markets department of NM Rothschild & Sons in London between 2005 and 2006. From 2007 to 2010 he was an Associate, then Director of Equity Investments for the Indian subsidiary of Ashmore Investment Management, one of the world's leading investors in emerging countries, with more than $75 billion under management and listed on the London Stock Exchange.

Since 2011 he has been a Managing Partner in corporate takeovers. Moreover, since 2007 he has been Director of the ACCESS Health International foundation which works in partnership with the Rockefeller Foundation to improve access to health care for the underprivileged in certain developing countries.

Key skills

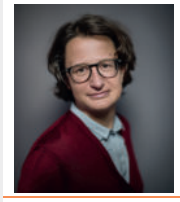
He brings to the Board his in-depth knowledge of the history and culture of Hermès, and emerging countries. His professional background, his expertise in the fields of finance, private equity and business management, and the commitment with which he carries out his duties enable him to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company		Managing partner in corporate takeovers.	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Member of the Supervisory Board ◆ **Hermès Sellier** Member of the Management Board	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** ◆ **SCI Sèvres SCIFAH** Manager	**Foreign companies** ◆ **ACCESS Health International** (*United States*) Director ◆ **Jakyval** (*Luxembourg*) Director
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** *None*	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.10 MS JULIE GUERRAND

Age
49 years old [1]
(26/02/1975)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
6,825
full ownership and registered
–
Date of first appointment
Supervisory Board
2 June 2005
Ms Julie Guerrand was also a member of the Audit Committee (now the Audit and Risk Committee) from its inception on 26 January 2005 until 2 March 2011.
Term of current office
2025 GM



JULIE GUERRAND

Member of the Supervisory Board of Hermès International
Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience

Ms Julie Guerrand holds a DEUG advanced degree in applied mathematics and social sciences and a master's degree in Economics and Industrial Strategy from the Université Paris IX-Dauphine.

From 1998 to 2006 she worked in the Financial Affairs department (mergers and acquisitions consulting) of the investment bank Rothschild & Cie. From 2007 to 2011, she was Investments Director in the investment team of Paris Orléans (a holding company listed on Euronext and controlled by the Rothschild family).

She held the position of Director of Corporate Development of Hermès International, then Deputy Managing Director – Finance and Organisation of the Hermès Cuirs Précieux division.

Ms Julie Guerrand has been certified as a Company director (ASC France) by the IFA and Sciences Po since 2014.

Key skills

She brings to the Board her in-depth knowledge of the history and culture of Hermès. Her experience in the fields of finance and M&A, as well as her legal expertise and the commitment with which she carries out her duties enable her to contribute actively to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company		Company director.	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Member of the Supervisory Board	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** ◆ **Antonino** Manager ◆ **EDV** Chairwoman ◆ **H51** Chairwoman ◆ **Jerocaro** Manager ◆ **Krefeld** Director ◆ **La Mazarine-Scifah** Manager ◆ **Les domaines Barons de Rothschild (Lafite)** Member of the Supervisory Board ◆ **SCI Apremont** Manager ◆ **SCI 8 Drouot** Manager ◆ **SIFAH** Director	**Foreign companies** ◆ **Jakyval** (*Luxembourg*) Director

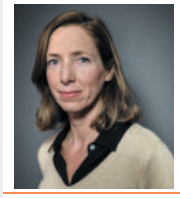
(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

Offices and positions held during financial year 2024	**Outside Hermès Group companies**	**French companies** ◆ **Société Immobilière du Dragon** Manager ◆ **Val d'Isère Carojero** Manager	
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** ◆ **Idi** Member of the Supervisory Board (term ended on 25/06/2020)	**Foreign companies** *None*

▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.11 MS OLYMPIA GUERRAND

Age
47 years old [1]
(7/10/1977)
Nationality
Franco-Portuguese
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
600
full ownership and registered
–
Date of first appointment
Supervisory Board
6 June 2017
Term of current office
2027 GM



OLYMPIA GUERRAND

Member of the Supervisory Board of Hermès International
Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience
Ms Olympia Guerrand spent nearly one year (2005-2006) working in the communications department of the subsidiary Hermès of Paris in New York, performing assignments in the areas of advertising, public relations and event management. She then joined Hermès International until 2007, carrying out assignments within various Hermès Group departments (finance, legal, métiers, production units and stores).
She has been a real estate administrator since 2008.

Key skills
She brings to the Board her in-depth knowledge of the history and culture of Hermès. Her experience in the fields of communications and public relations, her business management skills, and the commitment with which she carries out her duties enable her to contribute actively to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company		Company director.	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Member of the Supervisory Board ◆ **Hermès Sellier** Member of the Management Board	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** *None*	**Foreign companies** ◆ **Clementsvale LDA** (*Portugal*) Manager ◆ **Zelliv LDA (***Portugal*) Co-Manager
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** *None*	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.12 MR RENAUD MOMMÉJA

Age
62 years old [1]
(20/03/1962)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
3,959 full ownership and 109,944 in usufruct and registered
–
Date of first appointment
Supervisory Board
2 June 2005
Audit and Risk Committee
3 June 2008
Term of current office
2026 GM



RENAUD MOMMÉJA

Member of the Supervisory Board of Hermès International
Member of the Audit and Risk Committee
Direct descendant of Mr Émile-Maurice Hermès

Summary of main areas of expertise and experience
Mr Renaud Momméja is a graduate of the École Supérieure Libre des Sciences Commerciales Appliquées (ESLSCA).
He has been Manager of SARL Tolazi since 2004, a corporate property management, organisation and strategy consulting firm. Since 2006 he has been the Representative of SC Lor on the Executive Management of SC du Château Fourcas Hosten.

Key skills
He brings to the Board his in-depth knowledge of the history and culture of Hermès, as well as that of Asia. His professional background, his expertise in the fields of real estate, finance, corporate strategy and CSR, and the commitment with which he carries out his duties and participates in the Audit and Risk Committee enable him to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

Main activities outside the Company
Manager of SARL Tolazi and Representative of SC Lor on the Executive Management of SC du Château Fourcas Hosten.

Offices and positions held during financial year 2024

In Hermès Group companies

French companies ▲
- **Hermès International ●**
  Member of the Supervisory Board and Audit and Risk Committee

Foreign companies ▲
- **JL & Co** (*United Kingdom*)
  Director

Outside Hermès Group companies

French companies
- **Altizo**
  Manager
- **Binc**
  Manager
- **GFA Château Fourcas Hosten**
  Co-Manager
- **H2**
  Director
- **Huso ✱**
  Director
- **Lor**
  Co-Manager
- **Millet and Co SAS**
  Member of the Strategy Committee
- **Rose Investissement**
  Manager
- **SARL Tolazi**
  Manager
- **SCI AJImmo**
  Co-Manager
- **SCI Auguste Hollande**
  Co-Manager
- **SCI Briand Villiers I**
  Chairman of SIFAH, Manager

Foreign companies
None

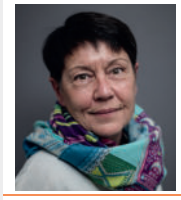
(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

Offices and positions held during financial year 2024	**Outside Hermès Group companies**	**French companies** ◆ **SCI de l'Univers** Manager ◆ **SCI Zotila Vaugirard** Chairman ◆ **SIFAH** Chairman ◆ **Société Civile du Château Fourcas Hosten** Permanent representative of Lor, Manager ◆ **SCI Altizo Immobiliers** Manager	**Foreign companies** *None*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** ◆ **Comptoir Nouveau de la Parfumerie** ✱ Director (term ended on 02/06/2022) ◆ **H2** Chairman (term ended on 14/04/2022) ◆ **SCI Tibemo** Co-Manager (term ended on 27/04/2022)	**Foreign companies** *None*

▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.4.8.13 MS ANNE-LISE MUHLMEYER

Age
59 years old [1]
(10/10/1965)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
44
full ownership and registered
–
Date of first appointment
Supervisory Board
(Designated by the Group Works Council)
15 November 2022
Term of current office
15 November 2025



ANNE-LISE MUHLMEYER

Employee representative member of the Supervisory Board of Hermès International

Summary of main areas of expertise and experience

Ms Anne-Lise Muhlmeyer holds a technical vocational qualification as a local authority employee and has been working in the textile industry for 40 years. She joined the Group in 2000 as a Textile inspector (quality control) at Ateliers A.S.

In 2012, she joined Ateliers d'ennoblissement d'Irigny as an Inspection preparation coordinator.

Key skills

She brings to the Board her internal knowledge of the Maison Hermès, and more specifically the Textile métier, and the vision of the employees she represents.

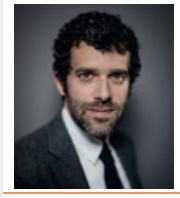
Main activities outside the Company		None	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ *None*	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** *None*	**Foreign companies** *None*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** *None*	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.

▲ Hermès Group company. ● Listed company. ✻ Offices taken into account when calculating plurality of offices.

3.4.8.14 MR ALEXANDRE VIROS

Age
46 years old [1]
(08/01/1978)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
100
full ownership and registered
–
Date of first appointment
Supervisory Board
4 June 2019
Audit and Risk Committee
4 June 2019
Term of current office
2027 GM



ALEXANDRE VIROS

Independent member of the Supervisory Board of Hermès International
Member of the Audit and Risk Committee

Summary of main areas of expertise and experience

Mr Alexandre Viros is a qualified philosophy teacher (*professeur agrégé*), holds a post-graduate degree in cognitive science from the École des Hautes Études en Sciences Sociales (EHESS) and is a graduate of the Institut d'études politiques de Paris.

Mr Alexandre Viros began his career in higher education and research in 2001. In 2004, he joined the Boston Consulting Group (BCG) where, for four years, he worked mainly in services (transport, banking, insurance, media).

In 2008, he joined the strategy department of the Fnac group and was then appointed Director in charge of music and audio. He then took over as Sales Director and Chairman of France Billet. In 2016, he was appointed Director of Marketing and E-commerce of the Fnac-Darty group and joined the Executive Committee.

In 2018, he became Chief Executive Officer of OUI.sncf (formerly voyages-sncf.com), a member of the Executive Committee of SNCF Mobilités and then Managing Director of Voyageurs SNCF.

In September 2020, Mr Alexandre Viros was appointed Chairman of the Adecco group in France, where he stayed until 29 December 2023.

Key skills

His expertise in the world of e-commerce and distribution, his knowledge of customer relationships and human resources, as well as his ability to evolve in industries undergoing profound transformation and disruptive models, and the involvement with which he carries out his office and participates in the Audit and Risk Committee, enable him to make a very effective contribution to the quality of the discussions and the work of the Board in all its areas of intervention. Through his career, he also brings a very open-minded stance, an innovative approach to topics and a keen eye on the digital world.

Main activities outside the Company		Entrepreneurship.	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Member of the Supervisory Board and the Audit Committee	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** *None*	**Foreign companies** *None*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** ◆ **The Adecco group France** Chairman France (term ended on 29/12/2023) ◆ **Agence Oui.sncf (SAS)** Chairman (term ended on 31/08/2020) ◆ **E-Voyageurs group (SAS)** Director and Chief Executive Officer (term ended on 31/08/2020) ◆ **OUI.sncf** Chief Executive Officer, member of the Executive Committee (term ended on 31/08/2020) ◆ **Rail Europe SAS** Member of the Supervisory Board (term ended on 31/08/2020)	**Foreign companies** ◆ **Loco 2 Holding** (*United Kingdom*) Director (term ended on 31/08/2020)

(1) The ages indicated are determined in number of full years as at 31 December 2024.
▲ Hermès Group company. ● Listed company. ✱ Offices taken into account when calculating plurality of offices.

3.5 FUNCTIONING OF THE SUPERVISORY BOARD

3.5.1 ROLE OF THE SUPERVISORY BOARD

3.5.1.1 DUTIES OF THE SUPERVISORY BOARD

3.5.1.1.1 Principle of collegiality

The confidentiality of the Board's work and the principle of collegiality prevent any individual public position being taken by members of the Supervisory Board.

3.5.1.1.2 Legal and statutory duties

The duties of the Supervisory Board of a *société en commandite par actions* (partnership limited by shares) are mainly to exercise permanent control over the management of the Company in accordance with the law and the Articles of Association.

The role and powers assigned by law and the Articles of Association to the Supervisory Board are described in § 3.2.3.

The Supervisory Board describes the due diligence procedures it carried out during the financial year ended 31 December 2024 in a report presented to the General Meeting called to approve the financial statements (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.3).

In accordance with Article L. 22-10-78 of the French Commercial Code (*Code de commerce*), the Supervisory Board also presents this corporate governance report.

3.5.1.1.3 Governance assignments not covered by the Articles of Association

The rules of procedure (Article 1.1.3) provide, in respect of governance assignments not covered by the Articles of Association, that the Supervisory Board:

- approves or refuses the acceptance by an Executive Chairman of any new office in a listed company;
- is informed about market developments, the competitive environment and the most important issues facing the Company, including in the area of social and environmental responsibility and non-financial performance;
- regularly reviews, *via* the Audit and Risk Committee, the opportunities and risks, such as financial, legal, operational, social and environmental risks, as well as the measures taken accordingly;
- is regularly informed of the Company's financial position, cash position and commitments;
- ensures the establishment of a system for preventing and detecting corruption and influence-peddling;
- ensures that the Executive Corporate Officers implement a policy of non-discrimination and diversity, notably with regard to the balanced representation of men and women on the Governing bodies;
- examines the desired balance between its composition and that of its committees, and defines its diversity policy (see § 3.4.3).

Certain decisions of the Supervisory Board are prepared by specialised committees (see § 3.6).

Details of the subjects dealt with by the Supervisory Board in 2024 are provided in § 3.5.4.

3.5.1.2 DUTIES OF THE CHAIRMAN OF THE SUPERVISORY BOARD

3.5.1.2.1 General duties

In relations with the other bodies of the Company and vis-à-vis third parties, the Chairman is the sole person authorised to speak and act on behalf of the Board, other than in exceptional circumstances.

The Chairman ensures the proper functioning of the Supervisory Board.

In this respect:

- with the support of the CAG-CSR Committee, the approval of the Board and of the Shareholders' General Meeting where appropriate, he or she strives to create an effective and balanced Board, and to manage the replacement and succession planning processes concerning the Board and the appointments for which it is responsible;
- he or she may attend all the committees and may add to the agenda any subject he or she considers relevant;
- he or she ensures that the members of the Board have the documentation and information they need to carry out their duties in a timely manner, in a clear and appropriate form.

The Chairman organises and directs the work of the Supervisory Board in order to enable it to perform all its duties. In this respect, he or she:

- calls meetings of the Supervisory Board, determines the agenda and chairs the meetings;
- organises the proceedings, leads discussions of the Supervisory Board and reports on these to the General Meeting, and coordinates its work with that of the specialised committees;
- ensures the quality of discussions and the collegiality of Board decisions;
- oversees the proper functioning of the Board and its committees in accordance with the principles of good governance and ensures that the members of the Board are able to fulfil their duties;
- chairs and directs discussions at Shareholders' General Meetings;
- deals with any conflicts of interest that may arise within the Supervisory Board as part of the procedure for managing conflicts of interest described in the rules of procedure.

As in previous years, the Chairman of the Supervisory Board was invited to attend all meetings of the Executive Management Board of Émile Hermès SAS.

3.5.1.2.2 Duties relating to shareholder dialogue and the activity review

Since 20 March 2018, the Chairman of the Supervisory Board has been responsible for communicating with shareholders, on behalf of the Supervisory Board, with a view to:

- explaining the positions taken by the Supervisory Board in its areas of competence (particularly with regard to governance and Senior Executive compensation), which were previously the subject of a communication;
- ensuring that shareholders receive the information they expect from the Company.

The Chairman may seek the assistance of internal experts in these areas (in particular the Director of Financial Communications and Investor Relations or the Director of Corporate Law and Stock Exchange Regulations, Supervisory Board secretary and Compliance Officer).

The Chairman must report annually to the Supervisory Board on the execution of his or her duties.

No additional compensation is allocated to the Chairman for executing these duties.

In early 2025, the Chairman reported to the Supervisory Board on the performance of his duties in 2024. He was mainly asked to answer questions from institutional shareholders.

Hermès International did not receive any questions from individual shareholders in 2024.

The AMF recommends that issuers establish a dialogue between the Board and shareholders, through the intermediary of a Lead Director, where applicable, on the main topics of concern to shareholders, in particular questions relating to strategy and social, environmental and governance (ESG) performance. It is specified that the replies to the questions relating to strategy and social, environmental and governance (ESG) performance, as well as to the written questions addressed to the Company at the General Meeting, are the responsibility of the Executive Management.

In 2024, the Board did not entrust any other duties to the Chairman of the Supervisory Board.

3.5.1.3 DUTIES OF THE VICE-CHAIRMEN OF THE SUPERVISORY BOARD

Two Vice-Chairmen are appointed by the Supervisory Board from among its members.

In practice, the Vice-Chairmen are the Chairmen of one of the two committees.

In accordance with the Articles of Association, in the absence of the Chairman, the oldest Vice-Chairman shall perform his duties.

3.5.2 MEETINGS OF THE SUPERVISORY BOARD AND THE JOINT COUNCIL

3.5.2.1 SUPERVISORY BOARD MEETINGS

The Supervisory Board is a collegial body in which decisions are taken collectively.

The procedures for convening meetings and the rules of quorum and majority are described in chapter 7 “Information on the Company and its share capital”, § 7.1.3 (Article 19 of the Articles of Association).

The Board’s operations are described in detail in Article 1.2 of the Supervisory Board’s rules of procedure.

The Chairman of the Supervisory Board sets the agenda for each Board meeting with the secretary of the Board.

The Supervisory Board meets as often as the interests of the Company require and at least twice a year. In practice, the Supervisory Board meets at least seven times each year, as was the case in 2024.

The schedule of meetings is drawn up annually for the following year and distributed at the beginning of the first half of each year.

The Statutory Auditors and a representative of the Social and Economic Committee (see § 3.4.2.7.2) are invited to all Supervisory Board meetings.

The Executive Management must be convened (see chapter 7 “Information on the Company and its share capital”, § 7.1.3 [Article 19.2 of the Articles of Association]) and may attend meetings of the Supervisory Board but without voting rights. At each Board meeting, the Executive Management informs its members of the main significant facts and events affecting the life of the Group that have occurred since the date of the previous Board meeting.

In accordance with the provisions of Article 19.2 of the Articles of Association, meetings of the Supervisory Board are validly held when half of the members are present or represented, it being specified that members who participate in the meeting by videoconference or telecommunication means allowing their identification and guaranteeing their effective participation by the use of technical means allowing the continuous and simultaneous retransmission of the deliberations are deemed present.

In practice, meetings held by videoconference or mixed mode are reserved exclusively for exceptional situations.

An attendance register is kept that lists the names of the members present physically or by means of videoconference or telecommunication, or represented or absent. Proxies are appended to the attendance register.

A file containing background documents related to issues on the agenda is sent *via* “Herboard” (see § 3.5.3.2) to each Board member prior to the meeting, at least ten days in advance whenever possible, and a minimum of 48 hours prior to each meeting, unless there is an urgent situation or a need to ensure total confidentiality.

Persons who are not Board members, in particular members of the Executive and Operations Committees, may be invited to attend Board meetings at the Chairman's discretion, in order to provide any information that members of the Board might require to reach a full understanding of certain matters on the agenda and which are technical in nature or require special expertise. These people usually attend only the part of the meeting that concerns them.

Minutes are drawn up by the Board secretary at the end of each meeting and sent to all Board members, who are invited to comment. Any comments are discussed at the next Supervisory Board meeting, which approves the final text of the minutes of the previous meeting.

3.5.2.2 MEETINGS OF THE JOINT COUNCIL

Whenever it considers it necessary, the Executive Management of Hermès International or the Chairman of the Supervisory Board of Hermès International calls a Joint Council between the Executive Management Board of Émile Hermès SAS and the Supervisory Board of Hermès International.

The role and powers assigned by law and the Articles of Association to the Joint Council are described in § 3.2.3.

In practice, the Joint Council meets at least three times each year, as was the case in 2024.

Its recurring work consists mainly of:

- be given a presentation by the Executive Management on the annual and half-year consolidated financial statements and parent company financial statements and related draft financial press releases;
- review the budget for each financial year;
- review documents on forecasting and planning;
- approve the explanatory statements and the resolutions put to the General Meeting and acquaint itself with the reports drawn up by the Executive Management.

3.5.3 INFORMATION AND TRAINING OF THE SUPERVISORY BOARD

3.5.3.1 SUPERVISORY BOARD MASTER FILE

Since 2011, a "master file" has been provided to the members of the Supervisory Board. This master file has been available since 2016 on the Board's collaborative platform, Herboard (see § 3.5.3.2).

It currently contains the following sections:

- a list with contact details of the members of the Executive Committee, Supervisory Board, Statutory Auditors and the Board secretary;
- a table of the dates of terms of office;
- the Supervisory Board rules of procedure;
- the Audit and Risk Committee rules of procedure;
- the CAG-CSR Committee rules of procedure;
- the Hermès Group Stock Market Ethics Code;
- a calendar of blackout periods applicable to Permanent Insiders;
- the AMF Guide to Permanent Information and Management of Inside Information (DOC 2016-08);
- regulations regarding the declaration obligations of Senior Executives and registration of shares;
- principles governing the allocation of compensation to Supervisory Board members;
- rules on the reimbursement of expenses;
- certification and summary of Corporate Officers' civil liability insurance;
- the last three registration documents/universal registration documents;
- the notice of meeting for the last General Meeting;
- a summary of the results of the last formal three-year evaluation of the Supervisory Board;
- presentations made during site visits since 2011 (see § 3.5.3.5);
- the Hermès Group code of business conduct (Hermès Group guidelines);
- anti-corruption code of conduct;
- professional whistleblowing system notice;
- ethics charter of the Hermès Group;
- presentations of Hermès International and Émile Hermès SAS;
- the annotated Articles of Association;
- Afep-Medef Corporate Governance Code.

This master file is updated on a regular basis.

3.5.3.2 "HERBOARD" DIGITAL PLATFORM

Since 2016, the Supervisory Board has made use of a secure digital Board management platform hosted in France by Oodrive and customised for Hermès.

Dubbed "Herboard" at Hermès, the platform is accessible from a web browser or *via* a tablet application and can be used to:

- organise Board and committee meetings (scheduling of meetings, sending of meeting invitations, tracking of attendance);
- provide highly secure and paperless documents relating to Board and committee meetings and to the Supervisory Board's master file in real time (*via* a username, password and confirmation code sent *via* SMS);
- manage document permissions and track document use;
- circulate minutes and reports.

Following the implementation of "Herboard", an iPad® was issued to Supervisory Board members who requested one.

"Herboard" is also available to the Statutory Auditors and the representative of the Social and Economic Committee for documents relating to Board meetings.

3.5.3.3 TRAINING OF SUPERVISORY BOARD MEMBERS - ONBOARDING PROGRAMME

Members of the Supervisory Board receive press releases and information intended for shareholders (universal registration document, letters to shareholders) and the press review.

They are regularly informed of CSR issues (see § 3.5.6) or in terms of ethics/compliance/personal data protection (see § 3.5.5).

Each year at least two major annual themes are presented to the Board (see § 3.5.3.4) and an on-site visit is organised (see § 3.5.3.5).

Supervisory Board members can make use of the Company's Group membership of the IFA (Institut Français des Administrateurs), and thereby take advantage of all of its services and training. Ms Julie Guerrand became a certified Company director (receiving the ASC France Certificate) in 2013 and Mr Matthieu Dumas in 2015. Other Board members will likely be taking part in this company governance certification programme carried out by IFA in partnership with Sciences Po.

In 2014, the CAG-CSR Committee set up an induction and training programme for new Board members, which entails:

- presentation by the Board secretary:
  - the SCA legal form and the role of the members of the Supervisory Board,
  - confidentiality rules,
  - the Group's organisation chart,
  - the Hermès Sellier divisional organisation chart;
  - minutes of the Supervisory Board for the last three financial years together with those of the current year;
- meetings with the Director of Sustainable Development, the Group Director of Human Resources, the General Counsel and all members of the Executive Committee (for external members);
- receipt of a new Supervisory Board member integration kit of legal and governance documents containing:
  - the Supervisory Board's master file (see § 3.5.3.1),
  - the IFA Director's *Vade-Mecum*;
- enrolment in an in-house "Mosaïque" immersion training session with employees (for external members);
- briefing on the Company's ownership structure and Active Partner (Émile Hermès SAS);
- IFA training (particularly for new members).

Pursuant to Article L. 225-30-2 of the French Commercial Code (*Code de commerce*), the members representing employees must follow a training programme under the conditions described in § 3.4.2.7.1.

Since 2022, all members of the Supervisory Board must take and pass an e-learning training course on the prevention of market abuse.

3.5.3.4 MAJOR ANNUAL THEMES

Every year, one or more detailed presentations are made by the relevant management team on a specific or general topic relating to the Group's activities.

In 2024, the Board:

- attended a presentation on cybersecurity;
- attended a presentation on sector knowledge.

MAJOR THEMES IN PREVIOUS YEARS

2011	Presentation of the Group's human resources policy
2012	Report on the strategy seminar Strategy to combat counterfeiting and prevent the risk of brand democratisation
2013	Customer survey carried out using CRM (customer relationship management) Market abuse training
2014	Update on the vertical integration of the métiers following recent acquisitions
2015	The strategy of a growth driver: shoes Subcontractors in women's ready-to-wear Leather subcontractors
2016	Presentation of the Group's digital strategy Presentation on shareholding, institutional investors Customer service and price trends by geographical area Communication and media
2017	La Montre Hermès Real estate strategy
2018	Group disability agreement and discussion on well-being at work Presentation of sustainable development and CSR issues
2019	Feedback from the first year of the new e-commerce site Internal communication objectives and actions Hermès Parfums new product development strategy
2020	Presentation on the measures implemented to protect employees and customers of the Group's stores in the context of Covid-19 Presentation of investment projects Cybersecurity within the Group
2021	IT strategy within the Group HR strategy
2022	Analysis of customer behaviour and the customer experience Digital communication policy
2023	Exceptional sales strategy facing the issues of destruction Roll-out of the cosmetics range
2024	Cybersecurity Sector knowledge

3.5.3.5 SITE VISITS

Since 2011, the Board has devoted one of its meetings to a site visit to improve its knowledge of one of the Group's subsidiaries or to gain a concrete understanding of an area of the Group's activity.

These site visits are an opportunity for Board members to meet and discuss with the Group's Senior Executives and employees.

In 2024, the Board visited the Hermès Italie production and distribution sites in Milan, where it was able to benefit from:

- a presentation of the Italian subsidiary by the Chief Executive Officer of Hermès Italie;
- a visit to Atelier HCI, with a presentation of the site and the strategy of the Shoes métier (see chapter 1 "Presentation of the Group and its results", § 1.6.7.4);
- a presentation of a project for a new subsidiary in Italy.

SITE VISITS IN PREVIOUS YEARS

2011	◆ Leather goods and silk printing site at Pierre-Bénite
2012	◆ Cristalleries de Saint-Louis
2013	◆ Puiforcat workshops and archives then Cité des Métiers Hermès in Pantin
2014	◆ Tannerie Gordon Choisy in Montereau ◆ Podiums (Buyer days)
2015	◆ Maroquinerie Iséroise in Les Abrets ◆ SIEGL in Le Grand-Lemps (wide-web cashmere printing site)
2016	◆ Hermès Parfums in Vaudreuil ◆ Maroquinerie de Normandie site
2017	◆ John Lobb in Northampton
2018	◆ John Lobb (bespoke workshops) in Mogador ◆ Ateliers d'ennoblissement d'Irigny in Pierre-Bénite ◆ Ateliers de tissages de Bussières et de Challes in Bussières
2019	◆ Logistics in Bobigny
2020	◆ Hermès Horizons in Pantin ◆ Conservatoire des Créations Hermès in Pantin
2021	◆ Compagnie des Arts de la table et de l'émail in Nontron
2022	◆ Hermès of Paris (American subsidiary) in New York
2023	◆ Passerelles site in Pierre-Bénite
2024	◆ Hermès Italie and Atelier HCI in Milan

3.5.4 MAIN DUTIES OF THE SUPERVISORY BOARD AND WORK CARRIED OUT IN 2024

The purpose and nature of the main duties and work carried out by the Supervisory Board in 2024 were as follows:

Purpose	Main duties and work carried out in 2024 [1]
Group activity and finance	◆ be updated on the Group's activities by the Executive Management at each meeting; ◆ be given a presentation by the Executive Management on the annual and half-year consolidated financial statements and parent company financial statements and related draft financial press releases; ◆ be informed about the Company's financial position, cash position and commitments; ◆ be informed of the Statutory Auditors' conclusions relating to the annual and half-year consolidated financial statements; ◆ review the budget for each financial year; ◆ review documents on forecasting and planning; ◆ review the situation of certain affiliates; ◆ formally note proposals for Group acquisitions, disposals and equity investments; ◆ formally note investment proposals; ◆ examine and/or approve the reports and work of the Audit and Risk Committee described in § 3.6.3.4; ◆ regularly review, *via* the Audit and Risk Committee, the opportunities and risks, such as financial, legal, operational, social and environmental risks, as well as the measures taken accordingly; ● be informed of changes in the composition of the Executive Committee; ● be informed of changes made by the Executive Management to the list of banks, the list of bank signatories and the prudential rules; ◆ attend a presentation on the stock market performance of Hermès International shares.
General Meeting of 30 April 2024	◆ be informed of the Executive Management's decision to pay an interim dividend; ◆ decide the proposed allocation of net income to be submitted to the General Meeting; ◆ prepare the Supervisory Board's corporate governance report; ◆ prepare the Supervisory Board's report to the General Meeting; ◆ approve the explanatory statements and the resolutions put to the General Meeting and acquaint itself with the reports drawn up by the Executive Management.
Appointments	● decide how new independent members would be recruited and how the target profile would be defined; ◆ approve the proposals of reappointment or replacement of members of the Supervisory Board to be considered at the General Meeting; ● decide on the renewal of the duties of the Chairman and Vice-Chairmen after the General Meeting; ◆ decide on the renewal of the composition of the Audit and Risk Committee and the CAG-CSR Committee.

(1) List not exhaustive

◆ Annual topics ● Occasional or multi-year topics.

Purpose	Main duties and work carried out in 2024 [1]
Governance	◆ keep itself informed at each meeting of all transactions carried out by the Executive Chairmen pursuant to the AMF's position-recommendation set out in DOC-2016-08 "Guide to Permanent Information and Management of Inside Information"; ◆ examine and/or approve the reports and work of the CAG-CSR Committee described in § 3.6.2.4 and be informed of governance news (AMF reports, Afep-Medef reports, HCGE report and application guide, IFA studies, etc.); ◆ annually review the individual situation of the members of the Supervisory Board with regard to independence, plurality of offices, potential conflicts of interest and compliance with the threshold of 100 shares; ● approve the revised rules of procedure of the Supervisory Board, the CAG-CSR Committee and the Audit and Risk Committee (*in particular in application of the Corporate Social Responsibility Directive*); ◆ review the annual report of the Chairman of the Supervisory Board on his duties with regard to shareholder dialogue; ◆ take note of the succession plans in place for Senior Executives and issue an assessment of the quality and appropriateness of these plans; ◆ take note of the gender equality objectives set by the Executive Management, as well as its implementation methods and the results obtained; ● approve or refuse the acceptance by an Executive Chairman of any new office in a listed company (*n/a in 2024*); ◆ ensure that the Executive Corporate Officers implemented a policy of non-discrimination and diversity, notably with regard to the balanced representation of men and women on Governing bodies; ◆ decide on the diversity policy applied to the Supervisory Board (representation of women and men, nationalities, ages, qualifications and professional experience, etc.); ◆ conduct a periodic self-assessment of its operation (see § 3.7); ◆ set the amount of preparation time allocated to the members of the Supervisory Board representing employees to carry out their duties (minimum 15 hours per Board meeting); ◆ determine the content of the training program to be followed by the employee representative members of the Supervisory Board (see § 3.4.2.7.1);
CSR/HR (see § 3.5.6)	◆ be informed through the Audit and Risk Committee and the CAG-CSR Committee of sustainability issues and in particular of the double materiality matrix; ◆ be informed through the CAG-CSR Committee of the main challenges facing the Company in the area of corporate social responsibility and non-financial performance; ◆ be informed through the CAG-CSR Committee of the main HR issues facing the Company; ◆ assess, through the CAG-CSR Committee, the level of achievement of the CSR criterion attached to the compensation of the Executive Chairmen (see § 3.8.2.1.2).
Compensation	◆ establish the compensation policy applicable to members of the Supervisory Board; ◆ issue an advisory opinion on the compensation policy for Executive Chairmen established by the Active Partner; ◆ deliberate on the actual compensation of the Executive Chairmen determined by the Active Partner; ◆ set the allocation and payment of compensation of members of the Board and committees; ● be informed of changes to the Executive Management compensation policy; ● be informed of the adoption of free share allocation plans by the Executive Management; ● be informed of the payment of additional profit-sharing decided by the Executive Management *[n/a in 2024]*; ● be informed of the general increase in the gross monthly compensation of all employees in France.
Ethics and compliance **Personal data protection** (see § 3.5.5)	◆ regularly review, through the Audit and Risk Committee, the anti-corruption system; ◆ ensure, through the Audit and Risk Committee, the implementation of a system for the prevention and detection of corruption and influence-peddling, a vigilance plan and be regularly informed of the Group's situation; ◆ be informed, through the Audit and Risk Committee, of the personal data protection system put in place within the Group and its compliance with the GDPR regulation (European regulation of 27 April 2016 no. 2016/679).
Recommendations, authorisations and other items	◆ authorise and declassify, where applicable, related-party agreements and carry out an annual review of those whose effect persisted over time (see the Supervisory Board's report to the General Meeting in chapter 8 "Combined General Meeting of 30 April 2024", § 8.3); ◆ take note of the annual report of the Current Agreements Committee (see § 3.9.1.3); ◆ discuss the Company's policy with regard to gender equality and equal pay; ◆ authorise the Executive Management to grant sureties, endorsements and guarantees to commitments by the companies controlled without limit of amount and time and be informed annually by the Executive Management of the guarantees granted; ◆ conduct an annual review of all sureties, endorsements and guarantees granted that are still in force; ◆ take note of the opinion of the Social and Economic Committee on the strategic orientations of the Company, on which the Executive Management is required to formulate a reasoned response; ● take note of the update of the Hermès Group Stock Market Ethics Code; ◆ remind the relevant persons of the responsibility inherent in holding inside information and take note of the blackout periods applicable to Permanent Insiders; ● approve the amendment of certain articles of the Articles of Association of Émile Hermès SAS, Active Partner *[n/a in 2024]*; ● approve the renewal of the Fondation d'entreprise Hermès *[n/a in 2024]*.
Major annual themes - site visits (see § 3.5.3.4 and § 3.5.3.5)	◆ attend several detailed presentations in the year on a specific or general topic relating to the Group's activity; ◆ devote one of its meetings to a site visit to improve its knowledge of one of the Group's subsidiaries or to gain a concrete understanding of an area of the Group's activity.

(1) List not exhaustive

◆ Annual topics ● Occasional or multi-year topics.

3.5.5 ETHICS AND COMPLIANCE – PERSONAL DATA PROTECTION

The systems implemented within the Group are described in chapter 2 "Corporate social responsibility and non-financial performance".

3.5.5.1 ETHICS AND COMPLIANCE - ROLE AND TRAINING OF THE BOARD AND COMMITTEES

Ethics and compliance issues as well as the related programmes have been shared regularly with the Supervisory Board since 2015. It is regularly informed about the ethics and compliance programmes and on the monitoring of the corruption prevention plan within the Group in compliance with law no. 2016-1691 of 9 December 2016, known as "Sapin II".

Since 11 September 2018, the Supervisory Board's rules of procedure have included duties relating to the system for the prevention and detection of corruption and influence-peddling (Article 1.1.3.2).

As a result, on 16 November 2018, the Audit Committee was assigned a new duty relating to the prevention of corruption: "ensure the implementation of a system for the prevention and detection of corruption and influence-peddling". On 19 March 2019, it was accordingly renamed the "Audit and Risk Committee".

Since 2021, the Supervisory Board has delegated the regular review of the anti-corruption system to the Audit and Risk Committee.

Since 2024, the Supervisory Board has also ensured the implementation of a vigilance system to ensure respect for human rights, fundamental freedoms, health and safety of people and protection of the environment.

In 2024, the Chief Compliance Officer notably presented the vigilance plan, the anti-corruption plan, the corruption risk mapping and the anti-money laundering system to the Audit and Risk Committee (see § 3.6.3.4).

3.5.5.2 PERSONAL DATA PROTECTION - ROLE AND TRAINING OF THE BOARD AND COMMITTEES

Personal data protection issues as well as the related programmes have been routinely shared with the Supervisory Board since 2019. It is regularly informed of the personal data protection system, in accordance with the GDPR regulation (European Regulation 2016/679 of 27 April 2016), set up within the Group.

In 2024, the Data Protection Officer presented to the Audit and Risk Committee:

- the latest developments in terms of personal data, and in particular, international data transfers;
- an update on the progress of the action plan presented in 2022.

3.5.6 CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY

The powers of the governance bodies in terms of CSR are described in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.1.2.2.

3.5.6.1 ROLE AND TRAINING OF THE SUPERVISORY BOARD

3.5.6.1.1 Role of the Board in terms of CSR and sustainability

The duties of the Supervisory Board in terms of CSR are as follows (Article 1.1.3.2 of the rules of procedure):

- the Board is informed, in particular through the CAG-CSR Committee, of the main issues faced by the Company in the areas of corporate social responsibility and non-financial performance, as well as sustainability;
- the Board regularly reviews, *via* the Audit and Risk and CAG-CSR Committees, the sustainability impacts, risks and opportunities, as well as the measures taken as a result.

A presentation of CSR challenges has been made to the Board regularly since 2015.

As part of its management control role, the multi-year strategic guidelines in terms of CSR and their implementation methods were presented to the Supervisory Board.

The results obtained are presented each year to the CAG-CSR Committee, which reports to the Supervisory Board.

3.5.6.1.2 CSR training for Board members

A comprehensive training program has been set up for Supervisory Board members on environmental and climate issues.

Each year, during their annual declaration, the members of the Supervisory Board are required to confirm the CSR training courses they have taken.

Practical training

During visits to production sites (see 3.5.3.5), members of the Board receive a presentation on the CSR issues of the site concerned.

IFA training

All members of the Supervisory Board have access to training provided by the Institut français des administrateurs.

Training	Learning objectives	Number of members who completed the training as at 31/12/2024
The Board and CSR (1 day)	◆ Understand the issues and themes covered by CSR; ◆ Become familiar with the current and future legislative and regulatory framework; ◆ Identify the role and expectations of stakeholders; ◆ Assess the impact of these issues on the directors' responsibilities and due diligence; ◆ Contribute to the optimal mobilisation of the Board on CSR issues and dialogue with the executive team.	3

E-learning modules

Since 2023, all members of the Supervisory Board have access to internal e-learning training modules and are encouraged to participate in them:

Modules	Learning objectives	Number of members who validated the module as at 31/12/2024
Climate change (20 minutes)	◆ Understand the mechanisms of climate change, the associated issues, risks and consequences, as well as the House's strategy and its objectives in this area.	8
Animal welfare (15 minutes)	◆ Understand what animal welfare is, what the associated issues are and what the House's strategy is, as well as the objectives sought.	8
Biodiversity (15 minutes)	◆ Understand what biodiversity is, what the associated issues are and what the House's strategy is, as well as the objectives sought.	8
Fundamentals of sustainable development (30 minutes)	◆ Understand what sustainable development is, how Hermès' strategy is organised and, as an employee, how everyone can contribute whatever their job.	9

WWF conferences

Since 2023, all members of the Supervisory Board have been invited to participate in presentations organised jointly by WWF France and the sustainable development department.

In 2024, the talks proposed covered the following topics:

Modules	Learning objectives	Number of members who attended or viewed the talk as at 31/12/2024
Biodiversity and agriculture (100 minutes) 24 April 2024	◆ WWF's decoding of tensions throughout the agricultural world and in particular concerning the protection of biodiversity and major European regulations ◆ Consideration of possible actions to reconcile biodiversity and agriculture ◆ Highlighting a Group sector that respects the latter's commitments to the protection of ecosystems.	10
Oceans and plastic pollution (90 minutes) 20 June 2024	◆ Presentation by WWF of the causes of plastic pollution and consequences for oceans as well as the solutions to this problem; ◆ Link between single-use plastics and possible consequences for marine biodiversity; ◆ Group action plan against unnecessary plastics.	9
Wildlife (90 minutes) 18 September 2024	◆ Presentation by experts from WWF France's Vie Sauvage programme on the link between human activities, mainly concerning livestock and agriculture, and possible consequences for the fauna and flora that share this same space with mankind; ◆ Presentation by a Group member of their métier's vision of knowledge and consideration of nature in our sectors.	10
Critical negotiations in Colombia (90 minutes) 7 November 2024	◆ New report from WWF France's special correspondent for biodiversity diplomacy on COP16 Biodiversity negotiations in Cali, Colombia; ◆ Sharing WWF's critical eye and voice, the tough issues and the latest advances made during COP16; ◆ Concrete rollout of Hermès' ambition for biodiversity and cooperation at local level.	7

The video recording and presentation of each talk are made available in "Herboard".

Multi-year CSR training programme

A multi-year training programme (2023-2026) on environmental and climate issues was created in 2023 in collaboration with an external consultancy firm. This programme is structured according to future European ESRS reporting standards to address essential topics, from the environment to ethics.

In 2024, the training offered focused on the following topics:

Modules	Learning objectives	Number of members who attended or viewed the session
Session 3 (60 minutes) 10 January 2024	◆ ESRS E1: Climate change.	13
Session 4 (60 minutes) 30 May 2024	◆ ESRS E3 and E4: Water and marine resources and Biodiversity and ecosystems.	12
Session 5 (60 minutes) 29 November 2024	◆ ESRS E2 and E5: Pollution and Resource use and circular economy, waste.	13

The video recording and presentation of each session are available in “Herboard”.

3.5.6.2 ROLE OF THE COMMITTEES IN CSR AND SUSTAINABILITY

Preparatory work on topics related to CSR and sustainability is carried out by the Supervisory Board’s specialised committees.

European Directive No. 2022/2464 of 14 December 2022 on the publication of information on sustainability by companies (Corporate Sustainability Reporting Directive or "CSRD") introduced the requirement to provide detailed information on sustainability issues. It was transposed into national law by Order No. 2023-1142 of 6 December 2023 on the publication and certification of information on sustainability and the environmental, social and corporate governance obligations of commercial companies.

Article L. 821-67 of the French Commercial Code (*Code de commerce*) resulting from this transposition provides that the current prerogatives and duties of the Audit and Risk Committee relating to the duty of certifying the financial statements are extended to the duty of certifying information in terms of sustainability. However, it specifies that these prerogatives and duties may be exercised by a separate committee.

These duties mainly consist of:

- monitoring the process of preparing information on sustainability and, where appropriate, making recommendations to ensure its integrity;
- monitoring the process implemented to determine the disclosures to be made in accordance with sustainability reporting standards;
- monitoring the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, with regard to the procedures relating to the preparation and processing of sustainability information;
- issuing a recommendation to the Supervisory Board on the Statutory Auditors certifying the sustainability information or the independent third party proposed for appointment by the General Meeting;
- monitoring the performance of sustainability information certification assignments;
- ensuring compliance with the independence conditions required for stakeholders to carry out sustainability information certification assignments;
- regularly reporting to the Supervisory Board on the results of sustainability information certification assignments.

In 2024, the Supervisory Board reflected on the specialised committee to which these duties would be entrusted, under the collective and exclusive responsibility of the Supervisory Board. At its meeting of 25 July 2024, the Board confirmed that it is the responsibility of the Executive Management to supervise and prepare the sustainability information. At the same time, it decided to assign the aforementioned duties to the Audit and Risk Committee. It also provides for the Audit and Risk Committee to be assisted by the CAG-CSR Committee in reviewing the sustainability information to be published by the Company. In this context, the rules of procedure of the two committees have been amended to reflect their new responsibilities.

In addition, the conclusions of the scoping study initiated in 2023, as part of the entry into force of CSRD, and which had the following objectives:

- define and structure non-financial information and indicators;
- measure and monitor the achievements against the Group’s objectives;
- ensure the relevance and integrity of the CSR information provided to the Supervisory Board, in particular on the basis of the report of the independent third party (see chapter 2 “Corporate social responsibility and non-financial performance”, § 2.10);
- ensure consistency between non-financial and financial information;

were shared with the Audit and Risk Committee, which reported them to the Supervisory Board.

CAG-CSR Committee

The duties of the CAG-CSR Committee in terms of CSR and sustainability, as reflected in the rules of procedure amended on 25 July 2024, are as follows:

- assist the Supervisory Board in monitoring matters relating to CSR and, more generally, sustainability, in order that the Hermès Group better anticipate associated opportunities, challenges and risks;
- assist the Supervisory Board in monitoring the Hermès Group's social policy and the policy of non-discrimination and diversity;
- annually assess the achievement of the three indices making up the CSR criterion of the variable compensation of the Executive Chairmen (see § 3.8.1.2.4 and § 3.8.2.1.2);
- monitor the rollout of non-financial reporting related to the CSRD (jointly with the Audit and Risk Committee);
- assist the Audit and Risk Committee and the Supervisory Board in reviewing the sustainability information to be published by the Company.

The topics addressed in 2024 concerned, in particular:

- the assessment of the CSR criterion on which the variable compensation of the Executive Chairmen for 2023 was based;
- the external evaluation;
- the guidelines for the 2024 financial year;
- presentation of CSR risks (jointly with the Audit and Risk Committee);
- the presentation of the new features of the NFPS in the 2023 universal registration document;
- the presentation of the main achievements in the 2023 financial year compared to the objectives set and in particular:
  - environmental issues,
  - climate policy,
  - the compensation policy,
  - biodiversity;
- presentation of the Group's disability policy;
- the Company's policy with regard to gender equality and equal pay;
- presentation of the social model and the concrete actions taken;
- presentation of the managerial philosophy;
- monitoring the rollout of non-financial reporting related to the Corporate Sustainability Reporting Directive (jointly with the Audit and Risk Committee)
- information on the proposed appointment of the sustainability verifier.

Audit and Risk Committee

Executive Management is responsible for setting up the information and governance systems that enable the preparation of sustainability information.

The duties of the Audit and Risk Committee in terms of sustainability, as reflected in the rules of procedure amended on 25 July 2024, are those mentioned above.

The topics addressed in 2024 concerned, in particular:

- presentation of CSR risks (jointly with the CAG-CSR Committee);
- the recommendation to the Supervisory Board on the sustainability verifier proposed for appointment by the General Meeting.

Joint meeting(s) of the CAG-CSR Committee and the Audit and Risk Committee

Since 2021, a joint meeting has been organised between the CAG-CSR Committee and the Audit and Risk Committee dedicated to the presentation of CSR risk exposure. This joint meeting is held every year. This practice makes it possible to comply with the recommendations of the Afep-Medef Code (Article 16).
The entry into force of the CSRD directive has enabled the CAG-CSR and Audit and Risk Committees to review their functioning methods. Two joint meetings dedicated to sustainability issues were organised in early 2025.

3.5.6.3 CSR PRESENTATION TO THE GENERAL MEETING

In accordance with the provisions of the Afep-Medef Code (Article 5.4), the climate strategy – which is aligned with a trajectory of less than 1.5 °C – validated by the Science Based Targets (SBTi) initiative, and the main CSR actions are presented each year to the General Meeting.

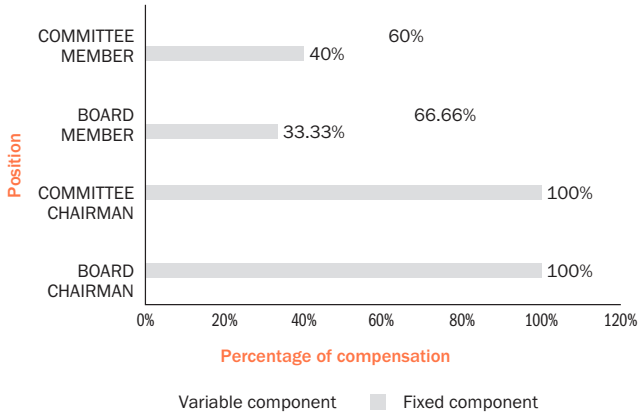
The items presented to the 2024 General Meeting are available on the Hermès Finance website (https://finance.hermes.com/en/), section "General Meetings".

3.5.7 COMPENSATION AND REIMBURSEMENT OF EXPENSES

3.5.7.1 COMPENSATION OF MEMBERS OF THE SUPERVISORY BOARD

Information relating to the compensation of members of the Supervisory Board is presented in § 3.8.1.1 and § 3.8.1.3.

COMPENSATION POLICY FOR BOARD MEMBERS APPLICABLE IN 2024



3.5.7.2 REIMBURSEMENT OF EXPENSES

Supervisory Board members are reimbursed for travel, accommodation and restaurant expenses incurred to attend Supervisory Board meetings, upon presentation of substantiating documents or receipts. These reimbursements are capped and based on the rules applicable to Group employees.

3.6 SPECIALISED COMMITTEES

3.6.1 APPLICABLE PRINCIPLES

Compensation, Appointments, Governance and CSR (CAG-CSR) Committee

Audit and Risk Committee

Since 2005, the Supervisory Board has relied on the work of two permanent specialised committees:

- the Audit Committee (26 January 2005), set up in application of Article L. 823-19 of the French Commercial Code (*Code de commerce*), whose remit was subsequently extended by the Board and which was renamed the Audit and Risk Committee (19 March 2019);
- the Compensation Committee (26 January 2005), which was subsequently assigned new duties and responsibilities by the Board and renamed the Compensation and Appointments (18 March 2009), Governance (20 January 2010) and CSR (16 November 2018) Committee or the "CAG-CSR Committee".

These committees act under the collective and exclusive responsibility of the Supervisory Board. Their role is to discuss, analyse and prepare for certain deliberations of the Board, to which they submit their opinions, proposals or recommendations. Their powers do not reduce or limit the powers of the Board and the opinions, proposals or recommendations made are in no way binding on the Board.

The members of the committees do not incur any legal responsibilities in respect of their duties other than those of members of the Supervisory Board.

The Company's CAG-CSR Committee is not tasked with setting the compensation of the Executive Chairmen, a task governed by the provisions of the Articles of Association and which falls within the remit of the Active Partner and not the Supervisory Board. It was therefore not relevant to create separate Compensation and Appointments Committees.

The Supervisory Board decides on the composition of the specialised committees, taking into account the skills of the Board members in the areas in question and their availability, as well as the legal requirements (Article L. 821-67 of the French Commercial Code (*Code de commerce*)) and the recommendations of the Afep-Medef Code updated in December 2022 (see § 3.1.2).

3.6.1.1 COMMITTEE MEMBER SKILLS REQUIRED

The skills of the members of a committee must correspond to the missions entrusted to this committee (see § 3.6.2.4 and § 3.6.3.4).

The current composition of each committee is in line with this objective.

The skills and experience matrix presented in § 3.4.5.2 lists the skills of the members of each committee.

3.6.1.2 CHANGES IN THE COMPOSITION OF THE COMMITTEES OVER THE FINANCIAL YEAR

The Supervisory Board meeting of 30 April 2024:

- reappointed as members of the Audit and Risk Committee Mses Monique Cohen (Chairwoman), Estelle Brachlianoff and Messrs Charles-Éric Bauer, Renaud Momméja and Alexandre Viros;
- reappointed as members of the CAG-CSR Committee Mses Dominique Senequier (Chairwoman), Estelle Brachlianoff and Mr Matthieu Dumas.

SUMMARY OF CHANGES IN 2024

	Departures	Appointments	Renewals
Audit and Risk Committee			Ms Monique Cohen, Chairwoman (30/04/2024) Ms Estelle Brachlianoff (30/04/2024) Mr Charles-Éric Bauer (30/04/2024) Mr Renaud Momméja (30/04/2024) Mr Alexandre Viros (30/04/2024)
CAG-CSR Committee			Ms Dominique Senequier, Chairwoman (30/04/2024) Ms Estelle Brachlianoff (30/04/2024) Mr Matthieu Dumas (30/04/2024)

3.6.1.3 FUTURE CHANGES WITHIN THE COMMITTEES

The terms of office as a member of the Supervisory Board of Mr Charles-Éric Bauer and Mses Dominique Senequier, Estelle Brachlianoff and Julie Guerrand expire in 2025. The term of office of Ms Dominique Senequier will not be renewed, as she has served on the Supervisory Board for 12 years. Furthermore, Mr Alexandre Viros announced to the Supervisory Board his wish to end his term of office with effect from 30 April 2025, in order to focus on his professional projects. The General Meeting is therefore asked to appoint, in order to replace these two members, Mr Jean-Laurent Bonnafé and Mr Bernard Emié (see chapter 8 "General Meeting of 30 April 2025", explanatory statement to the seventeenth and eighteenth resolutions), as well as to appoint Ms Cécile Béliot-Zind (see chapter 8 "General Meeting of 30 April 2025 ", explanatory statement to the sixteenth resolution).

In addition, Mr Charles-Éric Bauer announced to the Supervisory Board his wish to end his duties as a member of the Audit and Risk Committee with effect from 30 April 2025.

Subject to the renewal of the aforementioned terms of office as members of the Supervisory Board and the appointment of the three candidates proposed to the General Meeting of 30 April 2025, the composition of the specialised committees would be modified as follows:

	Departures	Appointments
Audit and Risk Committee	Mr Charles-Éric Bauer Mr Alexandre Viros	Mrs Cécile Béliot-Zind [1]
CAG-CSR Committee	Ms Dominique Senequier, Chairwoman	Mr Jean-Laurent Bonnafé [1]

(1) Subject to the decisions of the General Meeting of 30 April 2025.

3.6.2 CAG-CSR COMMITTEE

3.6.2.1 COMPOSITION AS AT 31 DECEMBER 2024

Its rules of procedure provide that the CAG-CSR Committee is composed of at least three members of the Supervisory Board with expertise in or carrying out professional activities in the areas in which the Committee performs its duties.

At least half of its members must, at the time of their appointment and for the entire term of their office, be qualified as independent under the Supervisory Board's rules of procedure. This is currently the case.

The CAG-CSR Committee does not include any Executive Corporate Officers.

It is chaired by Ms Dominique Senequier, Vice-Chairwoman of the Board, who is independent.

Changes in the composition of the CAG-CSR Committee are presented in § 3.6.1.2.

The main areas of expertise and experience, and the key skills of the members of the CAG-CSR Committee are presented in the information concerning them (see § 3.4.8).

As at 31 December 2024, the CAG-CSR Committee was composed of the following three members, two women and one man:

2024 data	Personal details	Independence	Date of appointment	Expiry of term of office on the Board	Length of service on the Committee [1]	Attendance
3 MEMBERS - **6** MEETINGS - **67%** INDEPENDENCE - **67%** WOMEN	 **Dominique Senequier** (F) (Chairwoman) **Nationality: French** 71 years old [1] – 21/08/1953	√	04/06/2013	2025 GM	11 years	83.33%
	Estelle Brachlianoff (F) **Nationality: French** 52 years old [1] – 26/07/1972	√	04/06/2019	2025 GM	5 years	66.67%
	Matthieu Dumas (M) **Nationality: French** 52 years old [1] – 06/12/1972		03/06/2008	2027 GM	16 years	100.00%
					AVERAGE ATTENDANCE	83.33% [2]

(1) The ages and length of service indicated are determined in number of full years as at 31 December 2024.
(2) This figure reflects the average attendance of the members of the CAG-CSR Committee in office as at 31 December 2024, and does not take into account members who left the Committee during the year, where applicable.

3.6.2.2 RULES OF PROCEDURE

On 24 March 2010, the Supervisory Board adopted rules of procedure which specify the rules governing the composition, powers and operating procedures of the CAG-CSR Committee.

These rules of procedure are regularly reviewed to adapt to legal and regulatory changes and to take into account the recommendations of the French Financial Markets Authority (AMF) and revisions to the Afep-Medef Code.

The full text of the CAG-CSR Committee's rules of procedure is made available at each update at https://finance.hermes.com/en/governing-bodies/.

The main provisions of the CAG-CSR Committee's rules of procedure are set out in chapter 3 of the universal registration document.

3.6.2.3 OPERATION

The operation of the CAG-CSR Committee complies with the principles applicable to Board committees (see § 3.6.1).

The Chairman of the Supervisory Board can be invited to certain CAG-CSR Committee meetings in order to hear his or her opinion in matters of appointments or governance, which was not the case in 2024.

As part of its responsibilities in terms of social and environmental responsibility, a meeting dedicated to the presentation of exposure to CSR risks has been held every year since 2021 with the Audit and Risk Committee. The purpose of this joint meeting is to strengthen coordination and sharing between the two committees on this related subject.

Before each CAG-CSR Committee meeting, Committee members are sent, in good time, with reasonable lead time and subject to confidentiality requirements, a file containing documentation on items on the agenda requiring prior analysis and review.

The Executive Vice-President of Governance and Organisational Development and the Group Director of Human Resources systematically participate in the meetings of the CAG-CSR Committee. The Group Director of Sustainable Development participates at least twice a year for subjects relating to CSR.

The secretarial duties of CAG-CSR Committee meetings are provided by the Director of Corporate Law and Stock Exchange Regulations and Compliance Officer, and secretary of the Supervisory Board, under the responsibility of the Chairwoman, or by a member of the CAG-CSR Committee appointed as rapporteur by the Chairwoman.

At the first Supervisory Board meeting following a meeting of the CAG-CSR Committee, the Chairwoman gives an oral report on the Committee's work to the members of the Board, a summary of which is then included in the minutes of the Board meeting.

The CAG-CSR Committee uses the Herboard secure digital platform (see § 3.5.3.2).

Minutes of CAG-CSR Committee meetings are drawn up at the end of each meeting and sent to all members of the Committee, who are invited to comment. Any observations are discussed at the next Committee meeting, which approves the final text of the minutes of the previous meeting.

The CAG-CSR Committee uses a dashboard to plan and prepare its work in a balanced way over the year.

3.6.2.4 MAIN DUTIES AND WORK CARRIED OUT IN 2024

Without prejudice to the powers of the Supervisory Board, which it does not replace, the main duties of the CAG-CSR Committee and the work carried out in 2024 are as follows:

Purpose of duties	Main duties of the Committee and work carried out in 2024 [1]
General	◆ conduct a periodic self-assessment of its operation; ◆ approve the revision of the rules of procedure of the CAG-CSR Committee (in particular in view of the entry into force of the Corporate Social Responsibility Directive).
Compensation	Compensation of the Executive Chairmen and the Supervisory Board ◆ assess the achievement of the indices making up the CSR criterion of the variable compensation of the Executive Chairmen (see § 3.8.2.1.2); ◆ check the compliance of the actual compensation of the Executive Chairmen with the Articles of Association and the compensation policy established by the Active Partner; ◆ make any proposals on the compensation policy for members of the Supervisory Board and committees; ◆ check the compliance of the planned distribution of the compensation of the members of the Supervisory Board with the compensation policy; ◆ assist the Supervisory Board in determining the conditions and performance criteria to be applied to awarding options to subscribe for or purchase shares, performance-based shares and/or supplemental pensions to the Executive Chairmen; ◆ review the explanatory statements to the resolutions of the General Meeting on Senior Executive compensation (Say on Pay). ◆ Compensation of the Group Executive Committee and Senior Executives ◆ be consulted and prepare the recommendations of the Supervisory Board to the Executive Management on the terms of compensation (fixed compensation for 2024, actual bonus for 2023 and target bonus for 2024) of the members of the Executive Committee; ● review proposals for plans to award options to subscribe for or purchase shares and grant free share awards to Senior Executives to enable the Supervisory Board to determine the aggregate or individual number of options or shares allotted and the terms and conditions of allotment. Group compensation policy ◆ review proposals for plans to award options to subscribe for or purchase shares and grant free share awards to employees and draw up recommendations thereon to Executive Management [n/a in 2024]; ◆ examine the achievement of the performance conditions and its consequences on the number of free shares actually awarded to beneficiaries; ◆ carry out specific tasks entrusted to it by the management or supervisory bodies of the Hermès Group's main French subsidiaries [n/a in 2024]; ◆ be informed of the Company's policy with regard to gender equality and equal pay.
Appointments	◆ organise a selection procedure in conjunction with the Executive Chairmen for future independent members of the Board and carry out its own research on potential candidates; ◆ prepare the Board's proposals to the Active Partner concerning the composition of the Supervisory Board after having examined all the elements that it must take into account in its deliberation: desired balance in the composition of the Board in relation to the diversity policy applied within the Supervisory Board, the composition and changes in the Company's shareholding structure, search for and assessment of potential candidates, opportunity for reappointments; ◆ set up and participate in the onboarding and training programme for new members of the Supervisory Board [n/a in 2024]; ◆ ensure the existence of a talent succession plan, which covers the members of the Executive Committee and the Operations Committee; ◆ ensure the existence of a succession plan for the Executive Chairmen and the Chairman of the Supervisory Board and conduct an annual review.

(1) List not exhaustive

◆ Annual topics ● Occasional or multi-year topics.

Purpose of duties	Main duties of the Committee and work carried out in 2024 [1]
Governance	◆ propose regular updates to the governance rules taking into account the recommendations issued by the Afep-Medef Code, the application guide of the High Committee on Corporate Governance (HCGE) and the French Financial Markets Authority (AMF) in its annual report on corporate governance and Senior Executive compensation; ◆ periodically verify the situation of the members of the Supervisory Board with regard to the independence criteria set by the rules of procedure, the number of directorships, potential conflicts of interest and compliance with the requirement to hold a minimum of 100 shares; ◆ review the composition of the specialised committees; ◆ determine at least annually the members of the Audit and Risk Committee with specific expertise in finance or accounting and risk management; ◆ oversee the annual debate and evaluation of Supervisory Board practices; ◆ manage the formal three-year assessment of the Supervisory Board: use or not of an external consultant, assessment process and questionnaire, launch of the assessment, summary and analysis of results, areas for improvement *[n/a in 2024]*; ◆ update the Supervisory Board's permanent file; ● analyse related-party agreements before reclassifying them and giving an opinion to the Supervisory Board *[n/a in 2024]*; ● give an opinion to the Supervisory Board on the classification of an agreement entered into under arm's length conditions *[n/a in 2024]*; ◆ review chapter 3 on corporate governance of the universal registration document and in particular the provisions of the Afep-Medef Code that have been set aside and the related explanations.
HR/CSR/Sustainability (see § 3.5.6)	<u>HR challenges</u> ◆ assist the Supervisory Board in monitoring social, non-discrimination and diversity policies; ◆ be informed of the annual rankings regarding the representation of women in large companies and the criteria taken into account in their preparation; ◆ be informed of the summary of the talent review and leadership development actions; ◆ be informed of the publication of the Hermès International gender equality index; ● be informed of recruitment issues, employer brand and support for growth; ● be informed of the Group's approach to diversity, inclusion and gender balance. <u>CSR/Sustainability issues</u> ◆ assist the Supervisory Board in monitoring matters relating to CSR and, more generally, sustainability, in order that the Hermès Group better anticipate associated opportunities, challenges and risks, based on all the information published by the Group on social and environmental matters (including the reporting provided for by CSRD); ◆ be informed of sustainability, sustainable development and CSR issues; ◆ be informed of the achievements of the past financial year in relation to the objectives set; ◆ be informed of the CSR outlook; ◆ monitor sustainability performance indicators and consideration of social and environmental issues; ◆ be regularly informed of the assessments of non-financial agencies; ◆ be informed of the content of the Non-Financial Performance Statement (NFPS); ◆ be informed of the main new features of chapter 2 "Corporate social responsibility and non-financial performance" (NFPS) of the universal registration document; ◆ be informed of the Group's energy situation; ◆ assist the Audit and Risk Committee and the Supervisory Board in reviewing the sustainability information to be published by the Company.

(1) List not exhaustive

◆ Annual topics ● Occasional or multi-year topics.

3.6.3 AUDIT AND RISK COMMITTEE

3.6.3.1 COMPOSITION AS AT 31 DECEMBER 2024

Its rules of procedure provide that the Audit and Risk Committee is composed of at least four members of the Supervisory Board with expertise in or carrying out professional activities in the areas in which the Committee performs its duties; and in particular in terms of finance, risk management and sustainability.

At least half of its members must, at the time of their appointment and for the entire term of their office, be qualified as independent under the Supervisory Board's rules of procedure. This is currently the case.

The Audit and Risk Committee does not include any Executive Corporate Officers.

It is chaired by Ms Monique Cohen, Vice-Chairwoman of the Board, who is independent and an expert in finance.

Changes in the composition of the Audit and Risk Committee are presented in § 3.6.1.2.

The main areas of expertise and experience of the members of the Audit and Risk Committee are presented in the information concerning them (see § 3.4.8).

As at 31 December 2024, the Audit and Risk Committee comprised the following five members, two women and three men:

2024 data	Personal details	Independence	Date of appointment	Expiry of term of office on the Board	Length of service on the Committee [1]	Attendance
5 MEMBERS - **6** MEETINGS - **60%** INDEPENDENCE - **40%** WOMEN	 **Monique Cohen** (F) (Chairwoman) **Nationality: French** 68 years old [1] – 28/01/1956	√	03/06/2014	2026 GM	10 years	100.00%
	Charles-Éric Bauer (M) **Nationality: French** 60 years old [1] – 09/01/1964		26/01/2005 [2]	2025 GM	19 years	100.00%
	Estelle Brachlianoff (F) **Nationality: French** 52 years old [1] – 26/07/1972	√	04/06/2019	2025 GM	5 years	83.33%
	Renaud Momméja (M) **Nationality: French** 62 years old [1] - 20/03/1962		03/06/2008	2026 GM	16 years	83.33%
	Alexandre Viros (M) **Nationality: French** 46 years old [1] – 08/01/1978	√	04/06/2019	2027 GM	5 years	100.00%
					AVERAGE ATTENDANCE	**93.33%** [3]

(1) The ages and length of service indicated are determined in number of full years as at 31 December 2024.
(2) Mr Charles-Éric Bauer was appointed to the Audit and Risk Committee before joining the Supervisory Board (before Order no. 2008-1278 of 8 December 2008, there was no law requiring Board membership).
(3) This figure reflects the average attendance of the members of the Audit and Risk Committee in office as at 31 December 2024, and does not take into account members who left the Committee during the year, where applicable.

3.6.3.2 RULES OF PROCEDURE

On 24 March 2010, the Supervisory Board adopted rules of procedure which specify the rules governing the composition, powers and operating procedures of the Audit and Risk Committee.

These rules of procedure are regularly reviewed to adapt to legal and regulatory changes and to take into account the recommendations of the French Financial Markets Authority (AMF) and revisions to the Afep-Medef Code.

The full text of the Audit and Risk Committee rules of procedure is made available at each update at https://finance.hermes.com/en/governing-bodies/.

The main provisions of the Audit and Risk Committee's rules of procedure are set out in this chapter 3 of the universal registration document.

3.6.3.3 OPERATION

The operation of the Audit and Risk Committee complies with the principles applicable to the Supervisory Board committees (see § 3.6.1).

The Audit and Risk Committee meets as many times as necessary and usually six times per financial year, including once before the approval of the annual financial statements by the Executive Management and once before the review of the half-yearly financial statements by the Supervisory Board.

As part of its responsibilities in terms of social and environmental responsibility, a meeting dedicated to the presentation of CSR risk exposure has been held every year since 2021 with the CAG-CSR Committee. The purpose of this joint meeting is to strengthen coordination and sharing between the two committees on this related subject.

The Audit and Risk Committee meets when convened by its Chairwoman, who sets the agenda of the meeting in writing or verbally, in any location indicated in the notice of meeting.

Before each Audit and Risk Committee meeting, Committee members are sent, in good time, with reasonable lead time and subject to confidentiality requirements, a file containing documentation on items on the agenda requiring prior analysis and review.

The Executive Vice-President of Governance and Organisational Development systematically participates in the meetings of the Audit and Risk Committee.

The Director of Audit and Risk Management is responsible for the Secretariat under the responsibility of the Chairwoman.

The Statutory Auditors attend the two meetings relating to the review of the annual and half-year financial statements.

At the first Supervisory Board meeting following a meeting of the Audit and Risk Committee, the Chairwoman gives an oral report on the Committee's work to the members of the Board, a summary of which is then included in the minutes of the Board meeting.

The Audit and Risk Committee uses the Herboard secure digital platform (see § 3.5.3.2).

Minutes of Audit and Risk Committee meetings are prepared at the end of each meeting and sent to all members of the Committee.

The Audit and Risk Committee uses a dashboard to plan and prepare its work in a balanced way over the year.

3.6.3.4 MAIN DUTIES AND WORK CARRIED OUT IN 2024

In accordance with Article L. 821-67 of the French Commercial Code (*Code de commerce*) and without prejudice to the powers of the Supervisory Board, which it does not replace, the main duties of the Audit and Risk Committee performed in 2024 are as follows:

Purpose of duties	Main duties and work carried out in 2024 [1]
General	● conduct a periodic self-assessment of its operation; ● approve the revision of the rules of procedure of the Audit and Risk Committee (in particular in view of the entry into force of the Corporate Social Responsibility Directive).
Preparation of accounting and financial information	◆ be informed of the budget for the financial year; ◆ review and comment on the parent company and consolidated financial statements before they are approved by Executive Management and presented to the Supervisory Board; ◆ note the consensus of financial analysts on the full-year and interim results; ◆ review press releases on quarterly revenue, full-year and interim results; ◆ ensure that the accounting policies applied are relevant and consistent; ◆ verify that internal data collection and control procedures guarantee the quality of the information provided; ◆ review the work programme and results of audit assignments; ◆ monitor the process of preparing financial information and, where appropriate, make recommendations to ensure its integrity; ◆ monitor the effectiveness of internal control and risk management systems and internal audits regarding the procedures for preparing and processing accounting and financial information, without jeopardising its independence.

(1) List not exhaustive

◆ Annual topics ● Occasional or multi-year topics.

Purpose of duties	Main duties of the Committee and work carried out in 2024 [1]
Audit accounting, financial and sustainability information and the work of the Statutory Auditors and sustainability information verifier	◆ issue a recommendation to the Supervisory Board on the Statutory Auditors or sustainability information verifier proposed for appointment or renewal by the General Meeting; ◆ monitor the performance by the Statutory Auditors and sustainability information verifier of their assignment (audit approach, audit conclusions, presentation of the Board's fees); ◆ ensure that the Statutory Auditors and sustainability information verifier comply with the independence conditions; ◆ hold closed-door discussions with the Statutory Auditors; ◆ approve, on a case-by-case basis, the provision by the Statutory Auditors of services other than certification of the financial statements; ◆ report on the results of the engagement regarding the certification of the financial statements, on the way the engagement contributed to the integrity of the financial reporting and the role it has played in this process; ◆ also report on the results of the engagement regarding certification of the sustainability information, on the way the engagement contributed to the integrity of the sustainability information and the role it played in this process.
Control of risk exposure and prevention of corruption	◆ be informed of the security system by analysing the incidents of the past financial year and the actions implemented; ◆ be informed of the results of risk management, audit and internal control activities; ◆ be informed of the audit plan; ◆ regularly review exposures to risks such as financial, legal, operational, social and environmental risks and the measures taken as a result; ◆ be informed, in a joint meeting with the CAG-CSR Committee, of exposure to CSR risks (see § 3.5.6.2); ◆ be informed of personal data risks and the corresponding action plans; ◆ be informed of risks related to the duty of care; ◆ be informed of operational risk mapping: in 2024, Hermès China; ● be informed every three years of the Group risk mapping *[n/a in 2024]*; ● be informed of Group risk factors and the corresponding action plans; ◆ be informed annually of IT risks, in particular cyber risks, and the corresponding action plans; ◆ review chapter 4 "Risk factors and management" of the universal registration document; ◆ ensure the establishment of a system for preventing and detecting corruption and influence-peddling; ◆ be informed of the update of the plan to prevent and fight against corruption; ● be informed of the vigilance plan; ● be informed of the establishment of a new banking relationship; ◆ be informed of the means implemented by the Group to fight against so-called physical and cybersecurity incidents.

(1) List not exhaustive

◆ Annual topics ● Occasional or multi-year topics.

As part of its duties, the Audit and Risk Committee heard in particular from the Executive Vice-President Finance, with regard to both accounting data and treasury data, the Director of Consolidation, Taxation and Management Control, the Director of Audit and Risk Management, the Director of Group Safety, the Director of Group IT (and members of her team), the Director of Information Systems Security, the Director of Financial Communication and Investor Relations, the Director of Financial Operations, the Director of Legal Compliance, the Data Protection Officer, the Group General Counsel, the Director of Sustainable Development and the Statutory Auditors.

3.7 EVALUATION OF THE SUPERVISORY BOARD AND COMMITTEES

3.7.1 METHODOLOGY

3.7.1.1 WHETHER OR NOT TO USE AN EXTERNAL ADVISOR

During the formal 2022 evaluation, the CAG-CSR Committee considered, as it had done in 2019, that it was undesirable to call on an outside firm to conduct the formal evaluation of the Supervisory Board. The reasons for this decision are as follows:

- confidentiality issues raised by giving information on the Supervisory Board to a third party;
- the relative absence of weak signals raised by previous evaluations;
- the steady progress made in terms of governance;
- the small amount of added value expected from an external firm, particularly given the specific nature of a *société en commandite par actions* (partnership limited by shares), which provides for few comparable companies.

3.7.1.2 EVALUATION PROCESS

The evaluation is carried out, in accordance with the recommendations of the Afep-Medef Code revised in December 2022 (Article 11.3), as follows:

- a formal evaluation is carried out every three years (year N). It is implemented, under the direction of the CAG-CSR Committee, with the help of the secretary of the Board;
- the following year (year N+1), the Supervisory Board organises an in-meeting discussion, during which a review is undertaken of the actions carried out since the last evaluation in order to respond to the areas for improvement identified;
- the following year (year N+2), the Chairman of the Supervisory Board meets individually with each member of the Supervisory Board in order to discuss in particular the functioning of the Board since the last evaluation and to assess the individual contribution of its members;
- the shareholders are informed each year in the corporate governance report of the performance of the assessments and, where applicable, the follow-up given to them.

3.7.1.3 OBJECTIVES OF THE EVALUATION

The evaluation shall have three objectives (Article 11.2 of the Afep-Medef Code updated in December 2022):

- review the Board's operating procedures;
- check that key issues are properly prepared and discussed;
- measure the continuous and permanent improvement in the effective contribution of each Board member to the work of the Board by virtue of his or her skills and involvement in discussions.

The evaluation also covers the diversity policy applied within the Supervisory Board and the skills matrix defined (see § 3.4.3 and § 3.4.5.2), in order to ensure the coherence of the overall composition of the Board and to question the relevance of the objectives set.

3.7.2 CHANGES SINCE THE LAST EVALUATIONS

3.7.2.1 THREE-YEARLY FORMAL EVALUATION IN 2022

The results and areas identified for improvement during the last three-year formal self-assessment of the Supervisory Board and committees, which took place in 2022, are detailed in the 2022 universal registration document (§ 3.7.3, pages 328 and 329).

Some members wished to see changes on the following points, which the Board, on the proposition of the CAG-CSR Committee, has decided to adopt as areas for improvement for the future:

- the provision of continuous training offer to enable members who so wish to maintain and develop their level of skills;
- extension of site visits to distribution subsidiaries;
- ever greater monitoring of CSR issues.

No new areas for improvement were identified with regard to the Board Committees.

3.7.2.2 ANNUAL INFORMAL EVALUATIONS IN 2023 AND 2024

In late 2023 and 2024, Board members were able to discuss the functioning of the Board and its committees.

As in previous evaluations, the Supervisory Board considered that its functioning and that of its committees remained very satisfactory.

3.7.2.2.1 Evaluation of the Supervisory Board in 2024

The Board wished to highlight the actions carried out in 2022, 2023 and 2024 to meet the expectations expressed during the last formal evaluation.

Areas identified for improvement in the 2022 formal evaluation	Actions taken in 2022, 2023 and 2024
Supervisory Board	
The provision of continuous training offer to enable members who so wish to maintain and develop their level of skills	Each year, at least two major annual topics are presented to the Board (see § 3.5.3.4) and an on-site visit is organised (see § 3.5.3.5), which gives members practical training on Group practices. Supervisory Board members can make use of the Company's Group membership of the IFA (Institut Français des Administrateurs), and thereby take advantage of all of its services and training. In 2023, it was decided to focus on CSR training, with the implementation of a comprehensive multi-year programme described in § 3.5.6.1.2. This programme continued to be monitored by the members of the Supervisory Board in 2024.
Extension of site visits to distribution subsidiaries	At the end of 2022, it was decided to organise a visit to a distribution subsidiary every two years (in even years), preferably abroad. In late 2022, the members of the Board were able to discover the American subsidiary Hermès of Paris. In 2024, the Board visited Italy, to discover distribution and production subsidiaries, as described in § 3.5.3.5.
Ever greater monitoring of CSR issues	<u>By the Supervisory Board:</u> ◆ Presentation by the sustainable development department of sustainable development and CSR issues (see § 3.5.4): ◆ Work carried out on the major issues in 2023: - CSR governance (see chapter 2 "Corporate social responsibility and non-financial performance" § 2.1.1.2.2), - taxonomy/TSFD/SASB projects and assessments, - implementation of the CSR strategy within the Group, - employee CSR training, - Diversity & Inclusion global participatory project, - energy sobriety policy, - external certification of the sustainable construction framework, - environmental information and labelling for customers, - raising supplier awareness, - implementation of anti-destruction measures. ◆ Focus on the carbon trajectory: - SBTi audit, - reminder of the Group's commitment, - results and outlook. ◆ Voluntary carbon offset policy *via* Livelihoods, ◆ External CSR assessments; ◆ Launch and continuation of a multi-year CSR training programme for Board members (see § 3.5.6.1.2); ◆ Sustainable water management in the textile sector (during the Passerelles site visit); ◆ The CSR trajectory put in place by the Shoes métier to support the Group's ambition (during the visit to Atelier HCI in Milan) ◆ The annual presentation of the challenges in terms of sustainable development and social and environmental responsibility.
	<u>By the Audit and Risk Committee and/or the CAG-CSR Committee:</u> ◆ monitoring of the rollout of non-financial reporting as part of CSRD; ◆ presentation of CSR risks; ◆ presentation of the CSR / NFPS chapter of the universal registration document; ◆ CSR achievements in relation to the objectives set; ◆ CSR guidelines; ◆ presentation of the Hermès Recrutement division/HR outlook and issues for the coming years ◆ presentation of the social model and the concrete actions taken; ◆ presentation of the managerial philosophy;
CAG-CSR Committee	
No new areas were identified for improvement.	
Audit and Risk Committee	
No new areas were identified for improvement.	

The next formal self-assessment of the Board will take place in 2025.

3.7.2.2.2 Evaluation of the CAG-CSR Committee and the Audit and Risk Committee in 2024

In 2024, the CAG-CSR and Audit and Risk Committees respectively discussed their functioning. The results of these self-evaluations show that their functioning, work and composition and the individual contributions of each of their members are satisfactory. The various topics to be addressed are well covered within the time available. The members of these committees also stressed that all areas for improvement identified during the previous evaluation were taken into account (see § 3.7.2.2). The members of the CAG-CSR Committee indicated that interactions with the Audit and Risk Committee are good.

Among the areas for improvement identified, it was proposed that issues related to taxes and insurance, as well as regulatory aspects, be covered in greater depth. The launch of work to consider a new multi-year training programme for Supervisory Board members was also discussed.

No other areas for improvement were identified by the committees.

3.8 COMPENSATION AND BENEFITS OF CORPORATE OFFICERS

3.8.1 COMPENSATION POLICY FOR EXECUTIVE CHAIRMEN (EXECUTIVE CORPORATE OFFICERS) AND MEMBERS OF THE SUPERVISORY BOARD (NON-EXECUTIVE CORPORATE OFFICERS)

System applicable since 2020

Order no. 2019-1234 of 27 November 2019 established a mechanism applicable to *sociétés en* commandite par actions (partnerships limited by shares) as regards Corporate Officers compensation.

This text came into force for the Company from the date of the Combined General Meeting of 24 April 2020.

The new system is based on a dual vote by the Ordinary General Meeting and the Active Partner:

- an initial annual *ex-ante* vote will be taken on the **compensation policy** for Corporate Officers (*i.e.* the Executive Chairmen and members of the Supervisory Board). This policy must set out the principles and criteria, aligned with the interests of the Company, determining the compensation of Corporate Officers. The policy is binding, which means that compensation paid to Corporate Officers is confined to that set out in a previously approved compensation policy;
- if a new compensation policy is rejected, the most recent approved policy continues to apply and a revised compensation policy is submitted to the Company's next Ordinary General Meeting. In the absence of a previously approved compensation policy, compensation is determined in accordance with the compensation granted for the previous financial year or, in the absence of compensation granted for the previous financial year, in accordance with existing practices within the Company;
- in exceptional circumstances, it is possible to depart from the application of the compensation policy if this departure is temporary, aligned with the corporate interest and necessary to guarantee the Company's sustainability or viability;
- a second *ex-post* vote is taken on the content of the **corporate governance report** setting out the compensation paid or awarded to Corporate Officers during the prior financial year, as well as certain additional information, in particular equity ratios.

  Several resolutions must therefore be presented:

  - a resolution (global *ex-post* vote) relating to the information referred to in Article L. 22-10-9, I of the French Commercial Code (*Code de commerce*), for all Corporate Officers (*i.e.* the Executive Chairmen, the Chairman of the Supervisory Board and the other members of the Supervisory Board). This information reflects, for each of these officers, the actual application of the compensation policy for the past financial year, including details of the compensation and benefits paid or awarded,

    If rejected, a revised compensation policy is submitted to the Company's next Ordinary General Meeting. The payment of compensation to Supervisory Board members for the current financial year is suspended until a revised compensation policy is approved. If the revised compensation policy is rejected, the suspended amounts are not paid and the compensation of the members of the Supervisory Board for the current financial year is suspended,
  - a resolution (individual *ex-post* vote) for each Executive Chairman and a resolution for the Chairman of the Supervisory Board concerning the total compensation and benefits of any kind paid during or awarded in respect of the prior financial year (Supervisory Board members are not subject to individual votes). The payment of the variable and exceptional portion of the compensation of the relevant person is subject to the prior approval of the resolution concerning him/her.

3.8.1.1 GENERAL PRINCIPLES OF THE COMPENSATION POLICY FOR CORPORATE OFFICERS

Pursuant to paragraph 4 of Article L. 22-10-76, I of the French Commercial Code (*Code de commerce*), resulting from the aforementioned order, the compensation policy for Corporate Officers (Executive Chairmen and members of the Supervisory Board) is presented below.

This policy describes all components of fixed and variable compensation and explains the decision-making process applied for its determination, review and implementation.

The operating rules specific to *sociétés en commandite par actions* (partnerships limited by shares) and the Company's governance system have resulted in the establishment of the compensation policy for Senior Executives (Executive Chairmen) and other Corporate Officers (Supervisory Board members) being entrusted to the Active Partner and the Supervisory Board respectively.

After outlining the general principles applicable to all Corporate Officers, the specific principles of the compensation policy for the Executive Chairmen will be outlined, followed by the specific principles of the compensation policy for the members of the Supervisory Board.

In application of Article L. 22-10-77, II of the French Commercial Code (*Code de commerce*), the compensation policy for Corporate Officers will be the subject of two separate resolutions at the General Meeting of 30 April 2025: the first will deal with the compensation policy for the Executive Chairmen and the second with the compensation policy for the members of the Supervisory Board.

3.8.1.1.1 Manner in which the compensation policy respects the interests of the Company and contributes to the Company's commercial strategy and sustainability (Article R. 22-10-40, I-1° of the French Commercial Code (*Code de commerce*))

The compensation policies for the Executive Chairmen and Supervisory Board members are aligned with the corporate interest and contribute to the Company's commercial strategy and sustainability for the following reasons:

As regards the Executive Chairmen:

- since the Company's transformation into a *société en commandite par actions* (partnership limited by shares), the maximum amount of variable compensation set by the Articles of Association ("statutory compensation") of the Executive Chairmen has been determined by the Articles of Association (Article 17);
- the maximum amount of fixed ("additional") compensation of the Executive Chairmen and the terms of its indexation were determined by the Ordinary General Meeting of 31 May 2001.

- On 7 February 2024, the Executive Management Board of Émile Hermès SAS, Active Partner, decided to limit the indexation of fixed compensation to 5%. This change to the compensation policy for the Executive Chairmen was approved by the General Meeting of 30 April 2024. This ceiling applies to the fixed compensation of the Executive Chairmen that will be paid in 2025 (see § 3.8.1.2.1);

- The compensation of the Executive Chairmen is determined on the basis of clear, quantifiable criteria (notably growth in revenue and change in consolidated net income before tax, as described in § 3.8.1.2.4 below) that are relevant to its business model and have remained unchanged for a considerable number of years;

- the variable compensation is subject in part (10%) to a CSR criterion reflecting the Group's firm and ongoing commitments to sustainable development (for the composition of the CSR criterion, see § 3.8.1.2.4);
- the composition of compensation is simple and clear – fixed and variable compensation, without resorting to complex deferred compensation mechanisms and without guaranteeing a minimum variable compensation in the event of a poor economic performance by the Company;
- the Executive Management Board of Émile Hermès SAS, Active Partner, sets the actual amount of each Executive Chairman's annual compensation set by the Articles of Association ("statutory compensation"). To this end, it uses the recommendations of the CAG-CSR Committee and in particular, in addition to the level of achievement of CSR criteria, takes into account in its decision the performance achieved by the Group in respect of the previous financial year, the strategic challenges in respect of the Group's medium- and long-term development and the competitive environment in which it operates.

As regards the members of the Supervisory Board:

- the principles governing allocation set out in the compensation policy for members of the Supervisory Board result in amounts being awarded on the basis of the tasks entrusted to them and their attendance at meetings;
- these principles are periodically reviewed in line with market practices.

3.8.1.1.2 Manner in which the conditions of compensation and employment of the Company's employees are taken into account in the decision-making process (Article R. 22-10-40, I-3° of the French Commercial Code (*Code de commerce*))

The remuneration and employment conditions of the Group's employees are detailed in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.3.3.1.12.

With regard more specifically to the conditions governing compensation, Hermès' economic successes are regularly shared with all Group employees, both in France and around the world, in various forms. The aim is to acknowledge the contribution made by employees to the House's development, regardless of their role in the value-creation chain, in order to share the benefits of our growth over the long term.

The Group's policy is to allow its employees to benefit from its long-term growth prospects through various mechanisms:

- in general, in all the countries where the Company operates, its employees are paid in line with market standards in terms of their total compensation;
- the Company also offers its employees:
  - employee shareholding plans: such plans have been in place for many years (the first plan dates back to 1993) and acknowledge the contribution made by employees to the House's development, regardless of their role or geographical location, by providing a single component of compensation in order to share the benefits of the Company's growth, enabling employees to identify more closely with decisions having an impact on Hermès' long-term growth,
  - incentive schemes involving employees with the development of locally determined indicators that are relevant with regard to the activity and environment of each of the French subsidiaries, notably quality, safety and productivity,
  - a Group profit-sharing agreement giving all employees of companies in France a share of the Group's profits in a harmonised manner,
  - other mechanisms enabling employees of foreign subsidiaries to benefit from additional compensation adapted to local performance and practices,
  - voluntary and supra-legal social protection and pension plans, set up by the subsidiaries in order to supplement the employer offer in a comprehensive and competitive manner and to offer compensation and social protection schemes in the short, medium and long term;
  - lastly, exceptional bonuses were awarded to all employees (fixed-term and permanent employment contracts) worldwide in 2022, 2023, 2024 and 2025.

The Group's employee compensation policy is ambitious and comprehensive; it incorporates a wide range of compensation tools.

The budget guidelines for wage increases during the annual salary review take account of inflation and changes in local wage markets. Particular attention is paid to gender equality and gaps in relation to the markets (internal and external). Specific budgets may be provided if adjustments are necessary.

The desire to reward both collective and individual performance can also be seen in the development of variable compensation at both individual and collective levels in recent years.

3.8.1.1.3 Measures to avoid or manage conflicts of interest (Article R. 22-10-40, I-2° of the French Commercial Code (*Code de commerce*))

A number of measures have been implemented to prevent possible conflicts of interest:

- the maximum amount of variable compensation set by the Articles of Association ("statutory compensation") of the Executive Chairmen is determined by the Articles of Association (Article 17);
- the maximum amount of fixed ("additional") compensation of the Executive Chairmen and the terms of its indexation were determined by the Ordinary General Meeting of 31 May 2001. On 7 February 2024, Émile Hermès SAS, Active Partner, decided to cap this indexation (see § 3.8.1.2.1);
- since its creation on 24 March 2010, the CAG-CSR Committee of the Supervisory Board of Hermès International has been tasked each year with ensuring that compensation paid to the Executive Chairmen complies with the provisions of the Articles of Association and the decisions made by the Active Partner;
- changes to the two components of the Executive Chairmen's compensation depend on clear and objective long-term criteria that are both qualitative and quantifiable, and which are publicly available and predefined by nature, as described in § 3.8.1.2;
- when setting the actual amount of each Executive Chairman's compensation set by the Articles of Association ("statutory compensation"), the Executive Management Board of Émile Hermès SAS uses the recommendations of the CAG-CSR Committee and takes into account in its decision the performance achieved by the Group in respect of the prior financial year, the strategic challenges in respect of the Group's medium- and long-term development and the competitive environment in which it operates;
- since 2020, the compensation policy for the Executive Chairmen has been subject to the advisory opinion of the Supervisory Board and the approval of the General Meeting, and the actual compensation of the Executive Chairmen is subject to a decision by the Supervisory Board.

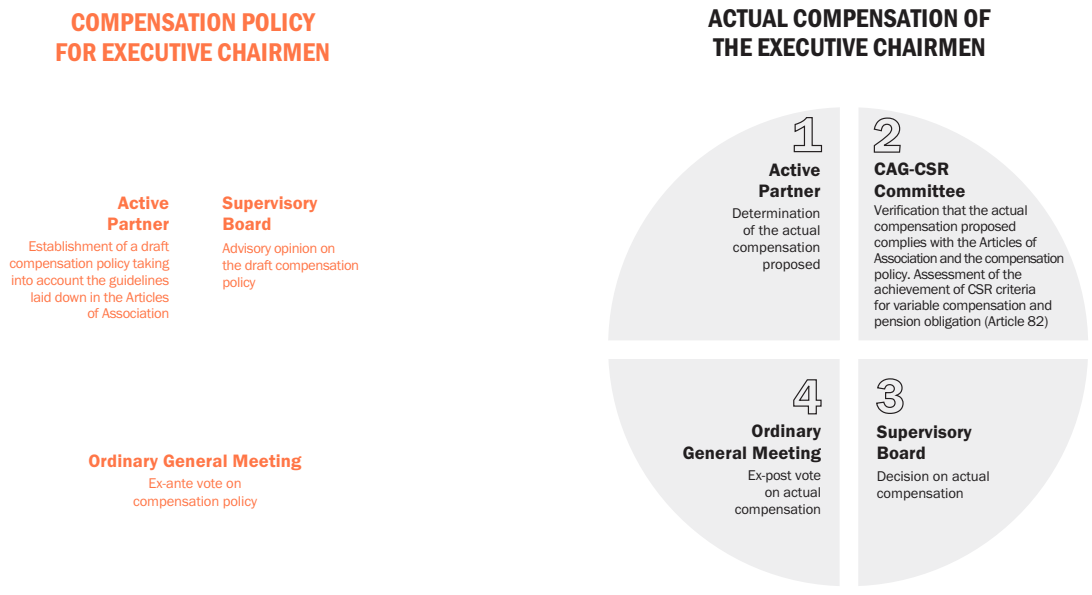
3.8.1.1.4 Procedures for publishing the compensation of Corporate Officers

Pursuant to Article R. 22-10-40, V of the French Commercial Code (*Code de commerce*), the compensation policy for Corporate Officers, together with the date and result of the last *ex-ante* vote in the General Meeting, is disclosed on the Company's financial website on the business day following the date of the vote.

Pursuant to Article 27.1 of the Afep-Medef Code, all potential or vested compensation of the Executive Chairmen is disclosed on the Company's financial website https://finance.hermes.com/en/corporate-officers immediately after the meeting of the Executive Management Board of Émile Hermès SAS, Active Partner, that approved it.

3.8.1.2 SPECIFIC PRINCIPLES APPLICABLE TO THE COMPENSATION POLICY FOR EXECUTIVE CHAIRMEN (EXECUTIVE CORPORATE OFFICERS)

Decision-making process followed for its determination, review and implementation



Decision-making process relating to the establishment of the Executive Chairmen's compensation policy (Article R. 22-10-40, I-2° of the French Commercial Code (*Code de commerce*))

The components of the Executive Chairmen's compensation policy are established by Émile Hermès SAS, Active Partner. The decision is made by taking into account the principles and conditions provided for in Article 17 of the Articles of Association with respect to the variable compensation set by the Articles of Association ("statutory compensation") and, by reference to the Articles of Association, the decision of the Ordinary General Meeting of 31 May 2001 with respect to fixed ("additional") compensation.

The Supervisory Board issues an advisory opinion on the compensation policy for the Executive Chairmen.

Since 2020, the compensation policy for the Executive Chairmen is submitted each year to the Ordinary General Meeting for approval (ex-ante vote).

Decision-making process followed for the determination of the actual compensation of the Executive Chairmen (Article L. 22-10-76 of the French Commercial Code (Code de commerce))

The actual amount of the Executive Chairmen's compensation is determined each year by Émile Hermès SAS, Active Partner, in accordance with the approved compensation policy, which is then submitted to the Supervisory Board for approval.

The CAG-CSR Committee of the Supervisory Board:

- evaluates the achievement of the indicators comprising the CSR criterion for Executive Chairmen's variable compensation;
- checks that the actual compensation of the Executive Chairmen complies with the Articles of Association and the compensation policy.

Since 2020, the actual overall compensation of Corporate Officers (including that of the Executive Chairmen) and the actual individual compensation of each Executive Chairman will be subject, each year, to approval by the Ordinary General Meeting (ex-post votes).

3.8.1.2.1 Changes made to the compensation policy for the Executive Chairmen since the last General Meeting (Article R. 22-10-40, I-5° of the French Commercial Code (Code de commerce))

The General Meeting of 30 April 2024 approved, at 91.36% and without reservation, the compensation policy for the Executive Chairmen (see § 3.8.5).

In accordance with the decision-making process described in § 3.8.1.2, at its meeting of 12 February 2025, the Executive Management Board of Émile Hermès SAS proposed the renewal of this compensation policy for the 2025 financial year, without changes compared to the previous financial year, which had been subject to two changes:

- capping the annual change in the fixed compensation of the Executive Chairmen to 5%; and
- implementation of an "Article 82"-type defined-contribution pension plan, with reference to the French General Tax Code (see 2023 universal registration document, page 352).

3.8.1.2.2 Terms of application to newly appointed or reappointed Executive Chairmen (Article R. 22-10-40, I-6° of the French Commercial Code (Code de commerce))

The term of office of the Executive Chairmen is indefinite under the terms of the Articles of Association, and is therefore not subject to renewal.

The compensation policy would apply to newly appointed Executive Chairmen on a pro rata basis in accordance with their presence during the first year of their term.

3.8.1.2.3 Exceptions to the application of the compensation policy (Article R. 22-10-40, I-7° of the French Commercial Code (Code de commerce))

In the event that exceptional circumstances should arise, the Executive Management Board of Émile Hermès SAS is authorised, under the conditions provided for by law, to waive the application of the compensation policy used to set the variable compensation of the Executive Chairmen, within the limit authorised by the Articles of Association, and after the favourable opinion of the Supervisory Board.

3.8.1.2.4 Specific elements comprising the compensation policy for the Executive Chairmen (Article R. 22-10-40, II of the French Commercial Code (Code de commerce))

Pursuant to Articles L. 22-10-76 and R. 22-10-40, II of the French Commercial Code (Code de commerce), the specific components comprising the compensation policy for the Executive Chairmen are set out below.

When the office is taken up.

No such commitment exists.

During their term of office.

The term of office of the Executive Chairmen is open-ended. The Executive Chairmen may be dismissed by a decision of the Active Partner.

Annual fixed and variable compensation and respective importance – CSR criterion for variable compensation

In accordance with the principles set out in Article 17 of the Articles of Association, each Executive Chairman is entitled to fixed compensation (referred to as "additional" in the Articles of Association) for which the maximum amount is determined by the Ordinary General Meeting with the unanimous approval of the Active Partners and, potentially, variable compensation set by the Articles of Association ("statutory compensation"):

- fixed compensation (referred to as "additional compensation" in the Articles of Association) was introduced by the Ordinary General Meeting of 31 May 2001, which set a limit of €457,347.05, and provided for it to be indexed upwards only, in accordance with any increase in consolidated revenue for the previous financial year over the year prior to that, at constant scope and exchange rates. Fixed compensation is, therefore, set on an annual basis. In accordance with this principle and to facilitate understanding of how the additional compensation of Executive Chairmen is calculated before indexing, it is referred to as "fixed compensation" by analogy with market practices. On 7 February 2024, the Executive Management Board of Émile Hermès SAS decided to limit the indexation of fixed compensation to 5%. This change was approved by the General Meeting of 30 April 2024 and the limit therefore applies to the fixed compensation of the Executive Chairmen paid in 2025;
- the calculation of the variable compensation referred to as "compensation set by the Articles of Association ("statutory compensation")" – set by Article 17 of the Articles of Association – has remained constant since the IPO on 3 June 1993. This compensation is capped at 0.20% of the consolidated net income before tax generated in the previous financial year. This mode of determination naturally leads to a strict variability in the compensation set by the Articles of Association ("statutory compensation") of Executive Chairmen, in a transparent way and without any guarantee of a minimum amount. With the aim of clarity, the compensation set by the Articles of Association ("statutory compensation") of the Executive Chairmen is referred to as "variable compensation", by analogy with market practices.

The variable compensation of the two Executive Chairmen is partially conditioned (10%) on a "CSR" criterion reflecting the Group's stated and constant commitments in respect of sustainable development. The CSR criterion contributes to the objectives of the Executive Chairmen's compensation policy.

This way of structuring the variable component of compensation was applied for the first time when evaluating variable compensation owing for 2019, which was measured and paid in 2020.

The indicators making up the CSR criterion relate to the following:

- decoupling between business growth at constant scope and exchange rates and the evolution of industrial energy consumption (quantifiable environmental criterion);
- actions implemented in favour of the Group's local integration in France and throughout the world, excluding major cities (qualitative societal criterion);
- Group initiatives in favour of gender balance (qualitative social criterion).

These indices are in line with the CSR strategy and the action priorities presented in chapter 2 "Corporate social responsibility and non-financial performance" § 2.1.1.5.2).

The Executive Management Board of Émile Hermès SAS, Active Partner, sets the actual amount of the annual compensation of each Executive Chairman, not exceeding the maximum amount of the approved compensation policy defined herein, and in accordance with the criteria and targets set out in § 3.8.1.1 and § 3.8.1.2, as follows:

- target variable compensation as set by the Articles of Association ("statutory compensation") is set by applying the strict variability of the consolidated net income before tax, 10% of which is conditional on the achievement of the targets making up the CSR criterion (see above);
- fixed ("additional") compensation is set by applying the strict variability, upwards only, of revenue to the compensation of the previous financial year;
- the other components of compensation are set in strict application of the compensation policy for the Executive Chairmen.

Changes to the two components of the Executive Chairmen's compensation depend on clear and objective long-term quantifiable criteria, which are publicly available and predefined by nature, as described in paragraphs 1) and 2) above.

Thus, no minimum variable compensation set by the Articles of Association ("statutory compensation") is guaranteed for the Executive Chairmen.

The quantifiable criteria are paramount in the calculation of the variable compensation of the Executive Chairmen.

The Executive Management Board of Émile Hermès SAS, Active Partner, relies on the recommendations of the CAG-CSR Committee.

Mr Henri-Louis Bauer, the Legal Representative of Émile Hermès SAS (Executive Chairman), does not personally receive any compensation from Hermès International. He receives compensation from Émile Hermès SAS for his functions as Executive Chairman of this company, which is unrelated to the appointment of Émile Hermès SAS as Executive Chairman of Hermès International.

The Executive Chairmen do not receive any compensation or benefits of any kind from the subsidiaries of Hermès International.

The breakdown of the actual compensation of the Executive Chairmen for the last two financial years is shown in § 3.8.4.2.

Each year, the CAG-CSR Committee of the Supervisory Board of Hermès International is tasked with ensuring that the Executive Chairmen's compensation is compliant with the Articles of Association and the compensation policy.

No predetermined weighting is applied with respect to fixed and variable compensation, which depend on the components described above.

HISTORY OF FIXED AND VARIABLE COMPENSATION PAID TO THE EXECUTIVE CHAIRMEN OVER THE LAST THREE FINANCIAL YEARS AND RESPECTIVE IMPORTANCE

Mr Axel Dumas	2024	Proportion (not pre-established)	2023	Proportion (not pre-established)	2022	Proportion (not pre-established)
Fixed compensation (referred to as "additional" in the Articles of Association)	€2,657,510	36%	€2,203,574	38%	€1,785,716 [1]	40%
Variable compensation set by the Articles of Association ("statutory compensation") awarded in respect of the previous financial year	€4,630,203	64%	€3,648,702	62%	€2,700,742	60%
of which CSR criterion		*10%*		*10%*		*10%*
TOTAL	**€7,287,713**		**€5,852,276**		**€ 4,486,458**	

(1) Mr Axel Dumas waived more than 75% of the increase, provided for by the applicable compensation policy, in his fixed compensation for 2022 ("additional"). Thus, Mr. Axel Dumas received actual fixed compensation in 2022 that increased by 10% from his actual fixed compensation for 2021.

Émile Hermès SAS	2024	Proportion (not pre-established)	2023	Proportion (not pre-established)	2022	Proportion (not pre-established)
Fixed compensation (referred to as "additional" in the Articles of Association)	€903,392	29%	€749,081	31%	€607,035 [1]	33%
Variable compensation set by the Articles of Association ("statutory compensation") awarded in respect of the previous financial year	€2,159,191	71%	€1,701,490	69%	€1,259,430	67%
of which CSR criterion		*10%*		*10%*		*10%*
TOTAL	**€3,062,583**		**€2,450,571**		**€1,866,465**	

(1) Émile Hermès SAS waived more than 75% of the increase, provided for by the applicable compensation policy, in its fixed compensation for 2022 ("additional"). Thus, in 2022, Émile Hermès SAS received actual fixed compensation up 10% from its actual fixed compensation for 2021.

Methods for assessing the achievement of performance criteria for variable compensation or share-based compensation (Article R. 22-10-40, I-4° of the French Commercial Code (Code de commerce))

The variable compensation set by the Articles of Association ("statutory compensation") of the Executive Chairmen is evaluated in accordance with the change in consolidated net income before tax for the prior financial year compared with the preceding financial year, and conditioned in the proportion of 10% on the achievement of the CSR criterion.

The evaluation of the amount of compensation subject to the CSR criterion is limited to a target of 100%, with no possibility of exceeding that limit.

Each of the three indices mentioned in § 3.8.1.2.4 "Annual fixed and variable compensation and respective importance – CSR criterion for variable compensation":

- shall count as one-third of the CSR criterion;
- has an annual reference period;
- is subject to an annual evaluation of their achievement by the CAG-CSR Committee.

Deferred or multi-year variable compensation

The allocation to Executive Chairmen of deferred or multi-year variable compensation is not provided for.

Exceptional compensation

The allocation of exceptional compensation to the Executive Chairmen is not provided for.

Share-based compensation (Article R. 22-10-40, II-2° of the French Commercial Code (Code de commerce))

The current compensation policy does not provide that the Executive Chairmen are entitled to share-based compensation.

In accordance with Article 26.3.3 of the Afep-Medef Code, Executive Chairmen who are natural persons and who are beneficiaries of stock options and/or performance-based shares must make a formal commitment not to hedge their risk on options or on shares resulting from the exercise of options or on performance-based shares, until the end of the share retention period.

Mr Axel Dumas, the only eligible Executive Chairman, has not received any stock options or performance-based shares since he was appointed Executive Chairman.

Émile Hermès SAS, a legal entity, is not eligible for the stock option or performance-based share plans.

Employment contract

In order to comply with the Afep-Medef Code, on 5 June 2013, Mr Axel Dumas decided to waive his employment contract with immediate effect upon his appointment as Executive Chairman of Hermès International.

Service agreements

No Executive Chairman directly or indirectly invoices services to the Company.

Compensation of Board members in the Company and the Group's subsidiaries

The Executive Chairmen do not receive any compensation as Board members paid by the Company or by the Group's subsidiaries.

Similarly, note that the Group's allocation rules specify that the members of the Executive Committee of Hermès International who are directors in subsidiaries do not receive compensation in that capacity.

Death and disability plan

Mr Axel Dumas is eligible for the mandatory collective death and disability plan established by the Group for the benefit of all staff of French entities that have joined this plan (decision taken by the Supervisory Board on 19 March 2014).

It provides, as is the case for all employees, the following gross lifetime benefits:

- a disability pension at 51% of reference compensation in the case of Category 1 disability and 85% of reference compensation in the case of Category 2 or 3 disability. The reference compensation (gross annual compensation) is capped at 8x the annual social security ceiling (PASS). The payment of the disability pension is discontinued when the recipient in question is no longer categorised as having the disability or permanent impairment and, at the latest, on the day of the normal or early liquidation of an old age insurance pension from the mandatory retirement plan, for any reason whatsoever;
- a death benefit equal to a maximum of 380% of the reference compensation, capped at 8x PASS, depending on the family situation;
- contributions paid to the insurer are split between the Company (80% of contributions) and the beneficiary (20% of contributions);
- these contributions are deductible from the corporation tax base, subject to corporate social contributions at the rate of 8%, and excluded from the base for social security contributions, within the limit of an amount equal to the sum of 6% of PASS and 1.5% of compensation retained within the limit of 12x PASS.

Benefits of any kind

Mr Axel Dumas has a company car constituting his only benefit in kind.

Mr Axel Dumas benefits from the mandatory collective healthcare plan implemented by the Group for the benefit of all staff of French entities that have joined this plan (decision made by the Supervisory Board on 19 March 2014).

Émile Hermès SAS does not receive any benefits in kind.

At the end of the term of office

Severance payment

The Company made a commitment to pay Mr Axel Dumas compensation in an amount equal to 24 months of total compensation ("statutory" variable compensation and "additional" fixed compensation) in the event of the termination of his duties as Executive Chairman (decision of the Supervisory Board of 4 June 2013 approved by the General Meeting of 3 June 2014 – 10th resolution "Approval of the commitments due to Mr Axel Dumas in respect of the termination of his duties as Executive Chairman" – in accordance with Article L. 225-42-1 of the French Commercial Code (*Code de commerce*) applicable at that date)

The payment of a severance payment is subject to the termination of duties as Executive Chairman resulting:

- either from a decision taken by Mr Axel Dumas by reason of a change of control over the Company, a change in the Chairman of

Émile Hermès SAS, which is an Executive Chairman of the Company, or a change in the Company's strategy; or

- from a decision taken by the Company.

Given the importance of the role of the Active Partner in a *société en commandite par actions* (partnership limited by shares) - which has the power to appoint and dismiss any manager, and in the case of a legal entity, its legal representative, it was considered that the termination of duties as Executive Chairman of Mr Axel Dumas, which would result from the replacement of the Chairman of Émile Hermès SAS, should be treated as a forced departure.

The criteria for granting severance payments are therefore strictly confined to cases of forced departure.

Moreover, the payment of such compensation is subject to the following performance conditions, such that the conditions of his departure are in equilibrium with the situation of the Company: achieving budget targets in at least four out of the five previous years (with revenue and operating income growth measured at constant rates), without deterioration in the Hermès brand image.

The Supervisory Board therefore considered that the deferred compensation commitment made to Mr Axel Dumas complied with the requirements of the Afep-Medef Corporate Governance Code.

No such agreement has been entered into with Émile Hermès SAS.

Non-compete indemnity

Mr Axel Dumas is not subject to any non-competition agreement, therefore no compensation is made in this respect.

No such agreement has been entered into with Émile Hermès SAS.

Supplemental pension plan

The total compensation of Mr Axel Dumas was determined taking into account the benefit of a supplemental pension plan.

Defined-contribution pension plan (Article 83 of the French General Tax Code)

Mr Axel Dumas is eligible for the supplementary defined-contribution pension plan established for all employees of the Group's French companies that have joined it (decision by the Supervisory Board on 4 June 2013 approved by the General Meeting of 3 June 2014 – fifth resolution "Approval of related-party agreements and commitments").

As with all employees of the Group:

- the defined-contribution pension plan is funded as follows: 1.1% for the reference compensation for an amount of 1x PASS, 3.3% for the reference compensation between 1x and 2x PASS, and 5.5% on the reference compensation between 2x and 6x PASS. Reference compensation means the gross annual compensation in accordance with Article L. 242-1 of the French Social Security Code (*Code de la sécurité sociale*);
- these premiums are shared between the Company (90.91%) and the beneficiary (9.09%);
- the employer contributions are deductible from the corporation tax base, subject to corporate social contributions at the rate of 20% and excluded from the base for social security contributions within the limit of the higher of the following two values: 5% of the PASS or 5% of the compensation retained within the limit of 5x PASS (€231,840 in 2024).

Defined-benefit pension plan (Article 39 of the French General Tax Code – Article L. 137-11 of the French Social Security Code)

Mr Axel Dumas is also eligible for the supplemental pension plan established in 1991 for Company Senior Executives (decision by the Supervisory Board on 4 June 2013, approved by the General Meeting of 3 June 2014 – fifth resolution "Approval of related-party agreements and commitments").

This provision is not limited solely to the Executive Chairmen but also encompasses a wider group of Senior Executives. It may be terminated, in the case of Mr Axel Dumas, by decision of the Supervisory Board.

In accordance with Order no. 2019-697 of 3 July 2019 relating to defined-benefit occupational plans, no new members may join this scheme from 4 July 2019 and no new conditional right to benefits may be awarded for periods of employment after 31 December 2019.

As a fundamental condition of the pension regulations, in order to be eligible for the scheme, beneficiaries must have reached the end of their professional career with the Company, have at least ten years of seniority as evaluated at 4 July 2019 given the provisions of the aforementioned order of 3 July 2019, and be eligible to draw pension benefits under the statutory French social security regime.

Each participant gradually acquires potential rights, calculated each year on the basis of his or her annual reference compensation, it being specified that 2019 is the last year taken into account when calculating such rights (in application of Order no. 2019-697 of 3 July 2019). These potential rights represent, depending on the seniority and for each year, a percentage of the reference compensation ranging between 0.9% and 1.5%.

If all the eligibility conditions are met, the annual pension under this scheme would be based on:

- the average yearly compensation for the last three years;
- a percentage of the reference compensation, ranging from 0.9% to 1.5% per year of service (as at 31 December 2019). In accordance with the regulations, as Mr Axel Dumas has a length of service exceeding 16 years, this percentage is set at 1.50%. It is in any event, below the legal limit of 3%.

In addition, the regulation provides for the application of two ceilings to the final amount of the annual pension:

- the amount of the annual pension is capped at 8x PASS, *i.e.* €370,944 in 2024; and
- the sum of (i) pensions accrued in respect of statutory and collective agreement plans (excluding increases for children raised) including rights accrued in overseas pension plans, pensions resulting from any supplementary plan that may be put in place within the Hermès Group and (ii) the amount of the top-up pension resulting from the regulations is capped at 70% of the last reference compensation.

For information, subject to fulfilling the conditions of the plan at the time of the liquidation of his pension, the maximum amount of the future pension, limited by the plan's regulations to eight times the annual social security limit, compared with the compensation for financial year 2022 of the natural person Executive Chairman would represent a replacement rate (excluding mandatory plans) of 4.83%.

The plan is financed by the Company through a contract taken out with an external insurance company, and, if necessary, additional provisions are recorded in the financial statements.

The following income tax and social security charges are currently applicable to the plan:

- with regard to social security contributions, using an irrevocable option, the Company has chosen to apply the fixed contribution set out in Article L. 137-11 of the French Social Security Code concerning the premiums paid to the external insurance firm at the rate of 24%. The beneficiary must pay – as for all replacement income – CSG (social security tax) and CRDS (social security debt repayment tax), in addition to healthcare contributions and an additional solidarity contribution for autonomy (CASA) on the amount of the pension. In the specific case of pensions resulting from defined-benefit pension plans, the beneficiary of the pension must also pay a social security contribution, at a rate that varies depending on the amount of the pension and its liquidation date;
- with regard to taxation, the premiums paid to the external insurance firm may be deducted from the tax base for corporation tax.

As indicated in § 3.8.1.2.1, the freezing of the system initially set up in 1991 and from which the Executive Chairman potentially benefits, led the Group to conduct a study on the pension system that would be the most relevant and the most suitable to replace the one set out in Article 39 of the French General Tax Code. The system ultimately selected is a defined-contribution supplemental pension plan, as provided for by Article 82 of the French General Tax Code, and presented below.

Émile Hermès SAS, a legal entity, is not eligible for a supplemental pension plan.

Defined-contribution pension plan (Article 82 of the French General Tax Code)

The General Meeting of 30 April 2024 approved the revised compensation policy for the Executive Chairmen and Mr Axel Dumas is therefore eligible for the "Article 82"-type defined-contribution funded pension plan, with reference to the French General Tax Code.

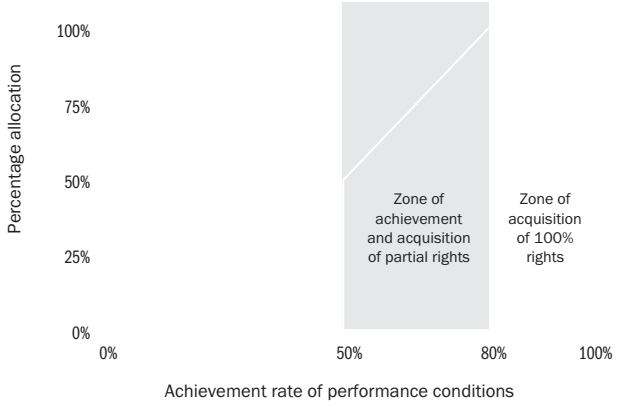
This plan is also set up for certain Senior Executives in the form of free share allocations calculated based on their fixed and variable compensation, this latest being subject to the achievement of performance criteria.

For the constitution of the rights of Mr Axel Dumas in his capacity as Executive Chairman, this plan provides for a gross annual contribution based on the "Reference Compensation" of the Executive Chairman, consisting, at the payment date, of (i) the annual fixed compensation for year N and (ii) the annual variable compensation awarded in respect of year N-1 and paid in year N (subject to approval by the Shareholders' General Meeting).

The contribution is calculated by applying a rate to the Reference Compensation that varies from 0% to 20% depending on the achievement of the applicable performance conditions, as shown in the diagram below.

By way of illustration:

- achievement of 80% of the performance conditions for the reference financial year: maximum payment of the contribution, *i.e.* 20% of the Reference Compensation;
- achievement of 50% of the performance conditions in respect of the reference financial year: lower limit payment, *i.e.* 10% of the Reference Compensation;
- achievement of performance conditions in respect of the reference financial year between these two limits (*i.e.* between 50 and 80%): payment of the contribution according to a straight-line increase;
- achievement of performance conditions below 50% of targets: no payment.



The acquisition rate of the rights varies according to the achievement rate of the performance criteria, as follows:

Performance criteria	Weighting		Performance	% allocation
Sales growth (at constant exchange rates)	40%	Lower limit	50% of target (annual budget)	50%
		Target	80% of target (annual budget)	100%
Recurring operating income (at current exchange rates)	40%	Lower limit	50% of target (annual budget)	50%
		Target	80% of target (annual budget)	100%
CSR criterion Objectives related to decoupling between activity growth at constant scope and exchange rates and the evolution of industrial energy consumption	20%	Lower limit	50% of target	50%
		Target	80% of target	100%

The payment of contributions, the rate of which is set according to the principles and conditions set out above, constitutes a benefit for the Executive Chairman, fully subject to social security contributions and taxation on entry, entirely at the expense of the beneficiary.

These payments will be paid in full by the Company and subject to social security contributions.

Émile Hermès SAS, a legal entity, is not eligible for a supplemental pension plan.

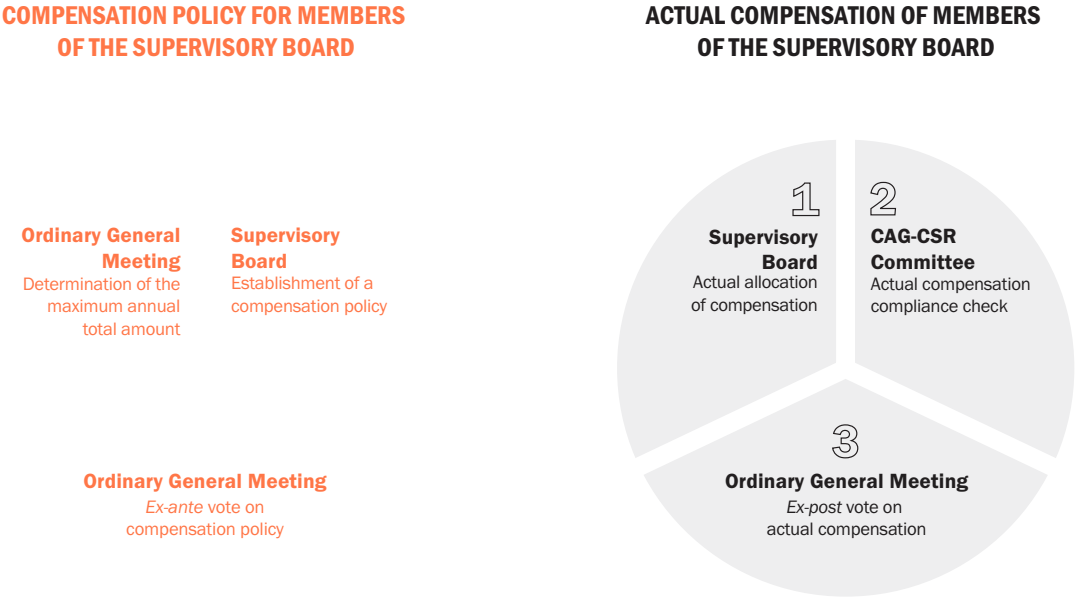
SUMMARY OF COMPENSATION AND BENEFITS POTENTIALLY OWING TO THE EXECUTIVE CHAIRMAN, MR AXEL DUMAS (A NATURAL PERSON), IN THE EVENT OF HIS DEPARTURE

	Method of determination as at 31/12/2024		
	Voluntary departure (excluding retirement)	**Forced departure**	**Retirement**
Severance payment	n/a	Subject to the applicable performance conditions: 24 months of compensation (fixed and variable)	n/a
Non-compete indemnity	n/a	n/a	n/a
Supplementary defined-benefit pension (Article 39 of the French General Tax Code – Article L. 137-11 of the French Social Security Code)	n/a	n/a	Annual pension amount: number of years' length of service x (0.9% to 1.5%) x average annual compensation for the last three years The pension will be capped at 8x PASS
Additional defined-contribution pension (Article 83 of the French General Tax Code)	The annual amount of the pension will be determined by conversion to a pension annuity of savings established as at the date of liquidation of retirement entitlements.		
Supplemental defined-contribution pension ("Article 82"-type under the French General Tax Code)	The annual amount of the pension will be determined by conversion to a pension annuity of savings established as at the date of liquidation of retirement entitlements.		

n/a: not applicable.

3.8.1.3 SPECIFIC PRINCIPLES APPLICABLE TO THE COMPENSATION POLICY FOR MEMBERS OF THE SUPERVISORY BOARD (NON-EXECUTIVE CORPORATE OFFICERS)

Decision-making process followed for its determination, review and implementation



Decision-making process relating to the compensation policy for members of the Supervisory Board (Article R. 22-10-40, IV of the French Commercial Code (*Code de commerce*)

The General Meeting sets the maximum annual total amount of compensation for the Supervisory Board.

The components of the compensation policy for Supervisory Board members are established by the Supervisory Board.

Since 2020, the compensation policy for members of the Supervisory Board has been submitted to the Ordinary General Meeting each year for approval *(ex-ante* vote).

Decision-making process relating to the actual compensation of members of the Supervisory Board (Article L. 22-10-76 of the French Commercial Code (*Code de commerce*)

The actual annual amount of compensation paid to the members of the Supervisory Board is determined by the Supervisory Board at the start of the year in respect of the previous year by applying the compensation policy and taking into account the individual attendance of each member during the previous financial year.

The Supervisory Board's CAG-CSR Committee checks that the actual compensation of Supervisory Board members complies with the total amount set by the General Meeting and the compensation policy for the members of the Supervisory Board.

Since 2020, the actual application of the compensation policy (including the overall actual compensation paid, and/or awarded) of the Corporate Officers (including that of Supervisory Board members) and the actual individual compensation of the Chairman of the Supervisory Board will be submitted each year to the approval of the Ordinary General Meeting (*ex-post* vote).

3.8.1.3.1 Changes made to the compensation policy for members of the Supervisory Board since the last General Meeting (Article R. 22-10-40, I-5° of the French Commercial Code (*Code de commerce*))

The General Meeting of 20 April 2023 approved at 99.94%, without reservation, the revision of the total annual amount of compensation attributable to the members of the Supervisory Board, increasing it from €600,000 to €900,000, as well as the modification of the allocation criteria that make up the compensation policy for Supervisory Board members (see § 3.8.5).

The objectives of these proposals were:

- to maintain the appeal of the Board;
- to remain competitive in the search for profiles in line with the Board's diversity policy (see § 3.4.3);
- to offer the Supervisory Board the necessary flexibility to be able to anticipate any change in its composition and/or its functioning;
- to take into consideration the development of the activities and the heterogeneity of the subjects with which the Board and its committees must deal.

This compensation policy is applicable to the amounts awarded at the beginning of 2024 in respect of the 2023 financial year, and until a further decision by the General Meeting.

3.8.1.3.2 Terms of application to newly appointed or reappointed members of the Supervisory Board (Article R. 22-10-40, I-6° of the French Commercial Code (*Code de commerce*))

If a member is appointed during the year, the fixed component is shared between the outgoing member and his or her replacement, and the variable component is allocated according to attendance at meetings.

The compensation policy applies without interruption to members whose term of office is renewed.

3.8.1.3.3 Exemptions provided by the Supervisory Board (Article R. 22-10-40, I-7° of the French Commercial Code (*Code de commerce*))

There are currently no temporary exceptions from the application of the compensation policy for the Supervisory Board members subject to the occurrence of exceptional circumstances.

3.8.1.3.4 Specific elements comprising the compensation policy for members of the Supervisory Board (Article R. 22-10-40, II of the French Commercial Code (*Code de commerce*))

Compensation of Supervisory Board and committee members

Supervisory Board members receive compensation in a total amount that is approved by the General Meeting and for which the allocation criteria are laid down in the Supervisory Board's compensation policy.

Compensation paid to members of the Audit and Risk Committee and the CAG-CSR Committee is deducted from the total amount of compensation of Supervisory Board members.

The General Meeting of 20 April 2023 set the maximum annual amount of compensation allocated to the Supervisory Board and its committees at €900,000.

The allocation criteria (on a full-year basis) approved by the Board on 24 November 2023 and set out in Article 5.1 of the Board's rules of procedure are as follows:

- the maximum amounts that may be allocated to each member are set out in the table below;
- the variable component proportional to the actual attendance at meetings is preponderant;
- employee representatives on the Supervisory Board do not receive compensation as members of the Supervisory Board;
- the variable component proportional to a member's attendance at meetings is calculated by applying to the maximum amount of the variable component the ratio between the number of meetings attended (in the numerator) and the total number of meetings held during the last financial year (in the denominator);
- no variable component is allocated to the Chairman of the Supervisory Board or the Chairs of the committees, since they must chair all meetings, unless they are prevented from doing so;
- the fixed and variable components are determined by the Board at its first meeting of the year following the year for which the compensation is paid.

Allocation criteria applicable to 2024	Fixed component	Proportion	Variable component proportional to attendance at meetings	Proportion	Maximum amounts attributable	
SUPERVISORY BOARD						
Chairman	€180,000	100.00%	n/a	n/a	€180,000	100.00%
Vice-Chairmen	€12,000	33.33%	€24,000	66.66%	€36,000	100.00%
Members	€12,000	33.33%	€24,000	66.66%	€36,000	100.00%
Employee representative members	n/a	n/a	n/a	n/a	n/a	n/a
CAG-CSR COMMITTEE						
Chairman	€40,000	100.00%	n/a	n/a	€40,000	100.00%
Members	€8,000	40.00%	€12,000	60.00%	€20,000	100.00%
AUDIT AND RISK COMMITTEE						
Chairman	€40,000	100.00%	n/a	n/a	€40,000	100.00%
Members	€8,000	40.00%	€12,000	60.00%	€20,000	100.00%

n/a: not applicable.

The allocation criteria include a fixed component and a majority variable component proportional to actual attendance at meetings (66.66% for the Board and 60.00% for the specialised committees).

No additional compensation is paid to Board members who are not resident in France. The attendance record and the corresponding allocation of annual compensation for a financial year are prepared by the CAG-CSR Committee and then approved by the Supervisory Board in the first quarter of the following financial year.

Employment contract

The members of the Supervisory Board of a *société en commandite par actions* (partnership limited by shares) may be bound to the Company by an employment contract with no condition other than that resulting from the existence of a relationship of subordination with the Company and the recognition of effective employment.

- Ms Anne-Lise Muhlmeyer (Preparation Manager – Ateliers d'Ennoblissement d'Irigny); and
- Mr Prescience Assoh (Sales associate – Hermès Sellier),

employee representative members of the Supervisory Board since 15 November 2022, hold employment contracts within the Hermès Group and receive compensation in this respect that was not granted by virtue of their offices. Consequently, and for reasons of confidentiality, their salaries are not disclosed.

No other members of the Supervisory Board, and in particular Mr Éric de Seynes, Chairman, are bound to the Company by an employment contract.

Options to subscribe for and purchase shares

No options to subscribe for or purchase shares were granted to Supervisory Board members in financial year 2024, nor were any such options exercised by them.

Allocation of free shares

No free shares were allocated to members of the Supervisory Board during the 2024 financial year (with the exception of employee representative members who benefit from the employee shareholding plans set up within the Group).

3.8.2 OVERVIEW OF COMPENSATION AND BENEFITS OF ALL KINDS FOR CORPORATE OFFICERS

In accordance with the provisions of Article L. 22-10-77 of the French Commercial Code (*Code de commerce*), the corporate governance report must present all compensation and benefits of all kinds paid to Corporate Officers during the financial year or allocated in respect of their duties in 2024.

The report must also:

- disclose any compensation paid or granted by a company in the scope of consolidation;
- enable comparison between (i) the compensation of the Executive Corporate Officers (*i.e.* the Executive Chairmen) and the non-Executive Chairman (*i.e.* the Chairman of the Supervisory Board) on the one hand, and (ii) the average and median compensation of the Company's employees on the other hand.

This section presents the aforementioned items, which will be subject to global and individual *ex-post* votes at the General Meeting of 30 April 2025 (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 – Explanatory statement to the 7th to 10th resolutions).

3.8.2.1 COMPENSATION OF THE EXECUTIVE CHAIRMEN PAID DURING OR AWARDED IN RESPECT OF FINANCIAL YEAR 2024 (EXECUTIVE CORPORATE OFFICERS) (ARTICLE L. 22-10-77 OF THE FRENCH COMMERCIAL CODE (*CODE DE COMMERCE*))

3.8.2.1.1 Compensation paid during financial year 2024

All fixed, variable and exceptional components of the total compensation and benefits of all kinds paid during the 2024 financial year to Mr Axel Dumas, on the one hand, and Émile Hermès SAS, on the other hand, in respect of their terms of office as Executive Chairmen, appear in chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1. Explanatory statement to the eighth and ninth resolutions).

These elements are all consistent with the compensation policy for the Executive Chairmen presented in § 3.8.1.1 and § 3.8.1.2 above and approved by the General Meeting of 30 April 2024.

3.8.2.1.2 Compensation awarded in respect of financial year 2024

The 2025 variable compensation of the Executive Chairmen, awarded in respect of financial year 2024, must be submitted to the General Meeting for approval prior to payment.

All the fixed, variable and exceptional components of the total compensation and benefits of all kinds awarded in respect of the 2024 financial year to Mr Axel Dumas, on the one hand, and Émile Hermès SAS, on the other hand, in respect of their terms of office as Executive Chairmen, appear in chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1. Explanatory statement to the eighth and ninth resolutions).

These elements are all consistent with the compensation policy for the Executive Chairmen presented in § 3.8.1.1 and § 3.8.1.2 above and approved by the General Meeting of 30 April 2024.

The CAG-CSR Committee evaluated the level of achievement of the CSR criterion applicable to 10% of the variable compensation of the Executive Chairmen at its meeting of 9 January 2025 and noted that the three indicators making up the criterion were fully achieved (see table below).

Consequently, the 2025 variable compensation, awarded in respect of financial year 2024, has been calculated by applying the change in the Company's consolidated net income before tax for financial year 2024 compared with financial year 2023, *i.e.* an increase of +8.9%, to the variable compensation paid in 2024 in respect of 2023.

CSR criteria indicators	Importance	Level of achievement and justification
Quantifiable environmental criterion: Decoupling between activity growth at constant scope and exchange rates and the evolution of industrial energy consumption	1/3	100% The continued improvement of the Group's infrastructure (real estate, industrial processes, etc.) as part of the "Decarbonisation" and "Sobriety" plans was confirmed once again this year. The House demonstrated controlled overall energy consumption while achieving a notable increase in its revenue over the reference period. During the reference period – from 1 October 2023 to 30 September 2024: ◆ the Group's consolidated revenue at constant exchange rates grew by +15%; ◆ total industrial energy consumption (including any scope effects) amounted to 160,298 MWh, an increase of +5.1%. Following two consecutive years of decline, the positive change in energy consumption is partly due to a scope effect (particularly in the Jewellery segment) and partly to the increase in production capacities. The actions from the "Defossilisation & decarbonisation" plans initiated four years ago continue to show very positive results by limiting the increase in industrial energy consumption: ◆ gas consumption continued its decline (-446 MWh), while electricity consumption increased by 12% (+8,625 MWh) in connection with decarbonisation actions (shift to electricity) and the increase in production capacity: new industrial sites and new production resources, including a second gas melting furnace at Cristallerie; ◆ in 2024, the House retained its double A in the CDP A list, which brings together the 400 companies deemed to be the best performing worldwide on environmental issues.

CSR criteria indicators	Importance	Level of achievement and justification
Qualitative societal criterion: Actions taken to promote the Group's local integration in France and around the world, outside of major cities	1/3	100% In 2024, the House renewed its commitments in favour of employment through its policy of an effective local presence in all its regions. Job creation continued its positive trend and all employment and inclusion policies and actions were once again acknowledged, as evidenced by the awards and rankings recognising environmental, social and societal performance. These actions are closely aligned with the House's model, which includes, at the heart of its strategy, authenticity, responsibility, humanism, a long-term vision and generosity, in order to give back to the world part of what it has provided. *Job creation* ◆ The House's policies and actions to ensure strong local presence, and more generally its commitment to a process of constant improvement of its social, societal and environmental performance, were recognised with several awards, including the following: ◆ Hermès won the Grand Prix Emploi for the fourth time, awarded by Humpact, a non-financial rating agency (ESG) dedicated to social issues. This award recognises companies for their outstanding social policies, in particular their achievements in terms of job creation, gender parity and integration of people with disabilities, young people and seniors, ◆ Hermès was rewarded for the first time by the Grand Prix Emploi for people with disabilities. This award highlights initiatives aimed at promoting the employment, integration and job retention of people with disabilities; ◆ the House continued its local presence in the regions with strong job creation outside major urban areas. Thus, the total number of its employees in this scope increased by +8.1% (compared to +12.5% between 2022 and 2023) to reach a total number of 8,335 employees (+ 621 *vs* 2023), of whom nearly 95% are in production roles. *Disability policy - Craftsmanship model* ◆ The Group's disability policy reached a new milestone in 2024 with the structuring of a Global Diversity & Inclusion policy, whose key figures are as follows: ◆ direct employment rate of people with disabilities: 7.12% (+4%); ◆ number of disability officers representing each métier: 25 (+56%); ◆ number of disability ambassadors: 135 (+4%); ◆ number of RQTH (Recognition as a worker with a disability) employees in France: 865 (+14%); ◆ volume of purchases of services from adapted structures (in the subsidised sector): €6.7 million (+29%); ◆ main achievements in France: 145 DuoDays (+4%), organisation of the 2nd Disability Ambassadors' Day, closing of the "In full agreement" series with episode No. 10, illustrating in concrete terms and through generous actions the four pillars of the Group Disability Agreement approach; ◆ main achievements worldwide: 2nd Worldwide Seminar for D&I Officers, 32 D&I Officers worldwide, Week for the Employment of People with Disabilities was extended from France to an international scope; ◆ The École Hermès des Savoir-Faire continued its mission and ambition: ◆ promote savoir-faire and demonstrate Hermès' métiers throughout the country; ◆ provide quality diploma training courses to people wishing to become craftspeople, setting up certification courses aimed at recognising changes in certain professions within the House; ◆ work closely with the French Ministry of Education, the Ministry of Labour and joint bodies on orientation, the content of diplomas, and the creation of courses that are lacking; ◆ act with local employment and training partners such as France Travail, the Local Business Skills Operator (OPCO), regional departments and local missions and strengthen the House's local presence in the regions; ◆ achievements in 2024: 10 training centres (+2 compared to 2023), 731 accompanied learner paths (educational and financial assessment) and 695 candidates present as at 31 December, 100% success rate in the vocational qualification in leather work (355 candidates presented), 7 people obtained their CQP in cutting and stitching (cutting only) and "Qualiopi" certification approved.

CSR criteria indicators	Importance	Level of achievement and justification
Qualitative social criterion: Group initiatives in favour of gender equality	1/3	100% As a responsible employer, the House encourages and ensures equality, diversity and inclusion at all levels of the organisation, whether in terms of employment, training, support and compensation. The House reaffirms with conviction its commitment and its strategy of global social and societal performance and virtuous and responsible long-term growth. ◆ As part of Hermès' social model, the global Diversity & Inclusion approach continued in 2024 with, in particular, the launch of a network of 32 contacts, aimed at ensuring for each employee an inclusive, respectful and harmonious working environment that resonates with the local environment of the subsidiaries and built around three common pillars: ◆ respect for the principle of non-discrimination and equal opportunities; ◆ diversity and gender equality; ◆ disability. ◆ Gender Equality Index: the weighted average index for the Group in France was 92/100 and 98/100 for Hermès International. ◆ Gender balance within governing bodies: the gender balance ratios published in 2024 were: ◆ 48% for the 100 positions with the highest responsibility; and ◆ 59% within the governing bodies (Executive Committee and Operations Committee, excluding the Executive Chairman). ◆ Awareness-raising and training actions on unconscious bias: ◆ the entire community of the Group's D&I contacts has been trained since 2023 on the issues of diversity and inclusion through the Diversity Fresco, as well as on unconscious bias; ◆ an e-learning awareness module on "unconscious biases and micro-inequities" has been available since 2023. It is mandatory for managers and the HR community in France and internationally and open to all employees. 1,200 employees have already had their awareness raised in France and abroad; ◆ more than 1,050 managers have already been trained in diversity management since the launch of the ALTEREGO training (including 95 in 2024). ◆ Group agreement on work-life balance: ◆ the House of Hermès pays constant attention to the well-being and physical and mental health of all employees. This is reflected in the desire to help them better reconcile their professional and personal life; ◆ Signed in July 2023, the agreement came into force on 1 January 2024 and benefits all employees of entities in France. It provides for measures to support parenting in all its facets (traditional parenting, adoption, gay parenting, single parenthood, blended families, etc.) before, on arrival and after the birth of the child, help for employees who are caregivers and by freeing up time through financial support in more serious situations (vulnerabilities, personal accidents, etc.). ◆ The HECATE women's network: ◆ in 2024, the Hécate women's network had more than 260 members (+ 60%) and rolled out targeted actions enabling each woman to become a full player in her own development within Hermès. Through conferences, workshops and mentoring, this network continues its concrete action to promote the implementation of female leadership at all levels of the organisation: four morning sessions (discussions in connection with the International Women's Day, Progress report on the "Duos d'Hécate" mentoring approach, Management of emotions, Open session between members) and two afterworks; ◆ launch of the "Duos d'Hécate" mentoring programme: based on a mentoring approach, the aim is to encourage coaching and support and to share experiences: 40 women were identified and 10 duos started during 2024. ◆ Prevention of sexist behaviour and harassment situations: 142 harassment officers (+87) have been trained since the launch and the investigation procedure was completed and updated at the end of 2024 taking into account feedback.

3.8.2.2 COMPENSATION PAID TO THE CHAIRMAN OF THE SUPERVISORY BOARD IN THE COURSE OF OR ALLOCATED IN RESPECT OF FINANCIAL YEAR 2024

All the fixed, variable and exceptional components comprising the total compensation and benefits in kind paid in the course of or awarded in respect of financial year 2024 to the Chairman of the Supervisory Board, on which the shareholders are asked to give a binding *ex-post* vote, are set out in chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 – Explanatory statement to the tenth resolution.

These elements are all in line with the compensation policy for the Chairman of the Supervisory Board presented in § 3.8.1.1 and § 3.8.1.3 above and approved by the General Meeting of 30 April 2024.

3.8.2.3 RATIOS AND ANNUAL CHANGE IN COMPENSATION, COMPANY PERFORMANCE, AVERAGE EMPLOYEE COMPENSATION AND RATIOS (ARTICLE L. 22-10-9 - 6° AND 7° OF THE FRENCH COMMERCIAL CODE (CODE DE COMMERCE))

The following section sets out:

- the changes over the last five years in the ratios between the level of compensation of each Executive Chairman and the Chairman of the Supervisory Board and:
  - on the one hand, the average pay on a full-time equivalent basis of the Company's employees other than Corporate Officers,
  - on the other hand, the median pay on a full-time equivalent basis of the Company's employees other than Corporate Officers;
- the annual change in the compensation of the Executive Chairmen and Chairman of the Supervisory Board, the performance of the Company, the average compensation on a full-time equivalent basis of Company employees other than Senior Executives, and ratios, over the past five years.

3.8.2.3.1 Methodology used

The methodology used, in line with the Afep guidelines updated in February 2021, is as follows:

- the notion of full-time equivalent (FTE) reflects a job performed on a full-time basis, *i.e.* as per legal working hours. As such, for part-time employees, compensation has been reconstituted on a full-time basis;
- based on the INSEE definition, the median wage is that which splits the Company's employees into two equal parts, such that half of the employees of the company in question earn less and the other half earn more. It differs from the average wage, which is the average of all wages in the company in question;
- the numerator shows the gross compensation (excluding social security contributions) paid to each Executive Chairman during the financial year, *i.e.*:
  - the fixed ("additional") compensation paid during the financial year under review,
  - the variable compensation set by the Articles of Association ("statutory compensation") paid during the financial year under review in respect of the prior year,
  - the exceptional compensation paid, if any, during the financial year under review,
  - other long-term compensation instruments and multi-year variable compensation paid, where applicable, during the financial year under review (taken at their IFRS value);
- the denominator shows the gross compensation (excluding social security contributions) of employees (continuously present in the year under review between 1 January and 31 December) of Hermès International – paid during the financial year, *i.e.*:
  - the fixed compensation paid during the financial year under review,
  - the variable compensation paid during the financial year under review in respect of the prior year,
  - the exceptional compensation paid, if any, during the financial year under review,
  - other long-term compensation instruments, in particular grants of free shares, when the rights were allocated or were vesting during the current financial year; measured at their IFRS value, less an annual amount depending on the length of the vesting period(s),
  - employee savings: profit-sharing and incentive schemes;
- the scope used in the denominator is that provided for by law, *i.e.* employees of the listed company Hermès International whose headcount is representative within the meaning of the law for the determination of the ratios. It represented 479 employees as at 31 December 2024. In addition to strict compliance with the legal requirement, this choice is likely to facilitate understanding of changes in ratios and the consistency of the calculation basis over time, which will be less affected by changes in the scope of consolidation (acquisitions/disposals) within the Group;
- the following are excluded from the numerator and denominator:
  - severance payments and non-compete payments, which do not constitute recurring compensation,
  - the defined-contribution supplemental pension plan (Article 83 of the French General Tax Code), which is a post-employment benefit,
  - the defined-benefit supplemental pension plan (Article 39 of the French General Tax Code), which cannot be valued insofar as payment is conditional on the completion of the beneficiary's career in the Company,
  - benefits in kind, which represent an insignificant amount of the compensation of the Executive Chairmen.

With regard to the Company's performance, it was decided to use the consolidated revenue (at constant rates) and the consolidated income before tax, which serve as a reference for the compensation of the Executive Chairmen and which are performance indicators that are particularly relevant to the Group's business model. In addition, they are commonly used in results press releases.

AMOUNT OF COMPENSATION USED WITH REFERENCE TO THE NUMERATOR

	2024	2023	2022	2021	2020
MR AXEL DUMAS	€7,287,713	€5,852,276	€4,486,458 [1]	€3,182,697	€3,403,423
ÉMILE HERMÈS SAS	€3,062,583	€2,450,571	€1,866,465 [1]	€1,279,003	€1,381,933
MR ÉRIC DE SEYNES	€180,000	€140,000	€140,000 [1]	€140,000	€140,000

(1) The Executive Chairmen waived more than 75% of the increase, provided for by the applicable compensation policy, in their fixed compensation for 2022 ("additional"). Thus, in 2022, the Executive Chairmen received actual fixed compensation up 10% from their actual fixed compensation for 2021.

3.8.2.3.2 Presentation of ratios and annual change in compensation, the performance of the Company, the average compensation of employees and ratios

Mr Axel Dumas – Executive Chairman	2024	2023	2022	2021	2020
Change in total compensation paid during the financial year compared with the previous financial year	24.5%	24.4%	41.0%	- 6.5%	0,0%
Ratio compared with the average compensation of employees Change compared with the previous financial year	29 +3 points	26 +4 points	22 +5 points	17 0 point	17 -1 point
Ratio compared with the median compensation of employees Change in points compared with the previous financial year	62 +9 points	53 +9 points	44 +10 points	34 -3 points	37 -1 point

Émile Hermès SAS – Executive Chairman	2024	2023	2022	2021	2020
Change in total compensation paid during the financial year compared with the previous financial year	25.0%	31.3%	45.9%	- 7.4%	0,0%
Ratio compared with the average compensation of employees Change compared with the previous financial year	12 +1 points	11 +2 points	9 +2 points	7 0 point	7 0 point
Ratio compared with the median compensation of employees Change in points compared with the previous financial year	26 +4 points	22 +4 points	18 +4 points	14 -1 point	15 0 point

Mr Éric de Seynes – Chairman of the Supervisory Board	2024	2023	2022	2021	2020
Change in total compensation paid during the financial year compared with the previous financial year	29.0%	0,0%	0,0%	0,0%	0,0%
Ratio compared with the average compensation of employees Change compared with the previous financial year	1 0 point	1 0 point	1 0 point	1 0 point	1 0 point
Ratio compared with the median compensation of employees Change in points compared with the previous financial year	1 0 point	1 0 point	1 0 point	1 -1 point	2 0 point

Employees of the listed company	2024	2023	2022	2021	2020
Change in the average compensation compared with the previous financial year	13.0%	9.0%	8.0%	- 3.8%	0,0%

Group performance	2024	2023	2022	2021	2020
Change in consolidated revenue at constant rates	14.7%	20.6%	23.4%	41.8%	- 6.0%
Change in consolidated net income before tax	8.9%	26.9%	35.1%	73.2%	- 12.4%

Explanatory notes on the employees

The changes over the five financial years presented in the tables above take into account the overall change in payroll.

The change in overall employee compensation also reflects (i) a positive dynamic of salary measures throughout the years presented, as well as (ii) the impact of allocations under employee shareholding plans and in particular the latest plan awarded on 15 June 2023. Depending on the plans and the respective duration of the vesting periods, the portion relating to these allocations may lead to a certain variation in the average and median compensation of employees in the reference scope.

The overall policy, and all of the components of the compensation awarded to employees of the listed company, and those of other Group entities in France and abroad, are presented and set out in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.3.1.12.

3.8.2.4 COMPENSATION OF THE SUPERVISORY BOARD, THE AUDIT AND RISK COMMITTEE AND THE CAG-CSR COMMITTEE AWARDED IN RESPECT OF 2024 OR PAID IN 2024

Compensation awarded to and received by members of the Supervisory Board in the last two financial years by Hermès International and the entities it controls as defined by Article L. 233-16 of the French Commercial Code (*Code de commerce*) is detailed in § 3.8.4.3. This compensation constitutes the only elements referred to in Article L. 22-10-9, I of the French Commercial Code (*Code de commerce*) awarded in respect of 2024 or paid in 2024. Data relating to the past financial year will be voted on by the General Meeting in 2025 ("global" *ex-post* vote), see chapter 8 "Combined General Meeting of 30 April 2025, § 8.2.1 – Explanatory statement to the seventh resolution.

3.8.3 ALLOCATIONS OF FREE SHARES AND STOCK OPTIONS

3.8.3.1 GENERAL POLICIES FOR THE ALLOCATION OF FREE SHARES AND STOCK OPTIONS

Allocations of stock options and free share awards form part of the Hermès Group's long-term compensation and retention policy. Such allocations have historically been made on a multiyear basis (see comments below on the plans in force); they are exceptional and their benefits have always extended beyond the Corporate Officers and Senior Executives of the Group.

3.8.3.2 FREE SHARE ALLOCATION PLANS IN FORCE

In accordance with Article L. 225-197-4 of the French Commercial Code (*Code de commerce*), information is provided on free share allocation plans carried out in financial year 2024.

Executive Management was authorised by the Extraordinary General Meetings of 31 May 2016, 24 April 2020, 4 May 2021, 20 April 2023 and 30 April 2024 to award free existing shares in the Company, on one or more occasions, to employees of the Company or certain categories thereof, or Senior Executives, as well as to employees and Senior Executives of companies affiliated to the Company. The conditions of delegations of authority still in force are shown in § 3.9.4.

The total number of free shares awarded under each of these delegations and the total number of stock options granted and not yet exercised are limited to 2% of the number of shares in the Company on the day of allocation, without taking into account those already granted under previous delegations.

In accordance with the explanatory statement to the nineteenth resolution of the General Meeting of 30 April 2024 (see 2023 universal registration document, page 548), the Executive Management made use of this authorisation as part of the implementation of a retirement savings scheme ("Article 82"-type, with reference to the French General Tax Code (*Code général des impôts*)), for the benefit of certain Senior Executives, excluding the Executive Chairmen. This was introduced to offset the freezing of the conditional rights under the defined-benefit pension plan provided for under Article 39 of the French General Tax Code (*Code général des impôts*) as at 31 December 2019.

Details of free share award plan terms and conditions (and, in particular, vesting periods and the application of performance conditions, where applicable) are presented in § 3.8.4.10 and details of free shares awarded to the top 10 employee beneficiaries who are not Corporate Officers are presented in § 3.8.4.11.

In accordance with the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code (*Code de commerce*), these awards are always contingent on presence conditions and, for certain plans, also on performance conditions. To harmonise the vesting conditions, the free shares granted by Executive Management in 2019 (plans [h] and [i]) and in 2023 (plans [j] and [k]) were subject to identical vesting periods for Group employees in France and internationally. In line with its long-term strategy, the Executive Management has set the vesting periods for these awards at four years. However, as permitted by applicable law (Articles L. 225-197-1 *et seq.* of the French Commercial Code (*Code de commerce*)) and in accordance with the provisions of the fifteenth resolution of the Combined General Meeting of 31 May 2016 (see page 293 of the 2016 registration document), the twenty-eighth resolution of the Combined General Meeting of 20 April 2023 (see page 544 of the 2022 universal registration document), and the nineteenth resolution of the Combined General Meeting of 30 April 2024 (see page 550 of the 2023 universal registration document), no lock-up period was established, leaving each beneficiary employee free to decide how long to hold the shares acquired.

With regard to the allocation of free shares by the Executive Management in 2024 (plan [l]), this provides for a one-year vesting period, with a one-year retention period. This grant also introduces a special retention period which extends from the end of the aforementioned retention period until the date of the beneficiary's retirement. This retention period may be reduced, subject to the effective reinvestment of at least 50% of the proceeds from the disposal of the shares in an "Article 82"-type pension insurance policy taken out by Hermès International.

Free share awards do not dilute the share capital because they consist exclusively of existing shares in the Company. Their value at the grant date, calculated according to the method used for the consolidated financial statements, is shown in chapter 5 "Consolidated financial statements", § 5.6 (Note 5.4).

3.8.3.3 STOCK OPTIONS

The Executive Management was authorised by the Extraordinary General Meeting to grant stock options to certain employees and Corporate Officers of the Company and of affiliated companies.

These delegations of authority were not used in 2024.

There were no stock option plans in place as at 31 December 2024, as indicated in § 3.8.4.8.

3.8.3.4 STOCK SUBSCRIPTION OPTIONS

All subscription option plans lapsed in 2009. No authorisation from the General Meeting allows the Executive Management to grant stock subscription options.

3.8.4 TABLES DRAWN UP IN ACCORDANCE WITH AMF POSITION-RECOMMENDATION DOC-2021-02 (§ 13.3) OF 5 JANUARY 2022 ON THE PRESENTATION OF COMPENSATION

The standardised presentation of all the components of compensation provided for in Appendix 2 of position recommendation DOC-2021-02 of 5 January 2022 is presented below.

3.8.4.1 TABLE 1

SUMMARY TABLE OF COMPENSATION AND OPTIONS AND SHARES ALLOCATED TO EACH EXECUTIVE CHAIRMAN

	2024	2023
Mr Axel Dumas	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
Compensation awarded in respect of the financial year (detailed in Table 2)	€7,287,71	€5,852,276
Valuation of multi-year variable compensation awarded during the financial year	n/a	n/a
Valuation of options granted during the financial year (detailed in Table 4)	n/a	n/a
Valuation of free shares allocated (detailed in Table 6)	n/a	n/a
Valuation of other long-term compensation plans	n/a	n/a
Total natural person as Executive Chairman	**€7,287,713**	**€5,852,276**
Émile Hermès SAS	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
Compensation awarded in respect of the financial year (detailed in Table 2)	€3,062,583	€2,450,571
Valuation of multi-year variable compensation awarded during the financial year	n/a	n/a
Valuation of options granted during the financial year (detailed in Table 4)	n/a	n/a
Valuation of free shares allocated (detailed in Table 6)	n/a	n/a
Valuation of other long-term compensation plans	n/a	n/a
Total legal entity as Executive Chairman	**€3,062,583**	**€2,450,571**

n/a: not applicable.

3.8.4.2 TABLE 2

SUMMARY TABLE OF THE COMPENSATION OF EACH EXECUTIVE CHAIRMAN

	2024		2023	
Gross annual compensation of the Executive Chairmen	**Amounts awarded**	**Amounts paid**	**Amounts awarded**	**Amounts paid**
Mr Axel Dumas				
Fixed compensation (referred to as "additional" in the Articles of Association)	€2,657,510	€2,657,510	€2,203,574	€ 2,203,574
Annual variable compensation set by the Articles of Association ("statutory compensation")	€4,630,203	€4,630,203	€3,648,702	€3,648,702
Multi-year variable compensation	n/a	n/a	n/a	n/a
Exceptional compensation	n/a	n/a	n/a	n/a
Total compensation	**€7,287,713**	**€7 287,713**	**€5,852,276**	**€5,852,276**
Compensation allocated on account of the office as member of the Board	n/a	n/a	n/a	n/a
Benefits in kind	Representation/Car	Representation/Car	Representation	Representation
Émile Hermès SAS				
Fixed compensation (referred to as "additional" in the Articles of Association)	€903,382	€903,392	€749,081	€749,081
Annual variable compensation set by the Articles of Association ("statutory compensation")	€2,159,191	€2,159,191	€1,701,490	€1,701,490
Multi-year variable compensation	n/a	n/a	n/a	n/a
Exceptional compensation	n/a	n/a	n/a	n/a
Total compensation	**€3,062,583**	**€3,062,583**	**€2,450,571**	**€2,450,571**
Compensation allocated on account of the office as member of the Board	n/a	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a	n/a

n/a: not applicable.

3.8.4.3 TABLE 3

TABLE OF COMPENSATION RECEIVED BY SUPERVISORY BOARD MEMBERS

	Amounts awarded in respect of financial year 2024 and amounts paid in 2025	Amounts awarded in respect of financial year 2023 and amounts paid in 2024
Total amount of compensation allocated by the General Meeting of Hermès International	€900,000	€900,000
Total amount of compensation actually awarded by Hermès International	€754,857	€758,857
Mr Éric de Seynes		
Compensation as Chairman of the Supervisory Board	€180,000	€180,000
Compensation as member of the Hermès Sellier Management Board	€3,000 [1]	€1,500 [1]
Mr Prescience Assoh (employee representative) [2]		
Compensation as member of the Supervisory Board	n/a	n/a
Ms Monique Cohen		
Compensation as member of the Supervisory Board	€36,000	€36,000
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€24,000*	*€24,000*
Compensation as Chairwoman of the Audit and Risk Committee	€40,000	€40,000
Ms Dominique Senequier		
Compensation as member of the Supervisory Board	€29,143	€25,714
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€17,143*	*€13,714*
Compensation as Chairwoman of the CAG-CSR Committee	€40,000	€40,000
Ms Dorothée Altmayer		
Compensation as member of the Supervisory Board	€32,571	€36,000
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€20,571*	*€24,000*
Compensation as Director of Comptoir Nouveau de la Parfumerie	€3,000 [1]	€3,000 [1]
Mr Charles-Éric Bauer		
Compensation as member of the Supervisory Board	€32,571	€36,000
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€20,571*	*€24,000*
Compensation as member of the Audit and Risk Committee	€20,000	€20,000
◆ *fixed component*	*€8,000*	*€8,000*
◆ *variable component based on attendance*	*€12,000*	*€12,000*
Ms Estelle Brachlianoff		
Compensation as member of the Supervisory Board	€36,000	€32,571
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€24,000*	*€20,571*
Compensation as member of the Audit and Risk Committee	€18,000	€20,000
◆ *fixed component*	*€8,000*	*€8,000*
◆ *variable component based on attendance*	*€10,000*	*€12,000*
Compensation as member of the CAG-CSR Committee	€20,000	€20,000
◆ *fixed component*	*€8,000*	*€8,000*
◆ *variable component based on attendance*	*€12,000*	*€12,000*
Mr Matthieu Dumas		
Compensation as member of the Supervisory Board	€36,000	€36,000
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€24,000*	*€24,000*
Compensation as member of the CAG-CSR Committee	€20,000	€20,000
◆ *fixed component*	*€8,000*	*€8,000*
◆ *variable component based on attendance*	*€12,000*	*€12,000*
Compensation as Director of Comptoir Nouveau de la Parfumerie	€3,000 [1]	€3,000 [1]

	Amounts awarded in respect of financial year 2024 and amounts paid in 2025	Amounts awarded in respect of financial year 2023 and amounts paid in 2024
Mr Blaise Guerrand		
Compensation as member of the Supervisory Board	€36,000	€36,000
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€24,000*	*€24,000*
Compensation as member of the Hermès Sellier Management Board	1 500 [1]	€3,000 [1]
Ms Julie Guerrand		
Compensation as member of the Supervisory Board	€36,000	€36,000
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€24,000*	*€24,000*
Ms Olympia Guerrand		
Compensation as member of the Supervisory Board	€32,571	€36,000
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€20,571*	*€24,000*
Compensation as member of the Hermès Sellier Management Board	€3,000 [1]	€3,000 [1]
Mr Renaud Momméja		
Compensation as member of the Supervisory Board	€36,000	€32,571
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€24,000*	*€20,571*
Compensation as member of the Audit and Risk Committee	€18,000	€20,000
◆ *fixed component*	*€8,000*	*€8,000*
◆ *variable component based on attendance*	*€10,000*	*€12,000*
Ms Anne-Lise Muhlmeyer (employee representative) [2]		
Compensation as member of the Supervisory Board	n/a	n/a
Mr Alexandre Viros		
Compensation as member of the Supervisory Board	€36,000	€36,000
◆ *fixed component*	*€12,000*	*€12,000*
◆ *variable component based on attendance*	*€24,000*	*€24,000*
Compensation as member of the Audit and Risk Committee	€20,000	€20,000
◆ *fixed component*	*€8,000*	*€8,000*
◆ *variable component based on attendance*	*€12,000*	*€12,000*

n/a: not applicable.
(1) Subject to the decisions of the company Boards concerned.
(2) Employee representative member of the Supervisory Board appointed on 15 November 2022.

3.8.4.4 TABLE 4

OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES, AWARDED TO THE EXECUTIVE CHAIRMEN DURING THE FINANCIAL YEAR BY HERMÈS INTERNATIONAL AND BY ANY GROUP COMPANY

Name of the Executive Corporate Officer	Number and date of plan	Nature of options	Valuation of options according to the method used for the consolidated financial statements	Number of options granted during the financial year	Exercise price	Exercise period
Mr Axel Dumas	n/a	n/a	n/a	n/a	n/a	n/a
TOTAL	n/a	n/a	n/a	n/a	n/a	n/a

n/a: not applicable.

3.8.4.5 TABLE 5

OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES EXERCISED DURING THE FINANCIAL YEAR BY THE EXECUTIVE CHAIRMEN OF HERMÈS INTERNATIONAL

Name of the Executive Corporate Officer	Number and date of plan	Number of options exercised during the financial year	Exercise price
Mr Axel Dumas	n/a	n/a	n/a
TOTAL	n/a	n/a	n/a

n/a: not applicable.

3.8.4.6 TABLE 6

FREE SHARES ALLOCATED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CHAIRMAN

Performance-based share distributions awarded by the Shareholders' General Meeting during the financial year to each Corporate Officer by the issuer and by all companies of the Group (nominative list)	Number and date of plan	Number of shares awarded during the financial year	Valuation of options according to the method used for the consolidated financial statements	Vesting date	Availability date	Performance conditions
Mr Axel Dumas	n/a	n/a	n/a	n/a	n/a	n/a
TOTAL	n/a	n/a	n/a	n/a	n/a	n/a

n/a: not applicable.

3.8.4.7 TABLE 7

FREE SHARES ALLOCATED AND BECOMING AVAILABLE DURING THE FINANCIAL YEAR FOR EACH EXECUTIVE CHAIRMAN

Name of the Corporate Officer	Number and date of plan	Number of shares acquired during the financial year	Vesting conditions
Mr Axel Dumas	n/a	0	n/a
TOTAL	n/a	0	n/a

n/a: not applicable.

3.8.4.8 TABLE 8

HISTORY OF ALLOCATION OF OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES

INFORMATION ON THE STOCK SUBSCRIPTION OR PURCHASE OPTIONS

General Meeting of 25/05/1998 (6th resolution) – Subscription or purchase options	Plans 1 to 4 expired
General Meeting of 03/06/2003 (15th resolution) – Purchase options	Plans 5 and 6 expired
General Meeting of 06/06/2006 (9th resolution) – Purchase options	Plan 7 expired
General Meeting of 02/06/2009 (14th resolution) – Purchase options	No plan implemented in 2009, 2010 or 2011
General Meeting of 30/05/2011 (21st resolution) – Purchase options	No plan implemented in 2011 or 2012
General Meeting of 29/05/2012 (13th resolution) – Purchase options	No plan implemented in 2012 or 2013
General Meeting of 04/06/2013 (18th resolution) – Purchase options	No plan implemented in 2013 or 2014
General Meeting of 03/06/2014 (16th resolution) – Purchase options	No plan implemented in 2014 or 2015
General Meeting of 02/06/2015 (14th resolution) – Purchase options	No plan implemented in 2015 or 2016
General Meeting of 31/05/2016 (14th resolution) – Purchase options	No plan implemented from 2016 to 2019
General Meeting of 24/04/2020 (18th resolution) – Purchase options	No plan implemented from 2020 to 2022
General Meeting of 20/04/2022 (18th resolution) – Purchase options	No plan implemented in 2022, 2023 or 2024

3.8.4.9 TABLE 9

OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES, GRANTED TO THE TOP 10 NON-CORPORATE OFFICER BENEFICIARY EMPLOYEES AND OPTIONS EXERCISED BY THEM

	Total number of shares granted/ shares subscribed or purchased	Weighted average price	Plans 1 to 7
Options granted during the financial year by the issuer and any entity within the option allocation scope to the 10 employees of the issuer and any entity within this scope for whom the number of options thus granted is the highest (overall information)	n/a	n/a	
Options held on the issuer and aforementioned entities exercised during the financial year by the 10 employees of the issuer and these entities, for whom the number of options thus purchased or subscribed is the highest (overall information)	n/a	n/a	Plans expired

n/a: not applicable.

3.8.4.10 TABLE 10

HISTORY OF FREE SHARE AND PERFORMANCE SHARE ALLOCATION PLANS STILL IN FORCE AS AT 1 JANUARY 2024

INFORMATION ON FREE SHARES ALLOCATED

	Plan h	Plan j	Plan k	Plan l
Date of General Meeting	31/05/2016 (15th resolution)	20/04/2023 (28th resolution)	20/04/2023 (28th resolution)	30/04/2024 (19th resolution)
Date of the decision by the Executive Management	01/07/2019	15/06/2023	15/06/2023	04/06/2024
Total number of shares awarded	310,944 [1]	210,168 [1]	92,400 [1]	2,204 [1]
Shares allocated to Senior Executives [2]	192	120	10,500	2,204
Number of Senior Executives [2] concerned	8	10	10	9
Allocations of shares to Senior Executives as % of share capital	n.m.	n.m.	0.01%	n.m
Terms of grant	2 tranches of 12 shares	1 tranche of 12 shares	n/a	n/a
Vesting period	4/5 years	4 years	4 years	1 year
Date of transfer of ownership of shares	03/07/2023 01/07/2024	15/06/2027	15/06/2027	04/06/2025
End of the retention period	n/a	n/a	n/a	04/06/2026
Performance conditions	No	No	Yes	No
Number of shares vested [5] as at 31/12/2024	258,828	168	0	0
Number of shares lost as at 31/12/2024	52,116	11,952	1,640	0

n.m.: not material; n/a: not applicable.

(1) At the end of the employee acceptance period.

(2) The following are treated as Senior Executives in this Table 10: the Executive Chairmen, members of the Supervisory Board (excluding employee representatives) and members of the Executive Committee of the issuer on the grant date.

(3) Including by early release in accordance with the regulations of the plan (death, disability).

(4) The initial retention period of one year, from the vesting date, is followed by a special retention period running until the beneficiary's retirement date.

3.8.4.11 TABLE 10 BIS (DRAWN UP PURSUANT TO ARTICLE L. 225-197-4 OF THE FRENCH COMMERCIAL CODE (*CODE DE COMMERCE*))

FREE SHARES AWARDED TO THE TOP 10 EMPLOYEES (NOT CORPORATE OFFICERS)

	Total number of shares awarded	Date of plans
Shares awarded during the financial year to the 10 employees of the issuer and any entity included in this scope for whom the number of shares thus granted is the highest (overall information)	2,204	4 June 2024

n/a: not applicable.

3.8.4.12 TABLE 11

Senior Executives (natural persons)	Employment contract	Supplemental pension plan	Compensation or benefits due or liable to be due because of the termination of or change in duties [1]	Compensation relative to a non-compete clause
Mr Axel Dumas, Executive Chairman Date of start of term of office: 05/06/2013 Date of end of term of office: open-ended	No [2]	Yes	Yes	No

(1) Details of these commitments can be found in chapter 8 "Combined General Meeting of 30 April 2025", §8.2.1 – Explanatory statement to the eighth resolution.
(2) Since 5 June 2013.

3.8.5 SUMMARY TABLE OF THE VOTES OF THE GENERAL MEETING ON THE RESOLUTIONS RELATING TO THE COMPENSATION OF CORPORATE OFFICERS

The summary table below shows the results of the votes on all the resolutions relating to the compensation of Corporate Officers.

	2024 GM (financial year 2023) [1]
Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended to the Corporate Officers (global *ex-post* vote) – 7th resolution	Resolution approved at 91.79%
Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended to Mr Axel Dumas, Executive Chairman (individual *ex-post* vote) – 8th resolution	Resolution approved at 91.70%
Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended to Émile Hermès SAS, Executive Chairman (individual *ex-post* vote) – 9th resolution	Resolution approved at 91.98%
Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended to Mr Éric de Seynes, Chairman of the Supervisory Board (individual *ex-post* vote) - 10th resolution	Resolution approved at 99.99%
Approval of the compensation policy for the Executive Chairmen (*ex-ante* vote) – 11th resolution	Resolution approved at 91.36%
Approval of the compensation policy for Supervisory Board members (*ex-ante* vote) – 12th resolution	Resolution approved at 99.99%

(1) Details of the results of the votes at the General Meeting are available on the Company's financial website https://finance.hermes.com/en/general-meetings/.

3.9 OTHER INFORMATION

3.9.1 AGREEMENTS

3.9.1.1 RELATED-PARTY AGREEMENTS AND TRANSACTIONS

Information on the related-party agreements described in the summary table below and the status of ongoing agreements is presented in chapter 8 "Combined General Meeting of 30 April 2025" in the report of the Supervisory Board to the General Meeting, §8.3 and in the Statutory Auditors' special report, §8.4.3.

In application of Articles L. 226-10, L. 225-38 to L. 225-43 of the French Commercial Code (*Code de commerce*), any agreement entered into directly or through an intermediary between the Company and:

- one of its Executive Chairmen;
- one of the members of the Supervisory Board; or
- one of its shareholders holding a fraction of the voting rights greater than 10% or, in the case of a shareholder company, the company controlling it within the meaning of Article L. 233-3 of the French Commercial Code (*Code de commerce*),

must be subject to the prior authorisation of the Board.

These provisions are applicable to agreements in which one of these persons has an indirect interest.

Agreements entered into directly or through an intermediary between the Company and a company are also subject to prior authorisation by the Supervisory Board if:

- one of its Executive Chairmen; or
- one of the members of the Supervisory Board,

is an owner, partner with unlimited liability, Executive Chairman, Director, Chief Executive Officer, member of the Management Board or member of the Supervisory Board of the company.

The foregoing provisions are not applicable either to agreements on current transactions entered into on an arm's length basis or to agreements concluded between two companies in which one holds, directly or indirectly, the entire share capital of the other, where applicable, after deduction of the minimum number of shares required by law. These agreements are communicated by the person concerned to the Chairman of the Supervisory Board, who communicates the list to the members of the Board and to the Statutory Auditors.

In accordance with the provisions of Article L. 225-38 of the French Commercial Code (*Code de commerce*), authorisation decisions of the Supervisory Board since 1 August 2014 are all supported by justification.

A review of the related-party agreements entered into during previous financial years and whose execution has continued over time is carried out by the Supervisory Board each year in accordance with the provisions of Article L. 225-40-1 of the French Commercial Code (*Code de commerce*).

Following the review of 2024, the Board had no comments to make.

None of these agreements changed significantly with respect to amounts or financial terms in 2024.

Related-party transactions are shown in chapter 5 "Consolidated financial statements", § 5.6 (note 13).

SUMMARY OF RELATED-PARTY AGREEMENTS IN FORCE DESCRIBED IN THE STATUTORY AUDITORS' SPECIAL REPORT

Nature of the agreement	Persons concerned	Nature, purpose and terms of the agreement	Amount
Service agreement with Studio des Fleurs	Mr Frédéric Dumas, member of the Executive Management Board of Émile Hermès SAS, Executive Chairman of Hermès International	The Supervisory Board authorised the conclusion of a contract between Hermès International and Studio des Fleurs relating to photography and retouching services for e-commerce product packshots. *Reasons why the agreement is beneficial for the Company* Studio des Fleurs agreed to the following points, which were fundamental to Hermès International: ◆ Studio des Fleurs' obligations: compliance with very precise specifications, duty of advice, monitoring of services, quality control; ◆ performance indicator monitoring criteria; ◆ no minimum order guaranteed; ◆ fixed three-year term followed by indefinite duration; ◆ long notice of termination (18 months); ◆ non-exclusivity; ◆ undertaking by Studio des Fleurs to take the necessary measures to maintain its economic independence (in particular by expanding and diversifying its customer base) from the Hermès Group; ◆ confidentiality and prohibition on using Hermès as a reference; ◆ no revision of rates before the expiry of three years, and then revision possible but capped. *Date of approval by the Supervisory Board* 20 March 2018 Contract 29 July 2021 New commercial conditions	For financial year 2024, invoicing for these services amounted to €89,250.
Design agreement with architectural firm RDAI [1]	Ms Sandrine Brekke, partner with a stake of more than 10% in RDAI and member of the Management Board of Émile Hermès SAS, legal manager (*gérant*) of Hermès International.	The Supervisory Board authorised a new framework agreement between Hermès International and all the companies that it controls either directly or indirectly, and RDAI, defining the outline of RDAI's assignment for the exclusive application of the architectural concept in Hermès projects. *Date of approval by the Supervisory Board* 7 July 2017 and 13 September 2017	For financial year 2024, invoicing for these services amounted to €44,004.

(1) At the time of approval of this agreement, related-party agreements did not need to be justified.

3.9.1.2 AGREEMENTS BETWEEN SENIOR EXECUTIVES OR SHAREHOLDERS OF THE COMPANY AND CONTROLLED COMPANIES (ARTICLE L. 225-37-4 - 2° OF THE FRENCH COMMERCIAL CODE (*CODE DE COMMERCE*))

Pursuant to the provisions of Article L. 225-37-4 of the French Commercial Code (*Code de commerce)*, this report must disclose any agreements entered into, directly or through an intermediary, between, on the one hand, an Executive Chairman, a member of the Supervisory Board or one of the shareholders holding more than 10% of the voting rights of the Company and, on the other hand, another company controlled by said other party within the meaning of Article L. 233-3 of the French Commercial Code (*Code de commerce*).

These are not related-party agreements subject to prior approval by the Supervisory Board, as Hermès International is not a party to the agreement. Agreements entered into with a wholly owned subsidiary are not excluded (Order no. 2014-863 of 31 July 2014 relating to company law).

You are advised that no such agreements were entered into during the financial year ended 31 December 2024.

3.9.1.3 PROCEDURE FOR MONITORING ONGOING AND ARM'S LENGTH AGREEMENTS AND IMPLEMENTATION

Pursuant to the provisions of Article L. 22-10-12 of the French Commercial Code (*Code de commerce*), the Company has put in place a procedure to regularly assess whether agreements relating to current transactions and concluded on an arm's length basis meet these conditions.

3.9.1.3.1 Procedure

This procedure, which applies only to Hermès International and not to its subsidiaries, was approved by the Supervisory Board on 25 February 2020.

Its purpose is to enable Hermès International to periodically assess the appropriateness of the classification used for ongoing agreements entered into during the financial year, those that continue over several years, and any agreements that may have been modified.

An "Ongoing Agreements Committee" tasked with conducting the evaluation has been established; it comprises the following members as a minimum:

- a representative of the legal, corporate law and securities law department;
- a representative of the finance department.

The procedure first entails the presentation of:

- the notion of agreements bearing on ongoing transactions entered into on an arm's length basis and transactions deemed to be ongoing and entered into on an arm's length basis within the Hermès Group;
- the notions of related-party agreement and prohibited agreement;
- the roles and responsibilities related to the identification of related-party agreements and the control and disclosure procedure applicable to them.

The procedures for the regular evaluation of agreements relating to ongoing transactions concluded on an arm's length basis are then described:

- periodicity of the assessment: annual;
- nature of the work required to carry out the evaluation:
  - determining each year the scope of the agreements to be assessed, for example by selecting a category of agreement taking into account duration, maturity, importance (in particular, financial), nature or by adopting a risk-based approach,
  - assessing the relevance of the criteria used to distinguish between ongoing transactions concluded on an arm's length basis and related-party agreements, and their correct application in the Company,
  - carrying out a review of the terms and conditions applicable to these agreements in order to ensure, for those that may be revised or renewed in the coming year, that they still qualify as ongoing transactions concluded on an arm's length basis, in particular in view of the criteria used,
  - detecting any anomalies that could make it necessary to supplement existing internal control procedures;
- consequences of the evaluation;
- report to the Supervisory Board and follow-up.

3.9.1.3.2 Implementation

In 2024, the Ongoing Agreements Committee conducted a review of the agreements relating to ongoing transactions and entered into on an arm's length basis and concluded that all these agreements continue to meet these two conditions. A report was presented to the Supervisory Board, which took note of it.

An in-depth annual review will be carried out in 2025 on significant agreements to ensure that they continue to meet the criteria for ongoing and arm's length agreements.

3.9.2 CAPITAL STRUCTURE AND FACTORS LIABLE TO AFFECT THE OUTCOME OF A PUBLIC OFFERING

In accordance with Article L. 22-10-11 of the French Commercial Code (*Code de commerce*), you are informed of the elements likely to have an impact on a possible public tender or exchange offering for Hermès International shares.

As a *société en commandite par actions* (partnership limited by shares), Hermès International is governed by certain provisions specific to its legal form, stipulated by law or the Articles of Association, which are liable to have an effect in the case of a public offering, namely:

3.9.2.1 STRUCTURE OF THE COMPANY'S SHARE CAPITAL/DIRECT OR INDIRECT AFFILIATES IN THE SHARE CAPITAL

Information on share capital and shareholding is presented in chapter 7 "Information on the Company and its share capital", § 7.2.2. The control held by the Hermès family group is likely to have an impact in the event of a public offering.

3.9.2.2 STATUTORY RESTRICTIONS ON THE EXERCISE OF VOTING RIGHTS AND SHARE TRANSFERS

Statutory restrictions on the exercise of voting rights and share transfers are as follows:

- voting rights are exercised by the bare owners for all decisions taken at all General Meetings except for decisions regarding the allocation of earnings, for which the usufructuary shall exercise the voting rights;
- double voting rights are allocated to each registered share after being held for a period of four consecutive years;
- any shareholder who comes to hold 0.5% of the share capital and/or voting rights, or any multiple of that percentage, must disclose the crossing of ownership thresholds (Article 11 of the Articles of Association);
- Émile Hermès SAS, the Active Partner, must retain in its Articles of Association certain provisions concerning its legal form, corporate purpose and the conditions to be met to qualify as an Active

Partner (see chapter 7 "Information on the Company and its share capital", § 7.1.3 [Article 14.3 of the Articles of Association]);

- Hermès International may only be converted into a *société anonyme* (public limited company) with the consent of the Active Partner;
- except for decisions falling within their exclusive remit, any decision taken by the Limited Partners (shareholders) at General Meetings is only valid if it has been approved by the Active Partner no later than the end of said Meeting.

3.9.2.3 CONTROL MECHANISMS PROVIDED FOR IN A POTENTIAL EMPLOYEE SHAREHOLDING SYSTEM

Not applicable.

3.9.2.4 AGREEMENTS BETWEEN SHAREHOLDERS OF WHICH THE COMPANY IS AWARE AND WHICH MAY RESULT IN RESTRICTIONS ON SHARE TRANSFERS AND THE EXERCISE OF VOTING RIGHTS

A priority right to acquire Hermès International shares, granted by the members of the Hermès family group, and descendants of these members, to H51, is explained in chapter 7 "Information on the Company and its share capital", § 7.2.5.2.

3.9.2.5 RULES APPLICABLE TO THE APPOINTMENT AND REPLACEMENT OF THE EXECUTIVE CHAIRMEN AS WELL AS TO THE AMENDMENT OF THE COMPANY'S ARTICLES OF ASSOCIATION/ POWERS OF THE EXECUTIVE MANAGEMENT, IN PARTICULAR WITH REGARD TO THE ISSUE OR BUYBACK OF SHARES

These rules are as follows:

- the Executive Chairmen may only be appointed or dismissed by the Active Partner;
- the amendment of the Articles of Association is only valid if it has been approved in advance by the Active Partner;
- the Executive Management benefits from delegations of authority to decide on share buybacks and capital increases, which are described in § 3.9.4.

3.9.2.6 AGREEMENTS ENTERED INTO BY THE COMPANY THAT ARE AMENDED OR TERMINATED IN THE EVENT OF A CHANGE OF CONTROL OF THE COMPANY, UNLESS SUCH DISCLOSURE, EXCEPT IN CASES OF LEGAL DISCLOSURE OBLIGATION, WOULD SERIOUSLY HARM ITS INTERESTS

A certain number of agreements entered into by the Company provide for a change of control clause, but none of them are of a nature to be covered by paragraph 9 of Article L. 22-10-11 of the French Commercial Code (*Code de commerce*).

3.9.2.7 AGREEMENTS PROVIDING FOR COMPENSATION FOR THE EXECUTIVE CHAIRMEN OR EMPLOYEES, IF THEY RESIGN OR ARE DISMISSED WITHOUT REAL AND SERIOUS CAUSE OR IF THEIR EMPLOYMENT IS TERMINATED DUE TO A PUBLIC TENDER OR EXCHANGE OFFERING

The Company made a commitment to pay Mr Axel Dumas a severance payment under the conditions described in chapter 8 "Combined General Meeting of 30 April 2024", § 8.2.1 – Explanatory statement to the eighth resolution. Given the importance of the role of the Active Partner in a *société en commandite par actions* (partnership limited by shares) – which has the power to appoint and dismiss any manager – and in the case of a legal entity, its legal representative, it was considered that the termination of duties as Executive Chairman of Mr Axel Dumas, which would result from the replacement of the Chairman of Émile Hermès SAS, should be treated as a forced departure.

3.9.3 SPECIAL CONDITIONS FOR ATTENDING GENERAL MEETINGS

In accordance with Article L. 22-10-10 of the French Commercial Code (*Code de commerce*), you are advised that General Meetings are called, except in exceptional circumstances, under the conditions set by law and Article 24 of the Articles of Association (see chapter 7 "Information on the Company and its share capital", § 7.1.3).

Any shareholder or shareholder representative has the right to attend the General Meeting and take part in the deliberations, regardless of the number of shares. However, shareholders will only be permitted to attend this Meeting, to be represented or to vote by post if they have previously provided proof of their status by registering their shares in their own name (or that of the intermediary registered on their behalf if they are not domiciled in France) on the second business day (= *i.e.* stock market trading days) preceding the meeting at midnight (Paris time) [record date]:

- in the registered securities accounts held for the Company by its agent Uptevia; or
- in the bearer share accounts held by the financial intermediary with which its shares are registered.

In the event of a sale of shares before this date, the shareholding certificate will be invalidated and the votes by post or powers sent to the Company will also be invalidated. In the event of disposal after this date, the shareholding certificate will remain valid and the votes cast or the powers given will be taken into account.

Shareholders may choose one of the following three options to attend the General Meeting:

- attend the General Meeting in person;
- by post: vote or be represented by giving proxy to the Chairman of the General Meeting or a proxy;
- by Internet: vote or be represented by giving proxy to the Chairman of the General Meeting or a proxy.

In accordance with Articles L. 225-96 and L. 225-98 of the French Commercial Code (*Code de commerce*), only votes cast by shareholders present or represented are taken into account in the calculation of the quorum. The votes cast do not include abstentions, blank votes, invalid votes, or shareholders who did not take part in the vote for the resolution in question. Postal voting forms giving no meaning or expressing an abstention will no longer be considered as negative votes. They will not be taken into account in the votes cast.

Double voting rights are allocated under the conditions set out in Article 12 of the Articles of Association (see chapter 7 "Information on the Company and its share capital", § 7.1.3).

In the event that a legal (Articles L. 233-7 of the French Commercial Code (*Code de commerce*) and L. 433-3 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) or internal threshold is crossed (Article 11 of the Articles of Association – see chapter 7 "Information on the Company and its share capital", § 7.1.3 and § 7.5.8) with regard to equity and/or voting rights, a declaration in accordance with the conditions set out in the aforementioned texts must be made, failing which the shares will be deprived of voting rights at General Meetings.

3.9.4 SUMMARY TABLE OF THE USE OF FINANCIAL DELEGATIONS OF AUTHORITY

In accordance with the provisions of Article L. 225-37-4 - 3° of the French Commercial Code (*Code de commerce*), the table below shows all the delegations of competence and powers granted by the General Meeting to the Executive Management in financial matters, distinguishing between delegations that were valid, and delegations used, in the 2024 financial year, as applicable.

Date of General Meeting Resolution no.	Delegations valid in 2024	Limit common to several authorisations	Use in 2024
STOCK OPTIONS/FREE SHARES			
20 April 2022 18th resolution	**Authorisation:** allocation of stock options **Duration (expiry):** 38 months (20 June 2025) **Individual limit:** 2%	2%	None
20 April 2022 19th resolution	**Authorisation:** allocation of existing free ordinary shares **Duration (expiry):** 38 months (20 June 2025) [1] **Individual limit:** 2%		None
20 April 2023 28th resolution	**Authorisation:** allocation of existing free ordinary shares **Duration (expiry):** 38 months (20 June 2026) [2] **Individual limit:** 2%	2%	See § 3.8.3.2 and 3.8.4.10
30 April 2024 19th resolution	**Authorisation:** allocation of existing free ordinary shares **Duration (expiry):** 38 months (30 June 2027) **Individual limit:** 2%	2%	See § 3.8.3.2 and 3.8.4.10
BUYBACK/CANCELLATION OF SHARES			
20 April 2022 17th resolution	**Authorisation:** cancellation of shares **Duration (expiry):** 24 months (20 April 2024) [1] **Individual limit:** 10% of the share capital		None
20 April 2023 6th resolution	**Authorisation:** share buyback **Duration (expiry):** 18 months (20 October 2024) [2] **Individual limit:** 10% of the share capital – maximum amount of €4.5 billion – maximum price per share: €2,200		See chapter 7 "Information on the Company and its share capital", § 7.2.2.10
20 April 2023 19th resolution	**Authorisation:** cancellation of shares **Duration (expiry):** 24 months (20 April 2025) [2] **Individual limit:** 10% of the share capital		None
30 April 2024 6th resolution	**Authorisation:** share buyback **Duration (expiry):** 18 months (30 October 2025) [3] **Individual limit:** 10% of the share capital – maximum amount of €6.5 billion – maximum price per share: €3,000		See chapter 7 "Information on the Company and its share capital", § 7.2.2.10
30 April 2024 18th resolution	**Authorisation:** cancellation of shares **Duration (expiry):** 24 months (30 April 2026) [3] **Individual limit:** 10% of the share capital		None

(1) These authorisations were cancelled, for the remaining duration and for the unused fraction, by delegations of the same nature authorised by the General Meeting of 20 April 2023.
(2) These authorisations were cancelled, for the remaining duration and for the unused fraction, by delegations of the same nature authorised by the General Meeting of 30 April 2024.
(3) These delegations are intended to be cancelled, for the remaining duration and for the unused fraction, in the case of the adoption of new resolutions concerning new delegations of the same nature by the General Meeting of 30 April 2025 (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 and § 8.2.2 – Explanatory statement to the sixth and nineteenth resolutions).

Date of General Meeting Resolution no.	Delegations valid in 2024	Limit common to several authorisations	Use in 2024
EQUITY SECURITIES			
20 April 2023 20th resolution	**Authorisation:** capital increase by incorporation of reserves **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** 40% of the share capital	n/a	None
20 April 2023 21st resolution	**Authorisation:** issue with preemptive subscription rights maintained **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** 40% of the share capital	40%	None
20 April 2023 22nd resolution	**Authorisation:** issue with preemptive subscription rights cancelled **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** 40% of the share capital		None
20 April 2023 23rd resolution	**Authorisation:** capital increase reserved for members of a company or group savings plan **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** 1% of the share capital		None
20 April 2023 24th resolution	**Authorisation:** issue by private placement **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** 20% of the share capital per year		None
20 April 2023 25th resolution	**Authorisation:** issue to compensate contributions in kind **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** 10% of the share capital		None

(1) These delegations are intended to be cancelled, for the remaining duration and for the unused fraction, in the case of the adoption of new resolutions concerning new delegations of the same nature by the General Meeting of 30 April 2025 (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 and § 8.2.2 – Explanatory statement to the twentieth to twenty-fifth resolutions)

Date of General Meeting Resolution no.	Delegations valid in 2024	Limit common to several authorisations	Use in 2024
DEBT SECURITIES			
20 April 2023 21st resolution	**Authorisation:** issue with preemptive subscription rights maintained **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** €1 billion	€1 billion	None
20 April 2023 22nd resolution	**Authorisation:** issue with preemptive subscription rights cancelled **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** €1 billion		None
20 April 2023 24th resolution	**Authorisation:** issue by private placement **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** €1 billion		None
20 April 2023 25th resolution	**Authorisation:** issue to compensate contributions in kind **Duration (expiry):** 26 months (20 June 2025) [1] **Individual limit:** €1 billion		None
MERGER BY ABSORPTION, SPIN-OFF, PARTIAL CONTRIBUTION OF ASSETS			
20 April 2023 26th and 27th resolutions	**Authorisation:** operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime, and resulting capital increase **Duration (term):** 26 months (4 July 2024) [1] **Individual limit:** 40% of the share capital	40% (27th resolution)	None

(1) These delegations are intended to be cancelled, for the remaining duration and for the unused fraction, in the case of the adoption of new resolutions concerning new delegations of the same nature by the General Meeting of 30 April 2025 (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 and § 8.2.2 – Explanatory statement to the twenty-first to twenty-fifth and twenty-seventh and twenty-eighth resolutions).

The General Meeting of 30 April 2025 is asked to renew:

- the authorisations to carry out share buybacks/cancellations (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 and § 8.2.2 – Explanatory statements to the sixth and nineteenth resolutions);
- the financial authorisations previously granted (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 and § 8.2.2 – Explanatory statements to the twentieth to twenty-fifth resolutions);
- delegation to the Executive Management to decide on mergers, spin-offs and partial contributions of assets (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 and § 8.2.2 – Explanatory statements to the twenty-seventh and twenty-eighth resolutions);

The General Meeting of 30 April 2025 is also asked to delegate to the Executive Management the authority to decide on a capital increase by the issue of shares and/or securities giving access to the share capital, with preemptive rights cancelled, in favour of one or more named persons (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.1 and § 8.2.2 - Explanatory statement to the twenty-sixth resolution).

3.10 OTHER INFORMATION FROM THE EXECUTIVE MANAGEMENT REPORT

3.10.1 INTERESTS OF CORPORATE OFFICERS AND EXECUTIVE COMMITTEE MEMBERS IN THE SHARE CAPITAL

In accordance with point 16.1 of Annex 1 to European Commission Delegated Regulation (EU) 2019/980, the direct interests of Senior Executives in the Company's share capital as at 31 December 2024, as reported to the Company, were as follows.

	Shares in full ownership or with usufruct [1] (Ordinary General Meeting votes on the allocation of net income)				Full or bare ownership shares [1] (other General Meeting votes)			
	Number of shares	%	Number of votes	%	Number of shares	%	Number of votes	%
SHARE CAPITAL AS AT 31/12/2024	**105,569,412**	**100.00%**	**178,694,968**	**100.00%**	**105,569,412**	**100.00%**	**178,694,968**	**100.00%**
Executive Chairmen								
Émile Hermès SAS	49,792	0.05%	83,028	0.05%	49,792	0.05%	83,028	0.05%
Axel Dumas	11,668	0.01%	23,336	0.01%	11,638	0.01%	23,276	0.01%
Members of the Supervisory Board								
Éric de Seynes	226	0.00%	429	0.00%	511	0.00%	714	0.00%
Prescience Assoh	24	0.00%	24	0.00%	24	0.00%	24	0.00%
Dorothée Altmayer	200	0.00%	400	0.00%	200	0.00%	400	0.00%
Charles-Éric Bauer	71,748	0.07%	140,496	0.08%	71,748	0.07%	140,496	0.08%
Estelle Brachlianoff	100	0.00%	100	0.00%	100	0.00%	100	0.00%
Monique Cohen	250	0.00%	500	0.00%	250	0.00%	500	0.00%
Matthieu Dumas	1,463	0.00%	2,926	0.00%	1,433	0.00%	2,866	0.00%
Blaise Guerrand	200	0.00%	400	0.00%	200	0.00%	400	0.00%
Julie Guerrand	6,825	0.01%	13,650	0.01%	6,825	0.01%	13,650	0.01%
Olympia Guerrand	600	0.00%	1,200	0.00%	600	0.00%	1,200	0.00%
Renaud Momméja	113,903	0.11%	178,822	0.10%	3,959	0.00%	7,918	0.00%
Anne-Lise Muhlmeyer	44	0.00%	44	0.00%	44	0.00%	44	0.00%
Dominique Senequier	200	0.00%	400	0.00%	200	0.00%	400	0.00%
Alexandre Viros	100	0.00%	200	0.00%	100	0.00%	200	0.00%
Executive Committee (excluding Executive Chairmen and members of the Supervisory Board)								
Florian Craen	6,354	0.01%	11,454	0.01%	6,354	0.01%	11,454	0.01%
Charlotte David	6,274	0.01%	10,274	0.01%	6,274	0.01%	10,274	0.01%
Pierre-Alexis Dumas	99,461	0.09%	124,828	0.07%	95,338	0.09%	116,582	0.07%
Olivier Fournier	5,703	0.01%	9,849	0.01%	5,703	0.01%	9,849	0.01%
Wilfried Guerrand	8,359	0.01%	16,244	0.01%	8,359	0.01%	16,244	0.01%
Éric du Halgouët	4,274	0.00%	7,314	0.00%	4,274	0.00%	7,314	0.00%
Sharon MacBeath	1,175	0.00%	1,375	0.00%	1,175	0.00%	1,375	0.00%
Guillaume de Seynes	7,629	0.01%	12,964	0.01%	7,914	0.01%	13,249	0.01%
Agnès de Villers	2,039	0.00%	3,809	0.00%	2,039	0.00%	3,809	0.00%

(1) Voting rights that can be exercised in the General Meeting. In accordance with Article 12 of the Articles of Association of the Company, the voting right is exercised by the bare owner for all decisions taken by all General Meetings, except for decisions concerning the allocation of net income, for which the voting right is exercised by the usufructuary. The procedures for publication and allocation of voting rights are detailed in chapter 7 "Information on the Company and its share capital", § 7.2.1.2.

3.10.2 DECLARATIONS CONCERNING THE CORPORATE OFFICERS AND THE EXECUTIVE COMMITTEE

3.10.2.1 NATURE OF ANY FAMILY TIES BETWEEN THE ACTIVE PARTNER, THE MEMBERS OF THE SUPERVISORY BOARD, THE EXECUTIVE CHAIRMEN AND THE MEMBERS OF THE EXECUTIVE COMMITTEE

Pursuant to Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (Annex I, point 12.1), information on family ties existing between the members of the Supervisory Board, the Executive Chairmen and members of the Executive Committee is presented below.

Ms Dorothée Altmayer, Mr Axel Dumas, Mr Matthieu Dumas, Mr Pierre-Alexis Dumas, Mr Henri-Louis Bauer, Mr Charles-Éric Bauer, Ms Julie Guerrand, Mr Blaise Guerrand, Ms Olympia Guerrand, Mr Renaud Momméja, Mr Guillaume de Seynes and Mr Éric de Seynes are all direct descendants of Mr Émile-Maurice Hermès, which gives them the status of siblings or first-cousins, as the case may be.

To the best of the Company's knowledge, there are no other family ties between the members of the Supervisory Board, the Executive Chairmen and members of the Executive Committee.

3.10.2.2 NO CONVICTIONS OF CORPORATE OFFICERS AND MEMBERS OF THE EXECUTIVE COMMITTEE

Pursuant to Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (Annex I, point 12.1), you are informed that, according to the sworn statements made to the Company by the Corporate Officers and members of the Executive Committee:

- no Corporate Officer has been convicted of fraud in the last five years;
- no Corporate Officer has been involved in a bankruptcy, receivership, liquidation or placement of companies under judicial administration as a member of an administrative, management or supervisory body or as a Managing Director in the past five years;
- no Corporate Officer has been barred by a court from acting as a member of an administrative, management or supervisory body of a listed company or from participating in the management or conducting the business of a listed company in the last five years;
- no Corporate Officer has been accused or punished in a court of law by a statutory or regulatory authority (including designated professional bodies).

3.10.2.3 RESTRICTIONS ON THE DISPOSAL OF SHARES BY CORPORATE OFFICERS

Pursuant to Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (Annex I, point 12.2), you are advised of the restrictions on the disposal within a certain period of time of Hermès International shares by the members of the Supervisory Board, the Executive Chairmen and the members of the Executive Committee:

- the obligation for Executive Chairmen to hold 1,000 shares;
- the obligation for members of the Supervisory Board to hold 100 shares (it being specified that, on 13 February 2025, the Supervisory Board decided to amend its rules of procedure and lower the shareholding threshold from 100 shares to 50 shares. The Supervisory Board has also introduced an exemption from this obligation to hold 50 shares. This covers the case in which a member is subject to specific internal and/or sectoral regulations, directives or policies imposing restrictions on such holdings, preventing him or her from reaching the minimum threshold required by the rules of procedure);
- the obligation to abstain (blackout periods) for members of the Supervisory Board, Executive Chairmen and members of the Executive Committee as part of the prevention of market abuse;
- the priority right of acquisition on Hermès International shares, granted by the members of the Hermès family group and descendants of these members for the benefit of the company H51 (see chapter 7 "Information on the Company and its share capital", § 7.2.5.2).

To the best of the Company's knowledge, there are no other restrictions on the sale of shares by Corporate Officers.

3.10.2.4 SERVICE CONTRACTS PROVIDING FOR THE GRANTING OF BENEFITS

Pursuant to Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (Annex I, point 12.2), you are advised that no service contracts bind the members of the Supervisory Board to the Company or to any of its subsidiaries whatsoever.

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RISK FACTORS AND MANAGEMENT AFR

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4.1 RISK FACTORS

In accordance with European regulation no. 2017/1129 of 14 June 2017 (Prospectus), supplemented by European Delegated Regulation no. 2019/980 of 14 March 2019, and the ESMA guidelines, the risk factors presented in this chapter are, as at the date of this universal registration document, those that the Hermès Group believes could have a material adverse effect on its activity, results, financial position or prospects. These are the risks specific to the Hermès Group identified in the Group risk mapping, updated in 2024.

Generally, the Group has set up a system enabling it to anticipate and control the risks identified. It is periodically updated to take into account regulatory, legislative, economic, societal, geopolitical and competitive developments. A detailed description of the management of these risks is presented in this chapter.

Risk factors are presented in five main categories according to their nature, the most material risks being presented first. The mapping below classifies these risk factors according to their potential impact and probability of occurrence, and therefore reflects the Group's exposure, after taking into account the control measures implemented. It includes emerging risks and their changes. The impact of the risks identified is assessed using a multi-criteria grid defined at Group level and shared with the subsidiaries. The analysis criteria include, as an inseparable whole, financial, reputational and legal criteria, as well as criteria relating to social, societal and environmental responsibility.

The risks related to sustainable development were identified as part of the double materiality analysis, an exercise carried out collectively by the teams of the audit and risk management department, finance department, sustainable development department and legal department. Involvement at all stages of the audit and risk management department ensures consistency between the double materiality (see chapter 2 "Corporate social responsibility and non-financial performance") and the mapping of Group risks, for which it is responsible. This consistency is notably guaranteed by the use of the same assessment criteria for risks and the contribution of the various Group risk-owning departments. This double materiality analysis resulted in action plans aimed at managing the risks identified.

The Audit and Risk Committee was involved in the risk mapping exercise and the double materiality analysis.

GROUP RISK MAPPING (MAJOR RISKS ARE MARKED WITH AN *)



RISK RANKING BY CATEGORY (FROM MOST TO LEAST SIGNIFICANT)

4.1.1 Risks related to strategy and operations	4.1.1.1 Information systems and cyberattacks *
	4.1.1.2 Image and reputation *
	4.1.1.3 Commercial appeal
	4.1.1.4 Major external crisis
	4.1.1.5 Development of employees and savoir-faire
4.1.2 Industrial risks	4.1.2.1 Management of supplies *
	4.1.2.2 Security *
	4.1.2.3 Health and safety
	4.1.2.4 Business disruption
4.1.3 Legal and regulatory risks	4.1.3.1 Compliance with applicable laws and regulations in all areas *
	4.1.3.2 Intellectual property and combating counterfeiting
4.1.4 Risks related to social, societal and environmental responsibility	4.1.4.1 Respect for human rights, fundamental freedoms and ethics *
	4.1.4.2 Changes in major global climate and biodiversity issues *
	4.1.4.3 Availability and proper use of natural resources *
4.1.5 Financial risks	4.1.5.1 Exchange rates
	4.1.5.2 Bank counterparties
	4.1.5.3 Changes in, complexity and interpretation of tax regulations
	4.1.5.4 Fraud

** Major risk.*

4.1.1 RISKS RELATED TO STRATEGY AND OPERATIONS

4.1.1.1 INFORMATION SYSTEMS AND CYBERATTACKS

DESCRIPTION OF THE RISK

Information systems are of paramount importance in the smooth running of the Group's day-to-day operations.

Personal data protection is a priority for the Group, whether it concerns the data of its customers, suppliers or employees.

POTENTIAL IMPACTS ON THE GROUP



Partial or total unavailability of certain information system elements could disrupt or paralyse key production or distribution processes.

A breach of information systems, caused by a cyberattack, for example, could result in a data breach leading to the unauthorised disclosure of personal data or the leakage of confidential information.

RISK MANAGEMENT

A global information system governance model clearly defines the roles and responsibilities of the Group's headquarters and subsidiaries. Common architecture and urbanisation rules favour a centralised model when technical or regulatory constraints allow it. The sovereign functions of the information systems remain managed by the headquarters. The Group Cybersecurity Director manages all activities at both the headquarters and subsidiaries. He leads a set of committees, allowing projects and the evolution of cyber risks to be monitored, notably IT Security and Group Security Committees, in order to report to the Executive Committee as well as to the Audit and Risk Committee.

A cybersecurity community is led by the Group team, which relies on dedicated experts and local managers. Collaboration between these different actors is facilitated by the organisation of monthly updates (sharing on current positions and the evolution of threats, monitoring of the roadmap, reminders of best practices), monthly themed webcasts and the organisation of *ad hoc* events.

Hermès' IT spending (investment and operating budget) is reassessed each year to ensure that investments are aligned with the Group's strategic challenges. Its objective is to maintain the technical infrastructures and systems in line with the growing needs of users, while ensuring good operational performance. They also aim to keep IT risks under control and to develop information systems, in particular for new digital and cloud uses, whilst being socially and environmentally responsible.

The information systems department adheres to an information technology charter and a set of procedures applicable to all employees in all Group companies. In particular, a corpus of information systems security policies (ISSP) is updated annually to adapt to threats. Audits of IT security and compliance with procedures are carried out periodically in all subsidiaries, in collaboration with the audit and risk management department and with the help of external service providers. They ensure that the internal control systems remain effective and adapted to the main current and emerging threats and are aligned with the laws and regulations applicable wherever the House operates.

In the field of IT risk prevention, IT risk mapping is regularly updated and presented to the Audit and Risk Committee. This exercise is supplemented by the regular assessment of cyber maturity, including the main regions around the world.

Each IT initiative is subject to a risk analysis using a formal methodology to guarantee security from the project design stage. This methodology has evolved this year to take into account the specificities of the use of artificial intelligence.

A Zero-Trust approach has been initiated, enabling modernisation of the security of infrastructures, directories, management of the identity life cycle, access security (employees, partners and privileged accounts), prevention of data leaks, protection of cloud applications and the physical security of data centres. Special attention was paid to industrial facilities (in particular at the time new structures were acquired) and the security of connected objects. Improved backup and fault tolerance arrangements for critical systems were also included to ensure continuity of operation in the event of an incident.

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The cybersecurity department has reinforced its capacity to detect and deal with incidents. All computers and servers are equipped with software to detect anomalies (endpoint detection response – EDR), enable security patches to be installed and conduct investigations. Security incidents are dealt with by a dedicated team comprising the components of the incident response, SOC (Security Operation Centre) and CERT (Computer Emergency Response Team). CERT Hermès is a member of InterCERT France, which brings together the mature incident response units of major French organisations.

Exercises are carried out regularly by the internal teams to test several times a year and continuously adjust the response system (red/blue/purple team initiatives). Additional intrusion tests on the Company's systems and networks are also carried out. A second team dedicated to the qualification and treatment of vulnerabilities manages the Group's attack surface.

Initiatives to raise awareness of security issues, designed for all employees, have taken various forms within the framework of a global programme (conferences, films, e-learning, escape games, online game, dedicated website in eight languages). 86% of employees completed the awareness e-learning training. Content targeted at specific populations is now also available. Each year, Cybersecurity Month gives special emphasis to these topics. Employees are encouraged to use an internal whistleblowing system to report security incidents of which they are aware so that these can be addressed immediately.

The continuity of IT operations is also tested regularly. Crisis simulation exercises are carried out annually and are followed by feedback and action plans. In addition to the information systems department, they involve various Group departments (internal communication department, financial communication and investor relations department, insurance and prevention department, audit and risk management department, legal compliance department and the Data Protection Officer, etc.) as well as a member of the Executive Committee. Wider work on operational resilience has begun, in particular the identification and consolidation of critical activities for the Group and each métier.

This business continuity and cybersecurity work is gradually being extended to the Group's main suppliers: a platform for monitoring their assessment makes it possible to adjust the tripartite operation with the first pilots.

In order to support its development and perpetuate internal skills, the cybersecurity department hired 13 new recruits in 2024 (France and abroad).

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4.1.1.2 IMAGE AND REPUTATION

DESCRIPTION OF THE RISK

The Hermès Group's reputation is based on the quality of its products and services offered to customers, the savoir-faire of its craftspeople and its unique communication.

In a globalised world and in the context of growing influence of social networks, the Group's image and reputation could be altered by a media crisis caused by the unethical behaviour of one of its employees or partners.

POTENTIAL IMPACTS ON THE GROUP



An unfavourable media campaign could negatively affect the image of the Group.

RISK MANAGEMENT

Through the structure of its family shareholding, the House remains independent in the way it implements its strategy and conducts its activities, which are carried out in line with its values. The Group strives to limit image and reputation risk through both internal and external measures.

Internally, the Group has built an internal control system for all key processes, which aims in particular to protect its image and reputation. This system is controlled by the audit and risk management department. These key processes are identified, notably with the assistance of the legal department.

The Group has rolled out an ethics charter, a code of business conduct and an anti-corruption code of conduct for its employees.

Maison Hermès, through its production and distribution entities, has built a robust internal control system for all key processes to protect its tangible and intangible assets, including its image and reputation.

In order to act in accordance with the ethics principles and values of the House, the Group also ensures the proper conduct of business relations with its third parties. In 2024, the Supplier code of conduct (formerly called "commitment handbooks") was rolled out to remind partners of their commitments and expectations in terms of ethics and compliance. Systems for managing ethics and CSR risks are detailed in chapter 2 "Corporate social responsibility and non-financial performance". The Group's business ethics and integrity charter has been rolled out to retailers selling the House's products.

The Group has also set up a permanent monitoring system on media and social networks on a global scale under the responsibility of the communication department.

Similarly, the Hermès Group has set up a crisis management system with the aim of limiting the negative consequences in the event of undesirable events, including in terms of communication and image.

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4.1.1.3 COMMERCIAL APPEAL

DESCRIPTION OF THE RISK

The commercial attractiveness and desirability of the products are based on the Group's unique model. The latter is characterised by its radical style, ancestral savoir-faire mainly "Made in France", high quality products and services, its openness to local cultures and its unique communication.

The Group is also dealing with an increasingly exacting customer base and has an omnichannel offer, placing the customer experience at the heart of its challenges.

POTENTIAL IMPACTS ON THE GROUP



The loss of commercial appeal could lead to a gradual loss of interest from customers.

RISK MANAGEMENT

The creative offering is the responsibility of the artistic department and its many talented employees, who ensure the creative synergies of the collections while preserving the House's identity and style. Their mission is to create, innovate, put forward new concepts and collections whose forms, materials and colours will astound customers and be enhanced by craftspeople. The freedom of creation, reinforced by the freedom of the stores to purchase, is exercised while preserving the harmony and coherence of the collections, expressed through an annual theme.

Absolute product quality has always been a priority. Tests carried out on all products before they are marketed ensures their compliance and durability. The Group has also implemented a support system for its craftspeople and suppliers with a view to developing their savoir-faire.

The Hermès Group has introduced a number of tools, both in-store and online, to enrich the customer experience by raising the level of service to match the quality of its products. The stores are also regularly renovated, the omnichannel offer is being expanded and customer services, such as after-sales service, are developing.

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4.1.1.4 MAJOR EXTERNAL CRISIS

DESCRIPTION OF THE RISK

The Group is exposed to economic, political, social and health and climate developments in the many countries in which it operates.

POTENTIAL IMPACTS ON THE GROUP



Geopolitical, economic or social tensions, as well as a pandemic situation or natural disaster, could cause sales to decline. The consequences would be even more unfavourable in areas where the Group has a significant presence, particularly in Asia.

The breakdown of the Group's revenue by geographical area is presented in chapter 1 "Presentation of the Group and its results", § 1.7.

RISK MANAGEMENT

Hermès holds a unique position in the luxury market. Its broad portfolio of products reduces the risk of dependence on any particular range, while its distribution is well balanced geographically.

The Group operates 293 exclusive stores under the Hermès banner, including 230 branches that generate over 92% of revenue. In addition, the Group is continuing to develop its online sales activity with the successive deployment of e-commerce platforms in its distribution subsidiaries.

Moreover, there is little exposure of sales to seasonality.

The policy for opening new points of sale is prudent and aims to maintain a balanced geographical distribution of revenue.

In addition, a crisis monitoring and management system is in place to analyse issues and evolutions in major economic and political crises around the world.

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4.1.1.5 DEVELOPMENT OF EMPLOYEES AND SAVOIR-FAIRE

DESCRIPTION OF THE RISK

The savoir-faire of craftspeople, and more broadly the talent and development potential of employees, is one of Hermès' key assets. They are based on preserving, enriching and passing on this often exclusive savoir-faire in a context of growth for the Group's métiers and its workforce.

POTENTIAL IMPACTS ON THE GROUP



A loss of savoir-faire or the disappearance of exclusive craftsmanship métiers, as well as more broadly, métier and Retail skills, would have an impact on the Group's operations and reputation, thus negatively affecting its financial results.

RISK MANAGEMENT

The Group human resources department is in charge of identifying and developing employees at all levels of the organisation. It uses specific individualised pathways and implements a policy of integration and training for new employees and employees throughout their careers.

Employee development, along with internal mobility, is one of the major levers to support employees throughout their careers in the House.

The continuous improvement of craftspeople's skills and savoir-faire is achieved through training and professional qualification programmes carried out in Hermès internal training schools (Écoles Hermès des Savoir-Faire, des Tanneurs or du Textile, among others), as well as through collaborations with external training structures. The promotion of crafts métiers and craftsmanship among younger generations and people undertaking retraining is carried out with the support of partners: schools, training and apprenticeship centres, in order to ensure the knowledge and sustainability of savoir-faire. In addition, in France, the École des Artisans de la Vente supports the ongoing professionalisation of sales associates in their selling expertise, omnichannel services and product knowledge.

The Group endeavours to put in place conditions to combat all forms of discrimination in terms of recruitment and employment.

True to its family tradition and wishing to involve all employees in its growth, Hermès has set up various measures for sharing economic benefits: incentive schemes, profit-sharing, employee shareholding plans, etc.

All initiatives undertaken by the Group relating to the management of talent and the preservation of savoir-faire are presented in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.3.1.

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4.1.2 INDUSTRIAL RISKS

4.1.2.1 MANAGEMENT OF SUPPLIES

DESCRIPTION OF THE RISK

Most of Hermès' production is integrated as part of its strategy of preserving unique savoir-faire and securing supplies.

However, the ability of the Hermès Group to grow is also linked to the development of its suppliers, whose exceptional savoir-faire and future successes will contribute to those of the Group.

POTENTIAL IMPACTS ON THE GROUP



A supply shortage, in terms of volume or quality, of certain exceptional materials for the Group could lead to disruptions in production and eventually a loss of business.

RISK MANAGEMENT

The Hermès Group makes most of its products in-house, primarily in France. Hermès has long been committed to a responsible partnership approach with its suppliers. It establishes special relationships with its suppliers and producers, based on ethics and trust, by fostering long-term relationships with them. This stable relationship allows for close collaboration on many subjects over time.

The Group's approach is based on in-depth knowledge of all its supply chains. A total of 90 supply chains have been analysed since the beginning of 2020, resulting in the creation of a supply chain brief, which formalises the Group's short and medium-term ambitions to ensure ethical and responsible supply chains.

The Group Director of Direct Purchasing Coordination handles supplier risk transversally. Her role is in particular to manage the community of buyers by supporting them on a daily basis in managing supplier risk, as described in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.3.2.

Hermès has developed long-term relationships with its partners and suppliers, thereby better protecting its supplies and critical savoir-faire.

Drawing up supplier risk mapping enables action plans to be determined, assessed and prepared in response to the risks identified, wherever necessary, in particular in relation to the duty of care (human rights, environment, health and safety). Significant work has also been carried out to optimise and secure the supply chain.

Committed to providing long-term support for all its partners and maintaining balanced relationships characterised by goodwill and high standards, Hermès ensures that its partners respect its social, environmental and ethics ambitions. Moreover, a CSR brief was formalised in January 2021 to set out the House's expectations on this subject. In particular, it includes targets for reducing the Group's carbon footprint, with which suppliers are invited to collaborate. Supplier audits, conducted using internal resources as well as independent external firms, serve notably to check that their operations meet the Group's expectations.

The Group is strengthening supply protection, implementing a policy of diversification and limitation of supplier dependence, and building up security stocks. In line with the growth in volumes and, since 2022, the context of global market tensions on supplies, these actions were strengthened in particular. Notably, capacity plans were drawn up with suppliers in order to anticipate production needs.

One of the challenges of the "know your supplier" system is ensuring that the latter have identified the risk areas related to their activity that could lead to a total or partial stoppage of their production (critical raw materials, equipment, processes, sources of energy or key people, etc.). The formalisation of backup solutions and their regular testing are recommended. Where appropriate, equity investments may help secure these relationships. In a constant spirit of partnership, the Group continued to closely monitor its suppliers in order to best support them in the event of any difficulties.

4.1.2.2 SECURITY

◆ DESCRIPTION OF THE RISK	◆ POTENTIAL IMPACTS ON THE GROUP
The security of property means all measures and means for combating threats and malicious acts. In an increasingly unstable environment, the Group could be subject to physical attacks on property, people and infrastructure as well as on savoir-faire and intangible assets.	 Such breaches could cause damage to property and people working at the Group's sites (production, distribution, logistics or offices) or at events on external sites. Moreover, they could expose craftspeople and sales associates to risks, causing moral and psychological damage to all Group employees. In addition to direct financial losses, they could harm the Group's image.

◆ **RISK MANAGEMENT**

The following actions have been taken:

- security governance is set out in a security policy covering all the Group's activities and sites;
- since 2018, procedures for transportation security have been regularly updated based on the analysis of incidents and on the decisions taken by the Transportation Security Committee;
- in the case of a serious event, a crisis management process is implemented. It provides for the activation of the crisis unit and dedicated resources. Crisis management exercises are regularly conducted.

Hermès has structured itself to address these risks on a daily basis. 100 Group sites (production, distribution, offices, warehouses) are connected to a central monitoring station, which is permanently active. The Group took the decision to employ 72 agents and their managers in its internal security division, to which external service providers are added. A service offering has also been developed to support the métiers and divisions that do not have an internal security department. This concerns, for example, the development of security systems for real estate projects and events or support for the execution of action plans.

In addition, experts within the Group security department update a body of procedures and technical documentation. They regularly travel to the various sites and events in France and abroad to ensure compliance with Group security procedures. A questionnaire on security is also completed during site visits or audits. Furthermore, the Group security department also has an advisory role to the métiers and subsidiaries. Moreover, it has recently been reorganised to address security issues and the Group's growth.

A computerised security tool is rolled out at all sites in the Paris region (production units, tertiary and logistics sites) and French stores, to standardise the operational procedures of the Group security department teams and manage their actions in real time. It also offers crisis management support capabilities.

At the same time, the tool has been configured so that it can contact any employee if necessary. The crisis module of this tool now has the capacity to cover the entire Group. In 2024, the rollout to all stores in France was completed and is continuing for other activities (production, international).

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This system is also backed by partnerships set up through agreements signed with the police force and the Ministry for Europe and Foreign Affairs.

To contribute to the security of employees traveling elsewhere, an *ad hoc* platform is gradually being rolled out to all subsidiaries. This tool makes it possible to inform employees, before and during their trip, of possible events and, in the event of an emergency, to put them in contact with an operational centre and the Group security department. Training and information sessions specific to certain destinations were also offered.

Security incidents are reported in a specific database and are regularly summarised to the Group Security Committee and the Audit and Risk Committee. Detailed analysis and feedback contribute to the continuous improvement of the system.

This monitoring unit, created in November 2022, aims to provide the crisis unit with advance warning scenarios and, on a daily basis, to provide the Group security department with geopolitical, economic, social and health analyses.

Since the end of 2022, e-learning modules on security and safety have been offered to employees.

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4.1.2.3 HEALTH AND SAFETY

DESCRIPTION OF THE RISK

The Group ensures respect for human rights, fundamental freedoms, health and safety of people, whether they are customers, employees, suppliers or subcontractors.

The Hermès Group is committed to respecting local regulations in the countries in which it operates. The quality of the products sold and their compliance with the strictest regulations on personal safety, are priorities for the Group.

POTENTIAL IMPACTS ON THE GROUP



Damage to the health and safety of employees, customers or third-parties working at Hermès sites, and non-compliance with the quality and safety standards of the products sold, could give rise to litigation and undermine the Group's reputation.

RISK MANAGEMENT

The Group's policy is to integrate health, safety and well-being issues in its operational strategy as a priority, in particular for its manufacturing activities. In accordance with law no. 2017-399 of 27 March 2017 on the duty of care of parent companies and contractors, the Hermès Group has drawn up a vigilance plan. It aims to identify the risks and prevent violations of human rights and fundamental freedoms, the health and safety of people and the environment, resulting from its activities, as well as those of its subcontractors or suppliers (see chapter 2 "Corporate social responsibility and non-financial performance", § 2.3).

Moreover, the Group's industrial department leads an environment, health and safety (EHS) network comprising around 20 EHS managers from the House's different métiers. In addition to the traditional organisation of the network with two face-to-face meetings per year, four webinars were organised in 2024. These moments are an opportunity to share results, learn from the experiences of each of the métiers, accelerate the transversality of best practices in terms of prevention and continue to build skills collectively.

The House's major initiatives are described in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.3.1.6.

Employee workstation risk assessments are carried out by EHS or HR managers for each of the Group's sites (stores and production sites). They are updated annually, during which local managers are increasingly involved.

The House of Hermès is committed to a "Zero Accident" trajectory. As part of this, in 2023, a Group Health and Safety policy formalised the strategic framework aimed at preventing risks, preserving the health of employees, partners and customers, advancing the Group's safety culture and managing associated performance. An Industrial Day dedicated to health and safety brought together 250 managers of the Group in June 2024. In addition, a "Health and Safety Day" was organised in all of the Group's industrial sites in July 2024 and made it possible to raise awareness of this topic among more than 6,000 people.

At the same time, all internal sites are audited every three years by an external firm in terms of major risk management and health and safety culture.

Hermès products are regularly tested throughout the supply and production chains. Tests on finished products are also carried out by independent laboratories in Europe, Asia and the United States, to verify their compliance with the most stringent regulations in force, as well as their safety. Monitoring is carried out to analyse constantly changing regulations, with the results being formalised in a restricted substances list (RSL) shared with all métiers and transcribed in the multi-material product specifications. The Group's industrial department coordinates a network of regulatory correspondents from the métiers and distribution subsidiaries, which meets several times a year to discuss regulatory changes in the various countries where the Group operates. The mitigation and prevention mechanisms for these risks are addressed specifically in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.2.2.4.

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4.1.2.4 BUSINESS DISRUPTION

DESCRIPTION OF THE RISK

Hermès relies on a highly integrated French production method. The vast majority of its objects (74%) are made in France in exclusive in-house workshops (over 55%).

The Group's ability to deal with a major industrial accident at one of its production, distribution or logistics sites (fire, flood), a natural disaster (tsunami, earthquake) or a major health crisis, is a key issue for Hermès.

POTENTIAL IMPACTS ON THE GROUP



The occurrence of such events on the production chain would impact the conduct of activities and would lead to consequences on the Group's commercial and financial performance.

RISK MANAGEMENT

The management of industrial risks is carried out by the Group's industrial department. It is based on EHS networks in both the Group and internally within the métiers.

Most of the production sites are spread across the country and comply with French regulations, some of the most demanding in the world, thus reducing the risk of a complete shutdown. Regulatory changes are monitored in the countries where the remaining sites are located.

Hermès implements initiatives designed to protect its manufacturing assets, employees and the environment on all of the House's production sites. The Group's industrial department relies on the métiers' industrial departments and Site Managers to carry out internal diagnostics. Audits conducted by external specialists enable operational improvement plans to be drawn up. The recommendations resulting from these analyses in the areas of organisation, procedures, training or investment are subject to careful follow-up. Health, safety, security and sustainable development-related expenditures and investments are considered to be a priority when making budget choices.

Since 2020, supply chain studies are regularly conducted to identify the physical and transition risks related to climate change, thus enabling the construction of resilience plans. For example, three studies were carried out to quantify the financial exposures related to production and storage sites as well as to strategic suppliers for the Leather, Silk and Metals métiers.

Furthermore, during its audits, the audit and risk management department ensures that activity continuity plans are formalised and tested on the Group's various sites and, where appropriate, issues recommendations. The process of coordinating plans for the entire Group continued in 2024. In addition, an initiative was launched to standardise the activity impact assessments of the various entities within the Group. The audit recommendations, combined with the requirements of these assessments, have enhanced the Group's business continuity capabilities.

Moreover, the Group's resilience and business continuity processes are tested locally and through a crisis exercise at Group level (§ 4.3.4.1).

In addition, the Group security department, in collaboration with internal experts, coordinates regular site visits. Dedicated action plans are implemented and monitored operationally by the sites concerned.

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4.1.3 LEGAL AND REGULATORY RISKS

4.1.3.1 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS IN ALL AREAS

DESCRIPTION OF THE RISK

The Hermès Group is committed to complying with the laws and regulations to which it is subject in France and internationally. These laws and regulations are increasingly numerous and complex.

POTENTIAL IMPACTS ON THE GROUP



Regulatory non-compliance could have a negative impact on the Group's operations, tarnish its reputation and give rise to financial penalties.

RISK MANAGEMENT

The Group conducts constant legal and technical monitoring in all areas of law to keep abreast of developments in regulations and case law, and ensures that it maintains compliance both in France and internationally. This monitoring is carried out in-house and by external firms:

- internally, given the increasing complexity of each legal matter, the legal department is organised into specialised divisions, with departments or divisions specialising in one area of law (corporate and securities law, real estate law, mergers and acquisitions law, anti-counterfeiting). Business divisions with generalist teams in charge of the various métiers and regional divisions with legal teams in China, Japan, Singapore, South Korea and the United States, complete this organisation. The compliance department, which includes the experts in personal data protection law also reports to it. Employment and tax matters are respectively handled by the Group's human resources and finance departments, which work in conjunction with the legal department. The legal department also works closely with the Group's industrial department to ensure the regulatory compliance of Hermès products (safety, marking and physical properties) in all of the Group's areas of activity (see § 4.1.2.3);
- externally, in each of the regions where the Group develops its activity, Hermès is advised by specialised local law firms.

The Group continues to be involved in ongoing litigation, but there are no pending settlements that are expected to have an impact on its activity or on its financial results. The Company is not aware of any other pending or potential governmental, legal or arbitration proceedings that may have, or that over the last 12 months have had, a significant impact on the Group's financial position or profitability.

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4.1.3.2 INTELLECTUAL PROPERTY AND COMBATING COUNTERFEITING

◆ DESCRIPTION OF THE RISK	◆ POTENTIAL IMPACTS ON THE GROUP
The Group is very committed to the protection and defence of its intellectual property rights. It is very active in the fight against counterfeiting.	 Infringements of the Group's intellectual property rights could have a negative impact on its revenue and damage its brand image.

◆ **RISK MANAGEMENT**

The Group has a particularly comprehensive portfolio of brands, models, patents and domain names, which is regularly expanding.

Within each métier legal division, teams are specifically dedicated to these issues and ensure that the Group's creations are protected effectively.

Finally, the Group ensures that its rights are respected and pursues an active anti-counterfeiting policy involving both preventive measures (guidance and training) and coercive measures (administrative, civil and criminal proceedings) around the world. The anti-counterfeiting department undertakes these actions with the support of consultants and in collaboration with the competent local authorities. They are carried out in both traditional markets and on the Internet (online sales platforms, social networks, retail websites, instant messaging, etc.).

These actions make it possible to protect the House's rights, seize and remove from the market several hundred thousand potentially dangerous counterfeit products each year, to trace the source of the production chain and dismantle what are usually criminal networks. Where applicable, the payment of damages compensates part of the prejudice suffered and such amounts are immediately reinvested in new actions in the fight against counterfeiting.

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4.1.4 RISKS RELATED TO SOCIAL, SOCIETAL AND ENVIRONMENTAL RESPONSIBILITY

The Group's social, societal and environmental responsibility issues are described in detail in chapter 2 "Corporate social responsibility and non-financial performance", and are articulated around the Hermès Group's six strategic sustainable development pillars:

- teams;
- savoir-faire;
- raw materials;
- environment;
- suppliers and partners;
- stakeholders.

As part of the preparation of its first sustainability information, Hermès initiated a double materiality analysis in compliance with the methodology imposed by the CSRD, based on a list of issues prescribed by the directive, supplemented by sectoral issues or issues specific to the Group's business model. Details of the method followed are presented in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.1.6.1. This materiality analysis made it possible to identify sustainability impacts, risks and opportunities (IROs).

Involvement at all stages of the audit and risk management department ensures consistency between the double materiality (see chapter 2, "Corporate social responsibility and non-financial performance", § 2.1.1.6.3) and the mapping of Group risks, for which it is responsible. This consistency is notably guaranteed by the use of the same assessment criteria for risks and the contribution of the various Group risk-owning departments.

The 2024 results of this double materiality analysis led to the identification of risk factors grouped as follows:

- risks related to human rights and fundamental freedoms, in particular, as regards the ethics aspect and the well-being of the Group's employees;
- risks related to changes in major global issues regarding climate and biodiversity;
- risks related to availability and judicious use of natural resources (water, energy, raw materials, waste management and recycling).

More details by type of risk, and the mitigation and prevention mechanisms are addressed specifically in chapter 2 "Corporate social responsibility and non-financial performance".

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4.1.4.1 RESPECT FOR HUMAN RIGHTS, FUNDAMENTAL FREEDOMS AND ETHICS

DESCRIPTION OF THE RISK

The Hermès craftsmanship model, with 74% of objects made in France, relies on a network of suppliers based mainly in Europe, where social and environmental practices are some of the strictest. The risks of infringement of human rights, fundamental freedoms, ethics values and the health and safety of people, mainly concern the Group's external activities. The multiple nature of the métiers and supply chains, combined with the desire to use exceptional raw materials, means that the Group works in partnership with suppliers from all over the world. These partnerships require constant vigilance to ensure respect of these rights and ethics throughout the value chain.

This risk was also identified as part of the double materiality analysis. Its impact is detailed in chapter 2 “Corporate social responsibility and non-financial performance”, § 2.1.1.6.3.

POTENTIAL IMPACTS ON THE GROUP



A violation of human rights, fundamental freedoms, health and safety or a breach of the Group’s ethics rules could damage its activity, reputation and image.

RISK MANAGEMENT

The Group promotes a demanding ethics culture and does not tolerate any breaches of probity. The approach is structured around a specific governance, supported at the highest level of the organisation. Documents formalising commitments and tools for identifying, assessing, raising awareness, preventing and detecting these risks complete the control systems (see chapter 2 “Corporate social responsibility and non-financial performance”, § 2.1.4).

1. The Group has written its ethics values and its commitment to respect human rights and fundamental freedoms into the following documents:
   - an ethics charter that defines the Hermès Group’s fundamental principles;
   - a code of business conduct that gives commercial partners a practical framework in terms of ethics;
   - an anti-corruption code of conduct that sets out the rules to be followed in terms of integrity and probity;
   - codes of conduct, rolled out to suppliers and commercial partners, which explicitly address these issues.

   These documents, which are regularly updated, are in line with fundamental principles such as the Universal Declaration of Human Rights, ILO rules, the OECD guidelines and the United Nations Global Compact.
2. In accordance with law no. 2017-399 of 27 March 2017 on the duty of care of parent companies and contractors, the Hermès Group has drawn up a vigilance plan. It aims to identify the risks and prevent violations of human rights and fundamental freedoms, the health and safety of people and the environment, resulting from its activities, as well as those of its subcontractors or suppliers. Systems for identifying, mitigating and preventing these risks have been put in place for employees, suppliers and subcontractors.
3. Risk analyses and procedures for the regular assessment of the situation of suppliers and subcontractors as well as audits make it possible to verify *in situ* the reality of the commitments made by suppliers. These relate to human rights and fundamental freedoms, health and safety and compliance with environmental regulations (see chapter 2 “Corporate social responsibility and non-financial performance”, § 2.1.3.2).
4. A single whistleblowing system (available internally and externally) enables any breaches or situations contrary to ethics, social and environmental principles to be reported (see chapter 2 “Corporate social responsibility and non-financial performance”, § 2.1.4).

The content of the action plans to prevent the aforementioned risks is included in the vigilance plan and are detailed in chapter 2 “Corporate social responsibility and non-financial performance”, § 2.3.

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4.1.4.2 CHANGES IN MAJOR GLOBAL CLIMATE AND BIODIVERSITY ISSUES ●

DESCRIPTION OF THE RISK

Climate change causes disruption (heat, rising water levels, extreme events) and impacts on biodiversity and ecosystems.

It also involves operational, regulatory and political transition issues (taxation, restriction of operations) and adaptation strategies.

The loss of biodiversity and the degradation of ecosystems threaten the sustainability of the natural resources from which the House's materials are sourced, weaken the planet and disrupt the living conditions of populations.

This risk was also identified as part of the double materiality analysis. Its impact is detailed in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.1.6.3.

POTENTIAL IMPACTS ON THE GROUP



Rapid changes could impact supply chains, manufacturing operations, logistics or distribution, as well as customer behaviour.

RISK MANAGEMENT

To anticipate risks and ensure the resilience of its business model, Hermès has implemented a climate strategy described in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.2.1.2. Climate issues are managed by the Executive Committee, which has defined the Group's main objectives. A Group Decarbonisation Committee ensures the consistency of the various actions according to the activities concerned (purchasing, production, transportation, real estate). All the entities concerned have included a decarbonisation target in their CSR roadmap.

The analyses carried out by the Group cover both physical risks and transition risks (see chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.2.1.4) In particular, adaptation measures are taken into account by activity and by country.

Hermès has developed a transition plan with ambitious science-based targets through its membership of the "Science-Based Targets Initiative" (SBTi). SBTi validated the emission reduction targets for scopes 1, 2 and 3 at the end of 2021, thus recognising Hermès' commitment to the fight against climate change and its commitment to reducing its direct and indirect emissions, thereby helping limit global warming to 1.5 °C by 2100, in accordance with the Paris Agreement. In particular, actions are carried out on major sources of emissions such as purchases, transportation, real estate and with its suppliers.

Since 2018, the Group has implemented a formal biodiversity strategy which, through better understanding of the relationships between nature and its activities, enables Hermès to control its dependence on them (see chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.2.4.3). This strategy benefits from the eyes of stakeholders thanks to the mechanism set up by the Act4nature international initiative.

Biodiversity risks mainly concern Hermès' supply chains for natural raw materials and, to a lesser extent, its production sites.

Since 2020, Hermès has methodologically mapped the supply chains of the raw materials used by the Group in order to identify risks, including on the environment (water, deforestation, biodiversity, carbon). The great diversity of types and geographical origins of Hermès' natural materials makes it possible to reduce its exposure to the occasional or chronic degradation of certain ecosystems.

The rollout of the biodiversity strategy is overseen by the Executive Committee and the Sustainable Development Board. It monitors four areas:

- biodiversity training for all employees by 2025;
- collaboration with recognised external stakeholders *via* partnerships (WWF France) and sectoral (ICFA, SAOBC) or cross-functional (Science Based Targets Network, Corporation Engagement Program, Lab Capital Natural, Club B4B+ from CDC Biodiversité) initiatives;
- the measurement of the Group's biodiversity footprint *via* in particular the Global Biodiversity Score and the SBTN approach, for which the Group finalised steps 1 (materiality) and 2 (prioritisation) in 2024;
- sector analyses and the activation of action plans commensurate with the issues.

These action plans give rise to matrix monitoring at least once a year, horizontally by the entities or working groups in charge of the issues in the House, and vertically by the Sustainable Development Board and the central functions.

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4.1.4.3 AVAILABILITY AND PROPER USE OF NATURAL RESOURCES ●

◆ DESCRIPTION OF THE RISK

The Group seeks to secure quality supplies of natural and renewable materials, obtained while fully respecting biodiversity.

In a context of global warming and the Group's growing need to source quality materials, the risk relates both to the access and availability of materials, as well as to the conditions for obtaining them: social and environmental impact, and societal acceptability (animal welfare).

This risk was also identified as part of the double materiality analysis. Its impact is detailed in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.1.6.3.

◆ POTENTIAL IMPACTS ON THE GROUP



Decrease in the quality and volumes of exceptional natural raw materials, increase in costs. Loss of some customers who choose not to purchase leather.

◆ RISK MANAGEMENT

The Group works in each of its métiers, under the coordination and control of the direct purchasing department, to gain a better understanding of the supply chains and develop operational practices in order to jointly build the resilience of these channels. This entire system is described in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.2.5.5. The approach undertaken aims to:

1. control the entire value chain with operational traceability and long-term partnerships with suppliers, partners and NGOs;
2. contribute to the development of the most demanding standards for responsible and sustainable management of supply chains:
   - environmental footprint: biodiversity, water, energy, carbon,
   - social: working conditions, ethics, corruption,
   - societal: link with communities.

   Audits supplement this system and are carried out regularly with specialised service providers, or for certain sectors with the WWF, in order to best identify risks;
3. support regenerative agriculture that is more respectful of nature;
4. set the highest standards in terms of animal welfare and ethics in the relationship with living organisms: a dedicated committee has been in place since 2019 and a policy was formalised in 2021 and then updated in 2023. An e-learning module on animal welfare was made available to all employees in March 2022 to raise their awareness of the issues and share the Group's strategy and objectives;
5. create circularity: in addition to the Petit h métier, whose circular approach is at the heart of the creation process, the Group's other métiers are all committed to a strategy integrating the main principles of eco-design and the circular economy. These issues are managed by various departments within the Group (industrial transition and quality department, sustainable development department, commercial operations department, etc.). The rollout of the Group's circularity strategy is overseen by the Executive Committee and the Sustainable Development Board.

   With a view to continuous improvement, these processes are reviewed on a regular basis and action plans are implemented.

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4.1.5 FINANCIAL RISKS

The Group has put in place an organisational structure which allows financial risks related to its business to be managed centrally. As the Group has a positive cash position, it is not exposed to liquidity risk and applies a conservative policy in managing counterparty risks.

4.1.5.1 EXCHANGE RATES

DESCRIPTION OF THE RISK

The Group is naturally exposed to foreign exchange risk because the bulk of its production is located in the eurozone, but the majority of its sales revenue is received in currencies other than the euro (American dollars, Japanese yen and other Asian currencies, etc.).

As at 31 December 2024, 81% of the Group's sales were made in a currency other than the euro.

POTENTIAL IMPACTS ON THE GROUP



Fluctuations in exchange rates could cause financial losses for the Group.

RISK MANAGEMENT

This exposure is hedged in order to minimise and anticipate the impact of currency fluctuations on the Group's profits.

The Group's foreign exchange risk exposure management policy is based on the following principles:

- distribution subsidiaries are invoiced in their currency by production subsidiaries. The latter apply an annual exchange rate to the scales established in euros. So, the distribution subsidiaries concentrate most of the foreign exchange risk;
- the Group's foreign exchange risk is systematically hedged by Hermès International on an annual basis. This basis is calculated using future internal cash flows from operations between Group companies;
- no speculative transactions in the economic meaning of the term are authorised;
- these hedges are provided through firm foreign exchange transactions and/or optional transactions eligible for hedge accounting;
- other non-operating transactions are hedged against foreign exchange risk as soon as their commitment is firm and final. They include financial risks arising from intragroup loans and dividends in foreign currencies.

The Executive Committee approved these management rules, which were then endorsed by the Supervisory Board.

Group Finance Management validates management decisions within the framework defined by these rules.

The Middle & Back-Office department ensures administrative management and operational control, notably *via* the use of integrated cash flow softwares. In addition, Hermès International's audit and risk management department ascertains compliance with management procedures and the control of risks.

The Group's foreign exchange risk is hedged annually by Hermès International in accordance with the policy described above. It is based on highly probable future cash flows derived from budget forecasts. Thus, at 31 December, close to 100% of internal currency transactions for the following year were hedged.

As such, the Group uses purchases and sales of options, currency swaps and forward currency agreements.

Quantitative information on foreign exchange risk impacts is provided in chapter 5 "Consolidated financial statements", note 12.2.

The treasury department constantly monitors regulatory changes in derivative transactions and adapts its procedures and tools accordingly. Thanks to the exchange rate hedging policy, the impacts are pre-empted. The price increases determined by region offset all or part of any losses.

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4.1.5.2 BANK COUNTERPARTIES

◆ DESCRIPTION OF THE RISK	◆ POTENTIAL IMPACTS ON THE GROUP
As the Group has a positive cash position and because of its other banking transactions (exchange rate hedging), the Group is exposed to counterparty risk that is mainly banking-related and is appropriately monitored.	 Any bank counterparty could cause financial losses for the Group.

◆ **RISK MANAGEMENT**

The Group only deals with leading banks and financial institutions that have signed FBF and ISDA agreements relating to transactions on forward financial instruments. In addition, Hermès International's treasury department continuously monitors counterparty risks on financial transactions. Finally, the Group breaks down investment transactions, foreign exchange risk hedging transactions and deposits transactions in the selected banks within defined limits of amount and maturity.

Moreover, the impact of the credit risk as recommended by IFRS 13 in the fair value of derivatives is close to zero for the Group, given that the derivatives have a maturity of less than 12 months.

The Group follows a cautious investment policy, which aims to avoid any risk of capital loss and prioritise liquidity, thus enabling independent and responsive strategic developments.

Available cash is mainly invested in term deposits with top-rated banks and money-market mutual funds offered by leading financial institutions, with low sensitivity and short terms. In addition, the Group carries out repurchase agreements in order to benefit from the guarantee represented by the securities sold under repurchase agreements.

Quantitative information on interest rate risk impacts is provided in chapter 5 "Consolidated financial statements", Note 12.3.

The treasury department constantly monitors regulatory changes in investment transactions and changes its procedures and tools accordingly.

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4.1.5.3 CHANGES IN, COMPLEXITY AND INTERPRETATION OF TAX REGULATIONS

DESCRIPTION OF THE RISK

The Group is exposed to financial risks related to changes in tax regulations, their complexity or interpretation in the countries where it operates.

Political and geopolitical uncertainties could lead to tax changes that would have an impact on the Group.

POTENTIAL IMPACTS ON THE GROUP



Any change in tax regulations involving and increasing taxes and duties, mainly income taxes, custom duties, withholding taxes, particularly concerning goods and financial flows (interest, dividends), could penalise the Group's results.

RISK MANAGEMENT

The Group provides regulatory oversight and defines its tax policy by relying on a team of tax experts, assisted by external advisers if necessary. The Group is committed to respecting all applicable laws and regulations in each of the countries where it operates. To ensure tax compliance, it uses an IT tool for monitoring reporting obligations, tax payments and the application of tax ethics rules. This tool, which is rolled out in all Group subsidiaries, is managed centrally by the tax department. The Group has a transparent and simple organisation. The Group's tax policy is not based on any tax optimisation or evasion scheme and complies with the principles laid down by the OECD. In the case of a dispute or differences in interpretation, the Group may have to challenge reassessments with the tax authorities and to seek redress using the means available to it for its defence.

4.1.5.4 FRAUD

DESCRIPTION OF THE RISK

The Group's exposure to the risk of fraud is due in particular to its growing visibility in many countries and its increasing digital presence.

The inventiveness and increasing complexity of external fraud attempts seen on the market also represent threats.

POTENTIAL IMPACTS ON THE GROUP



Any case of fraud could cause financial losses to the Group and tarnish its reputation.

RISK MANAGEMENT

The management of payment transactions is centralised by the Group's treasury department and governed by precise validation and control rules. The Middle & Back-Office department ensures administrative management and operational control, notably *via* the use of integrated cash flow softwares.

The Treasury Security Committee regularly checks that these procedures have been applied and that any risks identified have been addressed.

The audit and risk management department oversees proper compliance with risk monitoring and management procedures. As part of the coordination of internal control, it regularly creates awareness among the network of internal control officers about the risk of fraud and restates the specific fraud prevention procedures, in particular as regards purchase, payment and collection processes. At the same time, external audits are regularly carried out to identify and correct any vulnerabilities in these processes. Audits in subsidiaries to verify the proper application of procedures complement this system. At exclusive store level, a specific fraud prevention tool, developed on a data mining platform, was rolled out in 2021. It is regularly updated and enhanced.

The Group's risk mapping, as well as the risk mapping applied to the métiers and the main subsidiaries, address this risk and the corresponding action plans.

Accordingly, awareness-raising campaigns in the functions most at risk of fraud are conducted on a regular basis. Awareness-raising, identified as an effective fraud prevention tool, is rolled out and adapted to the types of fraud (risk of system intrusion, "CEO fraud", etc.). Further, the update of the Group's corruption risk mapping was initiated in 2024. This is managed by the legal compliance department with the assistance of a specialist external advisor.

The system put in place by the Group to protect itself against IT intrusion is the subject of a dedicated risk mapping (§ 4.1.1.1).

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4.2 INSURANCE POLICY AND RISK HEDGING

In line with the Group risk analysis, the Hermès Group's policy regarding insurance is to transfer any exposure that is liable to produce a material impact on profits to the insurance market. The Group insurance programmes represent most of the insurance coverage for the subsidiaries. They are placed *via* the intermediary of brokers who are amongst the 10 largest French brokers and with first-rate insurance companies. The main international insurance programmes cover:

Type of insurance	Guarantees and limits of the main policies taken out
Property damage and business interruption	◆ FM Global "All risks except" policy
	◆ Coverage of all Group sites: production, logistics, distribution, various premises and goods in all locations
	◆ Policy renewed for 2024 with the same coverage limit of €500 million and the same insurer
General civil liability (operations and products)	◆ Policies subscribed for a period of two years from 1 January 2024 with Zurich, Liberty Mutual and BHSI, in the amount of €150 million
	◆ Covers civil liability for damages to persons, property and intangibles caused to third parties in the conduct of business operations or by products
Transportation	◆ Policy taken out with Chubb and renewed for 2024 with coverage of €7 million per event, all cover combined
Liability for environmental damage	◆ This policy was taken out with AIG Europe on 1 January 2022 for a period of 36 months
	◆ Coverage limit of €15 million per claim and €25 million for the period

Other contracts have been subscribed to fulfil specific requirements, particularly in the context of building operations (new work or renovation) carried out as project managers.

The Corporate Officer liability and cyber risk policies were taken out respectively for periods of two years and one year from 1 January 2024, with AIG and Zurich respectively, as well as other well-known insurers. These cyber risk policies cover data recovery, business interruption related to a security incident, civil liability and costs, including in particular defence and notification costs.

In 2024, the Group did not suffer any significant losses.

In addition, 70 prevention visits by the property and casualty insurer were carried out in 2024.

4.3 RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT

4.3.1 A DEMANDING CONTROL ENVIRONMENT

While Hermès has attained the stature of an international group, it remains a company with family values, dedicated to a culture and spirit of craftsmanship and seeks to cultivate strong values among its employees.

At the forefront of these values is the demand for quality, the very essence of Hermès' activity. The Group's commitment to quality applies not only to its products and services, but also to its management methods. Hermès attaches great importance to its Senior Executives' managerial skills. Induction programmes for new managers and specific training sessions forge the Hermès culture. Everyone can thus understand their place in the organisation and integrate the House's rules of conduct and integrity. The demanding quality-oriented values and commitment shared by employees also serve as a solid foundation to underpin behaviours and observance of stringent internal control policies and procedures. The culture of risk management, the management of teams and the ethics of the Company ensure the demonstration and balance of these values.

In this respect, an ethics charter has been in place and has been distributed to employees since 2009. The code of business conduct, which specifies the behaviour expected of the Group's employees, has been supplementing it since 2012. These two documents are updated regularly. They are the foundation of Hermès Group integrity and ethics:

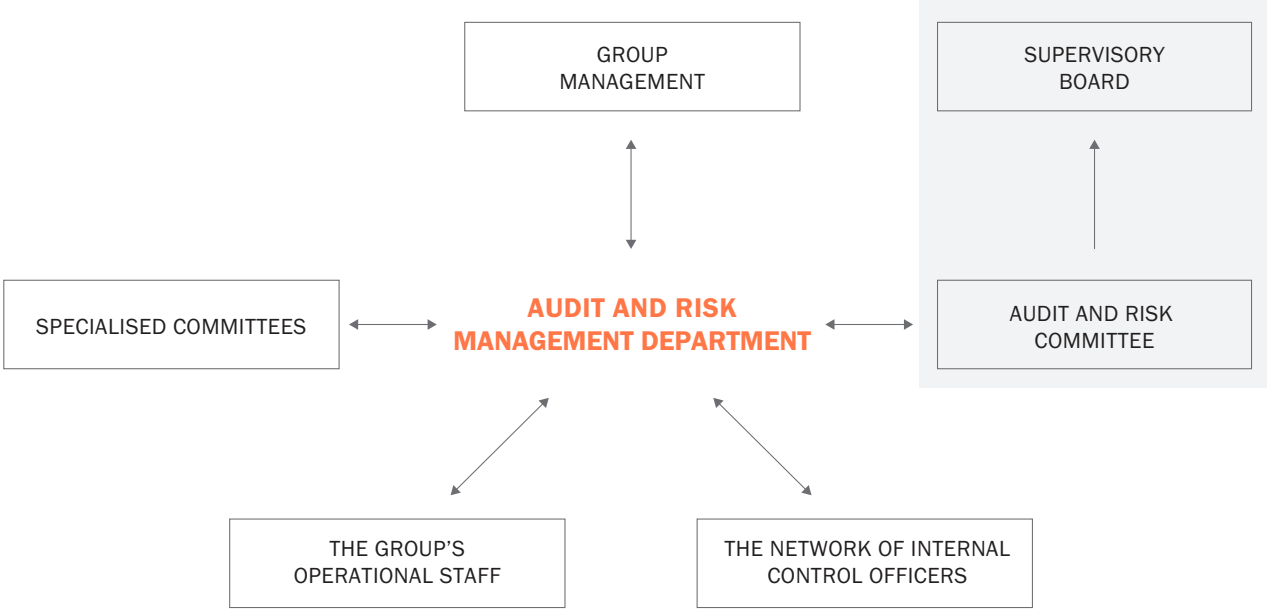
- the ethics charter promotes respect for the broad fundamental principles. It is intended as an instrument of progress and dialogue, and encourages employees to discuss with their line managers in cases where the principles are difficult to apply or are open to misunderstanding;
- the purpose of the code of business conduct is to raise employees' awareness about ethics risks and to instil behavioural and alert reflexes.

The anti-corruption code of conduct, including concrete illustrations, is distributed to all employees (see chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.4. on the corruption prevention system), who have been required since 2021 to complete a dedicated e-learning module. The code of conduct is also available on the Hermès Finance website.

These documents are available on "Our ethics" section of the Company intranet, and on the Hermès Finance website and must be formally acknowledged when they are sent to employees. Additional training on the Group's anti-corruption system and human rights is organised for operational staff, thus strengthening the Group's ethics culture. Actions relating to ethics and compliance are presented in chapter 2, "Corporate social responsibility and non-financial performance", § 2.1.4.

4.3.2 COMMITTED PARTIES RESPONSIBLE FOR RISK MANAGEMENT AND CONTROL

The risk management and internal control systems are applicable to the parent company and to the controlled subsidiaries. They are presented in the notes to the consolidated financial statements.



Group Management

The Group Management designs risk management and internal control procedures commensurate with the Company's size, business operations, geographical footprint and organisation. In addition to establishing procedures for delegating authority established at different hierarchical levels, Group Management has responsibility for guaranteeing the quality and effectiveness of the risk management and internal control systems. It thus ensures their adequacy for meeting the Group's strategy objectives.

To this end, Group Management is provided with audit reports and the risk mapping of subsidiaries, métiers and support functions, and regularly meets with the audit and risk management department. It therefore oversees the system as a whole to safeguard its integrity and, where applicable, initiate any corrective measures needed.

Audit and Risk Committee

The Audit and Risk Committee was established in 2005 within the Supervisory Board and without prejudice to the powers of this Board, which it does not supersede.

The roles and responsibilities of the Audit and Risk Committee were formalised in rules of procedure, established by the Supervisory Board in 2010 and subject to regular reviews, to adapt to legislative and regulatory changes. The latest version, updated in July 2024, is available on the Hermès Finance website.

Each meeting of the Audit and Risk Committee gives rise to written minutes that are approved. At each meeting of the Supervisory Board, the Chairwoman of the Audit and Risk Committee gives the Board a report of the work of the Audit and Risk Committee.

In accordance with Article 11.3 of the Afep-Medef Code, the work and operation of the Audit and Risk Committee were subject to:

- a formal assessment in 2022, as part of the Supervisory Board's three-year self-assessment (see chapter 3 "Corporate governance", § 3.7.2.1);
- a debate during a meeting in 2024, at the end of which the members of the Committee unanimously considered that the functioning of the Committee remained very satisfactory (see chapter 3 "Corporate governance", § 3.7.2.3.2).

As part of its oversight of the risk management and internal control system, the Audit and Risk Committee has access to information relating to internal audit, internal control and risk management. The risk mapping of Group entities and the corresponding action plans are regularly presented to it. A list of the work carried by the Audit and Risk Committee is provided in chapter 3 "Corporate governance", § 3.6.3.4.

Audit and risk management department

The audit and risk management department reports to the Group's Executive Vice-President Corporate Development and Social Affairs, which guarantees its independence, and has unlimited authority to review any matter at its discretion.

The audit and risk management department consists of a core team of experienced auditors, and runs a decentralised network of internal control officers. It performs a threefold mission for the Group:

- it identifies and analyses risks and ensures the implementation of action plans;
- it conducts internal audits and monitors the implementation of the recommendations;
- it creates the conditions for the rollout of internal controls adapted to Group's issues.

The insurance and prevention department is an integral part of the audit and risk management department, enabling synergies in terms of risk identification and management. Risk mapping includes an insurance section in order to look at risks alongside the corresponding insurance coverage.

In 2024, the audit and risk management department set up a Management Committee and is continuing to develop the expertise of its data, innovation and method optimisation division, created in 2022.

In addition, since 2024, a Fast Track programme has been launched to recruit high-potential young talents who benefit from an accelerated career pathway, depending on profiles, appetites and opportunities within the internal control function. This programme also meets the growing needs of the sector.

The duties of the audit and risk management department also consist of:

- carrying out a continuous improvement initiative as regards the internal control and risk management systems;
- working alongside the Group's various departments in order to promote the upstream handling of the main risks, as well as emerging risks, and running the risk mapping approach of the main métiers, distribution subsidiaries, support functions and cross-cutting subjects. Group projects incorporate an "internal control by design" approach from the outset to ensure that risks are identified and covered upstream. The risk mapping methodology is regularly reviewed. In 2024, an audit of the risk management system was carried out by an external firm. The audit and risk management department thus ensures that it has a relevant, effective and motivating methodology for its contacts. To this end, training on the risk mapping methodology was added to the Group's training catalogue in 2024. The action plans resulting from the risk mapping are monitored each year by the network of internal control officers;
- coordinating a network of around 90 internal control officers, including five directors and 21 managers in France and abroad, working within the métiers, distribution subsidiaries and support functions. Internal control coordination was expanded in 2024, notably thanks to targeted and differentiated communication methods in order to better address the issues faced by the Group;
  - the system has been strengthened, in particular by the appointment and integration of new internal control officers into the community, making it possible to support the growth of subsidiaries and the reorganisation of certain métiers,

- regular communications, in the form of thematic webinars or annual meetings, were organised with the Chief Financial Officers and internal control officers of the main regional distribution subsidiaries on the one hand, and the métiers on the other, in order to discuss their main internal control issues,
- lastly, network coordination continues to be maintained.

An audit charter has formalised the duties and responsibilities of the internal auditors and their professional conduct. It sets out the way in which their audit engagements are conducted. A risk charter, setting out the principles and rules for risk management, and an internal control charter, formalising the roles and responsibilities of its players, complete the system.

Lastly, the Director of Audit and Risk Management attends Audit and Risk Committee meetings. She meets with this committee six times a year, including once without the presence of third parties. This meeting is dedicated to the presentation of the audit and risk management department's activity report, and to discussions on its work and the resources at its disposal.

Internal control officers

Internal control officers oversee the implementation of the internal control system within their scope, métier, distribution subsidiary or support functions. They report locally to the Chief Financial Officer of their entity, and functionally to the audit and risk management department.

They work according to an annual plan, shared with their department and the audit and risk management department, taking into account the Group's internal control priorities and the risks specific to their scope. Their main duties are as follows:

- identify major risks and adapt the organisation of internal control accordingly;
- verify the implementation of Group procedures in accordance with the activity and local regulations;
- participate in self-assessment of internal control work;
- spread the culture of internal control to all employees;
- monitor the risk mapping action plans;
- follow up on the audit recommendations of the audit and risk management department;
- in general, contribute in all their actions to improving risk management.

They are the contacts responsible for the rollout of systems to prevent corruption and cybersecurity risk.

SPECIALISED COMMITTEES



Arbitration of cross-functional issues

The Hermès Group has deployed specific processes to monitor certain risks through specialised committees or working groups. These committees meet on a regular basis.

For example, committees focusing on security, IT risks, treasury risks and non-compliance risks analyse the issues, and study the appropriate corrective measures so that they can be implemented in the entities. They also check that existing control systems comply with Group procedures. The main operational contacts involved participate in these committees with the audit and risk management department. Its role is to facilitate the identification of risks and the associated action plans.

The IT Security Committee brought together IT security stakeholders four times in 2024: the Group Cybersecurity Director, the information systems department, the audit and risk management department, the Group security department, the digital projects and e-commerce department, and the Managing Director of the métiers, information systems and data (member of the Group Executive Committee). Its purpose is to monitor the progress of the roadmap, the audit plan (IT and cybersecurity sections) and associated action plans, share significant incidents and make the necessary trade-offs to adjust Hermès' security policies or positioning with regard to threats.

A Hermès Product Transportation Security Committee, made up of the Group security department, the transportation department, the insurance and prevention department, and the departments of the relevant métiers, meets as needed to define the necessary actions. Its objective is to improve transportation security, in a practical way according to the risks specific to the products transported and any difficulties encountered.

The Compliance and Vigilance Committee is made up of representatives from the legal department, including compliance, the sustainable development department, the direct purchasing department, the indirect purchasing department, the audit and risk management department, the commercial department, the finance department and the labour law department. It participates in, monitors and oversees the implementation, effectiveness and control of compliance programmes. Its duties are detailed in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.4.2 of this document.

The Group Security Committee makes decisions on cross-functional security issues identified during the specialised committee meetings. It also reviews the main security incidents in order to adapt the overall system. This committee is composed of the Executive Vice-President Corporate Development and Social Affairs, the Director of Human Resources, the Group General Counsel, the Director of Group Security, the Director of Group Cybersecurity, the Managing Director of Hermès Group Services and the Director of Audit and Risk Management. If necessary, it can call on experts on specific issues.

The Group's operational staff

The Senior Executives, the major functional and operating departments, and members of the Management Committees of the Group's various entities are responsible for internal control and risk management, as the main beneficiaries and also key contributors to its proper application.

The control activities carried out at the level of each entity are the joint responsibility of the Managing Director and the Chief Financial Officer. A letter of confirmation relating to Hermès' internal control objectives and the quality of the controls in place within the entity is signed annually. This letter includes the results of an annual self-assessment questionnaire on the implementation of internal control.

4.3.3 A CONTROLLED RISK MANAGEMENT SYSTEM



The Group's risk management process is based upon the preparation of risk mappings as well as a range of complementary tools that facilitate identification of risks and definition of actions to better control them.

Set up in 2004, the mapping initiative has been rolled out to the main entities, and also to cross-functional areas, under the supervision of the audit and risk management department. The methodology applied is regularly updated and enables a precise assessment of the risks specific to the Group.

These mappings serve to identify, evaluate and systematically rank the main risks. An insurance section compares the risks with the corresponding insurance coverage. They are an operational awareness-raising and management tool and are a lever for improving performance. They contribute to effective management by providing a summary and shared vision of risks and defining operational action plans and the responsibilities of each person.

The entities periodically update their risk mapping, under the supervision of the audit and risk management department. Each year, between 5 and 10 risk mappings are carried out at the level of the distribution subsidiaries, métiers or cross-functional areas in the Group.

The internal control officers within the entities are the local relays for the mapping initiative. They participate in the initial risk analysis, while updating and monitoring the action plans.

The consolidated Group risk mapping is updated annually. It is fed on the one hand by the risk mapping of the subsidiaries, métiers and transverse functions. In addition, interviews are conducted with the cross-functional departments that own the risks on changes in the risks associated with their respective scope (legal, sustainable development, security, purchasing risks, etc.). These changes are then shared individually with the members of the Executive Committee for evaluation.

The finalisation of the update of the mapping is the subject of a specific Executive Committee workshop. It is also shared with the Audit and Risk Committee. The Group risk mapping is also used as a starting point for the audit and risk management department's audit plan.

In the areas of fraud and corruption:

- awareness-raising campaigns for the functions most exposed to the risk of fraud are conducted on a regular basis. Awareness-raising, identified as an effective fraud prevention tool, is rolled out and adapted to the types of fraud (risk of system intrusion, "CEO fraud", etc.). Information on security is regularly reported to the Group Security Committee, as well as to the Audit and Risk Committee. An *ad hoc* security system has also been introduced and is monitored by the Group security department;
- the update of the Group's corruption risk mapping was initiated in 2024. This is managed by the legal compliance department with the assistance of a specialist external advisor. The audit and risk management department can modify its audit plan and carry out *ad hoc* assignments in order to deal with new risks, particularly in the event of an alert issued by a Group division. Cross-functional audits can thus be carried out.

In order to better anticipate changes in issues relating to companies, technologies, the environment, the economy and governance, the audit and risk management department actively monitors emerging risks externally and has initiated prospective studies since 2019. As in 2023, a forward-looking day was organised in 2024. It brought together 117 of the House's employees around presentations and collective workshops. Enhanced by forward-looking operational projects, the objective of the approach is to cultivate a mindset that is resolutely oriented towards the future and to raise awareness among participants of the multiplicity of trends already at work and the issues that could arise in the short, medium and long term.

Finally, an IT platform for the sharing of incidents enables assessment of changes in certain risks and early detection of any signs of potential weakness. This prevention tool contributes to the continuous improvement of the control system, as closely as possible to reality. Several times a year, the audit and risk management department conducts an analysis of the incidents reported by the subsidiaries and métiers. It is communicated to the Group's internal control officers and departments, including incident statistics for the period and a reminder of the Group's procedures and related best practices.

4.3.4 A MATURE INTERNAL CONTROL SYSTEM

4.3.4.1 GENERAL ORGANISATION

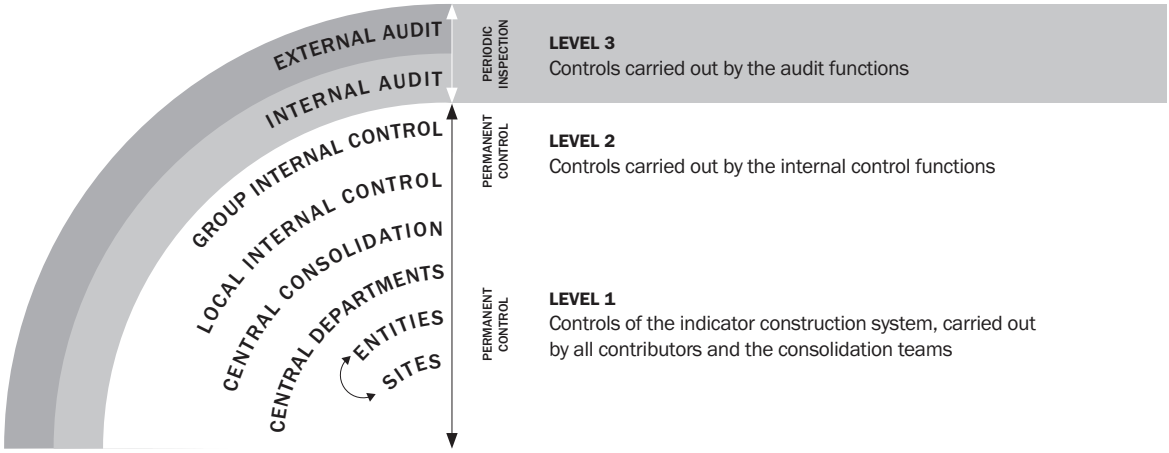
Internal control objectives

Internal control systems rely on ongoing and recurring actions that are integrated into the Company's operating processes. They apply to all functions and processes, including those associated with the preparation of financial and accounting information.

The Hermès internal control objectives include:

- compliance with laws and regulations;
- proper observance of instructions and strategy directions given by the Group Management;
- operating efficiency of the Company's internal procedures, particularly those that help protect its assets, as well as the safety and security of property and persons;
- the reliability of financial information and, in general, control over its activities, efficiency of its operations and optimisation of the use of its resources.

As part of CSRD compliance, internal control capitalised on level 1 controls and defined and deployed key level 2 controls on sustainability information. These actions are described in chapter 2 "Corporate social responsibility and non-financial performance", § 2.1.1.4 of ESRS 2 (GOV-5), and illustrated below.



Organisation

The Company's management, organised into an Executive Committee and several specialised committees, ensures the strategic alignment and distribution of information. Detailed organisational charts and memoranda outlining strategic directions give staff members a thorough understanding of their role in the organisation and a way to periodically evaluate their performance by comparing it with targets. The Group's organisation is based on an approach designed to foster a high level of accountability among local managers, whose duties and responsibilities are clearly defined.

Regarding human resources processes, Hermès has established hiring, training and skills development programmes, enabling each individual to perform their current and future duties effectively. Within Hermès International, the finance department has primary responsibility for the preparation and control of financial information.

Internal control system monitoring

The monitoring system includes three levels of control:



Regular reviews are carried out by internal control officers at a local level and are supplemented by the audit and risk management department depending on the issues at stake in each entity. The network of internal control officers is responsible for ensuring that suitable controls cover the principal risks related to distribution and production operations, as well as to support functions, notably regarding the security and traceability of assets.

This network, made up of around 90 internal control officers, enables the presence of local contacts in the Group's main entities. As part of its role of coordinating the network of internal control officers, the audit and risk management department is involved in their appointment, reviews the subsidiaries' annual internal control plans and disseminates best practices. It relies in particular on a social and collaborative information-sharing platform, identifies internal control priorities and promotes the sharing of experience between all members of the network. It also publishes a quarterly newsletter.

Audit assignments represent the third level of control. They are explained in § 4.3.5 "An agile internal audit system" below.

Self-assessment of internal control

The self-assessment of internal control, which began in 2005, is now a mature process within the Group. It is based on questionnaires completed by all controlled subsidiaries. This system contributes to the dissemination of the internal control culture within the Group. It also provides support for assessing the level of internal control and assessing the extent to which operational and functional risks are properly addressed. If the control processes are found to be ineffective, the subsidiaries are required to draw up an action plan to remedy the situation.

The subsidiaries self-assess each year using five questionnaires available on the intranet in the dedicated "CHIC" (Check your Hermès Internal Control) IT tool . They are administered by the audit and risk management department. The self-assessment is based on a general internal control questionnaire (CHIC Practices), the guidelines for which are drawn up in line with the AMF "Reference Framework". A questionnaire specific to cash management (CHIC Trésorerie), a questionnaire on operating procedures in the retail network (CHIC Boutique) and a questionnaire on operational procedures governing online sales (CHIC e-commerce) are also part of the system. Lastly, a questionnaire dedicated to the leather goods workshops (CHIC Maroquinerie) was launched in 2023.

Two compliance work programmes, focusing on the fight against and prevention of corruption, as well as the protection of personal data, were included in the tool used to manage these campaigns in 2024. The questionnaires are updated on an annual basis, in order to include any new risks and controls identified as key at Group level. The questionnaire and work programme results are reported in a dedicated IT tool where they are centralised and analysed by the audit and risk management department, in order to identify areas for improvement and internal control priorities for the following year. They are shared with the departments concerned in order to define action plans for all the Group's subsidiaries.

CHIC Questionnaires	Number of themes *	Examples of themes addressed
Practices	12	Finance, Human resources, Control environment, Information systems, Communication, Ethics and Compliance, Sustainable development, etc.
Leather goods	11	Inventories, Production, Finance, Investments and Real estate, Ethics and Compliance, Information systems, etc.
E-commerce	9	Sales, Shipping and Deliveries, Returns and Refunds, Storage, Customer Data, etc.
Boutique	7	Customer relationship management, Checkout closing, Stock-taking, Safety/Security, etc.
Treasury	7	Management of bank accounts, Processes and payment means, Regulatory compliance, E-payments, etc.

** The themes are then sub-divided into several questions addressing all related procedures in an exhaustive manner.*

The internal control officers are involved in the self-assessment, and are in charge of monitoring the action plans. The audit and risk management department checks and compares the responses given by subsidiaries to the questionnaires with its own assessment when performing audits. It ensures that the controls have been correctly undertaken, and that corrective action plans have been implemented.

Internal control procedures

The internal control processes are described in the Group procedures. They are defined at Group level, then rolled out and adapted by each division to the specific contexts and local regulations. All Group employees have access to them *via* a secure intranet website.

Group procedures cover the Company's main cycles (purchases, sales including digital, treasury, inventory management, fixed assets, human resources, information systems, safety and security, closing of financial statements, compliance, etc.). The audit and risk management department updates them regularly, in collaboration with the experts in their respective fields and the internal control officers.

In addition, in 2024, the accounting control system for the prevention and detection of corruption was strengthened by the rollout of a standardised tool within the Group, facilitating their implementation and formalisation.

More specifically, extremely stringent cash management procedures have been put in place. The treasury security rules manual details the following procedures:

- a treasury management procedure that defines the roles and responsibilities between Group treasury and the subsidiaries;
- rules for opening and operating bank accounts, called "prudential rules", for each of the Group's companies, which are constantly updated and include among others the monitoring of authorised signatories;
- an exchange rate policy approved by the Group's Supervisory Board (this policy presents all the authorised financial instruments, the horizon and the hedging ratios);
- intra-group agreements signed by each subsidiary concerned, which structure the relationship between the Hermès Group and its subsidiaries and specify the management policy and rules applicable to all financial flows (cash flows, foreign currency transactions, etc.) that may generate liquidity or market risk;
- a Group cash management policy, approved by the Hermès International Supervisory Board, which sets out the authorised investment vehicles and all the criteria for managing liquidity and counterparty risk.

Information systems

The use of tools adapted to Hermès' needs facilitates the preparation and control of information. The consistency of information system urbanisation and architecture is managed at Group level. The projects follow a methodology that includes mandatory milestones, in particular that of the Architecture Committee, which ensures the coherence and compliance of projects, including with regard to security (compliance with the Group process of integration of security in projects – ISP).

Integrated applications are used to facilitate centralisation of data reported to Hermès International by the subsidiaries, consolidation of accounts and cash management. Managers have access to data generated by the management systems on a daily, weekly and monthly basis, giving them the information they need to manage business operations effectively, to monitor performance consistently, and to identify any irregularities.

The information systems are designed to ensure that, in particular, the accounting and financial information produced complies with security, reliability, availability and relevance criteria. Specific rules on the organisation and operation of all IT systems have been defined, applying to access, validation of processing and closing procedures, data archiving and record verification. Access control is managed by a dedicated platform and the Group's Identity Governance & Administration processes (IGA).

Furthermore, procedures and controls have been set up to ensure the quality and security of operations, maintenance and upgrading of accounting and management systems as well as all systems that send data to them.

In addition to the detailed reviews carried out by the information systems department in the main subsidiaries, the audit and risk management department organises a review of second-level IT controls through a self-assessment questionnaire completed by the subsidiaries, and of third-level controls *via* audits on:

- general IT controls in subsidiaries and centrally;
- IT projects;
- information systems infrastructure;
- the cybersecurity system.

For third-level controls, the 2024 audit plan was implemented with the assistance of specialists in each of the subjects audited.

Crisis management

The crisis unit is made up of members of several Group departments: the audit and risk management department, the information systems department, the legal department, the communication department, the security department and the human resources department. This crisis unit reports to the Executive Committee, *via* the Executive Vice-President Corporate Development and Social Affairs, on matters requiring a collective decision. In addition, workshops are organised twice a year, bringing together these Group experts. These workshops allow the sharing of weak signals from the monitoring of each department as well as an assessment of responses to incidents in the current year in a continuous improvement approach.

Furthermore, in collaboration with the Group security department, the computerised security tool was extended to the needs of the crisis unit in order to improve the Group's incident response (§ 4.1.2.2).

Additionally, a cross-functional crisis management exercise is conducted each year. In 2024, this was designed around an international scenario bringing together Retail subsidiaries as well as central functions, making it possible to test the organisation of the crisis unit.

A resilience unit was also created in 2024, with the aim of ensuring the continuity of operations, in coordination with the information systems department, the Group industrial department, the Group security department, the Retail department and the department in charge of logistics operations.

4.3.4.2 PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

Definition, objectives and scope

The processes relating to the preparation and processing of accounting and financial information are at the heart of the Group's internal control system. They ensure stringent financial oversight of the production and reporting of accounting and financial information for the parent company and the companies integrated into the consolidated financial statements. The processes are designed to meet the following objectives:

- compliance with accounting regulations and the proper application of the principles used for the preparation of the financial statements;
- the prevention and identification of any accounting or financial fraud or inconsistencies, as far as possible;
- the reliability of the information circulated and used in-house by Group Management for steering purposes;
- the reliability of the published accounts and of other information reported to investors.

Hermès has set up an organised and documented system that ensures the quality of consolidated and reported accounting and financial data. It is based on Group Management manuals, strict segregation of duties, and strong control by Hermès International over the information produced by the subsidiaries.

Actors in the accounting and financial internal control process

The internal control process for accounting and financial information involves the following stakeholders:

- Group Management, which is carried out by the Executive Committee, led by the Executive Management. As part of the closing of the annual and consolidated financial statements, the Executive Management obtains all the information it deems useful. It analyses the subsidiaries' accounts on a regular basis and meets with their Senior Executives from time to time, particularly during the budget preparation and account closing periods;
- the Supervisory Board, which exercises ongoing control over the Company's management. By consulting Group Management, the Board can verify that oversight and control systems are sufficient to ensure that the financial information published by the Company is reliable;
- the Audit and Risk Committee, whose roles and missions are described in § 4.3.2;
- the Executive Vice-President Corporate Development and Social Affairs, member of the Executive Committee, who ensures the implementation of appropriate methods (organisation, skilled resources, tools) and oversees the audit and risk management department responsible for the risk management system and internal control coordination;
- the Executive Vice-President Finance, member of the Executive Committee. He relies on dedicated teams of specialists in the consolidation, tax and management control department, the financial management department, the treasury department and the financial communication department to support:
  - the consolidation of financial information in accordance with IFRS accounting standards, as adopted by the European Union,
  - monitoring and coordination of activity during regular reviews (year-end and half-year accounts closure, forecast updates and budgets),
  - accounting and financial internal control within the operational entities,
  - strict compliance with tax regulations,
  - hedging foreign exchange risk;
- external communication of financial information in accordance with regulations;
- the Managing Directors and Chief Financial Officers of the subsidiaries, who have primary responsibility for the quality of the financial information preparation processes and internal control applied by the entities they oversee. They are also responsible for circulating procedures drawn up and issued by Hermès International and for ensuring that these are properly applied.

Group standards

The Group has adopted a body of accounting rules and policies, in accordance with IFRS as adopted by the European Union, the framework for consolidated financial statements. The application of these standards is mandatory for all consolidated subsidiaries in order to provide consistent and reliable financial information. The chart of accounts applies to all subsidiaries and the income statement is common to management and accounting.

These rules and policies are presented in Group reporting manuals, which are regularly updated by the consolidation department to take into account changes in regulations and accounting standards.

Financial and accounting information production systems

The management of accounting and financial information flows is mainly carried out through the SAP integrated management software used in almost all the Group's subsidiaries.

The production of the annual and half-yearly consolidated financial statements, as well as the reporting of all the financial information used to manage and control the activity of the operational units, is carried out through a unified and centrally managed consolidation software package (SAP Financial Consolidation).

These systems allow the accounting entries to be traced and a strict separation of duties.

Procedures for preparing published accounting and financial information

The Group's organisation, which is based on reporting issued by each subsidiary and sent directly to the parent company, without any intermediate consolidation thresholds, ensures that Hermès International exercises strong control over the financial information produced by the subsidiaries.

The Managing Director and Chief Financial Officer of each subsidiary jointly undertake to ensure the quality, reliability and comprehensiveness of the accounting and financial information that they have prepared and sent to the Group Finance Management, by means of a letter of confirmation they sign jointly at the closing of the half-yearly and annual financial statements.

The accounts closing process is governed by precise instructions and is based on a detailed timetable, which is circulated to all subsidiaries in order to ensure respect of the deadlines and consistency in the preparation of financial statements. Throughout the year, the consolidation department validates the main accounting estimates used by the subsidiaries and central functions and, where applicable, simulates complex transactions in the consolidation software. In addition to quarterly closings, closings in May and November make it possible to better anticipate half-yearly and annual closings.

For the preparation of the consolidated financial statements, control procedures apply at each stage of the financial information reporting and processing process and are intended to ensure:

- checking of consolidation packages prior to integration (compliance with Group accounting standards and practices and verification of consistency, etc.);
- analysis of the financial statements of consolidated subsidiaries;
- the proper elimination of internal transactions;
- the proper application of IFRS;
- verification of consolidation transactions;
- analysis and validation of all items in the consolidated financial statements;
- the reliability of the financial information.

4.3.5 AN AGILE INTERNAL AUDIT SYTEM

Duties

The role of the audit and risk management department is to provide the Hermès Group's Management with reasonable assurance regarding the level of control over operations in the various entities. It fulfils this role in particular by carrying out audit missions, the purpose of which is to assess:

- the compliance of activities and operations with the Group's internal control rules and procedures, as well as the regulatory provisions in force;
- the relevance of the risk control processes implemented by operational staff;
- the implementation of the Group's strategic orientations through the consistency of the operational actions of the entities and the use of resources in relation to the actions undertaken;
- more generally, the likelihood, severity and level of control of risks that could have a significant impact on the Group's strategy.

There are several types of audits including:

- audit of distribution subsidiaries including the audit of stores;
- audit of production sites and métiers;
- audit of support departments or transverse functions;
- specialised audit conducted with external consultants;
- support for affiliates in the setting up of the internal control system.

Upon completion of the audits, reports are prepared detailing the audit findings and risks identified, and recommending solutions to remedy them. Proper implementation of the recommendations is verified during follow-up audits. The audit reports are sent to the managers of the audited subsidiaries or departments and to Group Management.

Audit plan

The auditors work on the basis of an annual audit plan, validated by the Executive Management and the Audit and Risk Committee. An overall analysis of risks, in particular financial, operational and compliance risks, feeds into the audit plan. It is also regularly adapted to take into account changes in the Group's risks. The Executive Committee's proposals and audit follow-ups complete it. It must allow a regular review of all Group entities and processes, with a frequency appropriate to the magnitude of the risks and the relative weight of each entity.

The audit and risk management department also carries out support assignments for the internal control roll-out within newly acquired entities. For specialised audits, it may use external service providers and data analysis tools, particularly in the context of fraud prevention. In addition, it regularly performs integrated audits with the Group's experts: IT security, security, compliance, insurance, etc.

The 2024 audit plan remained dynamic in order to adapt to changes in the Group and its environment. The strengthening of IT security audits continued in 2024. In the field of cybersecurity, and more broadly the IT control environment, most audits are entrusted to external expert firms.

In addition, the audit and risk management department continued its dedicated audits of communications expenditure with the support of external firms. Compliance issues were also taken into account in the 2024 audit plan, in line with French and international regulations on the fight against corruption, the protection of personal data and the duty of vigilance. Lastly, an audit of the risk management system of the audit and risk management department was conducted by an external firm.

Tools

As part of their work, the auditors rely on a constantly evolving and improving set of tools, provided by the data, innovation and method optimisation division of the audit and risk management department. This division, made up of data science and audit experts, is tasked with developing analysis tools and dashboards to better identify any weaknesses in the processes, through increasing exploitation of the data available within the Group. In addition, this team is responsible for the rollout of innovative technological solutions to facilitate internal control work. As part of an integrated approach, all of these tools are made available to the network of internal control officers within their respective scopes.

In 2024, an experiment was initiated to further automate the detection of transactions that derogate from procedures through the use of artificial intelligence algorithms.

5

CONSOLIDATED FINANCIAL STATEMENTS AFR

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Comments on the consolidated financial statements are set out in chapter 1 "Presentation of the Group and its results", § 1.8.

5.1 CONSOLIDATED INCOME STATEMENT

In millions of euros	*Notes*	2024	2023
Revenue	**5 and 6**	**15,170**	**13,427**
Cost of sales	6	(4,511)	(3,720)
Gross margin		**10,660**	**9,708**
Sales and administrative expenses	6.2	(3,569)	(3,169)
Other income and expenses	6.3	(942)	(889)
Recurring operating income	**5**	**6,150**	**5,650**
Other non-recurring income and expenses		-	-
Operating income	**5**	**6,150**	**5,650**
Net financial income	11.1	283	190
Net income before tax		**6,432**	**5,840**
Income tax	8	(1,845)	(1,623)
Net income from associates	10	44	105
CONSOLIDATED NET INCOME		**4,631**	**4,322**
Non-controlling interests		(28)	(12)
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT		**4,603**	**4,311**
Basic earnings per share *in euros*	13.6	43.93	41.19
Diluted earnings per share *in euros*	13.6	43.87	41.12

5.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In millions of euros	*Notes*	2024	2023
Consolidated net income		**4,631**	**4,322**
Changes in foreign currency adjustments	13.5	168	(114)
Hedges of future cash flows in foreign currencies [1]	13.5	(111)	7
Items recyclable through profit or loss		**57**	**(107)**
Assets at fair value [1]	13.5	30	-
Actuarial gains and losses [1]	13.5	(18)	10
Items not recyclable through profit or loss		**12**	**10**
Other comprehensive income		**69**	**(97)**
NET COMPREHENSIVE INCOME		**4,700**	**4,225**
◆ *attributable to owners of the parent*		*4,670*	*4,213*
◆ *attributable to non-controlling interests*		*29*	*13*

(1) Net of tax

5.3 CONSOLIDATED BALANCE SHEET

ASSETS

In millions of euros	*Notes*	31/12/2024	31/12/2023
Goodwill	9.1	228	72
Intangible assets	9.2	237	225
Right-of-use assets	9.3	1,786	1,716
Property, plant and equipment	9.2	2,980	2,347
Financial assets	11.2	1,050	1,141
Investments in associates	10	238	200
Deferred tax assets	8.3	929	631
Other non-current assets	6.4	159	107
Non-current assets		**7,608**	**6,438**
Inventories and work-in-progress	6.4	2,797	2,414
Trade and other receivables	6.4	478	431
Current tax receivables	6.4	28	51
Other current assets	6.4	398	300
Financial derivatives	12	132	188
Cash and cash equivalents	11.3	11,642	10,625
Current assets		**15,476**	**14,008**
TOTAL ASSETS		**23,084**	**20,447**

LIABILITIES

In millions of euros	*Notes*	31/12/2024	31/12/2023
Share capital	13	54	54
Share premium		50	50
Treasury shares	13	(670)	(698)
Reserves		12,464	10,744
Foreign currency adjustments	13.5	355	189
Revaluation adjustments	13.5	471	553
Net income attributable to owners of the parent		4,603	4,311
Equity attributable to owners of the parent		**17,327**	**15,201**
Non-controlling interests		7	2
Equity		**17,334**	**15,203**
Borrowings and financial liabilities due in more than one year	11	61	50
Lease liabilities due in more than one year	9.3	1,781	1,720
Non-current provisions	14	33	31
Post-employment and other employee benefit obligations due in more than one year	7.3	173	151
Deferred tax liabilities	8.3	5	2
Other non-current liabilities	6.4	69	106
Non-current liabilities		**2,120**	**2,060**
Borrowings and financial liabilities due in less than one year	11	0	1
Lease liabilities due in less than one year	9.3	332	289
Current provisions	14	96	134
Post-employment and other employee benefit obligations due in less than one year	7.3	16	16
Trade and other payables	6.4	832	880
Financial derivatives	12	161	45
Current tax liabilities	6.4	773	586
Other current liabilities	6.4	1,419	1,233
Current liabilities		**3,629**	**3,183**
TOTAL EQUITY AND LIABILITIES		**23,084**	**20,447**

5.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

								Revaluation adjustments				
In millions of euros	Number of shares	Share capital	Share premium	Treasury shares	Consolidated reserves and net income attributable to owners of the parent	Actuarial gains and losses	Foreign currency adjustments	Financial investments	Hedges of future cash flows in foreign currencies	Equity attributable to owners of the parent	Non-controlling interests	Equity
Notes	13	13		13		13.5	13.5	13.5	13.5			13
As at 1 January 2023	**105,569,412**	**54**	**50**	**(674)**	**12,247**	**(85)**	**303**	**521**	**25**	**12,440**	**16**	**12,457**
Net income	-	-	-	-	4,311	-	-	-	-	4,311	12	4,322
Other comprehensive income	-	-	-	-	-	10	(115)	-	7	(98)	1	(97)
Comprehensive income	-	-	-	-	***4,311***	***10***	***(115)***	**-**	***7***	***4,213***	***13***	***4,225***
Change in share capital and share premiums	-	-	-	-	-	-	-	-	-	-	-	-
Purchase or sale of treasury shares	-	-	-	(24)	(105)	-	-	-	-	(129)	-	(129)
Share-based payments	-	-	-	-	104	-	-	-	-	104	-	104
Dividends paid	-	-	-	-	(1,376)	-	-	-	-	(1,376)	(10)	(1,386)
Other	-	-	-	-	(51)	-	-	-	-	(51)	(17)	(68)
As at 31 December 2023	**105,569,412**	**54**	**50**	**(698)**	**15,130**	**(75)**	**189**	**521**	**32**	**15,201**	**2**	**15,203**
Net income	-	-	-	-	4,603	-	-	-	-	4,603	28	4,631
Other comprehensive income	-	-	-	-	-	(18)	166	30	(111)	67	2	69
Comprehensive income	-	-	-	-	***4,603***	***(18)***	***166***	***30***	***(111)***	***4,670***	***29***	***4,700***
Change in share capital and share premiums	-	-	-	-	-	-	-	-	-	-	-	-
Purchase or sale of treasury shares	-	-	-	28	(64)	-	-	-	-	(36)	-	(36)
Share-based payments	-	-	-	-	142	-	-	-	-	142	-	142
Dividends paid	-	-	-	-	(2,642)	-	-	-	-	(2,642)	(63)	(2,705)
Other	-	-	-	-	(7)	(2)	-	-	-	(9)	39	30
AS AT 31 DECEMBER 2024	**105,569,412**	**54**	**50**	**(670)**	**17,163**	**(95)**	**355**	**551**	**(80)**	**17,327**	**7**	**17,334**

5.5 CONSOLIDATED STATEMENT OF CASH FLOWS

In millions of euros	*Notes*	2024	2023
Net income attributable to owners of the parent		4,603	4,311
Depreciation and amortisation of fixed assets, right-of-use assets and impairment losses	9.2 to 9.4	844	772
Foreign exchange gains/(losses) on fair value adjustments		(56)	56
Change in provisions		(29)	15
Net income from associates		(44)	(105)
Net income attributable to non-controlling interests		28	12
Capital gains or losses on disposals and impact of changes in scope of consolidation		(2)	(14)
Change in deferred tax		(93)	(14)
Accrued expenses and income related to share-based payments		142	104
Dividend income		(16)	(12)
Other		0	1
Operating cash flows		**5,378**	**5,123**
Change in working capital requirements	6.4	(239)	(794)
CASH FLOWS RELATED TO OPERATING ACTIVITIES (A)		**5,139**	**4,328**
Operating investments	9.2	(1,067)	(859)
Acquisitions of consolidated shares	9.1	(229)	(288)
Acquisitions of other financial assets	11.2	(27)	(52)
Disposals of operating assets	9.2	1	0
Disposals of consolidated shares and impact of losses of control		-	-
Disposal of other financial assets	11.2	145	-
Change in payables and receivables related to investing activities	6.4	(49)	93
Dividends received		30	112
CASH FLOWS RELATED TO INVESTING ACTIVITIES (B)		**(1,195)**	**(995)**
Dividends paid		(2,705)	(1,386)
Repayment of lease liabilities	9.3	(305)	(277)
Treasury share buybacks net of disposals		(37)	(130)
Borrowing subscriptions		-	-
Repayment of borrowings		(1)	(1)
Other		(2)	(0)
CASH FLOWS RELATED TO FINANCING ACTIVITIES (C)		**(3,046)**	**(1,794)**
Foreign currency translation adjustment (D)		119	(138)
CHANGE IN NET CASH POSITION (A) + (B) + (C) + (D)	**11.3**	**1,017**	**1,402**
Net cash position at the beginning of the period	11.3	10,625	9,223
Net cash position at the end of the period	11.3	11,642	10,625

5.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Name or other means of identification of the reporting entity	Hermès International
Domicile of the entity	24, rue du Faubourg Saint-Honoré, 75008 Paris (France)
Legal form of the entity	*Société en commandite par actions* (partnership limited by shares)
Country of incorporation	France
Address of the entity's registered office	24, rue du Faubourg Saint-Honoré, 75008 Paris (France)
Principal place of business	24, rue du Faubourg Saint-Honoré, 75008 Paris (France)
Description of the nature of the entity's operations and its principal activities	Hermès is an independent, family-owned craftsmanship House that manufactures and distributes its objects through a dynamic network of stores around the world.
Name of parent company	Hermès International
Name of ultimate parent of the Group	Hermès International

NOTE 1 ACCOUNTING PRINCIPLES AND POLICIES

1.1 Basis for preparation

The consolidated financial statements of Hermès International and its subsidiaries (the "Group"), published for financial year 2024, are prepared in accordance with IFRS, the International Financial Reporting Standards, as adopted in the European Union as at 31 December 2024.

The Group's consolidated financial statements were approved by the Executive Management on 13 February 2025 and will be submitted for approval to the General Meeting on 30 April 2025. The Audit and Risk Committee, which met on 12 February 2025, also examined the consolidated financial statements.

The consolidated financial statements and notes to the consolidated financial statements are presented in euros. Unless otherwise stated, the values shown in the tables are expressed in millions of euros and rounded to the nearest million. As a result, in certain cases, the effects of rounding up/down can lead to a non-significant difference in the totals or changes. In addition, the ratios and differences are calculated on the basis of the underlying amounts and not on the basis of rounded amounts.

1.2 Changes in IFRS standards

The IFRS texts applicable on a mandatory basis to financial years beginning on 1 January 2024 had no impact on Hermès' financial statements:

- amendments to IAS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants;
- amendments to IAS 7 and IFRS 7 - Supplier finance arrangements;
- amendments to IFRS 16 - Lease liability in a sale and leaseback.

1.3 Use of estimates

The preparation of the consolidated financial statements under IFRS sometimes requires the Group to make estimates in valuing assets and liabilities and income and expenses recognised during the financial year. The Group bases these estimates on historical experience and on a variety of assumptions, which it deems to be the most reasonable and probable in the current economic environment.

The main judgments and estimates are presented in the following notes:

	Notes
Leases	9.3
Impairment of inventories	6.4
Financial instruments	12
Provisions	14
Income tax	8

1.4 Scope and methods of consolidation

The consolidated financial statements include the financial statements of Hermès International and subsidiaries and associates over which the parent company directly or indirectly exerts control or significant influence.

They are prepared on the basis of annual financial statements for the period ended 31 December, and are expressed in euros.

The list of the main companies included in the scope of consolidation as at 31 December 2024 is presented in note 18.

The financial statements of controlled companies are fully consolidated. This method is used, following elimination of internal transactions and results, in order to fully integrate assets, liabilities, income and expenses. Equity and net income attributable to non-controlling interests are identified separately as non-controlling interests in the consolidated balance sheet and the consolidated income statement.

The financial statements of other companies, known as associates, over which the Group exercises significant influence, are accounted for using the equity method (see Note 10).

Financial statements expressed in foreign currencies are converted in accordance with the following principles:

- items in the balance sheet are converted at the year-end exchange rate for each currency;
- items in the income statement are converted at the average annual exchange rate for each currency.

This results in a translation difference (attributable to owners of the parent) which is shown separately in consolidated equity. The principle is the same for non-controlling interests.

NOTE 2 MAIN EVENTS OF THE PERIOD

In line with its distribution network vertical integration strategy, the house has reinforced its relationship with its historical partner in the Middle East. Thus, in early 2024, Hermès became a majority shareholder alongside its partner in the retail activities located in the United Arab Emirates. The latter remains the majority shareholder in the other countries of the region (Qatar, Kuwait, Bahrain). The impact of taking these stakes and the price paid are not material with regard to the Group's consolidated financial statements (see Note 9).

NOTE 3 CLIMATE ISSUES

Hermès' French craftsmanship model and its locations in France limit the Group's current exposure to climate issues. Consequently, at this stage, the impacts of climate change on its consolidated financial statements are not significant.

At the end of 2021, the SBTi validated the objectives of a 50.4% reduction in scopes 1 and 2 greenhouse gas emissions in absolute value and a 58.1% reduction in scope 3 emissions in intensity (per €M of gross margin) by 2030, thereby recognising Hermès' pledge to the fight against climate change and its commitment to reducing its direct and indirect emissions, thus helping to limit global warming to 1.5°C. The Company's efforts are reflected in the consolidated financial statements through operating investments and operating expenses.

The long-term effects of climate change are not quantifiable at this stage.

NOTE 4 ALTERNATIVE PERFORMANCE MEASURES

This note aims to present the main alternative performance measures ("APM") followed by the Group Management, and their reconciliation, where appropriate, with the aggregates of the IFRS consolidated financial statements.

4.1 Revenue growth at constant exchange rates

- Revenue growth at constant exchange rates: calculated by applying, for each currency, the average exchange rates of the previous period to the revenue for the period.

	2024 at current rates	2024 at constant rates	2023	Change at current exchange rates	Change at constant exchange rates	Currency effect
Revenue *in millions of euros*	15,170	15,406	13,427	1,743	1,978	(235)
Change *in %*				*13%*	*15%*	*(2)%*

4.2 Recurring operating income

- Recurring operating income: operating income exclusive of non-recurring items with a significant impact that may affect understanding of the Group's economic performance.

4.3 Net cash position and restated net cash position

- Net cash position: includes cash and cash equivalents presented under balance sheet assets, less bank overdrafts which appear under short-term borrowings and financial liabilities on the liabilities side. Lease liabilities recognised in accordance with IFRS 16 are excluded from net cash position.
- Restated net cash position: corresponds to net cash position plus cash investments that do not meet the IFRS criteria for cash equivalents due in particular to their original maturity of more than three months, less borrowings and financial liabilities.

Borrowings and financial liabilities on the balance sheet break down as follows:

In millions of euros	31/12/2024	31/12/2023
Bank overdrafts	0	1
Other financial liabilities	1	2
Put options granted to holders of non-controlling interests	60	48
BORROWINGS AND FINANCIAL LIABILITIES ON THE BALANCE SHEET	**61**	**51**

The reconciliation of the net cash position and restated net cash position indicators with the consolidated balance sheet is presented below:

In millions of euros	31/12/2024	31/12/2023
Cash and cash equivalents	11,642	10,625
Bank overdrafts	(0)	(1)
NET CASH POSITION	**11,642**	**10,625**
Cash investments with maturity over three months from the date of acquisition	398	541
Financial liabilities	(1)	(2)
RESTATED NET CASH POSITION	**12,039**	**11,164**

4.4 Adjusted free cash flows

For management purposes, the Hermès Group sees all lease payments as items affecting operating activities. IFRS 16 considers fixed lease payments as the sum of the repayment of the principal portion of the lease liability and the payment of financial interests. Consequently, the Group follows the following APM:

- Adjusted free cash flows: correspond to the cash flows related to operating activities, less operating investments and the repayment of lease liabilities recognised in accordance with IFRS 16 (aggregates in the consolidated statement of cash flows).

The reconciliation of this indicator with the Group's statement of consolidated cash flows presented in note 5.5 is as follows:

In millions of euros	2024	2023
Operating cash flows	5,378	5,123
+ Change in working capital requirements	(239)	(794)
- Operating investments	(1,067)	(859)
- Repayment of lease liabilities	(305)	(277)
ADJUSTED FREE CASH FLOWS	**3,767**	**3,192**

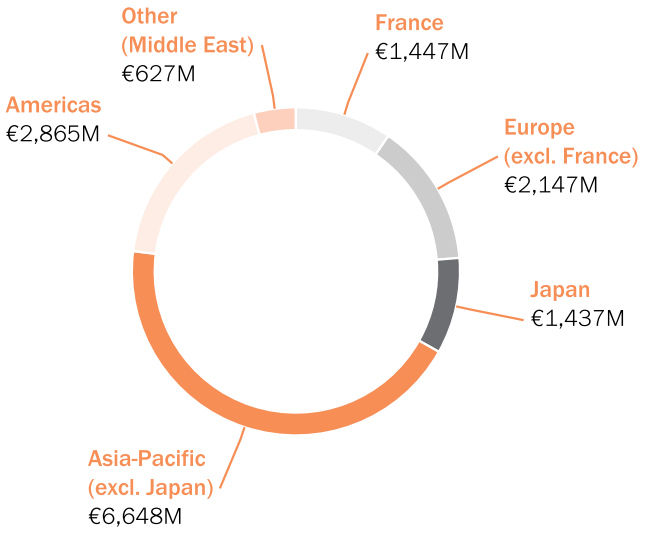
NOTE 5 SEGMENT INFORMATION

Accounting principles

Given the Group's current structure, organised into geographical areas placed under the responsibility of operational Senior Executives in charge of applying the strategy defined by the Executive Committee (the principal operational decision-maker), the Group has determined that the geographical areas constitute the operating segments with reference to the fundamental principle of IFRS 8.

Segment information is presented after eliminations and restatements.

Revenue by destination geographical area breaks down as follows:



	2024							
In millions of euros	France	Europe (excluding France)	Japan	Asia-Pacific (excluding Japan)	Americas	Other (Middle East)	Unallocated	Total
Revenue	1,447	2,147	1,437	6,648	2,865	627	-	**15,170**
Recurring operating income	633	719	567	2,666	1,015	218	331	**6,150**
Recurring operating profitability	*44%*	*33%*	*39%*	*40%*	*35%*	*35%*	-	***40.5%***
Other non-recurring income and expenses	-	-	-	-	-	-	-	**-**
Operating income	633	719	567	2,666	1,015	218	331	**6,150**
Operating investments	711	78	24	110	85	8	51	**1,067**
Non-current assets	1,717	646	223	1,050	924	361	1,758	**6,680**
Non-current liabilities	240	290	102	581	617	36	250	**2,116**

The "Unallocated" column includes expenses related to free share allocation plans, unallocated central costs and internal billings.

In 2024, the change in the profitability of the "France" and "Asia-Pacific (excluding Japan)" regions and that of the "Unallocated" operating income reflects an adjustment in internal prices, which is neutral in terms of consolidated operating income. Restated for this item, the change in the profitability of the "France" and "Asia-Pacific (excluding Japan)" regions compared to 2023 would have been -2 points and -3 points respectively, in line with the change in consolidated profitability.

The increase in the profitability of the "Other (Middle East)" region is due to the consolidation of the United Arab Emirates following the Group's acquisition of a majority stake (see Note 2).

All non-current assets and liabilities included in the consolidated balance sheet are presented in the segment information, with the exception of deferred tax assets and liabilities. Non-current assets mainly comprise property, plant and equipment and intangible assets, right-of-use assets and financial assets. "Unallocated" non-current assets mainly include financial investments (see Note 11.2). Non-current liabilities include lease liabilities.

	2023							
In millions of euros	**France**	**Europe (excluding France)**	**Japan**	**Asia-Pacific (excluding Japan)**	**Americas**	**Other (Middle East)**	**Unallocated**	**Total**
Revenue	1,274	1,818	1,260	6,273	2,502	299	-	**13,427**
Recurring operating income	512	584	505	3,059	895	89	6	**5,650**
Recurring operating profitability	*40%*	*32%*	*40%*	*49%*	*36%*	*30%*	-	***42.1%***
Other non-recurring income and expenses	-	-	-	-	-	-	-	**-**
Operating income	512	584	505	3,059	895	89	6	**5,650**
Operating investments	323	58	24	108	72	-	274	**859**
Non-current assets	1,247	510	208	962	871	35	1,975	**5,807**
Non-current liabilities	264	273	85	541	604	-	291	**2,058**

NOTE 6 ITEMS RELATING TO OPERATING ACTIVITIES

Accounting principles

Revenue

Revenue consists essentially of sales of goods and services produced by the Group's main operating activities.

- Revenues mainly include retail sales in the Group's stores, which are recognised at the time of purchase by customers;
- Wholesale distribution to store concessionaires, distributors in the Perfume and Beauty activity and sales to producers (textile printing, tanning, metal parts, etc.) are recorded when control of the goods is transferred, which generally occurs at the time of shipping. Distributors and concessionaires therefore take control of products until sale to the final customer and thus act as the principal under the provisions of IFRS 15.

Provision for product returns

Sales with an explicit or implicit right of return are subject to a provision recognised as a deduction from revenue in the amount of expected returns, determined on the basis of historical or contractual data, with a counterparty in "Other current liabilities". The corresponding reduction in the cost of sales is recorded with a counterparty in inventories, representing the entity's right to recover the goods that customers may return. This principle applies in particular to sales made on the e-commerce site.

Cost of sales

The cost of sales mainly comprises purchases of raw materials, the cost of production labour, indirect production costs, variable selling expenses, as well as impairment of inventories.

Sales and administrative expenses

Communication

Communication expenses include expenses designed to promote brands and products to customers. These expenses are recognised as expenses in the financial year in which they are incurred.

Other sales and administrative expenses

Other sales and administrative expenses include costs usually borne by the Company in the course of its operations and which are not related to production. These mainly include expenses for sales staff and support functions, variable rent expenses and other administrative expenses (fees, insurance, travel, etc.).

Other income and expenses

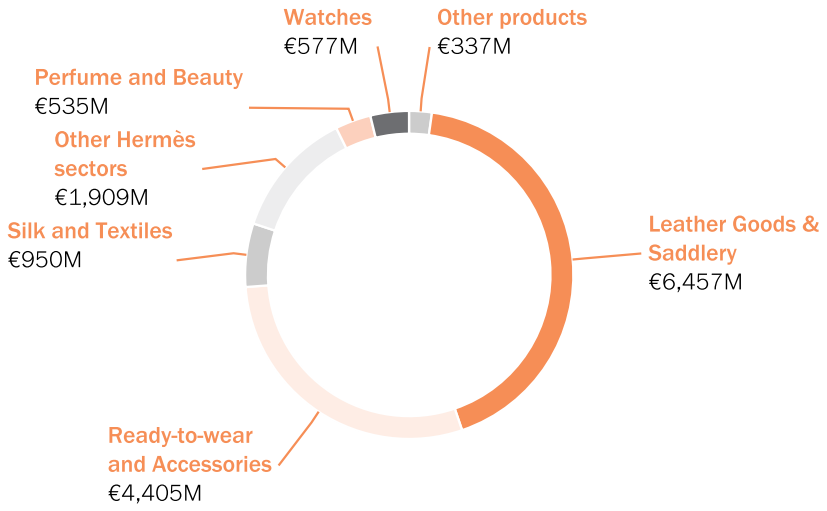
Other income and expenses mainly include:

- depreciation and amortisation of fixed assets and right-of-use assets, with the exception of charges relating to items allocated to production, which are classified as "Cost of sales" (see Note 9);
- the cost of pension plans and other long-term benefits (see Note 7.3);
- expenses related to free share allocation plans (see Note 7.4);
- changes in provisions (see Note 14);
- impairment losses (see Note 9.4);
- donations and sponsorship expenses.

Other non-recurring income and expenses

This item enables the separate presentation of major non-recurring events that occurred during the financial year, whose financial impact was material and whose presentation under recurring operating income could affect the understanding of the Group's economic performance.

6.1 Revenue by métier



In millions of euros	2024	2023	Change at current exchange rates	Change at constant exchange rates
Leather Goods & Saddlery	6,457	5,547	16%	18%
Ready-to-wear and Accessories	4,405	3,879	14%	15%
Silk and Textiles	950	932	2%	4%
Other Hermès sectors	1,909	1,653	16%	17%
Perfume and Beauty	535	492	9%	9%
Watches	577	611	(6)%	(4)%
Other products	337	313	8%	9%
REVENUE	**15,170**	**13,427**	**13%**	**15%**

6.2 Sales and administrative expenses

In millions of euros	2024	2023
Communication	(637)	(607)
Other sales and administrative expenses	(2,932)	(2,561)
TOTAL	**(3,569)**	**(3,169)**

6.3 Other income and expenses

In millions of euros	*Note*	2024	2023
Depreciation and amortisation of fixed assets		(363)	(319)
Amortisation of right-of-use assets		(330)	(285)
Sub-total depreciation and amortisation		**(693)**	**(604)**
Impairment losses		(83)	(106)
Expenses related to free share allocation plans and similar expenses	7.4	(180)	(151)
Net change in provisions [1]		(25)	(38)
Other income and expenses		40	9
TOTAL		**(942)**	**(889)**

(1) Of which cost of pension plans and other long-term benefits for €22 million in 2024 (€17 million in 2023), see Note 7.3.

Total depreciation and amortisation of fixed assets included in operating expenses ("Other income and expenses" and "Cost of sales") amounted to €427 million in 2024, compared with €378 million in 2023.

Total amortisation of rights-of-use included in operating expenses ("Other income and expenses" and "Cost of sales") amounted to €333 million in 2024, compared with €288 million in 2023.

6.4 Working capital requirements

Accounting principles

Inventories and work-in-progress

Inventories and work-in-progress held by Group companies are valued at the lower of cost (including indirect production costs) or net realisable value:

- cost is generally calculated at weighted average cost or standard cost adjusted for variances, according to each category of inventory. The cost of inventories includes all costs of purchase, processing and all other costs incurred in bringing the inventories to their present location and condition, as specified by IAS 2 *Inventories*;
- net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Impairment is booked to reduce inventories to net realisable value if this is lower than the carrying amount. Impairment is established for each category of inventory (raw materials, work-in-progress, intermediate products, finished products and merchandise), if the products concerned are damaged or obsolete (season and collection ended, for example) or based on expected turnover. These impairments are included in the cost of sales.

Trade receivables

Trade receivables are recognised on the balance sheet at their par value, which corresponds to their fair value.

Credit risk arises from the potential inability of customers to meet their payment obligations. Expected losses linked to credit risk on trade receivables are assessed as soon as they arise and reviewed at each closing (see Note 11). They are recognised in "Other income and expenses".

Transactions in foreign currencies

Transactions in foreign currencies are recorded on initial recognition, using the applicable exchange rate at the date of the transaction (historical rate). Monetary assets and liabilities denominated in foreign currencies are converted using the closing rate. Foreign currency adjustments are recognised in income or expenses.

5

6.4.1 INVENTORIES AND WORK-IN-PROGRESS

In millions of euros	31/12/2024	31/12/2023
Retail, intermediate and finished goods	2,694	1,972
Raw materials and work-in-progress	1,320	1,299
Gross values	**4,014**	**3,271**
Impairment	(1,217)	(856)
TOTAL	**2,797**	**2,414**
Net impairment gain/(loss) on retail, intermediate and finished goods inventories	(266)	(60)
Net impairment gain/(loss) on raw material and work-in-progress	(61)	(9)

No inventories were pledged as collateral to secure financial liabilities.

6.4.2 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	31/12/2024			31/12/2023
In millions of euros	Gross	Impairment	Net	Net
Non-current derivatives	51	-	51	-
Other	133	25	108	107
Other non-current assets	**184**	**25**	**159**	**107**
Trade and other receivables	**482**	**4**	**478**	**431**
Of which:				
◆ *not yet due*	311	0	311	282
◆ *past due*	171	4	167	149
Current tax receivables	**28**	**0**	**28**	**51**
Other current assets	**399**	**1**	**398**	**300**
TRADE RECEIVABLES AND OTHER CURRENT ASSETS	**1,042**	**30**	**1,063**	**888**

The amount of trade and other receivables due breaks down as follows:

	31/12/2024			31/12/2023
In millions of euros	Gross	Impairment	Net	Net
Under 3 months	153	0	152	146
Between 3 and 6 months	0	1	(0)	2
Over 6 months	18	3	15	1
TOTAL	**171**	**4**	**167**	**149**

With the exception of other non-current assets, all receivables are due within one year. There were no significant payment deferrals that would justify the discounting of receivables.

The Group's policy is to recommend that insurance be taken out covering accounts receivable inasmuch as local conditions permit. Consequently, the expected risk of non-recovery is low, as evidenced by the level of impairment of trade receivables, which amounted to 1% of the gross value at the end of 2024 (1% at the end of 2023). There is no significant concentration of credit risk.

6.4.3 TRADE PAYABLES AND OTHER LIABILITIES

In millions of euros	31/12/2024	31/12/2023
Other non-current liabilities	**69**	**106**
Trade payables	683	685
Amounts payable to fixed asset suppliers	149	195
Trade and other payables	**832**	**880**
Current tax liabilities	**773**	**586**
Personnel and social bodies	661	595
Other	757	637
Other current liabilities	**1,419**	**1,233**
TRADE PAYABLES AND OTHER LIABILITIES	**3,092**	**2,804**

Other current liabilities mainly include employee and tax liabilities excluding current tax liabilities.

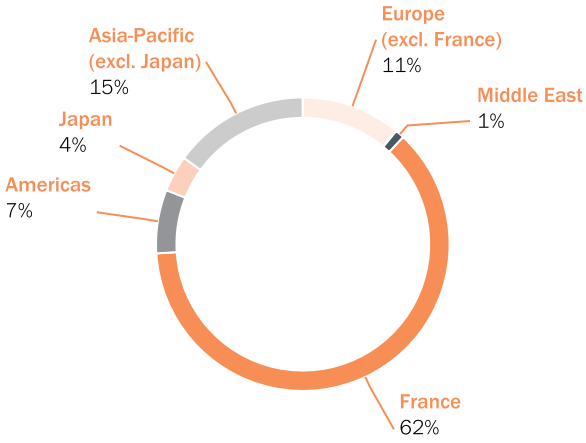
6.4.4 CHANGE IN WORKING CAPITAL REQUIREMENTS

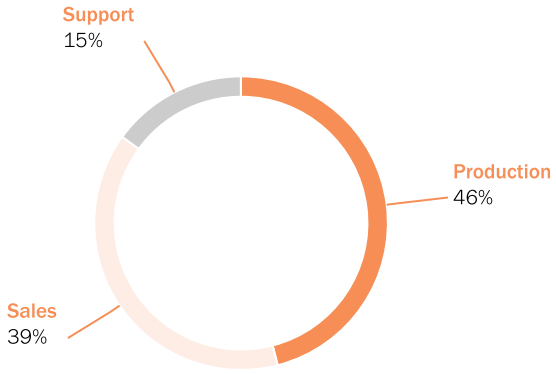
In millions of euros	31/12/2024	31/12/2023
Inventories and work-in-progress	(313)	(662)
Trade and other receivables	4	(122)
Trade and other payables	(60)	42
Other receivables and payables	130	(53)
TOTAL	**(239)**	**(794)**

The "Other receivables and payables" item of the change in working capital requirement mainly includes tax and employee receivables and payables.

NOTE 7 HEADCOUNT, PERSONNEL COSTS AND EMPLOYEE BENEFITS

7.1 Headcount by geographical area and sector





	Total [1]		Production		Sales		Support	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
France	**15,556**	**14,296**	10,470	9,713	2,403	2,215	2,683	2,368
Europe (excluding France)	**2,800**	**2,514**	1,004	897	1,512	1,347	284	270
Japan	**1,062**	**966**	0	0	973	887	89	79
Asia-Pacific (excluding Japan)	**3,701**	**3,527**	66	84	3,186	3,002	449	441
Americas	**1,729**	**1,576**	17	13	1,510	1,381	202	182
Middle East	**337**	**0**	0	0	292	0	45	0
TOTAL	**25,185**	**22,879**	**11,557**	**10,707**	**9,876**	**8,832**	**3,752**	**3,340**

(1) 22,037 published at the end of 2023 excluding fixed-term employment contracts of less than nine months. Proforma 2023 presented according to the CSRD definition of own workers (permanent + fixed-term employment contracts with no length of service condition).

7.2 Personnel costs

Personnel costs recognised in 2024 totalled €2,347 million, compared with €2,067 million in 2023.

7.3 Post-employment and other employee benefit obligations

General and accounting principles

Post-employment benefit plans

Defined-contribution plans

Under these plans, regular payments are made to outside organisations, which are responsible for their administrative and financial management. The Group is not committed beyond the contributions paid and these are therefore recognised as expenses by destination in the various lines of the consolidated income statement.

Defined-benefit plans

The Hermès Group's defined-benefit plans include:

- benefits in the event of departure or end of career, mainly in France and Japan. These obligations are partially or entirely externalised depending on the country;
- supplemental pension plans in France or abroad.

The Group's obligations are calculated annually by an independent actuary using the projected unit credit method. This method is based on actuarial assumptions and takes into account the employee's probable future length of service, future salary and life expectancy as well as staff turnover and the inflation rate. Actuarial assumptions are reviewed annually.

The present value of the obligation is calculated by applying an appropriate discount rate for each country where the obligations are located. The discount rates applied are obtained by reference to the yield on investment grade (AA) corporate bonds with the same maturity as that of the obligation.

When benefits are funded in advance through external funds, the assets held are measured at fair value, and taken into account in the assessment of the net provision. In accordance with IAS 19 revised, rates of return on assets are determined by reference to discount rates on the obligations.

In the consolidated income statement, the expense is presented under "Other income and expenses".

Changes in actuarial assumptions and experience effects give rise to actuarial gains and losses, the total of which is recorded under "Other comprehensive income" over the period during which they were recognised.

Other long-term benefits

The Hermès Group's other long-term benefits include:

- jubilees in France: these awards provide compensation for long-standing services;
- long-term awards, mainly in Japan.

7.3.1 INFORMATION BY TYPE OF PLAN AND GEOGRAPHICAL AREA

The provision shown in the balance sheet includes post-employment defined-benefit plans and other long-term benefits:

In millions of euros	31/12/2024	31/12/2023
Defined-benefit plans	167	151
Other long-term benefits	22	16
PROVISIONS AT END OF PERIOD	**189**	**167**

The present value of the obligations and the fair value of the plan assets broken down by geographical area are as follows:

	31/12/2024		31/12/2023	
In millions of euros	Value	Breakdown	Value	Breakdown
France	151	48%	141	50%
Japan	46	15%	45	16%
Other	119	38%	94	34%
Present value of obligations	**315**	**100%**	**280**	**100%**
France	51	40%	44	39%
Other	76	60%	68	61%
Fair value of plan assets	**126**	**100%**	**112**	**100%**
France	100	53%	97	58%
Japan	46	24%	45	27%
Other	43	23%	26	15%
PROVISIONS FOR RETIREMENT AND OTHER EMPLOYEE BENEFIT OBLIGATIONS	**189**	**100%**	**167**	**100%**

7.3.2 ACTUARIAL ASSUMPTIONS

For financial year 2024, the following actuarial assumptions were used for the countries to which the Hermès Group's main commitments apply:

	France	Japan
Discount rate	3.11%	1.9%
Increase in salaries	3.5% - 4.2%	2.5%

Reminder of the assumptions in 2023:

	France	Japan
Discount rate	3.50% - 4.29%[1]	1.6%
Increase in salaries	3.5% - 4.2%	2.5%

(1) Rates according to the duration of the plans.

A 0.50 point increase or decrease in the discount rate would lead to a €15 million decrease or a €17 million increase respectively in the Hermès Group's provision for retirement, with the balancing entry recognised in equity.

7.3.3 RECONCILIATION OF RETIREMENT AND OTHER EMPLOYEE BENEFIT OBLIGATIONS

	2024			2023		
In millions of euros	Value of obligations	Plan assets	Provisioned obligations	Value of obligations	Plan assets	Provisioned obligations
Provisions as at 1 January	**279**	**(112)**	**167**	**292**	**(95)**	**196**
Expense for the financial year	30	(7)	22	20	(2)	17
Benefits paid	(20)	17	(2)	(14)	9	(4)
Employer contributions	-	(24)	(24)	-	(22)	(22)
Employee contributions	3	(3)	-	3	(3)	-
Actuarial gains and losses recognised in other comprehensive income	26	(2)	24	(16)	1	(15)
Change in scope	3	-	3	0	-	0
Foreign currency adjustments	(2)	1	(1)	(1)	(4)	(5)
Other movements	(4)	4	-	(4)	4	-
PROVISIONS AS AT 31 DECEMBER	**315**	**(126)**	**189**	**279**	**(112)**	**167**

The expense relating to employer contributions under defined-contribution plans for the 2024 financial year amounted to €94 million (€101 million in 2023).

7.4 Share-based payments

Accounting principles

Free share allocation plans are recognised as expenses at fair value in the "Other income and expenses" section, with a corresponding increase in equity. This fair value is spread over the vesting period.

The estimate of the fair value is calculated on the basis of the share price on the date that the corresponding decision is made by Executive Management, subject to the deduction of the amount of the advance dividends over the vesting period, taking into account the assumption of a turnover rate for beneficiaries.

In some countries, these share-based payments are subject to social security charges due upon delivery to employees. These expenses are then spread over the vesting period and recognised under "Other income and expenses".

The expense recognised in 2024 in respect of all free share allocation plans (including social contributions) totalled €180 million, compared with €151 million at end-2023.

The shares outstanding changed as follows during the financial year:

In shares	2024	2023
Outstanding as at 1 January	**428,376**	**404,760**
Issued	2,204	302,568
Exercised	(127,032)	(267,417)
Forfeited or cancelled	(12,536)	(11,535)
OUTSTANDING AS AT 31 DECEMBER	**291,012**	**428,376**

Information on the free share allocation plans is provided in chapter 3 "Corporate governance", § 3.8.3.2.

7.5 Senior Executive compensation

The breakdown of total compensation paid to members of the Executive Committee and the Supervisory Board, in respect of their functions within the Group, is as follows:

In millions of euros	2024	2023
Short-term benefits	41	35
Post-employment benefits	4	4
Other long-term benefits	0	0
Share-based payments	7	3
TOTAL	**52**	**42**

Short-term benefits include compensation and bonuses paid to Executive Committee members during the financial year, as well as directors' fees paid to members of the Supervisory Board.

Share-based payments correspond to the amounts expensed in the financial year.

NOTE 8 INCOME TAX

Accounting principles

Income tax

The income tax expense includes the current tax due for the financial year by fully consolidated companies and deferred tax.

The Group's companies are regularly audited by the tax authorities of the countries in which they operate. Appropriate liabilities are recorded in respect of any uncertain tax positions, the amounts of which are reviewed in accordance with the criteria of IAS 12 and IFRIC 23.

Tax consolidation regimes

The French tax consolidation regime allows certain French companies in the Group to offset their taxable income for the purpose of determining the overall income tax expense, for which only the parent company, Hermès International, remains liable.

Furthermore, there is another tax consolidation regime outside France.

Deferred tax

Deferred taxes are calculated on all timing differences existing at financial year-end at the tax rate in force on that date, or at the enacted tax rate (or nearly enacted rate) for the subsequent financial year. Previous deferred taxes are revalued using the same method (liability method).

The restatement of assets and liabilities related to leases gives rise to the recognition of deferred tax.

The Group applies the exemption to the recognition of deferred tax resulting from the Pillar II reform provided for by IAS 12.

Deferred tax assets are recorded to the extent that their future use is probable given the expected taxable profits. If a non-recovery risk arises on some or all of a deferred tax asset, an impairment is recorded.

8.1 Breakdown of income tax

In millions of euros	2024	2023
Current tax	(2,094)	(1,745)
Deferred tax	249	122
TOTAL	**(1,845)**	**(1,623)**

8.2 Rationalisation of the income tax expense

The difference between the theoretical income tax expense and the net actual income tax expense is explained as follows:

In millions of euros	2024	2023
Net income attributable to owners of the parent	4,603	4,311
Net income from associates	44	105
Net income attributable to non-controlling interests	(28)	(12)
Income tax expense	**(1,845)**	**(1,623)**
Net income before tax	6,432	5,840
Effective tax rate	**28.7%**	**27.8%**
Current tax rate in France	25.8%	25.8%
Theoretical income tax expense	(1,661)	(1,509)
Reconciliation items:		
◆ *differences relating to foreign taxation (primarily the tax rate)*	*15*	*17*
◆ *permanent differences and other*	*(199)*	*(131)*
TOTAL	**(1,845)**	**(1,623)**

The tax rate applicable in France in 2024 is the basic rate of 25.00% increased by the social contribution of 3.3%, *i.e.* a total of 25.83%.

The Group is subject to the reform of international tax rules developed by the OECD, known as "Pillar II", which introduces a minimum tax rate of 15% on the profits made by multinational groups. The amount of the top-up tax recognised for 2024 is not material.

"Permanent differences and other" include income and expenses that will never be deductible or taxable, the impact of tax loss carry forwards that have not been activated, tax adjustments for prior years and any risks and uncertain tax positions.

8.3 Deferred tax

The net change in deferred tax assets and liabilities breaks down as follows:

In millions of euros	2024	2023
Deferred tax assets as at 1 January	631	555
Deferred tax liabilities as at 1 January	2	20
Net deferred tax assets at 1 January	**629**	**535**
Income statement impact	249	122
Scope impact	(5)	0
Exchange rate impact	9	(23)
Equity impact	42	(5)
Net deferred tax assets at 31 December	**924**	**629**
Deferred tax assets as at 31 December	929	631
Deferred tax liabilities as at 31 December	5	2

The impact on equity mainly concerns the change in deferred taxes related to:

- revaluations recognised in equity (investments and financial investments and hedging of future cash flows);
- actuarial gains and losses on employee benefit obligations.

These movements had no impact on net income for the financial year (see Note 13.5).

Deferred taxes mainly relate to the following adjustments:

In millions of euros	31/12/2024	31/12/2023
Internal margins on inventories and provisions for inventories	612	464
Non-deductible depreciation and amortisation or impairment on fixed assets	75	72
IFRS 16 Leases	52	53
Retirement and other employee benefit obligations	43	40
Derivatives	(7)	(45)
Regulated provisions	(58)	(53)
Other	207	99
TOTAL	**924**	**629**

Deferred tax assets linked to tax loss carry-forwards were not material as at 31 December 2024 and 2023.

As at 31 December 2024, tax loss carry-forwards that did not lead to the recognition of deferred tax assets represented potential tax savings of €32 million (compared with €29 million in 2023).

NOTE 9 GOODWILL, PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, AND LEASES

9.1 Goodwill

Accounting principles

Business combinations, carried out in the event that the Group gains control over one or several other activities, are accounted for using the acquisition method:

- the consideration transferred (acquisition cost) is measured at the fair value of the assets delivered and liabilities incurred at the date of the exchange;
- the identifiable assets and liabilities of the Company acquired are measured at fair value on the acquisition date;
- the costs that can be directly attributed to the acquisition are recorded as an expense.

This valuation is carried out within no more than a year following the date of acquisition and in the currency of the acquired entity. The resulting valuation adjustments are recognised under the related assets and liabilities, including the share attributable to non-controlling interests. The residual difference, which is the difference between the transferred counterparty and the share of net assets and liabilities measured at fair value, is recognised under goodwill.

Any goodwill and any fair value adjustments arising on the acquisition of a foreign entity are considered to be assets and liabilities of that foreign entity. Therefore, they are expressed in the entity's functional currency and converted at closing rates.

The difference between the carrying amount of non-controlling interests acquired after the date control was obtained and the price paid for their acquisition is posted through equity.

Any previous stake held in the company acquired before a takeover is remeasured at its fair value on the acquisition date and the corresponding income or loss is recognised in the income statement under "Other income and expenses".

Where applicable, the favourable portion of future call options gives rise to the recognition of a derivative instrument under "Other non-current assets", which is revalued at each closing date.

Goodwill is not amortised. It is subject to an impairment test, the principles of which are presented in note 9.4. Any resulting impairment is recognised in "Other income and expenses" in operating income. It is irreversible.

Goodwill is allocated by cash-generating units, which are presented in note 9.4.

	31/12/2023	Increases	Decreases	Exchange rate impact	31/12/2024
Distribution CGU	0	192	-	13	205
Other CGUs	72	-	(48)	0	24
TOTAL NET VALUES	**72**	**192**	**(48)**	**13**	**228**

In financial year 2024, Hermès acquired a majority interest in the retail activities located in the United Arab Emirates (see Note 2). The purchase price allocation has been finalised and resulted in the recognition of goodwill of €192 million.

9.2 Property, plant and equipment and intangible assets

Accounting principles

Intangible assets

Intangible assets mainly comprise acquired software (including their implementation costs), as well as the Group's e-commerce website development costs. They are amortised on a straight-line basis over their probable useful life, generally between three and five years.

It is specified that internally generated brands and items that are similar in substance are not recognised under intangible assets, in accordance with IAS 38.

Property, plant and equipment

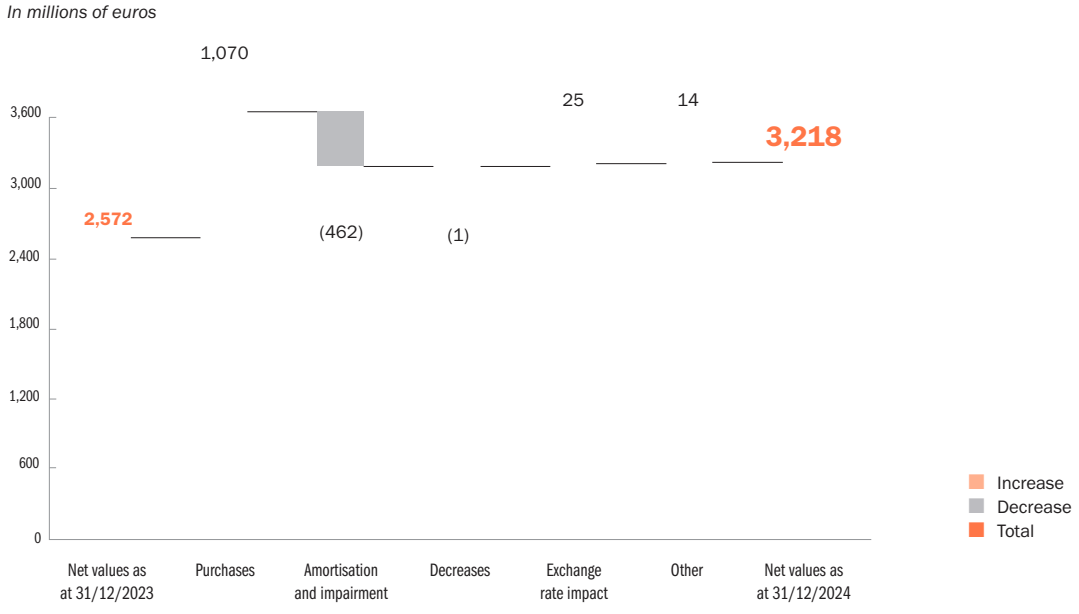
Property, plant and equipment are recorded at historical acquisition cost, less accumulated depreciation and recognised impairment losses. They are depreciated, generally using the straight-line method, over the following average estimated useful lives:

- buildings: 20 to 50 years;
- fixtures and furnishings: between 10 and 20 years depending on the expected useful life of the asset in question, and within the limit of the lease term, in the case of fixtures installed at the time of leasing in stores for which the Group is a tenant;
- industrial machinery, plant and equipment: 10 to 20 years;
- other: 3 to 10 years maximum.

Where property, plant and equipment is made up of components with different useful lives, these are recorded as separate items.

Gains or losses on disposals of property, plant and equipment represent the difference between the sale proceeds and the net carrying amount of the divested asset, and are included in "Other income and expenses".

Accounting principles relating to the impairment losses on property, plant and equipment and intangible assets are presented in note 9.4.



9.2.1 INTANGIBLE ASSETS

In financial year 2024, changes in intangible assets were as follows:

In millions of euros	31/12/2023	Increases	Decreases	Exchange rate impact	Other	31/12/2024
Software, licences, e-commerce website and patents	674	94	(3)	(0)	16	781
Other intangible assets	140	6	(1)	(2)	(1)	141
Fixed assets under construction	26	30	-	0	(24)	32
TOTAL GROSS VALUES	**839**	**130**	**(4)**	**(2)**	**(8)**	**954**
Amortisation of software, licences, e-commerce website and patents	480	101	(3)	(0)	1	579
Amortisation of other intangible assets	113	6	(1)	(2)	(1)	115
Impairment losses	21	2	-	(0)	(0)	22
TOTAL AMORTISATION AND IMPAIRMENT	**614**	**109**	**(4)**	**(2)**	**(0)**	**717**
TOTAL NET VALUES	**225**	**21**	**(0)**	**(0)**	**(8)**	**237**

In financial year 2023, changes in intangible assets were as follows:

In millions of euros	31/12/2022	Increases	Decreases	Exchange rate impact	Other	31/12/2023
Software, licences, e-commerce website and patents	578	86	(3)	(1)	13	674
Other intangible assets	141	5	(3)	(3)	1	140
Fixed assets under construction	19	24	0	(0)	(18)	26
TOTAL GROSS VALUES	**738**	**115**	**(6)**	**(4)**	**(4)**	**839**
Amortisation of software, licences, e-commerce website and patents	393	89	(3)	(0)	1	480
Amortisation of other intangible assets	114	6	(3)	(3)	(1)	113
Impairment losses	18	3	(0)	0	(0)	21
TOTAL AMORTISATION AND IMPAIRMENT	**525**	**98**	**(6)**	**(3)**	**(0)**	**614**
TOTAL NET VALUES	**213**	**17**	**(0)**	**(1)**	**(4)**	**225**

9.2.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment changed as follows during the last financial year:

In millions of euros	31/12/2023	Increases	Decreases	Exchange rate impact	Other	31/12/2024
Land	348	298	-	(2)	46	689
Buildings	1,318	114	(17)	(4)	56	1,466
Industrial machinery, plant and equipment	526	62	(7)	(0)	54	636
Store fixtures and furnishings	1,551	144	(58)	45	108	1,790
Other property, plant and equipment	643	76	(37)	2	30	714
Fixed assets under construction	385	246	-	5	(266)	370
TOTAL GROSS VALUES	**4,770**	**940**	**(118)**	**46**	**28**	**5,666**
Depreciation of buildings	549	51	(16)	(2)	3	586
Depreciation of machinery, plant, and equipment	315	40	(6)	(0)	5	353
Depreciation of store fixtures and furnishings	888	167	(56)	23	4	1,027
Depreciation of other property, plant and equipment	381	61	(35)	2	(3)	406
Impairment losses	291	33	(5)	(3)	(3)	313
TOTAL DEPRECIATION AND IMPAIRMENT	**2,423**	**353**	**(118)**	**21**	**6**	**2,685**
TOTAL NET VALUES	**2,347**	**587**	**(0)**	**25**	**22**	**2,980**

In financial year 2023, changes in property, plant and equipment were as follows:

In millions of euros	31/12/2022	Increases	Decreases	Exchange rate impact	Other	31/12/2023
Land	191	166	-	(9)	-	348
Buildings	1,275	32	(1)	(17)	28	1,318
Industrial machinery, plant and equipment	457	51	(5)	0	23	526
Store fixtures and furnishings	1,433	114	(31)	(41)	76	1,551
Other property, plant and equipment	572	68	(7)	(4)	14	643
Fixed assets under construction	209	313	(0)	(5)	(133)	385
TOTAL GROSS VALUES	**4,138**	**744**	**(45)**	**(76)**	**9**	**4,770**
Depreciation of buildings	507	47	(1)	(10)	5	549
Depreciation of machinery, plant, and equipment	281	33	(5)	0	5	315
Depreciation of store fixtures and furnishings	787	152	(31)	(22)	1	888
Depreciation of other property, plant and equipment	348	49	(7)	(4)	(5)	381
Impairment losses	201	93	(0)	(0)	(3)	291
TOTAL DEPRECIATION AND IMPAIRMENT	**2,123**	**375**	**(44)**	**(35)**	**3**	**2,423**
TOTAL NET VALUES	**2,015**	**369**	**(1)**	**(41)**	**5**	**2,347**

Investments made in the 2024 and 2023 financial years concern mainly the opening and renovation of stores, the development of the production tool, and the acquisition of commercial and logistics complexes in 2024.

Impairment losses relate to production lines and stores deemed not to be sufficiently profitable. It is noted that the cash-generating units on which impairment losses have been recognised are not individually material when compared with the Group's overall business.

9.3 Leases

Accounting principles

Balance sheet

The Hermès Group owns almost all of its manufacturing facilities and is tenant of most of the stores and offices in the cities where it operates. Real estate leases with fixed rents are recognised in assets through a right-of-use and in liabilities through a lease liability corresponding to the present value of future payments.

Right-of-use assets are equal to the amount of lease liabilities, adjusted for:

- prepaid rents;
- incentives received from lessors;
- initial direct costs incurred in securing the lease; and
- where applicable, restoration costs, at the lease start date.

Rights-of-use are amortised on a straight-line basis over the term of the lease.

At the end of each period, the lease liability is increased by the amount of interest expenses determined by applying the discount rate and reduced by the amount of payments made.

Furthermore, the liability may be re-assessed in the event of a review of the lease term, or the rates and indices on which rents are based.

Income statement

Amortisation of right-of-use assets is presented in "Other income and expenses", except for allocations relative to right-of-use assets used for production, which are included in "Cost of sales".

Interest expense is recognised in net financial income (see Note 11.1).

The gain or loss resulting from the early termination of a contract is determined by the difference between the net carrying amount of the right-of-use and the value of the lease liability and is included in "Other income and expenses".

Statement of cash flows

In the statement of cash flows, repayment of principal and payment of interest on lease liabilities are presented under the same heading "Repayment of lease liabilities" in cash flows related to financing activities.

Lease term

The lease term is determined contract by contract.

The Group takes into account the renewal options on the effective date of the contract, provided that the total duration of the contract thus calculated is consistent with the duration of the investment plan.

In France, in the case of 3-6-9-type commercial leases, the lease term used is nine years, except in special cases.

In the event that only Hermès has an option to terminate a lease, the Group assesses, at the date the contract comes into effect, all the facts and circumstances providing economic incentives not to exercise this option, taking into account criteria such as the actual nature of the asset, all costs related to termination, and the duration of the investment plan.

Discount rate

The standard provides that the discount rate for each contract is determined by reference to the incremental borrowing rate of the contracting subsidiary. In practice, given the Group's financing structure, this rate is determined on the basis of the local currency swap interest rate, with a maturity in line with the average duration of the contracts in the country. It is adjusted for credit risk by taking into account the Group's credit default swap. The rates thus determined apply on the start date of each contract.

Non-capitalised rents

Leases corresponding to assets with a low unit value or to leases with a term of less than 12 months are recognised directly as expenses.

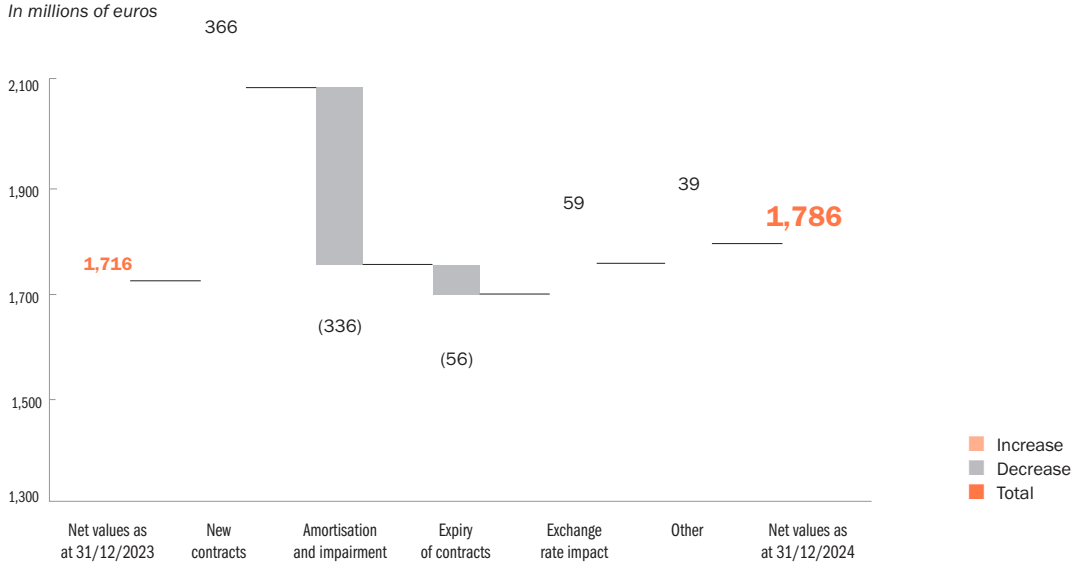
The variable portion of rents is recognised as an expense over the period in which the conditions triggering payment are achieved. At Hermès, this variable portion mainly concerns rents indexed to revenue.

9.3.1 RIGHT-OF-USE ASSETS

The breakdown of rights-of-use by nature of the underlying asset is as follows:

	31/12/2024			31/12/2023
In millions of euros	Gross	Amortisation and impairment losses	Net	Net
Stores	2,432	1,118	1,314	1,266
Offices and other	718	246	472	450
TOTAL	**3,150**	**1,364**	**1,786**	**1,716**

The change in right-of-use assets during the financial year is as follows:



	31/12/2024			31/12/2023
In millions of euros	Stores	Offices and other	Total	Total
Gross amount as at 1 January	**2,304**	**654**	**2,958**	**2,756**
Implementation of new leases and revisions	251	115	366	468
Expiry and early termination of leases	(248)	(65)	(313)	(189)
Exchange rate impact	89	13	101	(79)
Other movements and reclassifications	37	2	38	3
GROSS VALUE AS AT 31 DECEMBER	**2,432**	**718**	**3,150**	**2,958**

	31/12/2024			31/12/2023
In millions of euros	Stores	Offices and other	Total	Total
Amortisation and impairment as at 1 January	**1,038**	**204**	**1,242**	**1,174**
Amortisation and impairment losses	251	85	336	293
Expiry and early termination of leases	(211)	(47)	(257)	(191)
Exchange rate impact	40	3	42	(34)
Other movements and reclassifications	0	0	0	-
AMORTISATION AND IMPAIRMENT AS AT 31 DECEMBER	**1,118**	**246**	**1,364**	**1,242**

9.3.2 LEASE LIABILITIES

The maturities of the lease liabilities are as follows:

< 1 year

1 to 5 years

> 5 years

TOTAL 31/12/2024
€2,113M
(31/12/2023: €2,009M)

In millions of euros	< 1 year	1 to 5 years	> 5 years	31/12/2024	31/12/2023
TOTAL LEASE LIABILITIES	**332**	**1,060**	**722**	**2,113**	**2,009**

The breakdown of changes in liabilities over the financial year is as follows:

In millions of euros	31/12/2024	31/12/2023
Lease liabilities as at 1 January	**2,009**	**1,897**
Implementation of new leases and revisions	374	479
Expiry and early termination of leases	(70)	(24)
Repayments	(305)	(277)
Exchange rate impact	73	(60)
Other movements and reclassifications	32	(4)
LEASE LIABILITIES AS AT 31 DECEMBER	**2,113**	**2,009**

9.3.3 NON-CAPITALISED RENTS

At the end of December 2024, the rents resulting from non-capitalised leases corresponded to:

- store rents, for which variable payments amounted to €592 million for the financial year (compared with €555 million for financial year 2023);
- exempted rents (leases corresponding to assets with a low unit value or a term of less than 12 months) in the amount of €17 million (compared with €10 million in 2023).

Financial expenses relating to lease liabilities are presented in note 11.1.

9.4 Monitoring the value of fixed assets

Accounting principles

In accordance with IAS 36, impairment tests on assets with an indefinite useful life are carried out annually during the budget period or more regularly if events or changes in the market environment show signs of impairment. For assets with a finite useful life, tests are carried out if there is an indication of impairment. These impairment tests consist of comparing the net carrying amount with the recoverable amount of all property, plant and equipment and/or intangible assets of each cash-generating unit (CGU).

The Hermès Group has defined the following CGUs or groups of CGUs:

- distribution: Hermès sales units, which are treated independently from one another;
- production units by métier;
- other Group brands;
- investment property;
- associates.

The recoverable amount of each CGU is determined using the Discounted Cash Flow (DCF) method, applying the following principles:

- after-tax cash flow figures are derived from a medium-term business plan developed by the relevant entity;
- the after-tax discount rate is determined on the basis of the Group's weighted average cost of capital (8.60% in 2024, compared with 9.68% in 2023), adjusted by a risk premium, if necessary, according to the geographical area and activity of the entity concerned;
- the recoverable amount is calculated as the sum of cash flows generated each year during the budget period and the terminal value, which is determined based on normative cash flows by applying a growth rate to infinity. The assumptions used in terms of business growth and terminal values are reasonable and consistent with available market data.

If the recoverable amount is lower than the net carrying amount, an impairment loss equal to the difference between these two amounts is recognised.

The amount of any impairment losses relating to the various fixed assets is shown in notes 9.1, 9.2 and 9.3.

NOTE 10 INVESTMENTS IN ASSOCIATES

Accounting principles

On the balance sheet, on the acquisition of securities of equity-accounted companies, goodwill and, where applicable, earn-outs recorded, are included in the carrying amount of securities recognised in "Investments in associates". Any impairment relating to this goodwill is reversible (see Note 9.4).

The item "Net income from associates" shown in the income statement includes the following:

- share of the Group's income in these companies;
- any provisions for risk. If the Group's share in the losses of an associate exceeds the carrying amount of its holding in the Company, then the Group will no longer recognise its share in subsequent losses. When the share reaches zero, additional losses are only the subject of a provision when the Group has a legal or implicit obligation in this respect, or has made payments on behalf of the associate.

In millions of euros	2024	2023
Investments in associates as at 1 January	**200**	**54**
Impact of consolidation scope changes	9	144
Net income from associates	44	105
Dividends paid	(15)	(99)
Exchange rate impact	1	(2)
Other	(2)	(2)
INVESTMENTS IN ASSOCIATES AS AT 31 DECEMBER	**238**	**200**

In accordance with its vertical integration strategy, Hermès holds non-controlling interests in the share capital of some of its historical suppliers in various sectors, or of some of its partners in retail activities.

The "Other" line includes, where appropriate, the reclassification to "Provisions" of the Group share in the losses of associates, when this exceeds the carrying amount of the investments concerned.

5

NOTE 11 FINANCIAL ASSETS AND LIABILITIES – NET CASH POSITION

Accounting principles

Financial assets and liabilities

Financial assets include financial fixed assets (financial investments, liquidity contract, non-consolidated and other investment securities), loans and financial receivables, and the positive fair value of financial derivatives.

Financial liabilities include borrowings and debt, bank lines of credit and the negative fair value of financial derivatives. They do not include the liability associated with employee profit-sharing, which is included in "Other liabilities".

Financial assets and liabilities are presented in the balance sheet under current or non-current assets or liabilities, depending on whether they fall due within one year or more, with the exception of trading derivatives, which are recorded under current assets or liabilities.

Operating payables and receivables and cash and cash equivalents fall within the scope of IFRS 9 Financial Instruments and are presented separately in the balance sheet.

Classification of financial assets and liabilities and valuation methods

In accordance with IFRS 9, Hermès Group financial assets and liabilities are classified and valued upon their recognition in the balance sheet according to following categories determined on the basis of the management model and the characteristics of the contractual cash flows:

- financial assets and liabilities at fair value through profit or loss;
- financial assets recorded at amortised cost;
- financial assets at fair value through non-recyclable equity.

Financial assets and liabilities at fair value through profit or loss

These assets are initially recognised at acquisition cost excluding incidental acquisition expenses. At each closing date, they are measured at fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

Dividends and interest received on these assets are also recognised in the income statement under "Other financial income and expenses".

Financial assets at amortised cost

Financial assets representing interest or capital repayments at determined dates, which are managed with the intention of collecting cash flows, are classified in this category.

These are fixed-term financial assets that the Group acquired with the intention and the capacity to hold until their maturity as well as loans and financial receivables.

These instruments are recognised at amortised cost less any impairment. Interest is calculated at the effective interest rate and recorded in the income statement under "Other financial income and expenses".

Financial assets at fair value through non-recyclable equity

Financial assets at fair value through non-recyclable equity include investment securities in non-consolidated companies that are not held for trading. This classification is determined irreversibly at origin for each security in question.

They are recognised at the closing date at their fair value and unrealised gains or losses on these financial assets are recorded in other comprehensive income under "Revaluation adjustments". Only any dividends received are recognised in the income statement.

Financial liabilities

Financial liabilities are initially recorded at fair value (excluding any transaction cost), then according to the amortised cost method with separation of any embedded derivatives.

Interest is calculated at the effective interest rate and recorded in the income statement under "Net cash income" over the duration of the financial liability.

Bank overdrafts, which are treated as financing, are presented under "Current borrowings and financial liabilities".

Financial derivatives

See Note 12.

Cash and cash equivalents

The items recognised by the Group as "Cash and cash equivalents" meet the qualification criteria defined by IAS 7 *Statement of cash flows* and the AMF recommendations applicable at the closing date.

Cash and cash equivalents consist of highly liquid investments and short term investments readily convertible to a known amount of cash, with maturity of three months or less from the date of acquisition and subject to an insignificant risk of changes in value.

Shares in funds held for the short term and classified as "Cash equivalents" are recognised at fair value, with changes in fair value recorded in the income statement.

The following are excluded from cash and cash equivalents:

- investments in listed equities;
- investments at more than three months without the possibility of early exit;
- bank accounts subject to restrictions (blocked accounts) other than those related to regulations specific to certain countries or sectors of activity (*e.g.* foreign exchange controls).

Impairment of financial assets

Financial assets at fair value through non-recyclable equity are not subject to impairment, in accordance with IFRS 9.

Financial assets measured at amortised cost as well as trade receivables are impaired according to an impairment model based on expected losses. The Group applies the provisions of IFRS 9 relating to the simplified model of the original provision over the maturity of the instrument.

Credit risk is assessed upon recognition in the balance sheet at each closing date taking into account reasonable and justifiable information available as well as the insurance policy coverage put in place by the Group for the "Wholesale" activity.

Due to the nature of the financial assets concerned, the Group determines that the historical rate of loss on the receivables is a reasonable approximation of the rate of expected loss.

Changes in impairment losses are recognised according to the category of the asset. For financial assets recognised at amortised cost, any impairment loss is included in the income statement under "Other financial income and expenses". If the impairment loss decreases in a subsequent period, it is reversed and recorded as income.

11.1 Net financial income

In millions of euros	2024	2023
Income from cash and cash equivalents	400	331
Net income/(loss) on interest and exchange rate hedging instruments	9	4
Net cash income	**409**	**335**
Interest expense on lease liabilities	(59)	(56)
Other financial income and expenses	(67)	(88)
◆ *of which cost of cash flow hedges*	(94)	*(117)*
◆ *of which ineffective portion of cash flow hedges*	2	*19*
TOTAL	**283**	**190**

11.2 Financial assets

In millions of euros	31/12/2023	Increases	Decreases	Exchange rate impact	Other	31/12/2024
Financial investments and accrued interest	1,088	1	(146)	-	33	976
Liquidity contract	18	5	-	-	-	23
Other financial assets	122	22	(0)	(0)	(0)	143
TOTAL GROSS VALUES	**1,229**	**27**	**(146)**	**(0)**	**33**	**1,143**
Impairment	88	5	(0)	(0)	-	93
TOTAL NET VALUES	**1,141**	**22**	**(146)**	**(0)**	**33**	**1,050**

Financial investments do not meet the IFRS criteria for cash equivalents, notably on account of their original maturity of more than three months.

Where applicable, changes in the value of financial assets measured at fair value through equity, which are recorded under "Revaluation adjustments" in equity, are shown in the "Other" column.

Classification and fair value measurement of these financial assets is presented in note 12.5.

11.3 Net cash position

The Hermès Group's policy is to maintain a positive treasury position and to have cash available in order to be able to finance its growth strategy independently.

Hermès International's treasury department directly manages the Group's cash surpluses and needs. It follows a prudent policy aimed at avoiding any risk of capital loss and maintaining a satisfactory liquidity position.

Cash surpluses are invested mainly in money-market mutual funds, repos and cash equivalents (term accounts, term deposits) with a sensitivity of less than 0.5% and a recommended investment period of less than three months.

The breakdown of restated net cash position by maturity and rate type is as follows:

	As at 31/12/2024				
In millions of euros	< 1 year	1 to 5 years	Total	Floating rate	Fixed rate
Financial assets	**11,675**	**366**	**12,040**	**7,409**	**4,631**
Liquidities	1,676	-	1,676	1,576	100
Marketable securities	9,966	-	9,966	5,440	4,526
Cash investments with maturity over three months from the date of acquisition	33	366	398	393	5
Financial liabilities [1]	**0**	**1**	**1**	**0**	**1**
Medium and long-term financial liabilities	(0)	1	1	-	1
Bank overdrafts	0	-	0	0	0
RESTATED NET CASH POSITION	**11,674**	**365**	**12,039**	**7,409**	**4,630**

(1) Excluding commitments to buy out non-controlling interests (see Note 11.4).

The gains and losses generated through disposal of marketable securities during the financial year and recorded through profit or loss amounted to +€64 million. Unrealised gains or losses as at 31 December 2024 stood at -€1 million.

	As at 31/12/2023				
In millions of euros	< 1 year	1 to 5 years	Total	Floating rate	Fixed rate
Financial assets	**10,876**	**290**	**11,167**	**6,268**	**4,899**
Liquidities	1,386	-	1,386	1,343	43
Marketable securities	9,240	-	9,240	4,539	4,700
Cash investments with maturity over three months from the date of acquisition	251	290	541	386	156
Financial liabilities [1]	**1**	**2**	**2**	**1**	**2**
Medium and long-term financial liabilities	0	2	2	-	2
Bank overdrafts	1	-	1	1	(0)
RESTATED NET CASH POSITION	**10,876**	**289**	**11,164**	**6,267**	**4,897**

(1) Excluding commitments to buy out non-controlling interests (see Note 11.4).

The gains and losses generated through disposal of marketable securities during the financial year and recorded through profit or loss amounted to +€25 million. Unrealised gains or losses as at 31 December 2023 stood at +€30 million.

11.4 Put options granted to holders of non-controlling interests

Accounting principles

In compliance with IAS 32 *Financial instruments: presentation,* when holders of non-controlling interests have put options to sell their interests to the Group, a financial liability is recognised corresponding to the exercise price of the option. This debt is posted through equity:

- as a deduction from "Non-controlling interests", in the amount of the carrying amount of the securities subject to the put option;
- for the balance, as a deduction against the "Equity attributable to owners of the parent".

This entry is adjusted at the end of each period in accordance with change in the exercise price of the options and the carrying amount of the non-controlling interests. Changes in fair value are recognised directly in equity.

Put options granted to holders of non-controlling interests amounted to €60 million as at 31 December 2024, compared with €48 million as at 31 December 2023.

NOTE 12 MANAGEMENT OF MARKET RISKS AND DERIVATIVES

Accounting principles

Scope

The Group defines the scope of financial derivatives in accordance with the provisions and principles introduced by IFRS 9 Financial Instruments. In this respect, the Group analyses all its contracts, focusing on both financial and non-financial liabilities, to identify the existence of any "embedded" derivatives. Any component of a contract that affects the cash flows of a given contract in the same way as a stand-alone derivative corresponds to the definition of an embedded derivative.

If they meet the conditions set out by IFRS 9, embedded derivatives are accounted for separately from the "host" contract at the inception date.

According to Group rules, consolidated subsidiaries may not take any speculative financial positions.

Recognition and measurement

Financial derivatives are initially recorded at fair value.

Changes in the fair value of these derivatives are recorded in the income statement, unless they are classified as cash flow hedges, as described below. In this latter case, the effective portion of the changes in fair value of derivative instruments is recognised directly in other comprehensive income in the item "Revaluation adjustments". These changes in fair value include the portion linked to forward points of forward currency agreements as well as the time value (premium) of currency options qualified as cash flow hedges. The ineffective portion of the changes in the fair value corresponds to the excess of changes in fair value of the hedging instrument compared with the changes in fair value of the hedged item.

When the hedged cash flows materialise, the amounts previously recorded in equity are reclassified to the income statement symmetrically with the flows of the related hedged item. The reversal of the effective portion of the hedge is recognised in the operating income statement. The forward points and the time value of the options that make up the cost of hedging are recognised under "Other financial income and expenses" with, where applicable, the ineffective portion of hedges.

Financial derivatives classified as hedges

The Group uses derivatives to hedge its foreign exchange risks.

Hedge accounting is applicable when the following conditions are met:

- the hedging transaction must be supported by appropriate documentation of the hedging relationship from the time of its implementation;
- an economic relationship exists between the hedged item and the hedging instrument;
- the constraints of effectiveness of the hedging relationship are met: the hedge ratio does not show any imbalance between the hedged element and the hedging instrument generating a hedge ineffectiveness.

12.1 Counterparty risk

The Group does not incur any significant counterparty risk.

In accordance with its internal control procedures, the Group only deals with leading banks and financial institutions that have signed FBF and ISDA agreements related to transactions on forward financial instruments. Counterparty risks on financial transactions are monitored on an ongoing basis by Hermès International's treasury department.

The Group breaks down its investment transactions, foreign exchange risk hedging transactions and deposit transactions with the selected banks within defined limits of amount and maturity.

The impact of credit risk as recommended by IFRS 13 in the fair value of derivatives and IFRS 9 in the carrying amount of other financial assets is close to 0, given the credit quality of external counterparties and the holding period of less than 12 months.

12.2 Foreign exchange risk

12.2.1 FOREIGN EXCHANGE POLICY

The Group is naturally exposed to foreign exchange risk because the bulk of its production is located in the Eurozone, while the majority of its sales revenue is received in currencies other than the euro (American dollar, Japanese yen and other Asian currencies, etc.). This exposure is hedged in order to minimise and anticipate the impact of currency fluctuations on the Group's profits.

The Group's foreign exchange risk exposure management policy is based on the following principles:

- the production subsidiaries apply an annual exchange rate to the grid established in euros and invoice the distribution subsidiaries in their currency. So, the distribution subsidiaries concentrate most of the foreign exchange risk;
- the Group's foreign exchange risk is systematically hedged by Hermès International on an annual basis, based on budget forecasts of future internal cash flows related to operating activities between the companies in the Group. In practical terms, as at 31 December, the hedging of internal transactions in currencies for the following year is close to 100%;
- no speculative transactions in the economic meaning of the term are authorised;
- Hermès International's treasury department carries out these hedges with firm foreign exchange transactions (currency swaps and forward currency contracts) and/or purchases and sales of options eligible for hedge accounting (call and put options);
- other non-operating transactions are hedged against foreign exchange risk as soon as their commitment is firm and final. They include financial risks arising from intragroup loans and dividends in foreign currencies.

The Executive Committee has validated these management rules and the Supervisory Board has endorsed them. Group Finance Management validates management decisions within the framework defined by these rules.

The administrative management is carried out using integrated treasury software. The Hermès International middle & back-office departments and internal control department conduct controls on these transactions. In addition, the audit and risk management department ensures compliance with the risk control and management procedures.

12.2.2 NET CURRENCY POSITION

	As at 31/12/2024					
In millions of euros	Monetary assets/ (liabilities) [1]	Future cash flows	Net position before hedging	Derivatives [2]	Net position after hedging	Hedging ratio
Chinese yuan	389	1,514	1,903	(1,886)	17	99%
Singapore dollar	150	911	1,061	(1,059)	2	100%
Japanese yen	56	782	838	(831)	7	99%
Hong Kong dollar	96	649	746	(782)	(37)	105%
US dollar	(684)	1,359	675	(657)	18	97%
Pound sterling	(13)	229	216	(218)	(3)	101%
Euro [3]	3	209	212	(243)	(32)	115%
Australian dollar	46	146	191	(190)	1	99%
Thai baht	33	145	178	(178)	1	100%
Canadian dollar	25	110	135	(137)	(2)	101%
Swiss franc	12	74	86	(95)	(9)	110%
Turkish lira	5	46	51	(50)	1	99%
Other currencies	23	185	208	(201)	6	97%
SUMMARY	**142**	**6,358**	**6,500**	**(6,529)**	**(28)**	**100%**

(1) Monetary assets are comprised of receivables and loans as well as bank balances, investments and cash equivalents whose date of maturity is less than three months from the date of acquisition. Monetary liabilities are composed of financial liabilities as well as operating liabilities and miscellaneous liabilities.
(2) Purchase/(Sale).
(3) Euro foreign exchange rate risk for subsidiaries that have a different functional currency. Exceptionally, this may also include internal transactions in euros, excluding sales of goods, with subsidiaries that have a different functional currency.

	As at 31/12/2023					
In millions of euros	Monetary assets/ (liabilities) [1]	Future cash flows	Net position before hedging	Derivatives [2]	Net position after hedging	Hedging ratio
Chinese yuan	191	1,406	1,597	(1,626)	(29)	102%
US dollar	30	1,026	1,056	(1,061)	(5)	100%
Singapore dollar	62	709	771	(747)	24	97%
Japanese yen	33	640	673	(679)	(6)	101%
Hong Kong dollar	36	590	626	(643)	(16)	103%
Pound sterling	2	214	216	(230)	(14)	106%
Euro [3]	38	145	183	(179)	4	98%
Australian dollar	18	145	163	(157)	5	97%
Thai baht	9	116	125	(125)	1	99%
Canadian dollar	6	118	124	(125)	(1)	101%
Swiss franc	14	68	82	(77)	4	95%
Brazilian real	28	19	46	(38)	9	81%
Other currencies	(0)	168	168	(167)	1	100%
SUMMARY	**468**	**5,363**	**5,831**	**(5,854)**	**(23)**	**100%**

(1) Monetary assets are comprised of receivables and loans as well as bank balances, investments and cash equivalents whose date of maturity is less than three months from the date of acquisition. Monetary liabilities are composed of financial liabilities as well as operating liabilities and miscellaneous liabilities.
(2) Purchase/(Sale).
(3) Euro foreign exchange rate risk for subsidiaries that have a different functional currency. Exceptionally, this may also include internal transactions in euros, excluding sales of goods, with subsidiaries that have a different functional currency.

12.2.3 BREAKDOWN OF FOREIGN EXCHANGE CONTRACTS

In millions of euros	Nominal amounts of derivatives	Nominal amounts of derivatives used to hedge foreign exchange risk	Market value of contracts as at 31 December 2024 [1]			
			Cash flow hedge	Fair value hedge	Not allocated	Total
Options purchased						
Chinese yuan puts	128	128	1	-	-	1
Chinese yuan collars	512	512	(2)	-	-	(2)
US dollar puts	114	114	1	-	-	1
US dollar collars	456	456	(4)	-	-	(4)
Singapore dollar puts	110	110	1	-	-	1
Singapore dollar collars	439	439	(1)	-	-	(1)
Japanese yen puts	68	68	3	-	-	3
Japanese yen collars	563	563	9	-	-	9
Hong Kong dollar puts	72	72	1	-	-	1
Hong Kong dollar collars	286	286	(3)	-	-	(3)
	2,747	**2,747**	**6**	**-**	**-**	**6**
Forward foreign exchange contracts [2]						
US dollar	787	791	(34)	(0)	0	(34)
Euro [3]	209	209	4	-	(0)	4
Chinese yuan	1,020	1,020	(15)	-	2	(12)
Singapore dollar	460	460	5	-	(0)	5
Hong Kong dollar	352	352	(12)	-	(0)	(12)
Pound sterling	203	229	(6)	-	0	(6)
Japanese yen	155	155	3	-	-	3
Swiss franc	77	77	1	-	-	1
Canadian dollar	126	126	0	-	0	0
Australian dollar	173	173	7	-	-	7
Thai baht	168	168	(7)	-	(0)	(7)
Other currencies	250	252	(5)	-	0	(5)
	3,980	**4,011**	**(58)**	**(0)**	**2**	**(56)**
Currency swaps [2]						
US dollar	(700)	(706)	22	-	(0)	22
Chinese yuan	226	226	(1)	-	-	(1)
Singapore dollar	50	47	0	-	(0)	0
Hong Kong dollar	72	51	(0)	-	(0)	(1)
Swiss franc	18	4	0	-	0	0
Pound sterling	16	(6)	(0)	-	0	0
Japanese yen	45	43	(1)	-	0	(1)
Other currencies	74	65	0	-	(0)	0
	(199)	**(275)**	**20**	**-**	**(0)**	**20**
TOTAL	**6,529**	**6,483**	**(31)**	**(0)**	**2**	**(29)**

(1) Gain/(Loss).
(2) Sale/(Purchase).
(3) Euro foreign exchange rate risk for subsidiaries that have a different functional currency. Exceptionally, this may also include internal transactions in euros, excluding sales of goods, with subsidiaries that have a different functional currency.

In millions of euros	Nominal amounts of derivatives	Nominal amounts of derivatives used to hedge foreign exchange risk	Market value of contracts as at 31 December 2023 [1]			
			Cash flow hedge	Fair value hedge	Not allocated	Total
Options purchased						
Chinese yuan puts	126	126	5	-	-	5
Chinese yuan collars	407	407	15	-	-	15
US dollar puts	95	95	4	-	-	4
US dollar collars	284	284	10	-	-	10
Singapore dollar puts	96	96	2	-	-	2
Singapore dollar collars	288	288	4	-	-	4
Japanese yen puts	197	197	6	-	-	6
Japanese yen collars	240	240	12	-	-	12
Hong Kong dollar puts	69	69	2	-	-	2
Hong Kong dollar collars	206	206	6	-	-	6
	2,008	**2,008**	**65**	-	-	**65**
Forward foreign exchange contracts [2]						
US dollar	640	660	6	0	(0)	6
Euro [3]	145	145	(1)	-	(0)	(1)
Chinese yuan	870	870	35	-	(0)	35
Singapore dollar	325	325	7	-	-	7
Hong Kong dollar	316	316	10	-	-	10
Pound sterling	214	214	(3)	-	0	(3)
Japanese yen	202	202	23	-	-	23
Swiss franc	68	68	(2)	-	0	(2)
Canadian dollar	118	118	(0)	-	-	(0)
Australian dollar	145	145	0	-	-	0
Thai baht	116	116	3	-	-	3
Other currencies	206	206	(3)	-	0	(3)
	3,364	**3,384**	**74**	**0**	**(0)**	**74**
Currency swaps [2]						
US dollar	42	(1)	0	-	1	1
Chinese yuan	222	175	2	-	1	3
Singapore dollar	38	38	0	-	-	0
Hong Kong dollar	53	46	1	-	0	1
Swiss franc	9	9	(0)	-	-	(0)
Pound sterling	16	1	0	-	0	0
Japanese yen	39	33	0	-	0	0
Other currencies	62	51	(0)	-	0	0
	482	**353**	**3**	**-**	**2**	**4**
TOTAL	**5,854**	**5,745**	**141**	**0**	**1**	**143**

(1) Gain/(Loss).
(2) Sale/(Purchase).
(3) Euro foreign exchange rate risk for subsidiaries that have a different functional currency. Exceptionally, this may also include internal transactions in euros, excluding sales of goods, with subsidiaries that have a different functional currency.

12.2.4 SENSITIVITY TO EXCHANGE RATE FLUCTUATIONS

The sensitivity of equity to foreign exchange risk is analysed for the cash flow hedge reserve. The impact on equity (before tax) corresponds to the change in the market value of derivatives designated as cash flow hedges generated by the current variance in exchange rates at the end of the period, ceteris paribus.

In millions of euros	2024		2023	
Impacts before tax	**Equity**	**Net income**	**Equity**	**Net income**
10% appreciation of the Group's exposure currencies	(545)	(3)	(414)	(3)
10% depreciation of the Group's exposure currencies	467	3	376	2

12.3 Interest rate and liquidity risk

12.3.1 INTEREST RATE AND LIQUIDITY POLICY

The Group may use financial instruments such as interest rate derivatives and swaps to hedge part of its payables and receivables against interest rate fluctuations.

The control of risk and management procedures is identical to the one applied to foreign exchange transactions.

The following interest rate risks involve only items in the net cash position. Moreover, the interest rate risks are not material as concerns the financial assets and liabilities not included in the net cash position.

	As at 31 December 2024				
In millions of euros	**< 1 year**	**1 to 5 years**	**Total**	**Floating rate**	**Fixed rate**
Financial assets	**11,675**	**366**	**12,040**	**7,409**	**4,631**
Euro	8,638	366	9,003	6,110	2,893
Chinese yuan	551	-	551	32	519
US dollar	1,351	-	1,351	516	835
Singapore dollar	236	-	236	98	138
Hong Kong dollar	162	-	162	50	112
Other currencies	737	-	737	603	134
Financial liabilities [1]	**0**	**1**	**1**	**0**	**1**
Euro	0	1	1	0	1
Other currencies	0	-	0	0	-
RESTATED NET CASH POSITION	**11,674**	**365**	**12,039**	**7,409**	**4,630**

(1) Excluding commitments to buy out non-controlling interests (€60 million as at 31 December 2024).

	As at 31 December 2023				
In millions of euros	**< 1 year**	**1 to 5 years**	**Total**	**Floating rate**	**Fixed rate**
Financial assets	**10,876**	**290**	**11,167**	**6,268**	**4,899**
Euro	7,388	290	7,679	5,059	2,620
Chinese yuan	762	-	762	54	709
US dollar	1,424	-	1,424	423	1,001
Singapore dollar	409	-	409	159	250
Hong Kong dollar	253	-	253	59	194
Other currencies	639	-	639	514	126
Financial liabilities [1]	**1**	**2**	**2**	**1**	**2**
Euro	0	2	2	0	2
Other currencies	0	-	0	0	-
RESTATED NET CASH POSITION	**10,876**	**289**	**11,164**	**6,267**	**4,897**

(1) Excluding commitments to buy out non-controlling interests (€48 million as at 31 December 2023).

12.3.2 SENSITIVITY TO INTEREST RATE FLUCTUATIONS

In millions of euros	2024	2023
Impact on income before tax		
Uniform 1-point increase in interest rates	74	63

12.4 Equity risk

Investments in equities are not material at Group level. As such, the Group does not have any significant exposure to equity risk.

12.5 Fair value and hierarchy by level of fair value of financial assets and liabilities

The assets and liabilities recorded at fair value are classified according to the following three fair value levels:

- *level 1:* prices listed on an active market. If listed prices in an active market are available, they are used as a priority in order to determine market value;
- *level 2:* internal model with parameters observable using internal valuation techniques. These techniques involve usual mathematical calculation methods that include observable market data (future prices, yield curve, etc.). The calculation of most financial derivatives traded on markets is performed on the basis of models that are commonly used by participants in order to evaluate these financial instruments;
- *level 3:* internal model with non-observable parameters.

For financial years 2024 and 2023, there were no transfers between levels 1 and 2 for financial assets and liabilities recognised at fair value.

		2024							
In millions of euros	*Notes*	Assets at fair value through profit or loss [1]	Financial assets at amortised cost	Financial assets at fair value through non-recyclable equity	Liabilities at fair value [1]	Liabilities at amortised cost	Net carrying amount	Fair value	Evaluation level
Financial investments		33	366 [2]	578	-	-	976	976	2
Liquidity contract		23	-	-	-	-	23	23	1
Other financial assets		51	-	-	-	-	51	51	2
Financial assets	11.2	**107**	**366**	**578**	**-**	**-**	**1,050**	**1,050**	
Trade receivables and other current assets	6.4.2	**51**	**1,012**	**-**	**-**	**-**	**1,063**	**1,063**	**2**
Foreign currency derivative assets	12.2	**132**	**-**	**-**	**-**	**-**	**132**	**132**	**2**
Cash and cash equivalents	11.3	**3,480**	**8,162**	**-**	**-**	**-**	**11,642**	**11,642**	**1**
Bank overdrafts	11.3	-	-	-	-	0	0	0	
Other borrowings	11.3	-	-	-	-	1	1	1	
Financial liabilities [3]		**-**	**-**	**-**	**-**	**1**	**1**	**1**	
Trade payables and other liabilities	6.4.3	**-**	**-**	**-**	**-**	**(3,092)**	**(3,092)**	**(3,092)**	
Foreign currency derivative liabilities	12.2	**-**	**-**	**-**	**(161)**	**-**	**(161)**	**(161)**	**2**

(1) Before hedge accounting.
(2) Comprised of EMTNs and term deposits not meeting the criteria of cash and cash equivalents.
(3) Excluding commitments to buy out non-controlling interests (€60 million as at 31 December 2024).

		2023							
In millions of euros	*Notes*	**Assets at fair value through profit or loss [1]**	**Financial assets at amortised cost**	**Financial assets at fair value through non-recyclable equity**	**Liabilities at fair value [1]**	**Liabilities at amortised cost**	**Net carrying amount**	**Fair value**	**Evaluation level**
Financial investments		30	511[2]	547	-	-	1,088	1,088	2
Liquidity contract		18	-	-	-	-	18	18	1
Other financial assets		34	-	-	-	-	34	34	2
Financial assets	11.2	**83**	**511**	**547**	-	-	**1,141**	**1,141**	
Trade receivables and other current assets	6.4.2	**-**	**888**	**-**	**-**	**-**	**888**	**888**	**2**
Foreign currency derivative assets	12.2	**188**	-	-	-	-	**188**	**188**	**2**
Cash and cash equivalents	11.3	**3,120**	**7,505**	-	-	-	**10,625**	**10,625**	**1**
Bank overdrafts	11.3	-	-	-	-	1	1	1	
Other borrowings	11.3	-	-	-	-	2	2	2	
Financial liabilities [3]		-	-	-	-	**2**	**2**	**2**	
Trade payables and other liabilities	6.4.3	-	-	-	-	**(2,804)**	**(2,804)**	**(2,804)**	
Foreign currency derivative liabilities	12.2	-	-	-	**(45)**	-	**(45)**	**(45)**	**2**

(1) Before hedge accounting.
(2) Comprised of EMTNs and term deposits not meeting the criteria of cash and cash equivalents.
(3) Excluding commitments to buy out non-controlling interests (€48 million as at 31 December 2023).

NOTE 13 EQUITY – EARNINGS PER SHARE

13.1 Share capital

As at 31 December 2024, Hermès International's share capital consisted of 105,569,412 fully paid-up shares with a par value of €0.51 each, of which 731,644 treasury shares.

13.2 Capital management

The Group's objectives, policies and procedures in the area of capital management are in keeping with sound management principles designed to ensure that operations are well-balanced financially and to minimise the use of debt. As its surplus cash position gives it some flexibility, the Group does not use prudential ratios such as "return on equity" in its capital management. During the current year, the Group made no change in its capital management policy and objectives.

13.3 Treasury shares

Accounting principles

Treasury shares are recorded at acquisition cost and deducted from equity. Gains or losses on the disposal of these shares are recognised directly in equity, with no impact on profit or loss.

In financial year 2024, the following treasury share movements occurred:

- buyback of 21,316 shares for €40 million, excluding movements under the liquidity contract;
- sale of 1,755 shares as part of the liquidity contract;
- delivery of 127,032 free shares reserved to Hermès Group employees under employee stock ownership plans.

It is specified that no shares are reserved for issuance under options or agreements to sell shares.

13.4 Dividends

The General Meeting called to approve the financial statements for the financial year ended 31 December 2023 approved, on 30 April 2024, the payment of an ordinary dividend of €15.00 per share for the financial year and the payment of an exceptional dividend of €10.00 per share.

Taking into account the interim cash dividend of €3.50 per share paid on 15 February 2024, a balance of €21.50 was paid in cash on 6 May 2024.

The ordinary and exceptional dividends paid in 2024 thus amounted to €2,618 million.

13.5 Income and expenses recognised in comprehensive income

Income and expenses recognised directly in other comprehensive income in 2024 were as follows:

In millions of euros	*Note*	Gross impact	Tax impact	Net impact
Actuarial gains and losses	7.3.3	(24)	6	(18)
Foreign currency adjustments		168	-	168
Revaluation adjustments		(119)	37	(81)
TOTAL				**69**

And for 2023:

In millions of euros	*Note*	Gross impact	Tax impact	Net impact
Actuarial gains and losses	7.3.3	15	(6)	10
Foreign currency adjustments		(114)	-	(114)
Revaluation adjustments		8	(1)	7
TOTAL				**(97)**

2024 movements in derivatives (cash flow hedges in foreign currencies) and financial investments break down as follows (after tax):

In millions of euros	2024	2023
Revaluation adjustments as at 1 January	**553**	**546**
Amount transferred to equity in the year in respect of derivatives	(69)	(23)
Revaluation of derivatives	(70)	68
Revaluation of financial investments	30	-
Other deferred foreign exchange gains/(losses) recognised in comprehensive income	28	(38)
REVALUATION ADJUSTMENTS AS AT 31 DECEMBER	**471**	**553**

13.6 Earnings per share

Accounting principles

Basic earnings per share are calculated by dividing the net income attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year, less the average number of shares held by Hermès International (treasury shares).

Diluted earnings per share corresponds to the ratio between the net income attributable to owners of the parent and the weighted average number of shares outstanding during the financial year, excluding the shares held by Hermès International (treasury shares), adjusted for the dilutive effect generated by the allocation of free shares.

The calculation and reconciliation of basic earnings per share and diluted earnings per share is as follows:

	2024	2023
Numerator *(in millions of euros)*		
Net income attributable to owners of the parent	4,603	4,311
Denominator *(in number of shares)*		
Average number of shares outstanding during the financial year	105,569,412	105,569,412
Average number of treasury shares during the financial year	(782,376)	(921,333)
Average number of shares before dilution	104,787,036	104,648,079
Basic earnings per share *(in euros)*	**43.93**	**41.19**
Dilutive effect of free share allocation plans	144,275	194,405
Average number of shares after dilution	**104,931,312**	**104,842,483**
Diluted earnings per share *(in euros)*	**43.87**	**41.12**
Average share price *(in euros)*	2,140	1,847

NOTE 14 PROVISIONS FOR RISKS AND EXPENSES AND OFF-BALANCE SHEET COMMITMENTS

Accounting principles

A provision is a liability of uncertain timing or amount. Its recognition is due to the fact that:

- on the one hand, the Group has an obligation (legal or constructive) resulting from a past event; and
- on the other hand, it is probable that an outflow of resources will be required to settle the obligation.

In addition, a reliable estimate of the amount of the obligation is made based on the information available to the Group when the consolidated financial statements are prepared.

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14.1 Provisions

In millions of euros	31/12/2023	Allocations	Reversals	Exchange rate impact	Other and reclassifications	31/12/2024
Current provisions	134	23	(55)	(1)	(6)	96
Non-current provisions	31	1	(5)	1	5	33
TOTAL	**166**	**23**	**(60)**	**0**	**(1)**	**128**

Current provisions concern provisions for risks, disputes and litigation, as well as provisions to cover the share of the negative net position of associates (see Note 10).

Non-current provisions mainly include provisions for restoration.

Reversals used amounted to €40 million.

Other movements correspond essentially to provisions for restoration costs, established or revised during the financial year in return for the right-of-use asset, which is amortised over the term of the leases (see Note 9.3).

14.2 Off-balance sheet commitments

14.2.1 FINANCIAL COMMITMENTS

Financial commitments were discounted using a rate of 8.60% in 2024 (9.68% in 2023).

In millions of euros	< 1 year	1 to 5 years	> 5 years	31/12/2024	31/12/2023
Bank guarantees given	1	0	1	2	14
Bank guarantees received	15	3	0	18	18
Commitments to purchase financial assets	-	-	23	23	20
Commitments to purchase raw materials	187	36	-	223	198
Other	20	5	1	25	21

14.2.2 OTHER OFF-BALANCE SHEET COMMITMENTS

The Group has no knowledge of any other significant commitments other than those mentioned herein and that are not reflected in the financial statements for the year ended 31 December 2024. To date, there is no exceptional event or dispute that would be liable to have a likely and material impact on the Group's financial position.

Furthermore, in the normal course of its business operations, the Group is involved in legal actions and is subject to controls. A provision is recorded when a risk is identified and when its cost can be estimated.

NOTE 15 RELATED-PARTY TRANSACTIONS

15.1 Transactions with associates

Transactions with associates were not significant during the financial year.

15.2 Transactions with other related parties

Relationships with other related parties, within the meaning of IAS 24 *Related Party Disclosures* can be summarised as follows:

- RDAI studio: the RDAI architecture studio was appointed to carry out exclusive design work on the internal layout of all Hermès Group stores. The fees paid by the Group amounted to €19 million excluding tax in 2024. RDAI is considered to be a related party to the extent that a member of the Executive Management Board of Émile Hermès SAS has personal interests in this company and exercises significant influence;
- Émile Hermès SAS, Active Partner (see chapter 3 "Corporate governance", § 3.3.1): each year, Hermès International pays the Active Partner an amount equal to 0.67% of its distributable profits, in accordance with the Hermès International Articles of Association (Article 26). In addition, Hermès International charges Émile Hermès SAS for certain services provided and expenses incurred. The corresponding invoices amounted to €0.6 million in 2024;
- Studio des Fleurs: Studio des Fleurs offers photography and retouching services for packshots of e-commerce products. The amounts paid in 2024 represent €5 million. Studio des Fleurs is considered a related party to the extent that a member of the Executive Management Board of Émile Hermès SAS has personal interests therein and exercises significant influence upon it;
- Ardian Holding: as part of the diversification of its investments, Hermès International has a 12% equity interest in the company Ardian Holding, in which a member of the Supervisory Board has responsibilities. This commitment had been assumed prior to this person's appointment.

Certain of the above transactions constitute related-party agreements according to the definition contained in the French Commercial Code (*Code de commerce*). For more details, refer to chapter 3 "Corporate governance", § 3.9.1.

15.3 Lease agreements with related parties

Address	Lessor	Lessee	Lease type	Contractual term	Start	End	Security deposit
Share of the building 28/30/32, rue du Faubourg Saint-Honoré	SAS SIFAH	Hermès International	Commercial lease	9 years	01/01/2017	31/12/2025	3 months
Share of the building 28/30/32, rue du Faubourg Saint-Honoré	SAS SIFAH	Hermès Sellier	Commercial lease	9 years	01/01/2017	31/12/2025	3 months
Share of the building 26, rue du Faubourg Saint-Honoré	SAS SIFAH	Hermès International	Commercial lease	9 years	01/01/2023	31/12/2031	3 months
Share of the building 26, rue du Faubourg Saint-Honoré	SAS SIFAH	Hermès International	Commercial lease	9 years	01/01/2017	31/12/2025	3 months
Building 23, rue Boissy d'Anglas	SAS SIFAH	Hermès Sellier	Commercial lease	9 years	01/01/2018	31/12/2026	3 months
Building 74, rue du Faubourg Saint-Antoine	S.C. Auguste Hollande	Hermès Sellier	Commercial lease	9 years	01/07/2017	30/06/2026	3 months
4, rue du Pont-Vert 27400 Le Vaudreuil	Briand Villiers I	Comptoir Nouveau de la Parfumerie	Commercial lease	9 years firm	01/07/2023	30/06/2032	3 months
4, rue du Pont-Vert 27400 Le Vaudreuil	Briand Villiers I	Comptoir Nouveau de la Parfumerie	Construction lease	30 years firm	03/10/2022	10/02/2052	

Total net value of right-of-use assets for the above-mentioned leases, calculated in accordance with IFRS 16, stood at €42 million in 2024 (*versus* €48 million in 2023), given the assumptions made relating to lease terms and discount rates.

Amortisation of these right-of-use assets amounted to €12 million in 2024 (compared with €10 million in 2023).

All of the transactions described were carried out on an arm's length basis, *i.e.* on terms that would apply if the transactions had occurred between unrelated parties.

NOTE 16 EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred since the closing date as at 31 December 2024.

NOTE 17 STATUTORY AUDITORS' FEES

The fees paid to the Statutory Auditors and members of their networks in respect of the 2024 financial year were as follows:

	PricewaterhouseCoopers Audit				Grant Thornton Audit			
In millions of euros	**2024**	**Breakdown**	**2023**	**Breakdown**	**2024**	**Breakdown**	**2023**	**Breakdown**
Certification of financial statements	**2.5**	**71%**	**2.3**	**80%**	**1.5**	**100%**	**1.3**	**100%**
Hermès International	*0.4*	*12%*	*0.4*	*14%*	*0.3*	*17%*	0.2	*15%*
Fully consolidated subsidiaries	*2.0*	*58%*	*1.9*	*66%*	*1.2*	*83%*	1.1	*85%*
Sustainability report verification service according to the CSRD	**0.6**	**17%**	**-**	**0%**	**-**	**0%**	**-**	**0%**
Hermès International	*0.6*	*17%*	-	*0%*	-	*0%*	-	*0%*
Services other than certification of financial statements [1]	**0.4**	**12%**	**0.6**	**20%**	**-**	**0%**	**-**	**0%**
Hermès International	*0.0*	*1%*	*0.2*	*6%*	-	*0%*	-	*0%*
Fully consolidated subsidiaries	*0.4*	*11%*	*0.4*	*14%*	-	*0%*	-	*0%*
TOTAL	**3.5**	**100%**	**2.9**	**100%**	**1.5**	**100%**	**1.3**	**100%**

(1) Other services mainly concern tax compliance work and agreed procedures and certificates for foreign subsidiaries.

NOTE 18 SCOPE OF CONSOLIDATION

List of the main consolidated companies as at 31 December 2024 (distribution subsidiaries and holding companies of the divisions, for the most part):

Company	Headquarters	Percentage 2024			Registered no. (French SIREN)
		Control	Interest	Method *	
Hermès International	24, rue du Faubourg Saint-Honoré, 75008 Paris	Parent	Parent	Parent	572 076 396
Al Mana Retail Kuwait WLL	Hawally, Block 2, Ibn Khaldoun Street, Mahmoud Hamad Al Rashid Al Mulla Building, Floor 1, Unit no. 16, P.O. Box 134 (Kuwait)	45	45	Equity method	
Al Mana Retail WLL	Al Mana Centre, 4th floor, Al Sadd Street, Doha (Qatar)	45	45	Equity method	
Bahrain Luxury Trading WLL	Unit 25, Building 1, Road 365, Block 316, Manama Center, P.O. Box 21257 (Bahrain)	45	45	Equity method	
Boissy Les Mûriers	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	351 649 504
Boissy Retail PTE LTD	1 Marina Boulevard, #28-00, Singapore 018989 (Singapore)	100	100	FC	
Boissy Singapore	1 Marina Boulevard, #28-00, Singapore 018989 (Singapore)	100	100	FC	
Castille Investissements	24, rue du Faubourg Saint-Honoré, 75008 Paris	100	100	FC	352 565 451
CHP2	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	789 925 534
CHP3	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	480 011 535
Compagnie des Cristalleries de Saint-Louis	Saint-Louis-lès-Bitche, 57620 Lemberg	100	100	FC	353 438 708
Compagnie Hermès de Participations	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	413 818 147
Comptoir Nouveau de la Parfumerie	23, rue Boissy d'Anglas, 75008 Paris	99.67	99.67	FC	542 053 285
Faubourg Guam	331 Tumon Sands Plaza 1082 Pale San Vitores Rd Tumon Guam 96913 (United States)	100	100	FC	
Financière St-Honoré SA	1, rue Robert Céard, 1204 Geneva (Switzerland)	100	100	FC	
Grafton Immobilier	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	440 256 444
HAB	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	834 031 817
Herlee	25/F Chinachem Leighton Plaza 29 Leighton Road, Causeway Bay, Hong Kong	100	100	FC	
Hermès (China) Co., Ltd	Unit 130, Plaza 66, No.1266 West Nanjing Road, Jingan District, Shanghai (China)	100	100	FC	
Hermès (China) Trading Co., Ltd	Building No. 12, Nos. 211, 213, 215 and 227, Middle Huahai Road, 200021 Shanghai (China)	100	100	FC	
Hermès (G.B.) Limited	8 Hinde Street, London, W1U 3BQ (United Kingdom)	100	100	FC	
Hermès Argentina S.R.L.	Avenida Alvear 1901 Planta Baja, Unidad 1, 1129 Buenos Aires (Argentina)	100	100	FC	
Hermès Asia Pacific LTD	25/F Chinachem Leighton Plaza, 29 Leighton Road, Causeway Bay (Hong Kong)	100	100	FC	
Hermès Australia PTY Limited	Level 11, 70 Castlereagh Street Sydney NSW 2000 (Australia)	100	100	FC	
Hermès Austria GmbH	Gonzagasse 17 - 1010 Vienna (Austria)	100	100	FC	
Hermès Benelux Nordics	10, rue de Brederode Brussels 1000 (Belgium)	100	100	FC	
Hermès Canada INC.	130 Bloor Street West, Toronto, Ontario M5S 1R1 (Canada)	100	100	FC	
Hermès Cuirs Précieux	3, avenue Hoche, 75008 Paris	100	100	FC	398 142 695

Company	Headquarters	Percentage 2024			Registered no. (French SIREN)
		Control	Interest	Method *	
Hermès de Paris (Mexico) S.A. de C.V.	Calle Montes Urales 715, Oficina 502 Col. Lomas de Chapultepec 11000 CDMX Mexico D.F. (Mexico)	100	100	FC	-
Hermès Denmark ApS	Højbro Plads 4, 1112 Copenhagen K (Denmark)	100	100	FC	
Hermès Do Brasil Industria E Comercio Ltda	Avenida Magalhaes de Castro, n° 12.000, Loja 32, Piso Terreo, Jardim Panarama, Sao Paolo CEP 05502-01 (Brazil)	100	100	FC	-
Hermès E-MESA PTE Ltd	1 Marina Boulevard, #28-00, Singapore 018989 (Singapore)	100	100	FC	-
Hermès Germany GmbH	Maximilianstrasse 8, 80539 Munich (Germany)	100	100	FC	-
Hermès Grèce A.E.	Rue Stadiou 4 and rue Voukourestiou 1, City Link, 10564 Syntagma Athens (Greece)	100	100	FC	-
Hermès Holding GB Limited	8 Hinde Street, London, W1U 3BQ (United Kingdom)	100	100	FC	-
Hermès Iberica, S.A.	Paseo de la Castellana no. 28, 28046 Madrid (Spain)	100	100	FC	-
Hermès Immobilier Genève SA	1, rue Robert Céard, 1204 Geneva (Switzerland)	100	100	FC	-
Hermès India Retail and Distributors	First Floor, Bharat Insurance Building, 15-A Horniman Circle, Fort, Town Hall (Mumbai), Mumbai, Mumbai-400001,Maharashtra (India)	51.01	51.01	FC	-
Hermès Internacional Portugal Ltda	Largo do Chiado 9, 1200-108 Lisbon (Portugal)	100	100	FC	-
Hermès Istanbul Çantacilik, Tekstil Ve Ipek Ürünleri Ticaret Limited Sirketi	Ünalan Mahallesi, Libadiye Caddesi, Dış Kapı No:82F İç Kapı No:9 Üsküdar/İstanbul (Türkiye)	100	100	FC	-
Hermès Italie SA	Via Pisoni 2, 20121 Milan (Italy)	100	100	FC	-
Hermès Japon Co., Ltd	4-1, Ginza 5-Chome, Chuo-Ku, Tokyo 104-0061 (Japan)	100	100	FC	-
Hermès Korea	630-26 Shinsa-Dong Gangnam-gu, Seoul 135-895 (South Korea)	100	100	FC	-
Hermès Manufacture de Métaux	38, rue Roger-Salengro, 94120 Fontenay-sous-Bois	100	100	FC	435 233 812
Hermès Middle East LLC	PO Box 115183, Dubai (United Arab Emirates)	80	80	FC	-
Hermès Monte-Carlo	11-13-15, avenue de Monte-Carlo, 98000 Monaco (Principality of Monaco)	99.98	99.98	FC	-
Hermès Norway AS	Nedre Slottsgate 15, 0157 Oslo (Norway)	100	100	FC	
Hermès of Paris Inc	55 East, 59th Street, 10022 New York (United States)	100	100	FC	-
Hermès Pologne	Krakowskie Przedmieście, no. 13, suite; 00-071 Warsaw (Poland)	100	100	FC	
Hermès Pologne SP. ZO.O	Krakowskie Przedmieście 13, 00-071 Warszaw (Poland)	100	100	FC	
Hermès Prague, a.s.	Parizska 12/120, 11000 Prague (Czech Republic)	100	100	FC	
Hermès Retail (Malaysia) Sdn. Bhd	Level 6, Menara 1 Dutamas, Solaris Dutmas, n° 1 Jalan Dutamas 1, 50480 Kuala Lumpur (Malaysia)	100	100	FC	
Hermès Rus AO	4, Nizhny Kiselny Sidestreet, Floor 5, Premises 1, Room 15, 107031 Moscow (Russia)	100	100	FC	
Hermès Sellier	24, rue du Faubourg Saint-Honoré, 75008 Paris	99.77	99.77	FC	696 520 410
Hermès Singapore (Retail) Pte Ltd	1 Marina Boulevard, #28-00, Singapore 018989 (Singapore)	100	100	FC	
Hermès South Asia Pte Ltd	1 Marina Boulevard, #28-00, Singapore 018989 (Singapore)	100	100	FC	
Hermès Suisse SA	1, rue Robert Céard, 1204 Geneva (Switzerland)	100	100	FC	
Hermès Sweden AB	NK 243, 111 77 Stockholm (Sweden)	100	100	FC	
Hermès Travel Retail (Shanghai) Co., Ltd.	Room 1903, 19th Floor, No.993 West Nanjing Road, Jing'an District, Shanghai (China)	100	100	FC	

Company	Headquarters	Percentage 2024			Registered no. (French SIREN)
		Control	Interest	Method *	
Hermès Travel Retail Asia Pte Ltd	1 Marina Boulevard, #28-00, Singapore 018989 (Singapore)	100	100	FC	
Holding Textile Hermès	16, chemin des Mûriers, 69310 Pierre-Bénite	96.71	96.71	FC	592 028 542
Honossy	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	393 178 025
Immauger	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	377 672 159
Immobilière de la Maroquinerie de Guyenne	1, avenue de l'Étang - administrative building - 33440 Saint-Vincent-de-Paul	100	100	FC	789 928 611
Immobilière de la rue de Sèvres	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	440 252 849
Immobilière de Montereau	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	812 935 005
Immobilière de Pitres	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	834 011 058
Immobilière de Vémars	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	980 234 629
Immobilière du 11/15 rue d'Anjou	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	812 934 990
Immobilière Hermès France	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	834 021 586
J.L. & Company Limited	Westminster Works, 1 Oliver Street, Northampton NN2 7JL (United Kingdom)	100	100	FC	
John Lobb	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	582 094 371
La Maroquinerie du Sud-Ouest	256, route de Saint-Martin-Le-Pin, administrative building, 24300 Nontron	100	100	FC	403 230 436
La Montre Hermès SA	Erlenstrasse 31 A, 2555 Brügg (Switzerland)	100	100	FC	
Les Manufactures d'Auvergne	Route de Volvic, administrative building, 63530 Sayat	100	100	FC	411 795 859
Les Manufactures de Franche Comté	18, rue de la Côte, administrative building, 25230 Seloncourt	100	100	FC	407 836 329
Les Maroquineries des Alpes	1165, rue Victor Hugo, administrative building, 38490 Les Abrêts-en-Dauphiné	100	100	FC	480 011 451
Maroquinerie de Guyenne	1, avenue de l'Étang, 33440 Saint-Vincent-de-Paul	100	100	FC	812 935 013
Maroquinerie de Montereau	9, rue de la Grande-Haie, 77130 Montereau-Fault-Yonne	100	100	FC	812 935 021
Maroquinerie de Normandie	2, rue Sainte-Marguerite 27100 Val-de-Reuil	100	100	FC	789 926 334
Maroquinerie de Saint-Antoine	74, rue du Faubourg Saint-Antoine and 59, rue de Charenton, 75012 Paris	100	100	FC	409 209 202
Maroquinerie des Ardennes	Avenue des Marguerites, 08120 Bogny-sur-Meuse	100	100	FC	428 113 518
Maroquinerie Thierry	Z.I Les Bracots 74890 Bons-en-Chablais	100	100	FC	312 108 368
Motsch George V	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	440 252 476
Puiforcat	48, avenue Gabriel, 75008 Paris	100	100	FC	535 205 157
Saint-Honoré (Bangkok)	Unit 1801, 1808-1812, 18th Floor Park Venture Ecoplex 57 Wireless Road, Lumpini Pathumwan Bangkok 10330 (Thailand)	90	90	FC	
SCI Auger Hoche	12-22, rue Auger, 93500 Pantin	100	100	FC	335 161 071
SCI Edouard VII	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	393 882 170
SCI Les Capucines	23, rue Boissy d'Anglas, 75008 Paris	100	100	FC	408 602 050

** Consolidation method: FC: fully consolidated – EM: Equity method*

5.7 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(For the year ended 31 December 2024)

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

OPINION

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of Hermès International for the year ended 31 December 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2024, and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the *Responsibilities of the Statutory Auditors for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2024 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of inventories and work-in-progress – Note 6.4 to the consolidated financial statements

Description of risk

At 31 December 2024, the Group's inventories and work-in-progress were recognised in the balance sheet at a gross value of €4,014 million and a net value of €2,797 million.

It is the responsibility of Hermès International's management to determine the amount of any impairment required to reduce inventories to net realisable value if the latter is lower than their carrying amount. Impairment is calculated for each category of inventory according to:

- the condition of the inventories and their obsolescence (for example, past seasons or collections);
- the estimated projected turnover of the inventories on the various markets.

We deemed the measurement of inventories and work-in-progress to be a key audit matter given the materiality of inventories and because the aforementioned criteria and the resulting impairment are dependent on assumptions and estimates made by management.

In addition, as a large number of subsidiaries hold inventories, the elimination of internal margins in the consolidated financial statements is particularly important since it has an impact on the gross value of the Group's inventories and the resulting impairment.

How our audit addressed this risk

Our work consisted in:

- examining the inventory measurement and impairment methods and ensuring that those methods were applied consistently;
- performing a critical review of management's methodology and key criteria for recognising inventory impairment based on our knowledge of the Group's business segments and projected inventory turnover;
- assessing the consistency of the level of impairment with regard to the age of the inventories and historical inventory turnover.

Our work also consisted in verifying, on a sample basis, the consistency between the internal margins eliminated in the consolidated financial statements with margin levels generated by production entities with the different distribution subsidiaries.

Recognition of currency hedges – Note 12 to the consolidated financial statements

Description of risk

Hermès International is naturally exposed to currency risks because almost all of its production is located in the euro zone, while the majority of its sales are denominated in foreign currencies (US dollars, Japanese yen, Chinese yuan and other currencies).

The distribution subsidiaries are invoiced in their local currency by the production subsidiaries, who apply an annual exchange rate to scales established in euros.

To hedge the risk and minimise the impact of currency fluctuations on its earnings, Hermès International uses fixed and optional currency hedges, with the objective of hedging its net internal exposure on an annual basis. The portfolio of foreign exchange derivatives is adjusted to take into account the most recent budgets. At 31 December, close to 100% of internal currency transactions for the following year were hedged.

We deemed the recognition of currency hedges to be a key audit matter given the impact of currency fluctuations on the Group's operating margin, which is an indicator used by the Group in its financial communication.

How our audit addressed this risk

As part of our work, with the assistance of our experts, we:

- verified the existence, completeness and accuracy of the Group's portfolio of financial instruments by making confirmation requests to banking institutions;
- recalculated the fair value of a representative sample of instruments to assess the accuracy of their measurement;
- verified the relationship between hedges and the related commercial transactions on a selection of hedging operations and performed a critical review of the documentation for the associated effectiveness tests to assess their eligibility for hedge accounting under IFRS 9;
- examined the appropriateness of the disclosures relating to the hedging operations provided in the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report prepared by Executive Management.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under Executive Management's responsibility, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Hermès International by the General Meetings held on 30 May 2011 for PricewaterhouseCoopers Audit and on 31 May 1999 for Didier Kling & Associés, now Grant Thornton Audit.

At 31 December 2024, PricewaterhouseCoopers Audit and Grant Thornton Audit were in the fourteenth and the twenty-sixth consecutive year of their engagement, respectively.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by Executive Management.

RESPONSIBILITIES OF THE STATUTORY AUDITORS FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in article L.821-55 of the French Commercial Code (*code de commerce*), our audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit and furthermore:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as they are set in particular in Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit and Risk Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine, 18 March 2025

The Statutory Auditors

PricewaterhouseCoopers Audit

Amélie Wattel

Grant Thornton Audit

Christophe Bonte

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PARENT COMPANY FINANCIAL STATEMENTS AFR

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6.1 INCOME STATEMENT

In millions of euros	*Note*	2024	2023
Operating income	**2.1**	**752**	**695**
Revenue		678	614
Other products		4	1
Reversals of provisions and expenses reclassified		70	80
Operating expenses	**2.2**	**(510)**	**(515)**
Other purchases and external expenses		(221)	(215)
Tax and duties		(17)	(25)
Compensation and other personnel costs	3.2	(180)	(172)
Depreciation, amortisation and provisions	6 / 10.1	(87)	(98)
Other expenses		(5)	(5)
Operating income (I)		**242**	**180**
Income from subsidiaries and affiliates	7.3	3,860	3,336
Net additions/(reversals) of provisions		(240)	(134)
Other elements	7.1	279	179
Net financial income (II)		**3,899**	**3,380**
Recurring income (I + II)		**4,141**	**3,560**
Extraordinary income (III)	**4**	**4**	**20**
Net income before tax and employee profit-sharing (I + II + III)		**4,144**	**3,580**
Employee profit-sharing		(9)	(9)
Income tax	5	(137)	(112)
NET INCOME		**3,998**	**3,459**

6.2 BALANCE SHEET

ASSETS

In millions of euros	*Note*	31/12/2024	31/12/2023
Non-current assets		**1,343**	**1,549**
Intangible assets	6	35	53
Property, plant and equipment	6	39	33
Financial assets	7.2	1,268	1,463
Current assets		**12,502**	**10,068**
Operating receivables	2.3	133	169
Other receivables	2.3	2,162	975
Marketable securities	7.4	9,640	8,600
Derivatives		69	73
Cash at bank and in hand	7.5	497	251
Prepayments and accruals	**2.3**	**9**	**9**
TOTAL ASSETS		**13,854**	**11,626**

LIABILITIES

In millions of euros	*Note*	31/12/2024	31/12/2023
Equity		**11,284**	**9,927**
Share capital	9	54	54
Share, merger or contribution premiums		50	50
Other reserves		3,500	3,000
Legal reserve		6	6
Retained earnings		3,676	3,359
Net income for the financial year		3,998	3,459
Regulated provisions		0	0
Provisions for risks and expenses	**10.1**	**166**	**164**
Liabilities		**2,390**	**1,527**
Financial liabilities	7.6	43	35
Derivatives		25	27
Operating liabilities	2.4	446	82
Other payables	2.4	1,876	1,382
Prepayments and accruals		**14**	**9**
TOTAL EQUITY AND LIABILITIES		**13,854**	**11,626**

6.3 CHANGES IN EQUITY

In millions of euros	Number of shares outstanding	Share capital	Share, merger and contribution premiums	Legal reserve, other reserves and retained earnings	Net income for the financial year	Regulated provisions	Equity
Note	*9*	*9*					
Balance as at 31 December 2022 before allocation of net income	***105,569,412***	***54***	***50***	***5,212***	***2,529***	***0***	***7,844***
Allocation of net income 2022	-	-	-	2,529	(2,529)	-	-
Dividends paid in respect of the financial year	-	-	-	(1,376)	-	-	(1,376)
Net income for financial year 2023	-	-	-	-	3,459	-	3,459
Other changes	-	-	-	-	-	(0)	(0)
Balance as at 31 December 2023 before allocation of net income	**105,569,412**	**54**	**50**	**6,364**	**3,459**	**0**	**9,927**
Allocation of net income 2023	-	-	-	3,459	(3,459)	-	-
Dividends paid in respect of the financial year	-	-	-	(2,641)	-	-	(2,641)
Net income for financial year 2024	-	-	-	-	3,998	-	3,998
Other changes	-	-	-	-	-	(0)	(0)
Balance as at 31 December 2024 before allocation of net income	**105,569,412**	**54**	**50**	**7,182**	**3,998**	**0**	**11,284**

6.4 STATEMENT OF CASH FLOWS

In millions of euros	Note	2024	2023
Net income		3,998	3,459
Depreciation and amortisation		28	29
Change in provisions and impairment		218	66
Capital gains/(losses) on disposals		64	105
Operating cash flows		**4,308**	**3,659**
Change in trade and other receivables		(1,084)	(366)
Change in trade and other payables		868	151
Change in working capital requirements		(215)	(216)
Net cash flows from operating activities		**4,093**	**3,444**
Acquisitions of property, plant and equipment and intangible assets	6	(17)	(35)
Acquisitions of investment securities	7.2	(228)	(378)
Acquisitions of other financial assets	7.2	(6)	(41)
Disposals of property, plant and equipment and intangible assets		0	0
Proceeds from disposal of investment securities		-	0
Proceeds from disposal of other financial assets	7.2	146	1
Change in receivables and payables related to fixed assets		0	16
Net cash flows from investing activities		**(104)**	**(437)**
Dividends paid		(2,641)	(1,376)
Treasury share buybacks net of disposals		(37)	(130)
Net cash flows from financing activities		**(2,679)**	**(1,506)**
CHANGE IN NET CASH POSITION		**1,310**	**1,501**
Net cash at the beginning of the period	7.5	8,181	6,680
Net cash at the end of the period	7.5	9,491	8,181

6.5 NOTES TO THE FINANCIAL STATEMENTS

The 12-month financial year covers the period from 1 January through 31 December 2024.

The following notes are an integral part of the annual financial statements.

The annual financial statements and notes to the financial statements are presented in euros. Unless otherwise stated, the values shown in the tables are expressed in millions of euros and rounded to the nearest million. As a result, in certain cases, the effects of rounding up/down can lead to a non-significant difference in the totals or changes. In addition, the ratios and differences are calculated on the basis of the underlying amounts and not on the basis of rounded amounts.

The Company's annual financial statements are prepared in accordance with the French general accounting plan (PCG) as described by ANC regulation no. 2014-03 and updated in accordance with all regulations that have subsequently modified it.

The accounting conventions for the preparation and presentation of the parent company financial statements have been applied in compliance with the principle of prudence, in accordance with the following basic assumptions:

- going concern;
- consistency of accounting policies from one financial year to the next;
- independence of financial years.

The basic method used to value the items recorded in the accounts is the historical cost method. Only significant information is mentioned.

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NOTE 1 CHANGE IN METHOD

Hermès International did not apply any change in method during the 2024 financial year.

NOTE 2 OPERATING ITEMS

2.1 Operating income

Accounting principles

Revenue consists of royalties from brands and the provision of services. Royalties are calculated based on the production subsidiaries' revenue. Services are primarily amounts charged back to subsidiaries for advertising and public relations costs, rent, staff provided on secondment, insurance and professional fees.

Expense transfers correspond mainly to the costs of free share plans allocated to Group employees and re-invoiced to subsidiaries in respect of their personnel (see note 3.4).

In millions of euros	2024	2023
Revenue	678	614
Other products	4	1
Reversals of provisions	25	31
Expense transfers	45	49
OPERATING INCOME	**752**	**695**

2.2 Operating expenses

In millions of euros	*Note*	2024	2023
Other purchases and external expenses		(221)	(215)
Tax and duties		(17)	(25)
Compensation and other personnel costs	3.2	(180)	(172)
Depreciation, amortisation and provisions	6 / 10.1	(87)	(98)
Other expenses		(5)	(5)
OPERATING EXPENSES		**(510)**	**(515)**

2.3 Operating receivables

Accounting principles

Receivables are recorded at par value. A provision for impairment is recognised where there is a risk of non-recovery.

Operating receivables break down according to the following maturities:

	31/12/2024					31/12/2023
In millions of euros	< 1 year	Between 1 and 5 years	Gross amount	Impairment	Net amount	Net amount
Current assets	**2,320**	**43**	**2,363**	**(68)**	**2,295**	**1,143**
Trade and other receivables	89	5	93	-	93	87
Other operating receivables	1	38	40	-	40	82
Other receivables	2,229	-	2,229	(68)	2,162	975
Prepayments and accruals	**9**	**-**	**9**	**-**	**9**	**9**
Leases	7	-	7	-	7	7
Other	2	-	2	-	2	3
TOTAL	**2,329**	**43**	**2,372**	**(68)**	**2,304**	**1,153**

Current assets include a gross amount of €2,320 million in receivables due from related companies.

Other receivables mainly correspond to the financial current accounts of subsidiaries in the amount of €1,790 million.

Impairment movements for the financial year can be analysed as follows:

		Reversals			
In millions of euros	31/12/2023	Allocations	Provisions used	Unused provisions	31/12/2024
Other receivables	132	23	(88)	-	68

2.4 Liabilities from operations

Liabilities from operations break down according to the following maturities:

In millions of euros	31/12/2024			31/12/2023
	< 1 year	Between 1 and 5 years	Net amount	Net amount
Operating liabilities	439	7	446	82
Trade and other payables	18	-	18	18
Tax and social-security liabilities	421	7	428	64
Other payables	1,872	4	1,876	1,382
Amounts payable to fixed asset suppliers	2	-	2	2
Other	1,870	4	1,873	1,380
TOTAL	**2,311**	**11**	**2,322**	**1,464**

Other payables correspond mainly to financial current accounts of the subsidiaries amounting to €1,826 million.

NOTE 3 HEADCOUNT, PERSONNEL COSTS AND EMPLOYEE BENEFITS

3.1 Average number of employees

	31/12/2024	31/12/2023
Executives and managers	555	576
Employees	61	55
TOTAL	**616**	**631**

3.2 Compensation and other personnel costs

In millions of euros	*Note*	2024	2023
Compensation		(113)	(107)
Free share plans	3.4	(5)	(5)
Social security charges on compensation and free share plans		(62)	(60)
COMPENSATION AND OTHER PERSONNEL COSTS		**(180)**	**(172)**

3.3 Post-employment obligations and other employee benefits

Accounting principles

For basic pension and other defined-contribution plans, Hermès International recognises contributions to be paid as expenses when they come due and no provision is accrued in this respect, as the Company has no obligation other than the contributions paid.

Hermès International's obligations in relation to retirement benefits and long-service awards are calculated annually by an independent actuary using the projected unit credit method. This method is based on actuarial assumptions and takes into account the employee's probable future length of service, future salary and life expectancy as well as staff turnover. The present value of the obligation is calculated by applying an appropriate discount rate. It is recognised on a basis pro-rated to the employee's years of service.

Benefits are partly funded in advance by external funds (insurance companies). Assets held in this way are measured at fair value.

The expense recognised in the income statement is the sum of:

- the service cost, which reflects the increase in obligations arising from the vesting of one additional year of benefits;
- the interest expense, which reflects the increase in the present value of the obligations during the period;
- actuarial gains and losses for the period.

Actuarial gains and losses are recognised immediately through profit or loss.

As at 31 December 2024, the commitment in terms of retirement benefits and long-service awards amounted to €87 million pre-financed in the amount of €39 million with an insurance company.

The net amount of the commitment of €48 million is recognised in provisions for risks and expenses in the liabilities of Hermès International.

For the 2023 and 2024 financial years, the following actuarial assumptions were used:

	2024	2023
◆ Retirement age	Full rate at 65 years old	Full rate at 65 years old
◆ Increase in salaries	3.5% to 4.2%	3.5% to 4.2%
◆ Discount rate	3.1%	3.5% to 4.3%
◆ Expected rate of return/asset	3.1% to 3.3%	3.3% to 4.3%

3.4 Free share plans

Expenses recognised in operating income in respect of free share plans only concern employees of Hermès International (see Note 3.2).

Costs relating to other employee beneficiaries of Group subsidiaries are presented in extraordinary income or loss (see Note 4) and are transferred *via* an expense transfer account (see Note 2.1).

When the shares are delivered to employees, the loss corresponding to the net carrying amount of the treasury shares is recognised as extraordinary expenses in Hermès International's financial statements.

Income from re-invoicing to subsidiaries is presented as extraordinary income (see Note 4).

After taking income and expenses relating to the French and foreign subsidiaries into account, the net impact of the free share plans including social security contributions on net income before tax was an expense of €8 million in 2024, compared with income of €5 million in 2023.

The information relating to the free share plans is provided in chapter 3 "Corporate governance".

3.5 Compensation of Corporate Officers

Gross aggregate compensation paid to Corporate Officers in respect of financial year 2024 amounted to €11 million, including €1 million related to the compensation of members of the Supervisory Board.

NOTE 4 EXTRAORDINARY INCOME

In millions of euros	*Note*	2024	2023
Extraordinary income		107	169
Free share plans	3.4	106	168
Reversals of provisions for tax depreciation		0	0
Disposals of property, plant and equipment and financial assets		1	2
Other extraordinary income		-	-
Extraordinary expenses		(103)	(149)
Free share plans	3.4	(103)	(149)
Provisions for tax depreciation		(0)	(0)
Net value of fixed assets sold		(0)	(0)
Other extraordinary expenses		(1)	(0)
EXTRAORDINARY INCOME		**4**	**20**

NOTE 5 INCOME TAX

Accounting principles

The Company has opted for the French tax regime for company groups.

Under the terms of an agreement between the parent company and the subsidiaries included in the tax consolidation group, the French subsidiaries included in the tax consolidation scope recognise, in their financial statements, an income tax expense on the basis of their own tax results. Hermès International, the head of the tax consolidation group, recognises the difference between the sum of the taxes of subsidiaries and the tax due on the overall income as a tax credit due to tax consolidation.

In the event that a subsidiary leaves the tax consolidation group, the savings in corporate income tax and additional contributions resulting from the application of the group tax regime are definitively acquired by Hermès International.

The tax consolidation scope includes 67 companies.

5.1 Breakdown of income tax

In millions of euros	2024	2023
Net income before tax and employee profit-sharing	4,144	3,580
Employee profit-sharing	(9)	(9)
Net income before tax	4,136	3,572
Income tax	(137)	(112)
Tax (parent company only)	(193)	(136)
◆ *o/w tax on extraordinary income*	(0)	(0)
◆ *o/w tax on recurring income*	(193)	(136)
Tax arising from tax consolidation	56	24
NET INCOME	**3,998**	**3,459**

Hermès International recognised an income tax expense of €137 million in 2024, compared with an income tax expense of €112 million in 2023. In addition, Hermès International is liable for payment of the tax of the fiscally consolidated group, which amounted to €813 million in 2024 compared with €645 million in 2023.

Hermès International's income tax expense only includes applicable exemptions under the terms of the parent-subsidiary regime for income from investments in subsidiaries and affiliates. The tax credit resulting from the tax consolidation takes into account in particular the effect of the consolidation regime related to the loss-making results of certain subsidiaries.

The Group is subject to the reform of international tax rules developed by the OECD, known as "Pillar II", which introduces a minimum tax of 15% on the profits made by multinational groups. The amount of the top-up recognised for 2024 at the level of the Group's parent company is not material.

5.2 Increases or decreases in future tax liability

As at 31 December 2024, the future tax receivable was equal to €42 million, *versus* €42 million as at 31 December 2023. This mainly consists of temporarily non-deductible expenses, in particular retirement provisions.

NOTE 6 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Accounting principles

Intangible assets include software and the cost of websites, which are amortised on a straight-line basis over a period of between one and four years.

Property, plant and equipment are valued at their acquisition cost.

Depreciation is calculated using the straight-line method:

- buildings: straight-line method over 30 years;
- building fixtures and fittings: straight-line method over 10 to 40 years;
- office furniture and equipment: straight-line method over 4 to 10 years;
- IT equipment: straight-line method over 1 to 5 years;
- vehicles: straight-line method over 4 years.

In millions of euros	31/12/2023	Increases	Decreases	Other	31/12/2024
Intangible assets	153	6	-	(0)	158
Software	119	2		1	122
Other intangible assets	34	3		(1)	36
Property, plant and equipment	81	11	(5)	0	87
Land	0				0
Buildings	0				0
Fittings	48	6	(5)	4	52
Other property, plant and equipment	32	6	(0)	(4)	34
Total gross values	**234**	**17**	**(5)**	**-**	**245**
Amortisation of intangible assets	(100)	(23)	-	-	(123)
Software	(72)	(20)			(92)
Other intangible assets	(28)	(3)			(31)
Depreciation of property, plant and equipment	(47)	(5)	5	-	(47)
Buildings	(0)				(0)
Fittings	(29)	(4)	5		(28)
Other property, plant and equipment	(18)	(2)	0		(19)
Total depreciation and amortisation	**(147)**	**(28)**	**5**	**-**	**(170)**
Impairment	-				-
Total impairment	-	-	-	-	-
TOTAL NET VALUES	**86**	**(12)**	**(0)**	**0**	**75**

NOTE 7 FINANCIAL ASSETS AND LIABILITIES – NET CASH POSITION

7.1 Other elements of net financial income

In millions of euros	2024	2023
Interest and similar income	337	247
Foreign exchange income	(25)	(21)
Interest and similar expenses	(98)	(73)
Net income from disposals of marketable securities	64	26
OTHER ELEMENTS OF NET FINANCIAL INCOME	**279**	**179**

Foreign exchange gains and losses are detailed in a specific note (see Note 8) on market risk management and derivatives.

7.2 Financial assets

Accounting principles

Investment securities are shown in the balance sheet at acquisition cost. The Company has opted for the recognition of ancillary costs at the time of acquisition.

Where the balance sheet value at the closing date is lower than the carrying amount, a provision for impairment is recorded for the difference.

This value is estimated at the proportionate share of net assets, which may be corrected, if need be, based on the profitability outlook for the concerned subsidiary.

If the subsidiary's net position is negative, an impairment for receivables due and a provision for risks and expenses may also be recognised (see Note 10.1).

Other financial assets include financial investments valued at their nominal value adjusted for any accrued interest not yet due at closing.

In millions of euros	*Note*	31/12/2023	Increases	Decreases	31/12/2024
Affiliates	**7.3**	1,980	228	-	2,208
Other financial assets		633	9	(152)	489
Financial investments		598	6	(146)	458
Treasury shares (including liquidity contract)		27	-	(3)	24
Deposits and guarantees		7	4	(3)	8
Other long-term investments		0	0	(0)	0
Total gross values		2,613	237	(152)	2,698
Impairment		**(1,150)**	**(285)**	**5**	**(1,430)**
TOTAL NET VALUES		**1,463**	**(48)**	**(147)**	**1,268**

The increase in shareholdings over the financial year mainly concerns the recapitalisation of certain subsidiaries.

As at 31 December 2024, Hermès International held 79,038 treasury shares (liquidity contract and unallocated shares intended for external growth operations). These shares were valued on the basis of their acquisition price. The average price of treasury shares held as at 31 December 2024 was €299.90.

Changes in impairment comprise the allocation to/reversal of impairment on investment securities, mainly relating to changes in the equity of certain subsidiaries.

The breakdown of other financial assets by maturity is as follows:

	31/12/2024					31/12/2023
In millions of euros	< 1 year	Between 1 and 5 years	Gross amount	Impairment	Net amount	Net amount
Other financial assets	**38**	**451**	**489**	**(39)**	**451**	**594**

7.3 Table of subsidiaries and affiliates

7.3.1 DETAILED INFORMATION ON SUBSIDIARIES WHOSE GROSS VALUE OF SHARES HELD EXCEEDS 5% OF THE SHARE CAPITAL OF HERMÈS INTERNATIONAL

In millions of euros	Number of shares	Share of capital held (in %)	Gross value of securities held	Net value of securities held	Dividends received over the financial year
SUBSIDIARIES (at least 50% owned by the Company)					
Castille Investissements	9,650,000	100%	402	-	
CHP3	50,050,000	100%	50	9	
Compagnie Hermès de Participations	4,200,000	100%	42	12	
Comptoir Nouveau de la Parfumerie	756,000	99.7%	27	27	8
Grafton Immobilier	5,174,500	100%	83	83	
HAB	50,000,000	100%	50	11	
Herlee	65,000,000	77%	20	20	635
Hermès Argentina	1,367,096	100%	7	1	
Hermès Asia Pacific	315,000,000	100%	43	43	714
Hermès Australia	6,500,000	100%	4	4	76
Hermès Austria	1	100%	7	7	
Hermès Benelux Nordics	57,975	100%	3	3	13
Hermès Brésil	43,404,647	100%	13	6	
Hermès Cuirs Précieux	6,400,000	100%	532	-	
Hermès GmbH	1	100%	7	7	28
Hermès Holding GB	7,359,655	100%	11	11	
Hermès Iberica	69,312	100%	5	5	17
Hermès Immobilier Genève	70,000	100%	44	44	2
Hermès Istanbul	260,000	100%	3	3	11
Hermès Italie	458,000	100%	25	25	40
Hermès Japon	4,400	100%	14	14	232
Hermès Mexico	11,521,806	100%	55	55	18
Hermès of Paris	114,180	100%	11	11	
Hermès Sellier	311,000	100%	5	5	1,421
Holding Textile Hermès	46,686,464	97%	91	90	
Immobilière de la Maroquinerie de Guyenne	10,000	100%	20	-	
Immobilière de Montereau	10,000	100%	4	-	
Immobilière du 11-15 rue d'Anjou	125,010,000	100%	125	125	
John Lobb	3,773,590	100%	48	-	
Les Manufactures d'Auvergne	500,000	100%	45	2	
Les Manufactures de Franche-Comté	500,000	100%	32	12	10
Maroquinerie de Montereau	500,000	100%	20	6	
Maroquinerie de Normandie	500,000	100%	42	3	
Maroquinerie de Saint-Antoine	500,000	100%	19	1	
Maroquinerie des Alpes	500,000	100%	48	4	
Maroquinerie des Ardennes	284,063	100%	11	-	
Maroquinerie du Sud-Ouest	500,000	100%	67	-	
Maroquinerie Thierry	500,000	100%	3	-	
SCI Auger-Hoche	126,946,400	100%	131	131	
SCI Honossy	210,100	100%	3	3	1
Subsidiaries subtotal			**2,174**	**785**	**3,226**
TOTAL FOR ALL SUBSIDIARIES AND AFFILIATES			**2,206**	**815**	**3,859**

7.3.2 TOTAL EQUITY AND NET INCOME OF SUBSIDIARIES

In millions of euros	
Total equity of foreign subsidiaries (net income excluded)	1,265
Total net income of foreign subsidiaries	3,153
Total equity of French subsidiaries (net income excluded)	944
Total net income of French subsidiaries	1,027

7.4 Marketable securities

Accounting principles

The gross value of marketable securities is their acquisition cost less incidental expenses. Securities are valued at the lower of acquisition cost or market value, calculated separately for each category of securities.

In the event that part of a line of securities is sold, proceeds on disposals are calculated using the First-In, First-Out method (FIFO).

Treasury shares that are specifically allocated to covering employee share plans or stock options are recorded under marketable securities.

An impairment is accrued in an amount representing the difference between the purchase price of the shares and the option exercise price, if the purchase price is more than the exercise price.

In the event of a decrease in the stock market price, a provision for impairment is recognised for treasury shares that are not specifically allocated. It is calculated as the difference between the net carrying amount of the shares and the average stock market price for the month immediately preceding the closing date, weighted by the exchanged volumes.

In addition, financial instruments are used in connection with the management of the Company's treasury investments. Gains and losses on interest rate differentials and any corresponding premiums are recognised on an accrual basis.

In millions of euros	31/12/2024	31/12/2023
Open-ended investment companies (Sicavs) and mutual funds	1,877	1,747
Negotiable debt securities and repurchase agreements	7,117	6,183
Treasury shares	646	671
Total gross values	**9,640**	**8,600**
Impairment	-	-
TOTAL NET VALUES	**9,640**	**8,600**

Treasury shares correspond to 652,606 Hermès International shares held under free share allocation plans for employees (compared with 758,322 shares as at 31 December 2023).

These shares were valued on the basis of their acquisition price. The average price of treasury shares as at 31 December 2024 was €990.54. During 2024, Hermès International acquired 21,316 shares outside the liquidity contract for an amount of €40 million and granted 127,032 free shares to employees for an amount of €65 million.

7.5 Net cash position

In millions of euros	2024	2023
Marketable securities (excluding treasury shares)	8,994	7,930
Cash at bank and in hand	497	251
Bank overdrafts	0	0
NET CASH POSITION	**9,491**	**8,181**

Treasury shares are excluded from the marketable securities presented in net cash position.

7.6 Financial liabilities

The breakdown of financial liabilities by maturity is as follows:

	31/12/2024			31/12/2023
In millions of euros	< 1 year	Between 1 and 5 years	Net amount	Net amount
Bank borrowings	0	-	0	0
Miscellaneous borrowings and financial liabilities	7	36	43	35
FINANCIAL LIABILITIES	**7**	**36**	**43**	**35**

Borrowings and financial liabilities correspond to funds held in trust for employees under the statutory employee profit-sharing plan.

NOTE 8 MANAGEMENT OF MARKET RISKS AND DERIVATIVES

Most of the Company's foreign exchange risk exposure comes from the sales of its production subsidiaries denominated in foreign currencies. This risk is generally fully hedged, based on highly probable future cash flows, using forward currency sales or options that are eligible for hedge accounting.

8.1 Treasury and foreign exchange transactions

Accounting principles

Income and expense items expressed in foreign currencies are converted into euros at the hedged exchange rate. Payables, receivables, and cash expressed in currencies outside of the euro zone are shown on the balance sheet at the hedged exchange rate or at the closing rate if they are not hedged. In this case, differences arising from the reconversion of payables and receivables at the closing rate are recorded in the balance sheet. A provision for contingencies is established for unrealised foreign exchange losses. Premiums on foreign currency options are recorded through profit or loss on the maturity date.

8.2 Net currency position

In millions of euros	Monetary assets/ (liabilities)	Future cash flows	Net position before hedging	Derivatives [1]	Net position after hedging	Hedging ratio	Sensitivity of 10%
As at 31/12/2024							
US dollar	(817)	122	(695)	698	2	100%	-
Chinese yuan	18	141	159	(162)	(2)	101%	(0)
Singapore dollar	-	118	118	(118)	-	100%	-
Hong Kong dollar	-	78	78	(78)	-	100%	-
Japanese yen	-	75	75	(75)	1	99%	-
Swiss franc	2	34	35	(39)	(3)	110%	(0)
Australian dollar	8	1	9	(9)	(0)	100%	(0)
Pound sterling	(6)	3	(2)	3	-	106%	-
Other	5	4	8	(9)	(1)	111%	(0)
SUMMARY	**(789)**	**575**	**(214)**	**211**	**(3)**	**99%**	**(0)**
As at 31/12/2023							
Swiss franc	2	40	42	(44)	(2)	105%	(0)
Chinese yuan	30	10	39	(41)	(1)	103%	(0)
US dollar	(44)	8	(35)	32	(4)	90%	(0)
Singapore dollar	2	8	10	(10)	-	97%	-
Japanese yen	4	5	8	(8)	1	92%	-
Hong Kong dollar	1	5	6	(6)	-	97%	-
Australian dollar	3	1	4	(4)	(0)	108%	(0)
Pound sterling	(4)	2	(2)	1	(0)	74%	(0)
Other	11	1	13	(13)	-	99%	-
SUMMARY	**5**	**81**	**86**	**(92)**	**(6)**	**107%**	**(1)**

(1) Purchase/(Sale).

8.3 Breakdown of foreign exchange contracts

Hedging operations are performed over-the-counter, exclusively with leading banks. The Company therefore does not incur any significant counterparty risk.

In millions of euros	Nominal amounts of derivatives	Nominal amounts of derivatives used to hedge foreign exchange risk	Market value of contracts as at 31/12/2024 [1]
Options purchased			
Chinese yuan puts	128	128	1
Chinese yuan collars	512	512	(2)
Japanese yen puts	68	68	3
Japanese yen collars	563	563	9
US dollar puts	114	114	1
US dollar collars	456	456	(4)
Singapore dollar puts	110	110	1
Singapore dollar collars	439	439	(1)
Hong Kong dollar puts	72	72	1
Hong Kong dollar collars	286	286	(3)
	2,747	2,747	6
Forward foreign exchange contracts [2]			
Japanese yen	(556)	(556)	(12)
Chinese yuan	(498)	(498)	11
US dollar	(460)	(460)	22
Singapore dollar	(431)	(431)	10
Hong Kong dollar	(280)	(280)	14
Other	57	57	0
	(2,167)	(2,167)	46
Currency swaps [2]			
US dollar	(808)	(808)	23
Chinese yuan	20	20	(0)
Pound sterling	(6)	(6)	(0)
Swiss franc	5	5	0
Japanese yen	(0)	(0)	(2)
Singapore dollar	(0)	(0)	0
Hong Kong dollar	-	-	(0)
Other	(2)	(2)	0
	(791)	(791)	22
TOTAL	**(211)**	**(211)**	**74**

(1) Gain/(Loss).
(2) (Purchase)/Sale.

In millions of euros	Nominal amounts of derivatives	Nominal amounts of derivatives used to hedge foreign exchange risk	Market value of contracts as at 31/12/2023 [1]
Options purchased			
Chinese yuan puts	126	126	5
Chinese yuan collars	407	407	15
Japanese yen puts	197	197	6
Japanese yen collars	240	240	12
Singapore dollar puts	96	96	2
Singapore dollar collars	288	288	4
US dollar puts	95	95	4
US dollar collars	284	284	10
Hong Kong dollar puts	69	69	2
Hong Kong dollar collars	206	206	6
	2,008	2,008	65
Forward foreign exchange contracts [2]			
Chinese yuan	(524)	(524)	(18)
Japanese yen	(433)	(433)	(23)
Singapore dollar	(375)	(375)	(0)
US dollar	(371)	(371)	(3)
Hong Kong dollar	(269)	(269)	(3)
Other	64	64	(2)
	(1,908)	(1,908)	(49)
Currency swaps [2]			
US dollar	(40)	(40)	(0)
Chinese yuan	31	31	-
Pound sterling	(4)	(4)	(0)
Swiss franc	4	4	(0)
Japanese yen	3	3	-
Singapore dollar	2	2	-
Hong Kong dollar	1	1	0
Other	(5)	(5)	0
	(8)	(8)	0
TOTAL	**92**	**92**	**16**

(1) Gain/(Loss).
(2) (Purchase)/Sale.

NOTE 9 SHARE CAPITAL

As at 31 December 2024, Hermès International's share capital amounted to €53,840,400.12, made up of 105,569,412 shares with a par value of €0.51 each, unchanged from 31 December 2023.

NOTE 10 PROVISIONS FOR RISKS AND EXPENSES – OFF-BALANCE SHEET COMMITMENTS

Accounting principles

Provisions for risks and charges mainly include the cost of pensions and retirement benefits as well as the annual provision for free share plans for all Group employees. This provision is transferred to personnel costs for the share of Hermès International employees and transferred to extraordinary income for the other beneficiary employees of subsidiaries.

10.1 Provisions for risks and expenses

				Reversals		
In millions of euros	*Note*	31/12/2023	Allocations	Provisions used	Unused provisions	31/12/2024
Free share plans	3.4	79	43	(56)	-	66
Provisions for pensions, retirement benefits and medals	3.3	56	13	(21)	(0)	48
Net negative position of subsidiaries		2	27	(2)	-	27
Other provisions for risks and expenses		26	3	(2)	(1)	25
PROVISIONS FOR RISKS AND EXPENSES		**164**	**85**	**(81)**	**(2)**	**166**

10.2 Off-balance sheet commitments

In millions of euros	31/12/2024	31/12/2023
Bank guarantees given	2	2
Irrevocable commitments to purchase financial assets	26	19
Other commitments	258	436
TOTAL	**286**	**457**

The bank guarantees subscribed on behalf of the subsidiaries are the subject of commissions that are re-invoiced to them.

The other commitments mainly concern real estate leases signed or guaranteed by Hermès International.

NOTE 11 RELATED-PARTY TRANSACTIONS

Related-party transactions were not material during financial year 2024 in comparison with the overall results of Hermès International.

The companies mentioned below are considered related parties insofar as certain members of management of the Company or certain members of the Supervisory Board or Executive Management Board of Émile Hermès SAS have personal interests therein and exercise significant influence.

The most significant relationships with related parties are summarised as follows:

- Émile Hermès SAS, Active Partner (see chapter 3 "Corporate governance", § 3.3.1): each year, Hermès International pays 0.67% of its distributable profits for the financial year to the Active Partner.

  In addition, Hermès International charges Émile Hermès SAS for certain services provided and expenses incurred. The corresponding invoices amounted to €0.6 million in 2024;
- Studio des Fleurs: Studio des Fleurs offers photography and retouching services for packshots of e-commerce products. The amounts paid in 2024 came to €0.1 million.

NOTE 12 EVENTS AFTER THE REPORTING PERIOD

None.

6.6 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

(For the year ended 31 December 2024)

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

OPINION

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of Hermès International for the year ended 31 December 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2024 to the date of our report, and specifically we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of articles L.821-53 and R.821-180 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Measurement of equity investments – Note 7.2, 7.3 and 10.1 to the financial statements

Description of risk

At 31 December 2024, equity investments were recognised in the balance sheet at a gross value of €2,206 million and a net value of € 815 million. They are carried at acquisition cost, excluding incidental expenses.

As indicated in Note 7.2 "Financial assets" to the financial statements, the balance sheet value is estimated at the proportionate share of net assets, which may be corrected, if need be, based on the profitability outlook for the concerned subsidiary. If the subsidiary's net position is negative, an impairment for receivables due and a provision for risks and expenses may also be recognised.

Given the value of equity investments and related provisions in the balance sheet, as well as the significant judgement exercised by management to estimate the balance sheet value, where necessary, we deemed the measurement of the balance sheet value of equity investments to be a key audit matter.

How our audit addressed this risk

Based on the information provided to us, our work consisted primarily in:

- assessing the consistency of the method used to determine the balance sheet value of equity investments;
- verifying that the share of net assets used is consistent with the accounts of the entities concerned;
- verifying that any restatements of net assets made by management are appropriate, and that the resulting inventory values are correct.

In addition to assessing the balance sheet value of equity investments, our work also consisted in verifying, where applicable, the recognition of impairment for receivables due, and a provision for risks in cases where the Company is liable for the losses of a subsidiary with negative equity.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report prepared by Executive Management and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment deadlines mentioned in Article D.441-6 of the French Commercial Code (*code de commerce*).

Report on corporate governance

We attest that Executive Management's report on corporate governance sets out the information required by articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code (*code de commerce*).

Concerning the information given in accordance with the requirements of article L.22-10-9 of the French Commercial Code (*code de commerce*) relating to remuneration and benefits received by or allocated to corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements, and, where applicable, with the information obtained by the Company from controlled companies within its scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code (code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

OTHER VERIFICATIONS AND INFORMATION PURSUANT TO LEGAL AND REGULATORY REQUIREMENTS

Presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditors relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the Executive Management's responsibility, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Hermès International by the General Meetings held on 30 May 2011 for PricewaterhouseCoopers Audit and on 31 May 1999 for Didier Kling & Associés, now Grant Thornton Audit.

At 31 December 2024, PricewaterhouseCoopers Audit and Grant Thornton Audit were in the fourteenth and the twenty-sixth consecutive year of their engagement, respectively.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, relating to the accounting and financial reporting procedures.

The financial statements were approved by Executive Management.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in article L.821-55 of the French Commercial Code (*code de commerce*), our audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit and furthermore:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;

- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the financial statements and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit and Risk Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine, 18 March 2025

The Statutory Auditors

PricewaterhouseCoopers Audit	Grant Thornton Audit
Amélie Wattel	Christophe Bonte

6.7 TABLE OF RESULTS OVER THE LAST FIVE YEARS

	2024	2023	2022	2021	2020
Share capital at the end of the financial year					
Share capital in millions of euros	54	54	54	54	54
Number of shares outstanding	105,569,412	105,569,412	105,569,412	105,569,412	105,569,412
Comprehensive income from operations in millions of euros					
Revenue excluding taxes	678	614	479	396	318
Net income before tax, employee profit-sharing, depreciation, amortisation, provisions and impairment	4,402	3,733	2,651	1,350	1,417
Income tax	(137)	(112)	(50)	(13)	22
Employee profit-sharing	(9)	(9)	(7)	(6)	(4)
Net income after tax, employee profit-sharing, depreciation, amortisation, provisions and impairment	3,998	3,459	2,529	1,165	1,343
Distributed income (including treasury shares)	2,772	2,662	1,389	852	489
Earnings per share in euros					
Net income after tax and employee profit-sharing but before depreciation, amortisation, provisions and impairment	40.31	34.22	24.57	12.61	13.60
Net income after tax, employee profit-sharing, depreciation, amortisation, provisions and impairment	37.88	32.77	23.95	11.04	12.72
Net dividend paid per share	26.00[1]	25.00	13.00	8.00	4.55
Employees					
Number of employees (average workforce)	616	631	549	524	497
Payroll in millions of euros	(113)	(107)	(84)	(78)	(71)
Employee benefits paid in the year in millions of euros[2]	(67)	(65)	(55)	(35)	(37)

(1) Subject to the decisions of the Ordinary General Meeting of 30 April 2025. An ordinary dividend of €16.00 will be proposed, including an interim payment of €3.50 paid in February 2025. An exceptional dividend of €10.00 per share will also be proposed to the General Meeting.
(2) The expenses included in this figure, relating to free share plans, are limited to Company employees (see Note 3.2).

6.8 INFORMATION ON PAYMENT TERMS

	Invoices received, due but not paid at year-end closing date (table provided for under I of Article D. 441-6 of the French Commercial Code (*Code de commerce*))				
	Article D. 441-6, I-1° of the French Commercial Code (*Code de Commerce*): Invoices received, due but not paid at year-end closing date				
	0 days (indicative)	1 to 30 days	31 to 90 days	91 days and over	Total (1 day and over)
(A) Late payment tranches					
Number of invoices involved					49
Total amount of invoices concerned excluding tax		0	0	0	0
Percentage of the total amount of purchases excluding tax for the financial year		0%	0%	0%	0%
Percentage of revenue excluding tax for the financial year					
(B) Invoices excluded from (A) in connection with payables and receivables that are disputed or not recognised					
Number of invoices excluded					
Total amount of excluded invoices					
(C) Reference payment deadlines used (contractual or statutory deadline – Article L. 441-6 or Article L. 443-1 of the French Commercial Code (*Code de commerce*))					
Reference payment deadlines used for calculating late payments		Legal deadline			

	Invoices issued, due but not paid at year-end closing date (table provided for under I of Article D. 441-6 of the French Commercial Code (*Code de commerce*))				
	Article D. 441-6, I-2° of the French Commercial Code (*Code de Commerce*): Invoices issued, due but not paid at year-end closing date				
	0 days (indicative)	1 to 30 days	31 to 90 days	91 days and over	Total (1 day and over)
(A) Late payment tranches					
Number of invoices involved					345
Total amount of invoices concerned excluding tax		9	4	10	22
Percentage of the total amount of purchases excluding tax for the financial year					
Percentage of revenue excluding tax for the financial year		1%	0%	1%	3%
(B) Invoices excluded from (A) in connection with payables and receivables that are disputed or not recognised					
Number of invoices excluded					
Total amount of excluded invoices					
(C) Reference payment deadlines used (contractual or statutory deadline – Article L. 441-6 or Article L. 443-1 of the French Commercial Code (*Code de commerce*))					
Reference payment deadlines used for calculating late payments		Legal deadline			

6.9 OTHER INFORMATION ON THE PARENT COMPANY FINANCIAL STATEMENTS

6.9.1 INFORMATION ON BRANCHES

In application of Article L. 232-1 of the French Commercial Code (*Code de commerce*), the following list details branches (secondary establishments) of the Company as at 31 December 2024:

Address	SIRET
Paris	
13-15, rue de la Ville-l'Évêque 75008 Paris	572 076 396 00173
10-12, rue d'Anjou 75008 Paris	572 076 396 00215
51, rue François Ier 75008 Paris	572 076 396 00132
20, rue de la Ville-l'Évêque 75008 Paris	572 076 396 00090
25, rue de la Ville-l'Évêque 75008 Paris	572 076 396 00249
27, rue de la Ville-l'Évêque 75008 Paris	572 076 396 00181
8, rue de Penthièvre 75008 Paris	572 076 396 00231
Pantin	
48, rue Auger 93500 Pantin	572 076 396 00223
110 B, avenue du Général-Leclerc 93500 Pantin	572 076 396 00207

6.9.2 INFORMATION ON THE AMOUNT OF INTER-COMPANY LOANS

Hermès International did not grant any inter-company loans (loans of less than two years granted to micro-companies or small and medium-sized companies with which Hermès International has economic links) in 2024.

6.9.3 EQUITY INVESTMENTS IN COMPANIES HAVING THEIR REGISTERED OFFICE IN FRANCE (ARTICLE L. 233-6 OF THE FRENCH COMMERCIAL CODE (*CODE DE COMMERCE*))

No significant equity investments in companies with their registered office in France took place in the financial year.

7

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7.1 PRESENTATION OF HERMÈS INTERNATIONAL

7.1.1 GENERAL INFORMATION ON HERMÈS INTERNATIONAL

Applicable legislation

French legislation.

Date of incorporation and expiry

The Company was incorporated on 1 June 1938 and its duration is set to expire as at 31 December 2090.

Trade and Companies Register – LEI

The company Hermès International is registered with the Paris Trade and Companies Register under number 572 076 396, APE code 7010Z.

The LEI number of the Company is 969500Y4IJGHJE2MTJ13.

Financial year

The financial year begins on 1 January and ends on 31 December of the same year.

Registered office – Principal, administrative headquarters

The registered office of Hermès International is located at 24, rue du Faubourg Saint-Honoré, 75008 Paris, France.

The Company's principal administrative headquarters and its legal department are located at 13-15, rue de la Ville-l'Évêque, 75008 Paris, France.

Website

The Company's website can be accessed at the following address: https://finance.hermes.com/en/.

The information on this site does not form part of this universal registration document unless it is incorporated by reference (see chapter 9 "Additional Information", § 9.4).

Date of initial public offering

The company Hermès International was taken public on the Second Marché of the Paris Stock Market on 3 June 1993. It has been listed by Euronext (Compartment A) since 2005.

Hermès International was listed on the CAC 40 index on 18 June 2018 and the EURO STOXX 50 index on 20 December 2021.

Hermès International has been included since 17 September 2021 in the CAC 40 ESG index, which includes 40 companies on the basis of their environmental, social and governance performance and is based on the rating of V.E. Moody's ESG.

Legal form

The company Hermès International was converted into a société en commandite par actions (partnership limited by shares) by a decision of the Extraordinary General Meeting held on 27 December 1990, in order to preserve its identity and culture and thus ensure its sustainability over the long term, in the interests of the Group and all shareholders.

A presentation of this legal form and its governance can be found in chapter 3 "Corporate governance", § 3.2.

7.1.2 ROLE OF HERMÈS INTERNATIONAL

Hermès International is the Group's parent company. Its purpose is:

- to define the Group's strategy and its focuses for development and diversification;
- to oversee the operations of its subsidiaries and to provide corporate, financial, legal and commercial assistance;
- to manage the Group's real estate assets;
- to protect and defend its trademarks, designs, models, and patents;
- to maintain a documentation centre and make it available to the subsidiaries;
- to ascertain that the style and image of each brand name is consistent throughout the world and, for this purpose, to design and orchestrate advertising campaigns, actions and publications to support the various business activities;
- to provide guidance in design activities and to ensure that the Hermès spirit is consistently applied in each métier. It derives its funds from:
  - dividends received from subsidiaries,
  - royalties from trademarks, licensed exclusively to Group subsidiaries, namely, Hermès Sellier, Le Comptoir Nouveau de la Parfumerie and La Montre Hermès.

Hermès brands, which belong to Hermès International, are protected by trademarks in many countries, for all categories of products in each of the Group's business sectors.

Hermès International's scope of consolidation encompasses 157 subsidiaries. A brief presentation of the Group can be found in chapter 1 "Summary description of the Group as at 31 December 2024", § 1.4.1.

7.1.3 COMMENTED ARTICLES OF ASSOCIATION OF HERMÈS INTERNATIONAL

The texts of the rules of procedure of the Supervisory Board and its committees, as well as the Articles of Association of the Company are made available at each update, in English and French, and in full, at https://finance.hermes.com/en/governing-bodies/.

Additional information is provided in insets in italics.

1 – Form

The Company is a *société en commandite par actions* (partnership limited by shares) between:

- its Limited Partners; and
- its Active Partner, Émile Hermès SAS with its registered office located at 23, rue Boissy d'Anglas in Paris (75008). The Company is governed by the laws and regulations applicable to *sociétés en commandite par actions* (partnership limited by shares) and by these Articles of Association.

The rules governing the operation of a société en commandite par actions (partnership limited by shares) are the following:

- the Active Partners are jointly and severally liable for all the Company's debts, for an indefinite period of time;
- the Limited Partners (or shareholders), who contribute capital, are liable in this capacity as shareholders only up to the amount of their contribution;
- the same party may be both an Active Partner and a Limited Partner;
- one or more Executive Chairmen, selected from among the Active Partners or from outside the Company, are chosen to manage the Company;
- the Supervisory Board is appointed by the Shareholders' Ordinary General Meeting (the Active Partners, even Limited Partners, cannot participate in their appointment): it assumes permanent control of the management of the Company and has the same powers for this purpose as the Statutory Auditors.

2 – Purpose

The Company's purpose, in France and in other countries, is:

- to acquire, hold, manage, and potentially sell direct or indirect equity interests in any legal entity engaged in the creation, production and/or sale of quality products and/or services, and, in particular, in companies belonging to the Hermès Group;
- to provide guidance to the Group it controls, in particular by providing technical assistance services in the legal, financial, corporate, and administrative areas;
- to develop, manage and defend all rights it holds to trademarks, patents, designs, models, and other intellectual or industrial property, and in this respect, to acquire, sell or license such rights;
- to participate in promoting the products and/or services distributed by the Hermès Group;
- to purchase, sell and manage all property and rights needed for the Hermès Group's business operations and/or for asset and cash management purposes; and
- more generally, to engage in any business transaction of any kind whatsoever in furtherance of the corporate purpose.

3 – Company name

The Company's name is "Hermès International".

4 – Registered office

The Company's registered office is located at 24, rue du Faubourg Saint-Honoré, 75008 Paris, France.

It may be transferred:

- to any other location in the same department, by a decision of the Executive Management, subject to ratification of such decision at the next Ordinary General Meeting; and
- to any other location, by a decision of the Extraordinary General Meeting.

5 – Duration

The Company will be dissolved automatically on 31 December 2090, unless it is dissolved previously or unless its duration is extended.

6 – Share capital – Contributions

6.1 – The share capital is **€53,840,400.12.**

It is made up of **105,569,412** shares, all of them fully paid up, which are apportioned among the shareholders in proportion to their rights in the Company.

6.2 – The Active Partner, Émile Hermès SAS, has transferred its business know-how to the Company, in consideration for its share of the profits.

The par value of one share is €0.51, after two three-for-one splits since the initial public offering, on 6 June 1997 and 10 June 2006.

7 – Increase and reduction in share capital

7.1 – The share capital may be increased either by the issuance of ordinary shares or preference shares, or by increasing the par value of existing equity securities.

7.2 – The General Meeting, voting in accordance with the quorum and majority requirements stipulated by law, has the authority to decide to increase the share capital. It may delegate this authority to the Executive Management. The General Meeting that decides to effect a capital increase may also delegate the power to determine the terms and conditions of the issue to the Executive Management.

7.3 – In the event of a capital increase effected by capitalisation of sums in the share premiums, reserves or retained earnings accounts, the shares created to evidence the relevant capital increase shall be distributed only among the existing shareholders, in proportion to their rights to the share capital.

7.4 – In the event of a capital increase for cash, the existing share capital must first be fully paid up. The shareholders have preemptive subscription rights, which may be waived under the conditions stipulated by law.

7.5 – Any contributions in kind or stipulation of special advantages made at the time of a capital increase are subject to the approval and verification procedures applicable to such contributions and instituted by law.

7.6 – The Shareholders' Extraordinary General Meeting, or the Executive Management when granted special authority for this purpose, and subject to protecting the rights of creditors, may also decide to reduce the share capital. In no event shall such a capital reduction infringe upon the principle of equal treatment of shareholders.

7.7 – The Executive Management has all powers to amend the Articles of Association as a result of a capital increase or reduction and to undertake all formalities in connection therewith.

8 – Payment for shares

8.1 – Payment in consideration for newly created shares may be made in cash, including by set-off against liquid claims due by the Company; by contributions in kind; by capitalisation of reserves, earnings or share premiums; or as the result of a merger or demerger.

8.2 – Within the framework of resolutions adopted by the General Meeting, the Executive Chairman calls the funds required to pay for the shares.

Any late payment of amounts due for the shares shall automatically bear interest payable to the Company at the legal interest rate plus three percentage points, and no legal action or formal notice shall be required to collect such interest.

9 – Form of the shares

9.1 – All shares issued by the Company are in registered form until they have been fully paid up. Fully-paid up shares may be in registered or bearer form, at the shareholder's discretion. They are registered on a securities account under the terms and conditions provided by law.

The General Meeting of 29 May 2012 established the requirement for holding shareholdings in registered form when they exceed the 0.5% threshold; non-compliance with this obligation to be sanctioned by the loss of voting rights.

9.2 – The Company may, at any time, in accordance with the applicable laws and regulations, request communication from the central custodian or any securities clearing organisation or authorised intermediary to enable it to identify the owners of securities giving immediate or future rights to vote at General Meetings, as well as the number of securities held by each such owner and any restrictions that may apply to the securities.

Clearing and settlement of the shares in France are carried out by Euroclear.

Hermès International ordinarily exercises this option once a year, as at 31 December.

10 – Transfer of shares

Shares are freely transferable. Transfers are effected under the terms and conditions provided by law.

11 – Crossing of threshold disclosures

Any natural person or legal entity, acting alone and/or jointly, coming into possession, in any manner whatsoever, within the meaning of Articles L. 233-7 *et seq.* of the French Commercial Code (*Code de commerce*), of a number of shares representing 0.5% of the share capital and/or of the voting rights in General Meetings (or any multiple of this percentage), at any time, even after attaining one of the thresholds provided for by Articles L. 233-7 *et seq.* of the French Commercial Code (*Code de commerce*), must, within five stock market trading days from the date this threshold is exceeded, request the registration of their shares in nominative form. This nominative registration requirement applies to all shares already owned, as well as any that come into ownership beyond this threshold. A copy of the nominative registration application, sent by registered post with acknowledgement of receipt to the registered office within 10 stock market trading days from the date on which the threshold is attained, shall constitute a declaration of attaining the ownership threshold in question. The registration requirement for securities also applies to any natural person or legal entity, acting alone and/or jointly, coming into possession, in any manner whatsoever according to the meaning of Articles L. 233-7 *et seq.* of the French Commercial Code (*Code de commerce*), of a number of shares representing 0.5% of the share capital and/or of the voting rights in General Meetings. These persons are given a period of 20 stock market trading days after the General Meeting on 29 May 2012 to comply with this obligation.

In the event of failure to comply with the above requirements, the shares that exceed the threshold subject to disclosure or having been subject to disclosure shall be disqualified from voting rights.

In the event of regularisation, the corresponding voting rights can only be exercised once the period stipulated by law and current regulations has expired. Unless one of the thresholds covered by the aforementioned Article L. 233-7 is exceeded, this sanction shall be applied only at the request of one or several shareholders individually or collectively holding at least 0.5% of the Company's share capital and/or voting rights and duly recorded in the minutes of the General Meeting.

12 – Rights and obligations attached to the shares

12.1 – The shares are indivisible with regard to the Company. Co-owners of undivided shares must be represented with regard to the Company and at General Meetings by one of them only or by a single representative. In the event of a disagreement, their representative shall be appointed by the Court at the request of the co-owner who takes the initiative to refer this matter to the Court.

12.2 – Each share shall give the holder the right to cast one vote at Shareholders' General Meetings.

However, double voting rights are allocated to:

- any fully-paid up registered share which has been duly recorded on the books in the name of the same shareholder for a period of at least four years from the date of the first General Meeting following the fourth anniversary of the date when the share was registered on the books; and
- any registered share allotted for no consideration to a shareholder, in the event of a capital increase effected by capitalisation of sums in the share premiums, reserves or retained earnings accounts, in proportion to any existing shares which carry double voting rights.

The double voting right automatically ceases to exist in the conditions stipulated by law.

Double voting rights were instituted by the Extraordinary General Meeting of 27 December 1990.

Voting rights attached to the shares are exercised by the bare owners at all General Meetings (ordinary, extraordinary or special meetings), save for decisions regarding the allocation of net income, in which case the usufructuary shall exercise the voting rights.

This allocation was approved by the Extraordinary General Meeting of 6 June 2006.

12.3 – Each share gives the holder a right of ownership in the Company's assets, its profits, and any winding-up surplus, in proportion to the percentage of ownership it represents.

All shares are of equal par value and are identical in all respects, except with respect to the date on which they are eligible for the dividend.

12.4 – Ownership of a share automatically entails compliance with the Company's Articles of Association and with resolutions duly adopted by the Shareholders' General Meeting.

12.5 – Whenever ownership of a certain number of shares is required in order to exercise any right whatsoever, owners of single shares, or with an insufficient number of shares, may only exercise such rights if they personally arrange to consolidate their shares, or arrange for the purchase or sale of a sufficient number of shares.

13 - Death. Prohibition. Personal bankruptcy. Insolvency. Receivership or compulsory liquidation of a partner

The Company has two classes of partners:

- *shareholders, who are "Limited Partners";*
- *Active Partners.*

Since 1 April 2006, there has been only one Active Partner: Émile Hermès SAS.

13.1 – Shareholders

The Company shall not be dissolved in the case of the death, legal prohibition or personal bankruptcy of a shareholder, or due to the initiation of insolvency, receivership or compulsory liquidation proceedings against that shareholder.

13.2 – Active Partner

13.2.1 – In the event that an Active Partner should be prohibited by law from engaging in a business profession, or in the case of personal bankruptcy, or insolvency, receivership or compulsory liquidation proceedings should be initiated against them, such Active Partner shall automatically lose their status as Active Partner *ipso jure*; the Company shall not be dissolved. Neither shall the Company be dissolved if an Active Partner who is a natural person and who was appointed Executive Chairman ceases to hold this office.

If, as a result of this loss of status, the Company no longer has any Active Partners, a Shareholders' Extraordinary General Meeting must be called forthwith, either to appoint one or more new Active Partners, or to change the legal form of the Company. Such change does not entail the creation of a new legal entity.

If an Active Partner loses their status as such, they shall have the right to receive their share of the Company's profits, pro-rated until the day such status is lost, in full settlement of all amounts due.

13.2.2 – The Company shall not be dissolved in the event of the death of an Active Partner. If, as a result of this death, the Company no longer has any Active Partners, a Shareholders' Extraordinary General Meeting must be called forthwith, either to appoint one or more new Active Partners, or to change the legal form of the Company. Such change does not entail the creation of a new legal entity.

This also applies if the Company has only one Active Partner and if that Active Partner loses their status as such for any reason whatsoever.

The beneficiaries, heirs, or the surviving spouse, if any, of the deceased Active Partner shall have the right to receive the deceased Active Partner's share of the Company's profits, pro-rated until the day such status is lost, in full settlement of all amounts due.

14 – Responsibility and powers of the Active Partner

14.1 – The Active Partners are jointly and severally liable for all the Company's debts, for an indefinite period of time.

14.2 – Each Active Partner has the power to appoint and revoke the appointment of any Executive Chairman, acting on the Supervisory Board's reasoned opinion under the conditions provided in the Article entitled "Executive Management".

Acting by unanimous consent, the Active Partners:

- take the following decisions for the Group, on the Supervisory Board's recommendation:
  - strategic options,
  - consolidated operating and investment budgets, and
  - decide on any proposal submitted to the General Meeting pertaining to the appropriation of share premiums, reserves or retained earnings;
- may formulate recommendations to the Executive Management on all issues of general interest to the Group;
- authorise any loans of the Company whenever the amount of such loans exceeds 10% of the amount of the consolidated net worth of the Hermès Group, as determined based on the consolidated financial statements drawn up from the latest approved accounts (the "Net Worth");
- authorise any sureties, endorsements or guarantees and any pledges of collateral and encumbrances on the Company's property, whenever the claims guaranteed amount to more than 10% of the Net Worth;
- authorise the creation of any company or the acquisition of an interest in any commercial, industrial or financial operation, movable or immovable property, or any other operation, in any form whatsoever, whenever the amount of the investment in question amounts to more than 10% of the Net Worth.

14.3 – In order to maintain its status of Active Partner, and failing which it will automatically lose such status *ipso jure*, Émile Hermès SAS must maintain in its Articles of Association clauses that, in their original wording or in any new wording as may be approved by the Supervisory Board of the present Company by a three-quarters majority of the votes of members present or represented, stipulating the following:

- the legal form of Émile Hermès SAS is that of a *société par actions simplifiée* (simplified joint stock company) *à capital variable* (with variable capital);
- the exclusive purpose of Émile Hermès SAS is:
  - to serve as Active Partner and, if applicable, as Executive Chairman of Hermès International,
  - potentially to own an equity interest in Hermès International; and
- to carry out all transactions in view of pursuing and accomplishing these activities and to ensure that any liquid assets it may hold are appropriately managed;

- only the following may be partners in Émile Hermès SAS, or, more generally, hold securities allowing them to become partners in Émile Hermès SAS:
  - the descendants of Mr Émile-Maurice Hermès and his wife, born Julie Hollande, and
  - their spouses, but only as usufructuaries of the shares; and
- each partner of Émile Hermès SAS must have deposited, or arrange to have deposited, shares in the present company in the corporate accounts of Émile Hermès SAS in order to be a partner of this company.

14.4 – Any Active Partner who is a natural person and who has been appointed to the office of Executive Chairman shall automatically lose their status as Active Partner immediately upon termination of their office of Executive Chairman for any reason whatsoever.

14.5 – All decisions of the Active Partners are recorded in minutes, which are entered in a special register.

15 – Executive Management

15.1 – The Company is managed and administered by one or two Executive Chairmen, who may be, but are not required to be, Active Partners in the Company. If there are two Executive Chairmen, any provision of these Articles of Association mentioning "the Executive Chairman" shall apply to each Executive Chairman. The Executive Chairmen may act jointly or separately.

The Executive Chairman may be a natural person or a legal entity, which may be but is not required to be an Active Partner.

At this time, the Company is administered by two Executive Chairmen:

- *Mr Axel Dumas, appointed by decision of the Active Partner, after receipt of the reasoned opinion of the Supervisory Board, on 4 June 2013 (effective 5 June 2013);*
- *Émile Hermès SAS, which was appointed by a resolution, approved by the Active Partners, with the reasoned opinion of the Supervisory Board, dated 14 February 2006 (appointment effective as at 1 April 2006).*

15.2 – The Executive Chairman's term of office is open-ended. During the Company's lifetime, the power to appoint an Executive Chairman is exclusively reserved for the Active Partners, acting on the Supervisory Board's recommendation. Each Active Partner may act separately in this respect.

15.3 – The appointment of an Executive Chairman is terminated in the case of death, disability, legal prohibition, or due to the initiation of insolvency, receivership or compulsory liquidation proceedings against that Executive Chairman; if the appointment is revoked; if the Executive Chairman resigns; or when the Executive Chairman reaches the age of 75.

The Company shall not be dissolved in the event of the termination of duties of an Executive Chairman for any reason whatsoever. An Executive Chairman who wishes to resign must notify the Active Partners and the Supervisory Board thereof at least six months in advance, by registered post, unless each of the Active Partners, after soliciting the opinion of the Supervisory Board, has agreed to reduce this notice period.

An Executive Chairman's appointment can be revoked only by an Active Partner, acting on the Supervisory Board's reasoned opinion. In the event that the Supervisory Board recommends against revocation, the Active Partner in question must suspend its decision for a period of at least six months. At the end of this period, if it persists in its wish to revoke the appointment of the Executive Chairman in question, that Active Partner must again solicit the opinion of the Supervisory Board, and once it has obtained a favourable recommendation from the Board, it may revoke the appointment of that Executive Chairman.

16 – Authority of the Executive Management

16.1 – Relationships with third parties

Each Executive Chairman is invested with the broadest of powers to act on the Company's behalf, in all circumstances. They shall exercise these powers within the scope of the corporate purpose and subject to those powers expressly granted by law to the Supervisory Board and to Shareholders' General Meetings.

16.2 – Relationships among the partners

In relationships among partners, the Executive Management holds the broadest of powers to undertake all management acts, but only if such acts are in the Company's interests and subject to those powers granted to the Active Partners and to the Supervisory Board by these Articles of Association.

16.3 – Delegations

The Executive Chairmen may, under their responsibility, delegate all powers as they see fit and as required for the proper operation of the Company and its Group.

They may issue a limited or unlimited blanket delegation of powers to one or more Executives of the Company, who then take on the title of Managing Director.

17 – Compensation of the Executive Management

The Executive Chairman (or, where there is more than one, each Executive Chairman) shall have the right to receive compensation set by the Articles of Association ("statutory compensation") and, potentially, additional compensation, the maximum amount of which shall be determined by the Ordinary General Meeting, with the approval of the Active Partner or, if there are several Active Partners, with their unanimous approval.

The gross annual compensation set by the Articles of Association ("statutory compensation") of the Executive Chairman (or, where there is more than one, of each Executive Chairman) for the financial year shall not be more than 0.20% of the Company's consolidated income before tax for the previous financial year.

However, if there are more than two Executive Chairmen, the combined total gross annual compensation set by the Articles of Association ("statutory compensation") of all Executive Chairmen shall not be more than 0.40% of the Company's consolidated income before tax for the previous financial year.

Within the maximum amounts set forth herein, the Executive Management Board of the Active Partner, Émile Hermès SAS, shall determine the effective amount of the annual compensation set by the Articles of Association ("statutory compensation") of the Executive Chairman (or, where there is more than one, of each Executive Chairman).

Details on the compensation policy for Executive Chairmen are presented in the Supervisory Board report on corporate governance (see chapter 3 "Corporate governance", § 3.8.1.1 and § 3.8.1.2).

18 – Supervisory Board

The composition of the Supervisory Board is described in the Supervisory Board's report on corporate governance (see chapter 3 "Corporate governance", §3.4.5). The provisions of Article L. 226-4-1 of the French Commercial Code (Code de commerce) (by reference to Article L. 22-70-74 of the same code), which require that the proportion of members of the Supervisory Board of each gender must not be below 40% and that when the Board comprises a maximum of eight members, the difference between the number of members of each gender may not be higher than two, apply to and are followed by the Company.

18.1 – The Company is governed by a Supervisory Board consisting of three to 15 members (not including employee representative members appointed pursuant to the conditions of Article 18.6 below), selected from amongst shareholders who are neither Active Partners, nor legal representatives of an Active Partner, nor the Executive Chairman. When appointments to the Supervisory Board come up for renewal, the number of Supervisory Board members is fixed by a decision adopted by the Active Partners by unanimous vote.

In a decision dated 23 September 2019, the Active Partner increased the number of Supervisory Board members to 14 (including employee representatives) with effect from 12 November 2019.

Supervisory Board members may be natural persons or legal entities.

At the time of their appointment, legal entities must designate a Permanent Representative who is subject to the same terms, conditions and obligations and incurs the same liabilities as if they were a Supervisory Board member in their own name, without prejudice to the joint and several liability of the legal entity they represent. The Permanent Representative serves for the same term of office as the legal entity they represent.

If the legal entity revokes its representative's appointment, it is required to notify the Company thereof forthwith by registered post, and to state the identity of its new Permanent Representative. This requirement also applies in the event the Permanent Representative should die, resign, or become incapacitated for an extended period of time.

18.2 – Supervisory Board members are appointed or their terms are renewed by the Shareholders' Ordinary General Meeting. The Active Partners may, at any time, propose that one or more new Supervisory Board member(s) be nominated.

Supervisory Board members are appointed for a term of three years. As an exception to this rule, in order to ensure that one-third of the Supervisory Board members will stand for re-election each year, the General Meeting may decide to appoint one or more Board members for one or two years, and who may be designated by drawing lots, as necessary.

The General Meeting of 2 June 2009 approved a provision calling for one-third of Supervisory Board members to stand for re-election each year.

18.3 – No person over the age of 75 shall be appointed to the Supervisory Board if, as a result of such appointment, more than one-third of the Board members would be over that age.

18.4 – The appointments of Supervisory Board members can be revoked by a resolution adopted by the Ordinary General Meeting only for cause, on the joint recommendation of the Active Partners, acting by unanimous consent, and the Supervisory Board.

18.5 – In the event of a vacancy or vacancies caused by the death or resignation of one or more Supervisory Board members, the Supervisory Board may appoint an interim replacement member within three months as from the effective date of the vacancy.

However, if no more than two Supervisory Board members remain in office, the member or members in office, or, in their absence, the Executive Chairman, or in their absence, the Statutory Auditor or Auditors, shall immediately call a Shareholders' Ordinary General Meeting for the purpose of filling the vacancies to bring the number of Board members up to the required minimum.

18.6 – Where the provisions of Article L. 225-79-2 of the French Commercial Code (*Code de commerce*) are applicable to the Company, one or more members, natural persons, representing the Group's employees must be appointed under the conditions set by the above-mentioned article. The number of Supervisory Board members taken into account, when determining the number of employee representatives to be appointed to the Supervisory Board, is assessed on the date of appointment of the employee representatives. Neither the Supervisory Board members elected by the employees under Article L. 225-27 of the French Commercial Code (*Code de commerce*), nor the employee shareholder Supervisory Board members appointed in accordance with Article L. 225-23 of the French Commercial Code (*Code de commerce*) are therefore taken into account.

The term of office for employee representative Supervisory Board members is indicated in Article 18.2 of the present Articles of Association.

A reduction in the number of Supervisory Board members, within the framework of the application of the provisions of Article L. 225-79-2 of the French Commercial Code (Code de commerce), will have no effect on the term of office of all Supervisory Board members representing employees, which will come to an end upon its normal expiry.

Employee representative Supervisory Board members are appointed by the Company's Group Works Council. Employee representative Supervisory Board members must be in possession of an employment contract, for at least the past two years, with the Company or one of its direct or indirect subsidiaries having its registered office in France or abroad. Notwithstanding the rule contained in Article 18.1 of the present Articles of Association, employee representative Supervisory Board members are not required to be shareholders.

The process of selecting Supervisory Board members representing employees is described in the Supervisory Board's report on corporate governance (see chapter 3 "Corporate governance", §3.4.2.1.2). In accordance with this process, candidates submitted by representative trade union organisations and employee representative bodies are examined by the Group Works Council, which appoints two employee representatives to the Supervisory Board, one male and one female, in two rounds. Thus, the appointment of Supervisory Board members representing employees, elected or appointed pursuant to Article L. 225-79-2 of

the French Commercial Code (Code de commerce), respects the obligation of balanced representation of women and men mentioned in Article L. 225-69-1 of the same code.

18.7 – All Supervisory Board members must comply with the Supervisory Board rules of procedure.

The Combined General Meetings of 3 June 2014 and 24 April 2020 amended Article 18 of the Articles of Association in order to introduce procedures for appointing employee representative members of the Supervisory Board, and to take into account the strengthening of the employee representation on the Supervisory Board provided for by law no. 2019-486 of 22 May 2019 on the growth and transformation of companies ("Pacte" law).

19 – Deliberations of the Supervisory Board

The Supervisory Board's operations are described in chapter 3 "Corporate governance", § 3.5.

19.1 – The Supervisory Board elects a Chairman, who is a natural person, and two Vice-Chairmen, from among its members.

It appoints a secretary who may be, but is not required to be, a Supervisory Board member.

If the Chairman is absent, the older of the two Vice-Chairmen acts as Chairman.

19.2 – The Supervisory Board meets when convened by its Chairman or by the Executive Management, whenever required for the Company's best interest but no less than twice per year, at the Company's registered office or at any other place specified in the notice of meeting.

Notices are served by any means providing legally valid proof in business matters, at least seven business days before the meeting. This period of time may be shortened by unanimous approval of the Chairman or a Vice-Chairman of the Supervisory Board, the Active Partners and the Executive Management.

Any member of the Supervisory Board may give a proxy to one of their colleagues to represent them at a Board meeting, by any means providing legally valid proof in business matters. Each member may hold only one proxy during a given meeting. These provisions are applicable to the Permanent Representative of a legal entity that is a member of the Supervisory Board.

The Supervisory Board is duly convened only if a quorum consisting of at least half of its members is present or represented.

Resolutions are adopted by a majority of the votes of members present or represented. However, the Supervisory Board must approve or reject any proposed new wording of certain clauses of the Articles of Association of Émile Hermès SAS by a three-quarters majority of members present or represented, in accordance with the stipulations of the Article entitled "Responsibility and powers of the Active Partners."

Supervisory Board members who participate in the meeting by video-conferencing or telecommunications means that enable them to be identified and effectively to participate in the meeting through the use of technology providing for continuous and simultaneous transmission of discussions are deemed to be present for purposes of calculating the quorum and majority, except at Supervisory Board meetings convened for the review and verification of the annual report and consolidated and parent company financial statements. The Supervisory Board defines the conditions and procedures for using video-conferencing or other telecommunications means when applicable. The Executive Management must be convened to Supervisory Board meetings and may attend such meetings, but it does not have the right to participate in the discussion and to vote.

19.3 – The deliberations of the Supervisory Board are recorded in minutes, which are entered in a special initialled register and signed by the Chairman and the secretary.

20 – Authority of the Supervisory Board

20.1 – The Supervisory Board exercises ongoing control over the Company's management.

For this purpose, it has the same powers as the Statutory Auditors and receives the same documents as they do, at the same time. In addition, the Executive Management must submit a detailed report to the Supervisory Board on the Company's operations at least once a year.

20.2 – The Supervisory Board submits to the Active Partners its reasoned opinion:

- on the nomination and dismissal of any Executive Chairman of the Company; and
- in the case of the Executive Chairman's resignation, on reducing the notice period.

20.3 – Each year, the Supervisory Board determines the proposed allocation of profits to be submitted to the General Meeting.

20.4 – The Supervisory Board approves or rejects any proposed new wording of certain clauses of the Articles of Association of Émile Hermès SAS in accordance with the stipulations of the Article entitled "Responsibility and powers of the Active Partners".

20.5 – The Active Partners must consult the Supervisory Board prior to taking any decisions concerning:

- strategic options;
- consolidated operating and investment budgets; and
- proposals to the General Meeting pertaining to the appropriation of share premiums, reserves or retained earnings.

20.6 – Each year, the Supervisory Board presents a report to the Shareholders' Annual Ordinary General Meeting in which it comments on the Company's management and draws attention to any inconsistencies or inaccuracies identified in the financial statements for the year.

The Supervisory Board's report for the financial year ended on 31 December 2024 is presented in chapter 8 "Combined General Meeting of 30 April 2025", § 8.3.

This report, together with the Company's balance sheet and a list of its assets and liabilities, is made available to the shareholders and may be consulted at the Company's registered office as from the date of the notice of the General Meeting.

The Supervisory Board may convene a Shareholders' General Meeting whenever it deems this appropriate.

The functions exercised by the Supervisory Board do not entail any interference with the Executive Management, or any liability arising from the management's actions or from the results of such actions.

21 – Joint Council of the Supervisory Board and Executive Management Board of the Active Partner

21.1 – The Executive Management of the Company or the Chairman of the Company's Supervisory Board shall convene a Joint Council meeting of the Supervisory Board and of the Active Partners whenever it is deemed necessary; for the purposes of this Council, Émile Hermès SAS is represented by its Executive Management Board. Notices are served by any means providing legally valid proof in business matters, at least seven business days before the meeting. This period of time may be shortened by unanimous approval of the Chairman or a Vice-Chairman of the Supervisory Board and the Executive Chairman.

21.2 – The Joint Council meets at the place indicated in the notice of meeting. It is chaired by the Chairman of the Company's Supervisory Board, or, in the event of absence, by one of the Vice-Chairmen of the Company's Supervisory Board, or, in their absence, by the oldest Supervisory Board member present. The Executive Chairman or, if the Executive Chairman is a legal entity, its legal representative or representatives, is convened to meetings of the Joint Council.

21.3 – The Joint Council has knowledge of all matters that it addresses or that are submitted thereto by the party who convened the Joint Council meeting, but does not, in the decision-making process, have the right to act as a substitute for those bodies to which such powers are ascribed by law or by the Articles of Association of the Company and of the Active Partner that is a legal entity.

At their discretion, the Supervisory Board and Active Partners may make all decisions or issue all recommendations within their jurisdiction in a Joint Council meeting.

22 – Compensation of the Supervisory Board

Supervisory Board members may receive annual compensation, the amount of which is determined by the Shareholders' Ordinary General Meeting and shall remain unchanged until such time as a new resolution is adopted by that General Meeting.

The Board distributes this compensation among its members in the proportions it deems appropriate.

Details of the compensation policy for members of the Supervisory Board are presented in the Supervisory Board's report on corporate governance (see chapter 3 "Corporate governance", § 3.8.1.1 and § 3.8.1.3).

23 – Statutory Auditors

The Company's financial statements are audited by one or more Statutory Auditors, under the terms and conditions provided by law.

24 – Shareholders' General Meetings

24.1 – General Meetings are convened under the conditions set by law.

They are held at the registered office or at any other place specified in the notice of meeting.

24.2 – The right to participate in General Meetings is subordinated to registered shares being entered in the Company's register or bearer shares being registered in a securities account opened with an authorised financial intermediary, no later than two business days before the date of the meeting before midnight, Paris time. Shareholders owning bearer shares must obtain a shareholding certificate from the authorised financial intermediary evidencing the registration of their shares, which is attached to the postal vote or proxy form. All shareholders may cast their votes remotely or by proxy, under the conditions set forth in the applicable regulations.

On the Executive Management's decision, shareholders may vote by any telecommunication or remote transmission means, in accordance with the regulations applicable at the time of the decision. This option shall be indicated in the notice of meeting published in the Bulletin des Annonces Légales Obligatoires (BALO). Votes cast by shareholders using the electronic ballot form provided on the website created by the meeting coordinator for this purpose are counted in the same way as votes cast by shareholders present or represented. The electronic ballot may be completed and signed directly on this site by any procedure approved by Executive Management and that complies with the conditions defined by Article L. 1316-4 of the French Civil Code (*Code civil*), since repealed pursuant to the Order of 10 February 2016, becoming Article 1367 of the French Civil Code, in the first sentence of sub-paragraph 2 (namely, by using a reliable identification procedure that guarantees that the signature is linked to the form), which may consist, *inter alia* of a login name and a password. Any proxies given or votes cast *via* this electronic means before the General Meeting, and the acknowledgements of receipt sent in response, will be deemed to be irrevocable instructions that are enforceable in every way, it being specified that in the event that shares are sold before the second business day preceding the General Meeting, at midnight, Paris time, the Company will accordingly void or amend any proxy or voting instructions sent before that date. Persons invited by the Executive Chairman or by the Chairman of the Supervisory Board may also attend General Meetings. The Active Partners may attend Shareholders' General Meetings. Active Partners that are legal entities are represented by a legal representative or by any person, shareholder or otherwise, designated thereby.

The General Meeting of 7 June 2010 amended Article 24.2 of the Articles of Association to allow the Executive Management to set up an electronic balloting system applicable to all future General Meetings.

The General Meeting of 2 June 2015 amended Article 24.2 of the Articles of Association to bring it into compliance with Article R. 225-85 of the French Commercial Code (Code de commerce) resulting from Decree no. 2014-1466 of 8 December 2014, changing the method for determining the "record date" for participation in General Meetings.

24.3 – Meetings are chaired by the Chairman of the Supervisory Board or, failing that, by one of the Vice-Chairmen of the Board, or in their absence, by the Executive Chairman.

24.4 – The Ordinary and Extraordinary General Meetings, duly convened in accordance with the conditions specified by law, carry out their responsibilities in accordance with the law.

24.5 – Except for resolutions pertaining to the nomination and revocation of Supervisory Board members, the nomination and

revocation of the Statutory Auditors, the distribution of profits for the year and the approval of related-party agreements that are subject to shareholders' approval, no resolution adopted by the General Meeting shall be valid unless it is approved by the Active Partners no later than at the end of the General Meeting that voted on the relevant resolution. The Company's Executive Management has all powers to record such approval.

25 – Financial statements

Each financial year consists of 12 months, commencing on 1 January and ending on 31 December.

26 – Allocation and distribution of profits

The General Meeting approves the financial statements for the past year and duly notes the amount of distributable profits.

The Company pays 0.67% of the distributable profits to the Active Partners, at the time and place designated by the Executive Management, within nine months at most after the end of the financial year.

The Active Partners distribute this amount amongst themselves as they see fit.

The remaining distributable profits revert to the shareholders. Their allocation is decided by the Ordinary General Meeting, on the Supervisory Board's recommendation. Also on the Supervisory Board's recommendation, the General Meeting may grant to each shareholder an option to receive payment for all or part of the dividend or interim dividend in cash or in shares, under the conditions set by law.

On the Supervisory Board's recommendation, the General Meeting may decide to draw from the balance of profits reverting to the shareholders the sums it deems appropriate to be allocated to shareholders' retained earnings or to be appropriated to one or more extraordinary, general or special reserve funds, which do not bear interest, and to which the Active Partners as such have no rights.

On the unanimous recommendation of the Active Partners, the reserve fund or funds may, subject to approval by the Ordinary General Meeting, be distributed to the shareholders or allocated to the partial or total depreciation of the shares. Fully depreciated shares shall be replaced by entitlement shares with the same rights as the existing shares, with the exception of the right to reimbursement of capital.

The reserve fund or funds may also be incorporated into the share capital.

Dividends are payable at the times and places determined by the Executive Management within a maximum of nine months from the end of the financial year, unless this time period is extended by a court of law.

27 – Dissolution of the Company

At the end of the Company's lifetime or in the event of early dissolution, the General Meeting decides on the winding-up procedure and appoints one or several liquidators, whose powers are defined by the meeting and who carry out their responsibilities in accordance with the applicable laws.

Any liquidation proceeds (*boni de liquidation*) shall be distributed amongst the shareholders.

7.1.4 SIMPLIFIED ORGANISATION CHART AND MAIN SUBSIDIARIES

7.1.4.1 SIMPLIFIED ORGANISATION CHART

A brief description of the Group as at 31 December 2024 is presented in chapter 1, "Summary description of the Group as at 31 December 2024", § 1.4.1.

7.1.4.2 MAIN SUBSIDIARIES

The main companies consolidated as at 31 December 2024 (mainly distribution subsidiaries and divisional holding companies), are detailed in chapter 5 "Consolidated financial statements", note 16.

Detailed information on subsidiaries in which the gross value of shares held exceeds 5% of Hermès International's share capital can be found in chapter 6 "Parent company financial statements", note 7, § 7.3.1.

7.1.5 PRINCIPAL FLOWS BETWEEN HERMÈS INTERNATIONAL AND THE MAIN SUBSIDIARIES

As stated in § 7.1.2, Hermès International is the Group's parent company. The main flows between Hermès International and the Group's subsidiaries are presented in chapter 6 "Parent company financial statements". They cover mainly the following areas:

7.1.5.1 SERVICES

Services are primarily amounts charged back to subsidiaries for advertising and public relations services, rent, staff provided on secondment, insurance and professional fees. These services are detailed in chapter 6 "Parent company financial statements", note 2.1 "Operating income".

7.1.5.2 TRADEMARK ROYALTIES

Hermès International receives royalties from trademarks, licensed exclusively to Group subsidiaries, namely, Hermès Sellier, Le Comptoir Nouveau de la Parfumerie and La Montre Hermès. Royalties are calculated based on the production subsidiaries' revenue. These royalties are detailed in chapter 6 "Parent company financial statements", note 2.1 "Operating income".

7.1.6 INVESTMENTS

The main investments made during the financial year are described in chapter 1 "Presentation of the Group and its results", § 1.8.2.

7.2 INFORMATION ON SHARE CAPITAL AND SHAREHOLDERS AFR

7.2.1 INFORMATION ON SHARE CAPITAL

7.2.1.1 SHARE CAPITAL

	Amount	Number	Par value
As at 1/1/2024	€53,840,400.12	105,569,412	€0.51
As at 31/12/2024	€53,840,400.12	105,569,412	€0.51
On the day of the General Meeting	€53,840,400.12	105,569,412	€0.51

The shares are fully paid-up.

7.2.1.2 VOTING RIGHTS

By the 15th day of each month at the latest, the Company issues a report on the total number of voting rights and shares that makes up the share capital on the last day of the previous month and publishes it on https://finance.hermes.com/en/regulated-information.

As at 28 February 2025, the total number of voting rights (including shares deprived of voting rights) was 179,437,557. Each share gives the holder the right to at least one vote in the Shareholders' General Meetings, except for treasury shares held by the Company, which have no voting rights.

Ownership of certain shares is split between a usufructuary and a bare owner. In accordance with the Articles of Association, voting rights attached to shares are exercised by the bare owners at all General Meetings (ordinary, extraordinary or special meetings), save for decisions regarding the allocation of net income, in which case the usufructuary exercises the voting rights.

Furthermore, double voting rights are allocated to:

- any fully-paid up registered share which has been duly recorded on the books in the name of the same shareholder for a period of at least four years, applicable from the date of the first General Meeting following the fourth anniversary of the date when the share was registered on the books; and
- any registered share allotted for no consideration to a shareholder, in the event of a capital increase effected by capitalisation of sums in the share premiums, reserves or retained earnings accounts, in proportion to any existing shares that carry double voting rights.

Double voting rights cease automatically under the conditions specified by the law and notably for any share that was the subject of a conversion to bearer or a transfer, excluding any "registered to registered" transfer following succession, liquidation of community of property between spouses or family donation.

Failure to disclose attainment of certain ownership thresholds as provided by law or by the Articles of Association may disqualify the shares for voting purposes (see Article 11 of the Articles of Association, in § 7.1.2).

7.2.1.3 CHANGES IN SHARE CAPITAL OVER THE LAST THREE FINANCIAL YEARS

No change in share capital occurred over the last three financial years.

7.2.1.4 DELEGATIONS OF POWERS BY THE GENERAL MEETING

Authorisations and delegations in terms of:

- capital increase;
- merger by absorption, spin-off and partial contribution of assets subject to the legal regime for spin-offs; and
- allocation of free existing ordinary shares and stock options,

currently in force, granted by the General Meeting to the Executive Management, are summarised in chapter 3 "Corporate governance", § 3.9.4. The authorisations and delegations in terms of capital increase, merger by absorption, spin-off and partial contribution of assets subject to the legal regime for spin-offs, and the allocation of stock options have not been used during the 2024 financial year and have not been used as of the filing date of this universal registration document.

The General Meeting of 30 April 2025 is asked to renew the authorizations to reduce the share capital, increase the share capital and carry out operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime granted to the Executive Management at the General Meeting of 20 April 2023 (see chapter 8 "Combined General Meeting of 30 April 2025", § 8.2.2 - Explanatory statements to the nineteenth to twenty-eighth resolutions).

7.2.2 INFORMATION ON SHAREHOLDERS

7.2.2.1 NUMBER OF SHAREHOLDERS

The Company uses the so-called "identification on request" system resulting from Directive (EU) 2017/828 of 17 May 2017 (known as "SRD II") to identify its shareholders.

During the review as at 31 December 2024, there were approximately 214,000 shareholders, compared to approximately 185,000 as at 29 December 2023 and some 156,000 as at 30 December 2022.

7.2.2.2 PERCENTAGE OF INDIVIDUAL SHAREHOLDERS

The percentage of individual shareholders was 7.8% in December 2024, a slight rise compared with 2023 (7.7%). This percentage includes shares held by individual shareholders in registered form as at 31 December 2024 and bearer shares identified by identification on request as at 31 December 2024, excluding holdings by family groups.

7.2.2.3 PRINCIPAL SHAREHOLDERS AS AT 31 DECEMBER 2024 - CONTROL OF THE COMPANY

Hermès International is controlled through the intermediary of Émile Hermès SAS, its Active Partner, by the Hermès family group, which also holds, notably *via* the intermediary of the company H51, a majority shareholding (in share capital and voting rights) within the Company as a Limited Partner. This control is exclusive control within the meaning of Article L. 233-16 of the French Commercial Code (*Code de commerce*).

The companies H51 and H2 are held exclusively by members of the Hermès family group. To the Company's knowledge, there are no shareholders directly or indirectly holding, alone or together, more than 5% of the share capital or voting rights, other than those shown in the tables in § 7.2.2.5.

The ownership interests of Corporate Officers and Senior Executives are listed in chapter 3 "Corporate governance", § 3.10.1.

To the Company's knowledge, material changes in the ownership of the share capital over the past three years are described in § 7.2.2.6. The definition and description of the organisation of the Hermès family group are presented in chapter 9 "Additional information", § 9.6; and in chapter 3 "Corporate governance", § 3.2.1.

7.2.2.3.1 Significant movements occurring during the last three years in the distribution of its share capital and voting rights, and the reasons for these movements

There has been no significant change in the distribution of the company's share capital or voting rights over the last three years.

Information on significant movements in previous years is available in the previous universal registration documents, accessible on the website https://finance.hermes.com/en/publications.

7.2.2.3.2 Changes occurring after the closure of the financial year

To the Company's knowledge, there has been no significant change with regards to Hermès International shareholders between 31 December 2024 and the date on which this universal registration document was filed with the AMF.

7.2.2.3.3 Measures taken to prevent abusive control

Refer to chapter 3 "Corporate governance", § 3.4.7.5.

7.2.2.3.4 Measures taken to ensure a balance of powers

Refer to chapter 3 "Corporate governance", § 3.4.7.5.

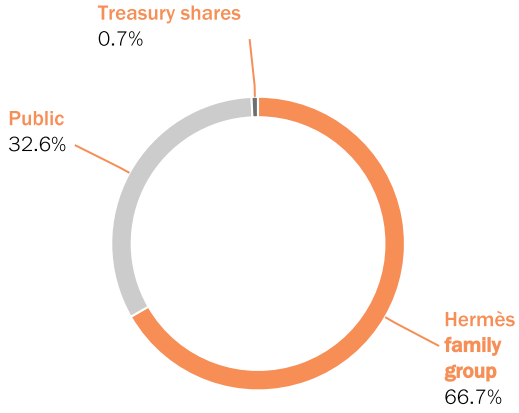
7.2.2.4 TREASURY SHARES

As at 31 December 2024, Hermès International held 731,644 treasury shares, representing 0.69% of its share capital, acquired as part of the share buyback programme presented in § 7.2.2.10.

In practice, treasury shares are mainly allocated to cover free share plans for employees (see chapter 3, "Corporate governance", § 3.8.3.2).

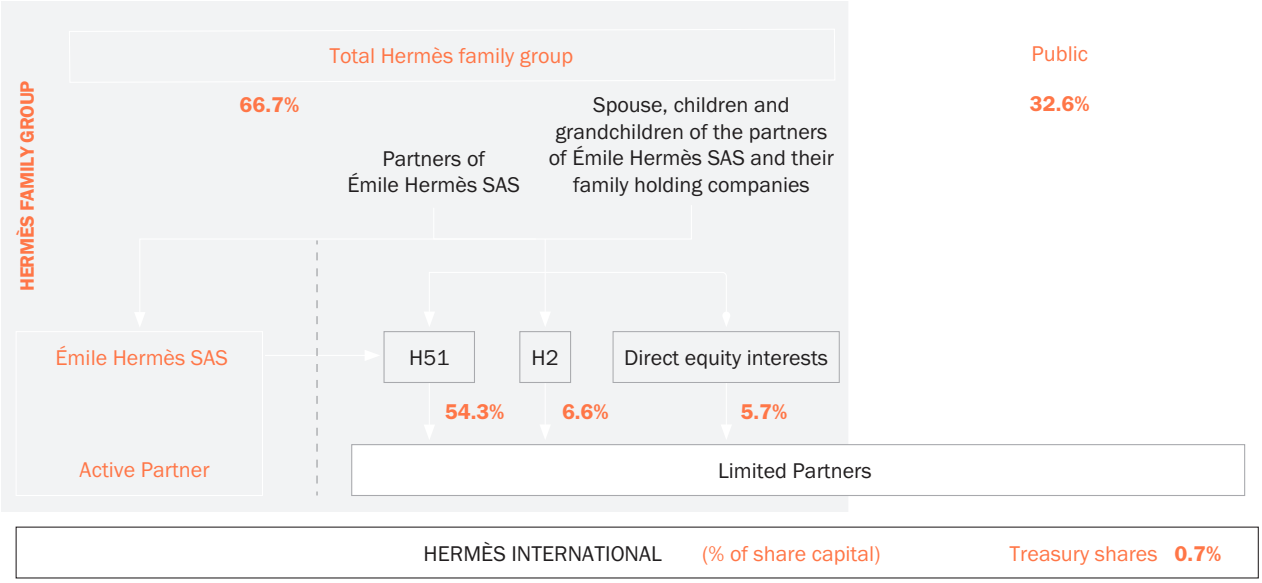
7.2.2.5 DISTRIBUTION OF SHARE CAPITAL AND VOTING RIGHTS AS AT 31 DECEMBER 2024

As at 31 December 2024 and to the Company's knowledge, the distribution of the share capital and voting rights of the Company was as follows:



These figures result, for registered shares, from the register kept by the Uptevia Securities service, and for bearer shares, from the declarations, where applicable, of interested parties, as well as shareholding analyses carried out in accordance with the procedure implemented (§ 7.2.2.1).

Changes occurring after closure of the financial year are detailed in § 7.2.2.3.2.



7.2.2.6 CHANGE IN BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS

In accordance with AMF position-recommendation no. 2021-02, the table below shows the breakdown of the Company's share capital and voting rights over the last three financial years, based on the information known to the company.

Theoretical voting rights take into account the voting rights attached to shares deprived of voting rights, in accordance with Article 223-11 of the AMF General Regulation and serving as denominator for the calculation by shareholders of their percentage ownership of the share capital and voting rights for regulatory reporting purposes (in particular threshold crossing declarations).

Voting rights exercisable at General Meetings do not take into account shares deprived of voting rights (in particular treasury shares).

	Share capital		Theoretical voting rights [1]				Voting rights exercisable at GM [1]			
			Allocation of net income		Other		Allocation of net income		Other	
	Shares	% [2]	Number	% [2]	Number	% [2]	Number	% [2]	Number	% [2]
AS AT 31 DECEMBER 2024										
H51	57,362,794	54.3	114,620,848	64.1	114,620,848	64.1	114,620,848	64.1	114,620,848	64.1
H2	7,012,602	6.6	14,025,204	7.8	14,025,204	7.8	14,025,204	7.8	14,025,204	7.8
Other members of the Hermès family group	6,069,266	5.7	7,574,921	4.2	11,653,552	6.5	7,574,921	4.2	11,653,552	6.5
Sub-total Hermès family group [3]	**70,444,662**	**66.7**	**136,220,973**	**76.2**	**140,299,604**	**78.5**	**136,220,973**	**76.2**	**140,299,604**	**78.5**
Public [4]	34,393,106	32.6	42,502,944	23.8	38,424,313	21.5	42,502,944	23.8	38,424,313	21.5
Treasury shares	731,644	0.7	731,644	0.4	731,644	0.4	-	0.0	-	0.0
TOTAL	**105,569,412**	**100**	**179,455,561**	**100**	**179,455,561**	**100**	**178,723,917**	**100**	**178,723,917**	**100**

	Share capital		Theoretical voting rights [1]				Voting rights exercisable at GM [1]			
			Allocation of net income		Other		Allocation of net income		Other	
	Shares	% [2]	Number	% [2]	Number	% [2]	Number	% [2]	Number	% [2]
AS AT 31 DECEMBER 2023										
H51	57,359,794	54.3	114,592,848	63.9	114,592,848	63.9	114,592,848	64.2	114,592,848	64.2
H2	7,012,602	6.6	14,025,204	7.8	14,025,204	7.8	14,025,204	7.9	14,025,204	7.9
Other members of the Hermès family group	6,063,995	5.7	7,465,121	4.2	11,543,567	6.4	7,465,121	4.2	11,543,567	6.5
Sub-total Hermès family group [3]	**70,436,391**	**66.7**	**136,083,173**	**75.9**	**140,161,619**	**78.1**	**136,083,173**	**76.2**	**140,161,619**	**78.5**
Public [4]	34,293,906	32.5	42,395,379	23.6	38,316,933	21.4	42,395,379	23.8	38,316,933	21.5
Treasury shares	839,115	0.8	839,115	0.5	839,115	0.5	-	0.0	-	0.0
TOTAL	**105,569,412**	**100**	**179,317,667**	**100**	**179,317,667**	**100**	**178,478,552**	**100**	**178,478,552**	**100**
AS AT 31 DECEMBER 2022										
H51	57,359,794	54.3	114,586,434	63.8	114,586,434	63.8	114,586,434	64.2	114,586,434	64.2
H2	7,012,602	6.6	13,888,704	7.7	13,888,704	7.7	13,888,704	7.8	13,888,704	7.8
Other members of the Hermès family group	6,038,887	5.7	7,512,321	4.2	11,590,767	6.5	7,512,321	4.2	11,590,767	6.5
Sub-total Hermès family group 3	**70,411,283**	**66.7**	**135,987,459**	**75.8**	**140,065,905**	**78.0**	**135,987,459**	**76.2**	**140,065,905**	**78.5**
Public 4	34,124,504	32.3	42,452,107	23.7	38,373,661	21.4	42,452,107	23.8	38,373,661	21.5
Treasury shares	1,033,625	1.0	1,033,625	0.6	1,033,625	0.6	-	0.0	-	0.0
TOTAL	**105,569,412**	**100**	**179,473,191**	**100**	**179,473,191**	**100**	**178,439,566**	**100**	**178,439,566**	**100**

(1) In accordance with Article 12 of the Articles of Association of the Company, the voting right is exercised by the bare owner for all decisions taken by all General Meetings, except for decisions concerning the allocation of net income, for which the voting right is exercised by the usufructuary. The procedures for publication and allocation of voting rights are detailed in § 7.2.1.2.
(2) Figures have been rounded to the nearest tenth. Accordingly, there may be a discrepancy in the totals between actual and rounded figures.
(3) The definition of the Hermès family group is in chapter 9 "Additional information", § 9.6.
(4) These amounts correspond to all of the shares and voting rights in circulation, reduced by the number of shares and voting rights declared by the identified shareholders as mentioned in this table.

These figures result, for registered shares, from the register kept by the Uptevia Securities service, and for bearer shares, from the declarations, where applicable, of interested parties, as well as shareholding analyses carried out in accordance with the procedure implemented (§ 7.2.2.1).

Changes occurring after closure of the financial year are detailed in § 7.2.2.3.2.

7.2.2.7 CROSSING OF THRESHOLDS

7.2.2.7.1 Crossing of thresholds occurring after the closure of the 2024 financial year

No crossing of a legal threshold was declared between the closure of the 2024 financial year and 28 February 2025.

7.2.2.7.2 Crossing of thresholds in financial year 2024

No crossing of a legal threshold was declared in 2024.

7.2.2.7.3 Reminder of crossing of thresholds in the previous two financial years

Crossing of thresholds in financial year 2023

No crossing of a legal threshold was declared in 2023.

Crossing of thresholds in financial year 2022

No crossing of a legal threshold was declared in 2022.

7.2.2.7.4 Crossing of previous thresholds for shareholders holding more than 5% of the share capital or voting rights

AMF Notice no. 217C1755 of 28 July 2017 (the full text of which is available on the AMF website – www.amf-france.org): the Hermès family group declared that it had crossed upwards, on 21 July 2017, the threshold of two-thirds of Hermès International's share capital and held 70,385,066 shares representing 130,403,428 voting rights at General Meetings in respect of decisions concerning the allocation of net income and 134,256,835 voting rights for other decisions, *i.e.*, 66.67% of the share capital and respectively 74.92% and 77.13% of the voting rights of this company, broken down as follows:

			Decisions concerning allocation of net income		Other decisions	
	Shares	% share capital	Voting rights	% voting rights	Voting rights	% voting rights
H51	56,209,021	53.24	109,244,318	62.76	109,244,318	62.76
H2	6,876,102	6.51	13,072,204	7.51	13,072,204	7.51
Other members	6,292,154	5.96	8,086,906	4.65	11,940,313	6.86
Treasury shares	1,007,789	0.95	-	-	-	-
TOTAL HERMÈS FAMILY GROUP	**70,385,066**	**66.67**	**130,403,428**	**74.92**	**134,256,835**	**77.13**

This crossing is the result of an acquisition of Hermès International shares on the market by the company H51.

7.2.2.8 EMPLOYEE OWNERSHIP OF THE SHARE CAPITAL

True to its family tradition, Maison Hermès involves all its employees around the world in the Group's sustainable and responsible growth. This is reflected in employee shareholding mechanisms that are part of the Group's long-term compensation policies and help motivate and retain its employees over time. The Hermès Group has thus offered its employees free share plans six times in France and abroad; these took place in 2007, 2010, 2012, 2016, 2019 and 2023 (see chapter 3 "Corporate governance", § 3.8.3).

The latest plans were put in place by the Executive Management in accordance with the authorisation given by the General Meeting of 20 April 2023 (twenty-eighth resolution). On 15 June 2023, the Executive Management decided to implement two new free share plans for all Group employees subject to eligibility, in particular length of service, and in accordance with the free share allocation mechanisms in force, in particular relating to reference and holding periods. These allocations are subject to presence conditions and, where applicable, performance conditions, with vesting periods of four years.

As at 31 December 2024, employee shareholding, based on plans already allocated and/or vested, involved a significant proportion of the Group's workforce, as seen in the 1,143,383 Hermès International shares held as a result of free share allocation plans and previously stock option plans, representing 1.08% of the Group's share capital. 16,000 employees in more than 35 countries (*i.e.* 73% of the Group's workforce) hold shares or rights in the process of vesting under the latest plans.

No shares in the Company are held by the employees of the Company and affiliated companies under the savings plan and the company mutual fund of the Company.

7.2.2.9 PLEDGES OF SHARES

Duly registered shares are not encumbered by any material pledges.

7.2.2.10 SHARE BUYBACK PROGRAMMES

7.2.2.10.1 Use in financial year 2024 of authorisations to buy back shares granted by the General Meeting

The Combined General Meetings of 20 April 2023 and 30 April 2024, approved share buyback programmes authorising the Executive Management, on the basis of Articles L. 22-10-62 *et seq.* of the French Commercial Code (*Code de Commerce*), to purchase, on the market or off-market, a number of shares representing up to 10% of the Company's share capital on the date of the repurchase, in order to allocate them to the objectives authorised by European regulations or to one or more market practices accepted by the French Financial Markets Authority (AMF) to date or in the future, and more generally, to allocate them to the completion of any transactions in accordance with the regulations in force.

The Combined General Meetings of 20 April 2023 and 30 April 2024 authorised the Executive Management to reduce the share capital by cancellation of repurchased shares, within the limit of 10% of the share capital per period of 24 months.

The characteristics of the delegations granted to the Executive Management are detailed in chapter 3 "Corporate governance", § 3.9.4.

During the financial year ended 31 December 2024, the Executive Management carried out the transactions shown in the table below, in the context of share buyback programmes authorising the Executive Management to buy and sell its own shares under Article L. 22-10-62 of the French Commercial Code (*Code de commerce*).

	From 1/1/2024 to 30/04/2024	From 1/5/2024 to 31/12/2024	Total
EXCLUDING THE LIQUIDITY CONTRACT			
Number of shares booked in the name of the Company as at 31 December 2023	836,695		836,695
Number of shares purchased		21,316	21,316
Reason for acquisitions	Employee shareholding	Employee shareholding	
Average price of purchases		€1,896.65	€1,896.65
Number of shares sold	108	126,924	127,032 [1]
Average price of sales	€322.08	€510.97	€510.81 [2]
Amount of net expenses excluding taxes			-
Number of shares cancelled			-
Average price of cancelled shares			-
Number of shares booked in the name of the Company as at 31 December 2024	836,587	(105,608)	730,979
Allocation:			
◆ Employee shareholding	758,214	(105,608)	652,606
◆ External growth	78,373	-	78,373
Net value assessed at cost	€693,031,648	€(24,425,359)	€668,606,289
Net value assessed at the closing rate	€1,942,555,014	€(245,221,776)	€1,697,333,238
Par value	€426,659	€(53,860)	€372,799
Fraction of the share capital that they represent	0.79%	- 0.10%	0.69%
IN THE CONTEXT OF THE LIQUIDITY CONTRACT			
Number of shares booked in the name of the Company as at 31 December 2023	2,420		2,420
Resources implemented (liquidity account)	€5,000,000	€5,000,000	€5,000,000
Number of shares purchased	18,457	92,842	111,299
Average price of purchases	€1,913.55	€2,103.61	€2,072.09
Number of shares sold	20,582	92,472	113,054
Average price of sales	€1,937.28	€2,111.03	€2,079.40
Number of shares booked in the name of the Company as at 31 December 2024	295	370	665
Net value assessed at cost	€644,723	€886,542	€1,531,265
Net value assessed at the closing rate	€684,990	€859,140	€1,544,130
Par value	€150	€189	€339
Fraction of the share capital that they represent	0.00%	0.00%	0.00%

(1) Number of shares issued to employees under share and stock option allocation plans.
(2) Average purchase price of shares issued to employees.

7.2.2.10.2 Description of the new share buyback programme proposed to the vote of the Combined General Meeting of 30 April 2025

Pursuant to Articles 241-2 and 241-3 of the AMF General Regulation, the Company hereinafter presents the share buyback programme to be submitted for the approval of the Combined General Meeting of 30 April 2025. This programme will supersede that authorised by the Combined General Meeting of 30 April 2024.

As at 28 February 2025, the share capital of the Company consisted of 105,569,412 shares, of which 732,439 treasury shares (number of shares as at the date of the operation) held by Hermès International, representing 0.69% of the share capital.

Objectives of the share buyback programme	The shares may be repurchased in order to be allocated to the objectives permitted by Regulation (EU) no. 596/2014 of 16 April 2014 on market abuse (Market Abuse Regulation – "MAR"): ◆ objectives provided for in Article 5 of the MAR: capital decrease, hedging of debt securities exchangeable for shares and coverage of employee shareholding plans; ◆ objectives provided for in Article 13 of the MAR and under the market practice accepted by the French Financial Markets Authority (AMF): the implementation of a liquidity contract by an investment service provider acting independently and in accordance with the provisions of AMF decision no. 2021-01 of 22 June 2021; ◆ other objectives: acquisitions, hedging of equity securities exchangeable for shares and, more generally, to allocate them for the completion of any transactions in accordance with the regulations in force.
Maximum share of capital that may be bought back	10% of the share capital on the date of the General Meeting: ◆ *i.e.* on the basis of the share capital issued as at 31 December 2024: 10,556,941 shares; ◆ it being specified that treasury shares held on the day of the General Meeting are not taken into account in this maximum amount.
Maximum purchase price and maximum authorised amount of funds that may be committed	◆ the maximum purchase price (excluding costs) would be set at €3,400 per share; ◆ the maximum amount of funds to be committed would be set at €8 billion. It is specified that treasury shares held on the day of the General Meeting are not taken into account in this maximum amount.
Terms & Conditions	The shares may be purchased by any means, including all or part of interventions on regulated markets, multilateral trading systems, with systematic internalisers or OTC, including block purchases of securities (without limiting the portion of the buyback programme carried out by this means), by public tender or exchange offering or the use of options or derivatives (in compliance with legal and regulatory requirements applicable at the time), excluding the sale of put options, and at the time that the Executive Management deems appropriate, including during a public offering for the shares of the Company, in accordance with stock market regulations, either directly or indirectly *via* an investment services provider. The shares acquired pursuant to this authorisation may be retained, sold, or transferred by any means, including by block sales, and at any time, including during public offerings.
Duration of the buyback programme	This authorisation would be valid for 18 months from the date of the Combined General Meeting of 30 April 2025, *i.e.* until 30 October 2026.

7.2.3 TRANSACTIONS PERFORMED BY CORPORATE OFFICERS AND THOSE CLOSE TO THEM ON THE SHARES OF THE COMPANY

In accordance with Article 223-26 of the AMF General Regulation, a summary is presented below of the transactions mentioned in Article L. 621-18-2 of the French Monetary and Financial Code carried out during the last financial year, having been declared and of which the Company is aware.

NAME AND FUNCTION	Declaration no.	Date of the transaction	Nature of the transaction	Unit price [1]	Amount of the transaction 1
Prescience Assoh, member of the Supervisory Board	2024DD984021	1 July 2024	Vesting of free shares	€0	€0
Charles-Eric Bauer, member of the Supervisory Board	2024DD1005745	14 November 2024	Disposal	€2,003.00	€8,012,000.00
Henri-Louis Bauer, Chairman of the Executive Management Board of Émile Hermès SAS, Active Partner and Executive Chairman	2024DD1005744	14 November 2024	Disposal	€2,003.00	€8,012,000.00
Florian Craen, member of the Executive Committee	2024DD950662	13 February 2024	Disposal	€2,126.65	€2,169,180.35
	2024DD983874	1 July 2024	Vesting of free shares	€0	€0
Charlotte David, member of the Executive Committee	2024DD983881	1 July 2024	Vesting of free shares	€0	€0
Pierre-Alexis Dumas, member of the Executive Committee	2024DD983878	1 July 2024	Vesting of free shares	€0	€0
Olivier Fournier, member of the Executive Committee	2024DD951513	19 February 2024	Transfers to the declarant in the case of a succession	€1,924.70	€55,816.30
	2024DD952690	28 February 2024	Disposal	€2,300.32	€1,610,220.99
	2024DD983876	1 July 2024	Vesting of free shares	€0	€0
Catherine Fulconis, member of the Executive Committee [2]	2024DD950557	12 February 2024	Disposal	€2,200.00	€299,200.00
Wilfried Guerrand, member of the Executive Committee	2024DD964242	3 May 2024	Donation	€0	€0
	2024DD983885	1 July 2024	Vesting of free shares	€0	€0
	2024DD992619	26 August 2024	Donation	€0	€0
	2024DD992622			€0	€0
	2024DD992625			€0	€0
	2024DD992629			€0	€0
	2024DD1002646	28 October 2024	Pledge	€0	€0
	2024DD1006153	18 November 2024			
Natural person related to Wilfried Guerrand, member of the Executive Committee	2024DD965467	3 May 2024	Donation received	€0	€0
	2024DD993496	26 August 2024			
	2024DD993485	30 August 2024	Disposal	€2,195.00	€384,125.67
Natural person related to Wilfried Guerrand, member of the Executive Committee	2024DD965523	3 May 2024	Donation received	€0	€0
	2024DD992635	26 August 2024			
	2024DD993491	30 August 2024	Disposal	€2,195.00	€384,125.67
Natural person related to Wilfried Guerrand, member of the Executive Committee	2024DD965519	3 May 2024	Donation received	€0	€0
	2024DD993493	26 August 2024			
	2024DD993489	30 August 2024	Disposal	€2,195.00	€384,125.67
Natural person related to Wilfried Guerrand, member of the Executive Committee	2024DD965515	3 May 2024	Donation received	€0	€0
	2024DD993495	26 August 2024			
	2024DD993484	30 August 2024	Disposal	€2,195.00	€384,125.67

NAME AND FUNCTION	Declaration no.	Date of the transaction	Nature of the transaction	Unit price [1]	Amount of the transaction 1
Éric du Halgouët, member of the Executive Committee	2024DD951616	20 February 2024	Disposal	€2,219.50	€1,109,750.00
	2024DD983872	1 July 2024	Vesting of free shares	€0	€0
Sharon MacBeath, member of the Executive Committee	2024DD983883	1 July 2024	Vesting of free shares	€0	€0
Anne-Lise Muhlmeyer, member of the Supervisory Board	2024DD984022	1 July 2024	Vesting of free shares	€0	€0
Guillaume de Seynes, member of the Executive Committee	2024DD983880	1 July 2024	Vesting of free shares	€0	€0
Agnès de Villers, member of the Executive Committee	2024DD953596	4 March 2024	Disposal	€2,275.00	€796,250.00
	2024DD983873	1 July 2024	Vesting of free shares	€0	€0
Legal entity related to Frédéric Dumas, member of the Executive Management Board of Émile Hermès SAS, Active Partner and Executive Chairman of Hermès International	2024DD953696	4 March 2024		€2,104.00	€1,683,200.00
	2024DD957999	28 March 2024		€2,318.37	€6,027,762.00
	2024DD963836	30 April 2024		€2,298.00	€2,803,560.00
	2024DD998313	30 September 2024	Purchase	€2,052.27	€2,462,724.00
Legal entity related to Édouard Guerrand, member of the Executive Management Board of Émile Hermès SAS, Active Partner and Executive Chairman of Hermès International, as well as to Julie Guerrand and Blaise Guerrand, members of the Supervisory Board	2024DD965227	7 May 2024	Disposal	€2,331.96	€5,829,900.00
	2024DD969880	5 June 2024	Purchase	€2,148.00	€5,370,000.00
Legal entity linked to Jean-Baptiste Puech, member of the Executive Management Board of Émile Hermès SAS, Active Partner and Executive Chairman of Hermès International	2024DD957156	23 March 2024		€2,294.48	€61,950.96
	2024DD995713	14 September 2024	Purchase	€1,916.00	€536,480.00
Legal entity related to various Senior Executives, Executive Chairman, members of the Supervisory Board, members of the Executive Management Board of Émile Hermès SAS, Active Partner and Executive Chairman of Hermès International	2024DD994627	9 September 2024	Purchase	€2,064.25	€6,192,750.00
Legal entity related to Charles-Eric Bauer, member of the Supervisory Board, as well as to Henri-Louis Bauer, Chairman and member of the Executive Management Board of Émile Hermès SAS, Active Partner and Executive Chairman of Hermès International	2024DD1005743	14 November 2024	Purchase	€2,003.00	€16,024,000.00

(1) Amounts rounded to two decimal places.
(2) Catherine Fulconis left the Hermès International Executive Committee with effect from 31 March 2024 after taking her retirement.

No other Corporate Officer (Executive Chairman or Supervisory Board member) of Hermès International reported any trades in Company shares in 2024.

No other Senior Executives (Executive Committee members) of Hermès International reported any trades in Company shares in 2024.

Neither did the Company receive any other reports of such trades from any of its immediate family members.

7.2.4 STOCK MARKET ETHICS CODE

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.

A summary of this code is made available each time it is updated on the website https://finance.hermes.com/en/ under "Governance – Governing bodies".

The code was updated several times as follows:

- inclusion of precautionary measures concerning the broadcasting of comments on social networks and media in connection with the Hermès Group;
- update of applicable regulations (CNIL deliberation no. 2017-200 of 6 July 2017, ESMA interpretations, GDPR adaptation, law no. 2019-744 of 19 July 2019 on simplifying, clarifying and updating company law, AMF recommendations no. 2016-08, updated on 29 April 2021, "Guide to Permanent Information and Management of inside Information");
- addition of examples drawn from the guiding principles from case law of the AMF Sanctions Commission;
- editorial details.

Version 12 of the code, dated 1 January 2025, is structured as follows:

- review of definitions (inside information, insiders and similar, insider lists, trading days, AMF);
- internal procedures within the Group.

7.2.4.1 ESTABLISHMENT OF ABSTENTION PERIODS OR "BLACKOUT PERIODS" (OR CLOSED 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 SAS are qualified as "permanent insiders" (as defined in the 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, plus the day of publication of the press release:
  - period of 30 calendar days preceding the publication of the annual or half-yearly financial statements;
  - period of 15 calendar days before the quarterly publication of revenue;
- for recipients of free shares (only for the sale of free shares), at the end of the retention period during "free share" blackout periods:
  - period of 30 days preceding 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.

7.2.4.2 PROCEDURE FOR QUALIFYING AND DEFERRING DISCLOSURE 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 is composed of the Executive Vice-President Finance, the Group General Counsel, the Director of Corporate Law and Stock Exchange Regulations and Compliance Officer, and the Group Director of Financial Communication and Investor Relations.

7.2.4.3 APPOINTMENT OF A COMPLIANCE OFFICER

Hermès International has appointed the Director of Corporate Law and Stock Exchange Regulation/Supervisory Board Secretary as Stock Exchange Compliance Officer. The Compliance Officer is responsible for:

- the implementation of the procedure and tools for managing insider lists;
- the creation and updating of the lists of Permanent Insiders, occasional insiders and Sensitive Persons;
- the drafting, distribution and updating of the Stock Market Ethics Code;
- the organisation of Insider training;
- the establishment and dissemination of blackout periods applicable to Permanent Insiders and occasional insiders and Sensitive Persons;
- informing Insiders and obtaining their explicit recognition of their obligations;
- the issuance of oral advisory opinions prior to the completion of a transaction by Permanent or occasional Insiders.

7.2.4.4 E-LEARNING

In order to comply with the recommendations of the AMF (position-recommendation DOC-2016-08 "Guide to permanent information and management of inside information", amended on 29 April 2021, Article 2.1.2.3), Hermès International has developed an e-learning training course on the prevention of market abuse. This training, launched on 1 February 2022, is offered to all employees and was compulsory for all Permanent Insiders and Sensitive Persons.

7.2.5 MATERIAL CONTRACTS, SHAREHOLDER PACTS AND AGREEMENTS

7.2.5.1 MATERIAL CONTRACTS

During the last two financial years, the Company has not entered into any significant contracts, other than those entered into in the normal course of business, conferring a significant obligation or commitment for the entire Group.

The information relating to the priority right to acquire Hermès International shares and to the Dutreil agreements in force is presented below (respectively in § 7.2.5.2 and § 7.2.5.3).

7.2.5.2 PRIORITY ACQUISITION RIGHTS

A priority right to acquire Hermès International shares (AMF notice no. 211C2288) came into force on 13 December 2011.

This priority acquisition right is stipulated for the benefit of H51, a *société par actions simplifiée à capital variable* (simplified joint stock company with variable capital), and was initially granted by 102 natural persons and 33 legal entities (all members, held by members or for whom one of the parents is a member of the Hermès family group), representing a total of about 12.3% of the share capital of Hermès International.

By amendment (AMF notice no. 213C0716) which came into force on 17 June 2013, the price at which H51 could acquire the Hermès International shares from the members of the Hermès family group pursuant to this priority acquisition right would be equal to the average of the prices weighted by volumes (on the entire trading platform) of the Hermès International share during the 30 stock market trading days preceding the day of notification of the transfer, unless the said share is insufficiently liquid (as defined in the amendment), in which case an expert appraisal procedure will be implemented.

To the Company's knowledge:

- the priority acquisition right that H51 benefits from covered – at the date of signature – most of the Hermès International shares also held by the members of the Hermès family group (as at 31 December 2024, approximately 12.4% of the share capital held by H2 and other members of the Hermès family group, § 7.2.2.5);
- the priority acquisition right was granted by members of the Hermès family group and descendants of these members who do not yet directly or indirectly hold shares in the Company.

The definition and description of the organisation of the Hermès family group are presented in chapter 9 "Additional information", § 9.6; in § 7.2.2.3; and in chapter 3 "Corporate governance", § 3.2.1.

7.2.5.3 DUTREIL AGREEMENTS

The following shareholder agreements, falling within the scope of the Dutreil law and still in force in 2024, were brought to the Company's attention:

	Dutreil agreement Transmission 03/2022.1	**Dutreil agreement Transmission 06/2022.1**	**Dutreil agreement Transmission 07/2022.1**	**Dutreil agreement Transmission 10/2022.1**	**Dutreil agreement Transmission 04/2023.1**	**Dutreil agreement Transmission 06/2023.1**	**Dutreil agreement Transmission 06/2023.1**	**Dutreil agreement Transmission 06/2023.1**
Regime	Article 787 B of the French General Tax Code (CGI)							
Date of signature	16 March 2022	24 June 2022	27 July 2022	10 October 2022	18 April 2023	28 June 2023	25 October 2024	25 October 2024
Duration of the collective commitment Contractual duration of the agreement	Two years from the date of registration (in this case, 16 March 2022)	Two years from the date of registration (in this case, 24 June 2022)	Two years from the date of registration (in this case, 27 July 2022)	Two years from the date of registration (in this case, 10 October 2022)	Two years from the date of registration (in this case, 18 April 2023)	Two years from the date of registration (in this case, 28 June 2023)	Two years from the date of registration (in this case, 28 October 2024)	Two years from the date of registration (in this case, 28 October 2024)
Procedures for renewal	Non-renewable							
Percentage of the share capital covered by the agreement on the date of its signature	54.29%	54.30%	54.40%	54.49%	54.38%	54.33%	54.33%	54.38%
Percentage of voting rights covered by the agreement on the date of its signature	64.34%	63.66%	64.78%	63.84%	64.27%	64.29%	64.23%	64.14%
Name of signatories having the capacity of Senior Executives (within the meaning of Article L. 21-18-2-a of the French Monetary and Financial Code)	On the date of signature of the agreement: Émile Hermès SAS, Executive Chairman and Active Partner Axel Dumas, Executive Chairman							
Name of signatories having close personal links with the Senior Executives (according to the meaning of Articles L. 621-18-2-c and R. 621-43-1 of the French Monetary and Financial Code)	All signatories							
Names of signatories holding at least 5% of the share capital and/or voting rights in the Company as at 31 December 2024	H51							

7.3 DIVIDEND POLICY

7.3.1 PRINCIPLES

Subject to the investments needed for the Company's development and the corresponding financing requirements, the Company's current intention is to continue the dividend policy it has conducted over the past several years. The amounts of dividends paid in each of the financial years included in the historical financial information are shown in chapter 9 "Additional information", § 9.4.

As a reminder, in order to partially distribute the large amount of available cash, an "exceptional" dividend:

- of €5.00 was paid in 2012, 2015 and 2018;
- of €10.00 in 2024;

in addition to the "ordinary" dividend.

7.3.2 PROPOSAL SUBMITTED TO THE 2025 GENERAL MEETING

During the General Meeting of 30 April 2025, it will be proposed that the ordinary dividend be set at €16.00 per share. The Executive Management decided to pay an interim dividend of €3.50 per ordinary share, paid on 19 February 2025, which will be deducted from the dividend to be decided by the General Meeting.

The General Meeting of 30 April 2025 is asked to decide on an exceptional dividend of €10.00 per share, in order to distribute part of the available cash.

In future, the Executive Management will decide case by case, given the situation of the Group and its prospects, whether it is appropriate to pay interim dividends before the General Meeting. In accordance with the law, the time limit after which entitlement to dividends of Hermès International shares ceases is five years from the dividend payment date. After the five-year time limit expires, the Company pays over any unclaimed dividends to the tax centre to which it reports.

7.4 STOCK MARKET INFORMATION

7.4.1 SUMMARY OF STOCK MARKET INFORMATION

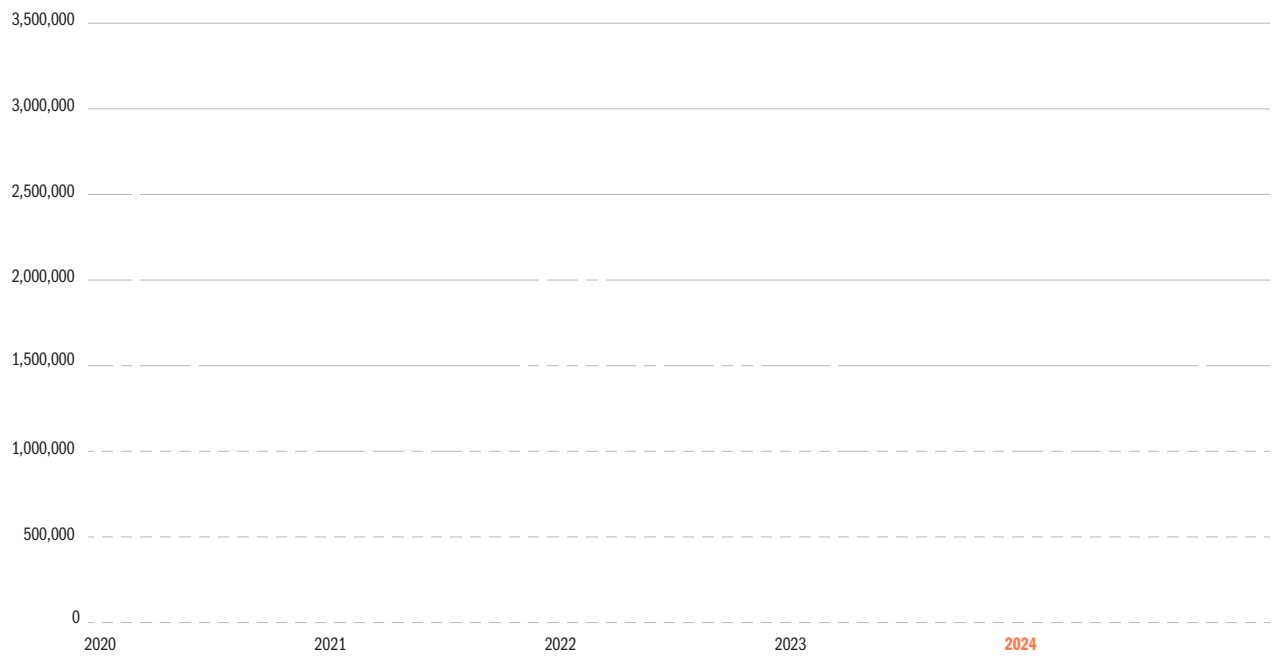
	2024	2023	2022
Number of shares as at 31 December	105,569,412	105,569,412	105,569,412
Average number of shares (excluding treasury shares)	104,787,036	104,648,079	104,564,729
Market capitalisation as at 31 December	€245.13 billion	€202.57 billion	€152.55 billion
Earnings per share (excluding treasury shares)	€43.93	€41.19	€32.20
Dividend per share	€26.00 [1]	€25.00	€13.00
Average daily volume (Euronext)	55,445	57,338	77,527
12-month high share price	€2,436.00	€2,063.50	€1,585.50
12-month low share price	€1,788.80	€1,450.00	€957.60
12-month average share price	€2,139.65	€1,846.59	€1,264.22
Share price as at 31 December	€2,322.00	€1,918.80	€1,445.00

(1) Subject to the decisions of the Ordinary General Meeting of 30 April 2025. Corresponds to an ordinary dividend of €16.00 and an exceptional dividend of €10.00. An interim payment of €3.50 was paid on 19 February 2025.

7.4.2 HISTORY OF MONTHLY TRANSACTIONS

In number of shares (1)

(Source Bloomberg)

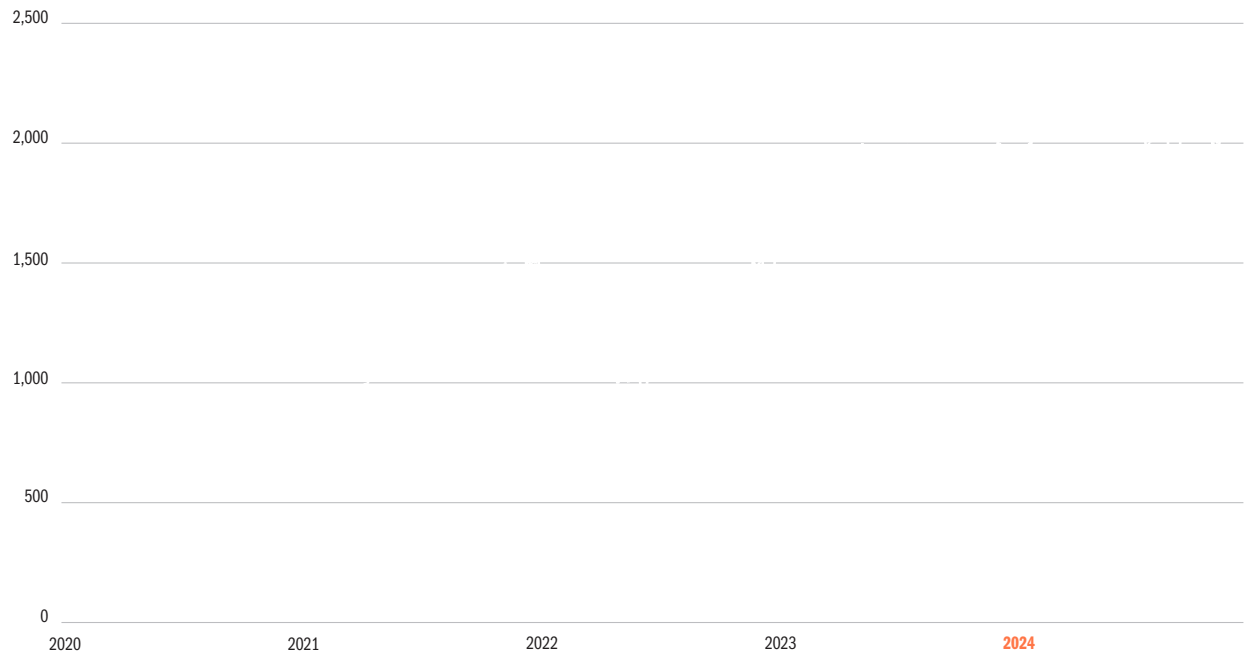


(1) Euronext.

7.4.3 HERMÈS INTERNATIONAL SHARE PRICE HISTORY

The company Hermès International was listed on the CAC 40 on 7 June 2018 and in the EURO STOXX 50 index on 20 December 2021. Hermès International has been included since 17 September 2021 in the CAC 40 ESG index, which includes 40 companies on the basis of their environmental, social and governance performance and is based on the rating of ISS ESG.

In euros



CHANGE IN SHARE PRICE OVER THE LAST FIVE FINANCIAL YEARS

	2020			
	Share price in euros			
Month	High	Low	Average closing price	Monthly average of daily transactions on Euronext
January	725.60	662.80	693.35	63,670
February	718.00	615.00	688.27	82,254
March	671.60	516.00	610.17	135,051
April	701.00	592.00	656.02	59,162
May	751.60	646.20	687.03	61,088
June	788.20	715.80	750.86	69,066
July	780.00	686.20	750.28	56,949
August	729.60	679.00	700.70	47,673
September	765.40	716.20	737.10	47,135
October	830.00	738.40	784.53	57,265
November	865.00	791.80	833.90	64,960
December	890.20	815.80	849.09	49,433

2021

Month	Share price in euros			Monthly average of daily transactions on Euronext
	High	Low	Average closing price	
January	898.20	839.40	874.54	47,680
February	1,018.00	847.60	918.62	47,871
March	984.80	872.80	939.34	53,706
April	1,065.50	945.80	1,013.45	47,394
May	1,160.00	1,029.00	1,077.23	47,766
June	1,237.50	1,141.50	1,198.11	49,160
July	1,311.50	1,191.00	1,253.09	41,252
August	1,354.50	1,202.50	1,293.64	47,270
September	1,325.50	1,190.50	1,266.00	50,444
October	1,370.50	1,166.50	1,277.69	52,304
November	1,676.50	1,375.00	1,529.41	75,093
December	1,678.00	1,462.00	1,570.37	98,808

2022

Month	Share price in euros			Monthly average of daily transactions on Euronext
	High	Low	Average closing price	
January	1,582.50	1,258.50	1,380.86	90,472
February	1,364.00	1,150.00	1,251.98	100,766
March	1,318.50	1,060.00	1,197.33	108,039
April	1,318.50	1,160.00	1,246.05	65,918
May	1,174.50	995.80	1,067.25	88,303
June	1,140.50	957.60	1,049.98	79,639
July	1,360.50	1,037.00	1,144.36	70,420
August	1,420.00	1,277.50	1,361.93	54,946
September	1,338.50	1,160.50	1,246.86	70,962
October	1,374.00	1,196.00	1,297.86	74,615
November	1,559.00	1,305.00	1,432.50	82,299
December	1,585.50	1,432.00	1,504.55	61,358

2023

Month	Share price in euros			Monthly average of daily transactions on Euronext
	High	Low	Average closing price	
January	1,717.50	1,450.00	1,623.55	58,523
February	1,778.00	1,648.50	1,717.45	66,117
March	1,874.50	1,661.00	1,758.93	66,802
April	2,020.00	1,845.00	1,945.18	54,361
May	2,036.00	1,846.00	1,965.48	61,371
June	2,012.50	1,854.80	1,937.87	58,926
July	2,050.50	1,831.60	1,920.45	59,529
August	2,021.50	1,834.00	1,912.62	45,539
September	1,923.60	1,684.00	1,819.20	59,467
October	1,786.80	1,641.00	1,724.40	57,113
November	1,981.40	1,743.40	1,890.61	50,193
December	2,063.50	1,902.00	1,969.40	49,625

2024

Month	Share price in euros			Monthly average of daily transactions on Euronext
	High	Low	Average closing price	
January	1,978.40	1,788.80	1,861.03	51,992
February	2,342.50	1,945.40	2,173.17	52,617
March	2,436.00	2,247.00	2,353.88	45,466
April	2,403.00	2,226.00	2,321.05	49,937
May	2,341.00	2,141.00	2,247.95	46,164
June	2,250.00	2,084.00	2,163.45	60,248
July	2,194.00	1,997.00	2,079.13	57,875
August	2,218.00	1,899.50	2,088.66	53,466
September	2,277.00	1,888.00	2,004.05	79,170
October	2,198.00	2,006.00	2,107.78	56,224
November	2,171.00	1,957.00	2,044.88	56,551
December	2,323.00	2,063.00	2,264.74	57,972

7.4.4 ELEMENTS LIABLE TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFERING

To the best of the Company's knowledge, no items other than those relating to the items referred to in chapter 3 "Corporate governance", § 3.9.2 are likely to have an impact in the event of a public offering, or could have the effect of delaying or preventing a change of control.

7.5 SHAREHOLDER INFORMATION

7.5.1 RELATIONS WITH SHAREHOLDERS

Shareholders and investors may obtain information on the Hermès Group by contacting:

Ms Carole Dupont-Pietri
Head of Group Financial and Non-Financial Communication and Investor Relations,
Hermès International
13-15, rue de la Ville-l'Évêque – 75008 Paris, France

Email: contact.finance@hermes.com

7.5.2 SECURITIES SERVICE

These shares are registered in a securities account held by:

UPTEVIA
Issuer Services
90-110 esplanade du Général de Gaulle
92931 Paris La Défense Cedex France

From France: 08 00 00 75 35

From abroad: +33 1 49 37 82 36

7.5.3 DOCUMENTS AVAILABLE TO THE PUBLIC

Legal documents relating to the Company, and more broadly regulated information within the meaning of Article 221-1 of the AMF General Regulation are available on the Company's financial information site (https://finance.hermes.com/en/regulated-information/). They may also be consulted upon appointment in print version during business hours at the Company's registered office. On this website, shareholders and investors can access information on the Group Management, governing bodies and registration documents, universal registration documents and financial press releases, available in French and English, for the last five financial years.

Information on the website is not part of the universal registration document, unless it is incorporated by reference.

7.5.4 BECOME A HERMÈS INTERNATIONAL SHAREHOLDER

Registered shares

Hermès International offers its shareholders the opportunity to register their shares in pure registered form, offering the following advantages:

Free management

Pure registered shares are handled directly by Uptevia. Shareholders must sign a service agreement to open a fully registered share account, setting out the terms and conditions for buying and selling shares *via* Uptevia.

Pure registered shareholders are totally exempt from custody fees, as well as costs inherent in the day-to-day management of their shares such as conversion to bearer shares, transfer of securities, changes in legal situations (transfers, donations, inheritance, etc.), securities transactions (capital increase, allocation of securities, etc.) and the payment of dividends.

The guarantee of personalised information

Pure registered shareholders receive personalised information on:

- the convening of General Meetings, with systematic sending of the notice of meeting, the single postal and proxy voting form, a request for an admission card and the legal information documents;
- the management of securities, the taxation of securities and the organisation of the General Meeting.

In addition, an online service is available for consultation of equity holdings and placing of stock market orders: https://www.uptevia.com/en/access-my-account/.

Easy access to the General Meeting

Like any shareholder of the Company, registered shareholders are entitled to attend the General Meeting and enjoy the benefit of not having to make a prior request for a shareholding certificate.

In addition to the usual voting methods, holders of pure registered shares can vote before the Meeting or give their proxy *via* "Votaccess", a voting platform.

Registration procedures

To transfer your securities directly to pure registered shares or for more information about pure registered shares, please contact:

UPTEVIA:

Hermès International Shareholder Relations
90-110 esplanade du Général de Gaulle
92931 Paris La Défense Cedex France

From France: 08 00 00 75 35

From abroad: +33 1 49 37 82 36

https://www.uptevia.com

Administered registered shares are handled by another financial institution, of the shareholder's choice, that may charge custody fees.

Bearer shares

Bearer shares are handled by a financial institution that may apply custody fees. Shareholders who opt for this form of administration are not known to the Company and must identify themselves if they wish to obtain documents and attend General Meetings.

Thus, to participate in the General Meeting, bearer shareholders must obtain a shareholding certificate certifying the registration or recording in the books of their shares no later than midnight, Paris time, two working days prior to the General Meeting, from the financial intermediary managing their Hermès International securities.

7.5.5 DIALOGUE WITH SHAREHOLDERS AND THE FINANCIAL COMMUNITY IN 2024

The financial communication and investor relations department engages in dialogue with the financial community and all of the Group's shareholders throughout the year.

In 2024: 18 roadshows and conferences including four ESG, 207 investor meetings including 30 ESG, 158 institutions met, four store events.

Number of roadshows	Investor meetings	Institutions met	Store events
18 of which 4 ESG	107 of which 30 ESG	158	4

The House's sustainable and responsible model was presented at several events and in publications during 2024.

In January 2024, Hermès won the FIR/A2 Consulting award for the 2023 Vigilance Plan for best progress, with a rise of 23 places in one year, moving from 31st to 8th place among CAC 40 companies. Since 2011, FIR – the Forum for Responsible Investment – has awarded prizes to French and European companies. These awards aim to stimulate and encourage ESG best practices and to highlight the importance of these issues to the general public.

In July 2024, Hermès won the All Categories Grand Prix of the Transparency Awards, which recognises the quality of financial information in regulated information materials, after having reached the top rank of CAC 40 and Next 20 companies in the "CAC Large 60" Transparency Awards category in 2023. In 2022, it had received the All Categories Grand Prix (for which the Group could no longer compete) (see chapter 3 "Corporate governance", § 3.1.2). The Transparency Awards are based on the criteria of accessibility, accuracy, comparability, availability and clarity of information in each company's key media (universal registration document, finance website, notice of general meeting brochure). An independent Scientific Committee ensures the neutrality and fairness of the ranking. It is composed of 10 members of organisations and associations representing users of information, including Paris Europlace, Euronext, AMF, IFA, SFAF, AFG and F2ic.

Hermès was ranked in the Top 3 SBF 120 companies in the "Vigilance Plan" category at the 2024 Ethics & Compliance Transparency Awards. This recognition recognises the important collective work on identification, analysis and synthesis of crucial issues such as human rights, fundamental freedoms, health and safety of people, and the environment, integrated into the House's strategy.

The Group continued to make progress in Standard & Poor's (S&P) ESG assessment and consolidated its position among the best companies in the Luxury goods and cosmetics sector in the MSCI, FTSE4Good and Sustainalytics assessments. As a reminder, since 2022, Hermès has been on the CDP's A-list of companies deemed to be the best performing at global level on environmental issues, particularly water-related issues.

In December, Hermès was rewarded by the Humpact rating agency, receiving:

- the Grand Prix Emploi France for the fourth time, designating Hermès as the most employment-friendly company in France in 2024;
- the Employment Award for People with Disabilities for the first time, highlighting Hermès' initiatives to promote the employment, integration and job retention of people with disabilities.

Non-financial rating agencies	Presentation	2024	2023	2022	2021
MSCI	This non-financial assessment is based on an analysis of the ESG risks faced by companies as well as the way in which they manage these risks compared to their peers	AA	AA	AA	A
CDP Climate	Non-profit organisation that aims to encourage companies to publish their environmental data and assesses their transparency.	A	A-	A-	B
CDP Water		A-	A	A	A-
CDP Forests		A	A-A-	BA-	A-A-
ISS ESG	Agency that assesses companies on environmental, social and governance criteria as well as main material topics.	B- (Prime)	B- (Prime)	C+	C+
S&P ESG	This assessment makes it possible to assess a company's ability to prepare for future risks and opportunities in terms of sustainable development.	65/100	54/100	45/100	28/100
Sustainalytics	This agency assesses the level of risk to which a company is exposed due to ESG factors.	12.6 - *Low Risk*	10.7- *Low Risk*	9.4 – *Negligible Risk*	10.1- *Low Risk*
Moody's ESG [1]	Analysis of a company's ESG data and associated assessment	70/100	65/100	65/100	61/100

(1) Due to the strategic partnership between MSCI and Moody's ESG, Moody's has ceased its ESG rating activities, which were used as a benchmark for the CAC 40 ESG index. ISS ESG will now be the new benchmark for the Paris index from March 2025

2024 was marked by the strengthening of shareholder dialogue on non-financial topics, as well as by increased transparency on these subjects, with enhanced information provided on the Hermès Finance website and by the publication and update of several documents relating to the House's policies, in particular:

- the tax policy published in April 2024;
- the responsible purchasing policy published in December 2024;
- the supply chain brief updated in February 2024;
- the CSR brief updated in February 2024;
- Health and Safety policy published in December 2023.

All of these publications are available on the Group's website: https://finance.hermes.com/en/, which has recently been revised and improved to meet increased regulatory expectations and those of the Group's stakeholders.

2024 also saw the acceleration of meetings with the financial community on ESG topics, and in particular through the organisation of dedicated roadshows and participation in ESG market conferences, as well as enhanced dialogue with non-financial rating agencies.

The Shareholders' General Meeting and the presentations of the financial results were broadcast live and recorded on the Company's website at https://finance.hermes.com/en/ .

Hermès has a website dedicated to the financial community, its shareholders and, more generally, its stakeholders: https://finance.hermes.com/en/. This site was redesigned at the end of 2024 to the highest standards, which will continue in 2025, in particular to meet the expectations of the Group's stakeholders in non-financial matters, with a dedicated library of publications being made available online.

- In the "Investors" section, shareholders can in particular find:
  - half-yearly and annual financial presentations, and press releases, notably on CSR,
  - the universal registration document and the half-year financial report,
  - Letters to shareholders, in the section "Shareholders' Guide";
- the House's key figures and the House's financial events;
- a specific "General Meeting" section, which allows shareholders to read all the information relating to this event;
- a section dedicated to the "Group" and the specific features of its independent craftsmanship model, its creativity and savoir-faire;
- the enhanced section dedicated to "sustainable development", which contains the commitments and actions carried out by the Maison Hermès. The House's objectives, initiatives and numerous projects are set out in this dedicated digital space, alongside publications, documents and non-financial policies. The Group thus confirms its commitment to social, societal and environmental performance, which is part of the Maison Hermès DNA and its craftsmanship model.

In 2024, Hermès published two issues of its Letter to Shareholders, in French and English, a regular source of information on its news, presenting the main facts and figures and providing information on the Company's relationship with its shareholders.

Shareholders can also consult the information published by the Company on the following websites:

- https://www.amf-france.org/en, for press releases, registration documents/universal registration documents, threshold crossings, shareholder agreements and declarations sent to the AMF;
- https://www.journal-officiel.gouv.fr/pages/balo/, for documents published in the Bulletin des Annonces Légales Obligatoires (BALO);
- https://www.infogreffe.com/ for filings made with the clerks of the Commercial Court of Paris (search by identification number: 572 076 396).

7.5.6 FINANCIAL CALENDAR FOR 2025

The dates of financial publications (revenue, annual and half-year results) and of the General Meeting are available on the website https://finance.hermes.com/en/calendar/.

Publication of the 2024 annual consolidated results	14/02/2025
Publication of consolidated revenue for the first quarter of 2025	17/04/2025
Shareholders' Combined General Meeting	30/04/2025
Publication of consolidated results for the first half of 2025 (after stock market closing)	30/07/2025
Publication of consolidated revenue for the third quarter of 2025	23/10/2025

7.5.7 REGULATED INFORMATION

All the documents constituting regulated information within the meaning of the French Financial Markets Authority (AMF) are available on the website https://finance.hermes.com/en/, under the heading "Regulated information".

7.5.8 OBLIGATIONS RELATING TO THE DECLARATION OF THRESHOLD CROSSINGS AND NOMINATIVE REGISTRATION

	Crossing of threshold disclosures		
	Legal thresholds *(Articles L. 233-7 et seq. of the French Commercial Code (Code de commerce) and Articles L. 433-3 et seq. of the French Monetary and Financial Code)*	**Statutory thresholds *(Article 11 of the Articles of Association)***	**Obligation to hold registered shares *(Article 11 of the Articles of Association)***
Recipients	The Issuer The AMF, which makes this information public	The Issuer	
Share capital and voting rights thresholds upwards and downwards	5%, 10%, 15%, 20%, 25%, 30%, 1/3, 50%, 2/3, 90% and 95% Owing to the existence of double voting rights, in practice, 22 thresholds must be monitored.	0.5% (or any multiple of this percentage)	From 0.5%
	The thresholds may be attained after shares are acquired or sold, regardless of the means (purchase, transfer, merger, demerger, scrip dividends or by any other means) or following a change in the apportionment of voting rights (gain or loss of double voting rights, etc.). The shares to be taken into account include not just newly acquired shares, but the shares that the shareholder has the right to acquire at their sole initiative pursuant to an agreement (contract of sale, option, etc.) and those that the shareholder can acquire at their sole initiative, immediately or in the future, as a result of holding a financial instrument (bond redeemable for shares, equity swap, warrant, etc.), that gives rise to a physical settlement (delivery of shares) or a settlement in cash, subject to the exemptions provided for in Article L. 233-7 IV of the French Commercial Code (*Code de commerce*). By the 15th day of each month, the Company publishes a report on its website (https://finance.hermes.com/en/) disclosing the total number of shares, the total number of theoretical voting rights (including shares disqualified from voting) and the total number of exercisable voting rights (excluding shares disqualified from voting) that make up the share capital on the last day of the previous month.		
Declaration time limit	Before the close of trading four trading days after a legal threshold was crossed.	Before the close of trading five trading days after a threshold under the Articles of Association was crossed (even after crossing any of the legal thresholds).	Before the close of trading five trading days after a threshold under the Articles of Association was crossed. A copy of the nominative registration application, sent by registered post with acknowledgement of receipt to the registered office within 10 stock market trading days from the date on which the threshold is attained, shall constitute a declaration of attaining the ownership threshold in question.
Penalty for non-compliance with ownership threshold disclosure and nominative registration requirements	Shares exceeding the fraction that should have been declared are deprived of voting rights for any General Meeting held until the expiry of a period of two years following the date of regularisation of the notification.	The shares that exceed the threshold subject to disclosure or having been subject to disclosure shall be disqualified from voting rights. In the event of regularisation, the corresponding voting rights can only be exercised once the period stipulated by law and current regulations has expired.	The shares that exceed the threshold subject to disclosure or having been subject to disclosure shall be disqualified from voting rights.

(1) Based on the total number of theoretical voting rights.

8

COMBINED GENERAL MEETING OF 30 APRIL 2025

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8.1 AGENDA

8.1.1 ORDINARY BUSINESS

8.1.1.1 PRESENTATION OF REPORTS TO BE SUBMITTED TO THE ORDINARY GENERAL MEETING

Executive Management reports

- On the financial statements for the year ended 31 December 2024 and on the Company's activity for said financial year.
- On the management of the Group and the consolidated financial statements for the year ended 31 December 2024.
- On the resolutions relating to ordinary business.

Supervisory Board report on corporate governance

Supervisory Board report to the Combined General Meeting of 30 April 2025

Statutory Auditors' reports

- On the annual financial statements.
- On the consolidated financial statements.
- On related-party agreements.

Report by PricewaterhouseCoopers Audit, Statutory Auditor in charge of certifying sustainability information

8.1.1.2 VOTING ON ORDINARY RESOLUTIONS

First resolution

Approval of the parent company financial statements.

Second resolution

Approval of the consolidated financial statements.

Third resolution

Executive Management discharge.

Fourth resolution

Allocation of net income – Distribution of an ordinary dividend and an exceptional dividend.

Fifth resolution

Approval of related-party agreements.

Sixth resolution

Authorisation granted to the Executive Management to trade in the Company's shares.

Seventh resolution

Approval of the information referred to in I of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*) with regard to compensation for the financial year ended 31 December 2024, for all Corporate Officers (global *ex-post* vote).

Eighth resolution

Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Mr Axel Dumas, Executive Chairman (individual *ex-post* vote).

Ninth resolution

Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Émile Hermès SAS, Executive Chairman (individual *ex-post* vote).

Tenth resolution

Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Mr Éric de Seynes, Chairman of the Supervisory Board (individual *ex-post* vote).

Eleventh resolution

Approval of the compensation policy for the Executive Chairmen (*ex-ante* vote).

Twelfth resolution

Approval of the compensation policy for the members of the Supervisory Board (*ex-ante* vote).

Thirteenth resolution

Reappointment of Supervisory Board member Mr Charles-Eric Bauer for a term of three years.

Fourteenth resolution

Reappointment of Supervisory Board member Ms Estelle Brachlianoff for a term of three years.

Fifteenth resolution

Reappointment of Supervisory Board member Ms Julie Guerrand for a term of three years.

Sixteenth resolution

Appointment of Ms Cécile Béliot-Zind as a new member of the Supervisory Board for a term of three years.

Seventeenth resolution

Appointment of Mr Jean-Laurent Bonnafé as a new member of the Supervisory Board for a term of three years, replacing Ms Dominique Senequier.

Eighteenth resolution

Appointment of Mr Bernard Émié as a new member of the Supervisory Board for a term of two years, replacing Mr Alexandre Viros.

8.1.2 EXTRAORDINARY BUSINESS

8.1.2.1 PRESENTATION OF REPORTS TO BE SUBMITTED TO THE EXTRAORDINARY GENERAL MEETING

Executive Management report

- On the resolutions relating to extraordinary business.

Supervisory Board report to the Combined General Meeting of 30 April 2025

Statutory Auditors' reports

- On the capital reduction (nineteenth resolution).
- On the issuance of shares and/or any other securities giving access to the share capital with or without preemptive subscription rights (twenty-first, twenty-second, twenty-fourth, twenty-fifth and twenty-sixth resolutions).
- On the issuance of shares and/or any other securities giving access to the share capital reserved for the members of a company or group savings plan with preemptive rights cancelled (twenty-third resolution).

8.1.2.2 VOTING ON EXTRAORDINARY RESOLUTIONS

Nineteenth resolution

Authorisation to be granted to the Executive Management to reduce the share capital by cancellation of all or part of the treasury shares held by the Company (Article L. 22-10-62 of the French Commercial Code (*Code de commerce*)) – General cancellation programme.

Twentieth resolution

Delegation of authority to the Executive Management to increase the share capital by incorporation of reserves, profits and/or premiums and free allocation of shares and/or increase in the par value of existing shares

Twenty-first resolution

Delegation of authority to be granted to the Executive Management to decide on the issue of shares and/or any other securities giving access to the share capital with preemptive rights maintained.

Twenty-second resolution

Delegation of authority to be granted to the Executive Management to decide on the issue of shares and/or any other securities giving access to the share capital, with preemptive rights cancelled, but with the option to establish a priority period, by a public offering (other than that referred to in Article L. 411-2, 1° of the French Monetary and Financial Code).

Twenty-third resolution

Delegation of authority to be granted to the Executive Management to decide on a capital increase by issuing shares and/or securities giving access to the share capital, reserved for members of a company or group savings plan, with preemptive rights cancelled.

Twenty-fourth resolution

Delegation of authority to be granted to the Executive Management to decide on the issue of shares and/or any other securities giving access to the share capital, with preemptive rights cancelled, by a public offering to a restricted circle of investors or qualified investors (private placement) referred to in Article L. 411-2, 1° of the French Monetary and Financial Code.

Twenty-fifth resolution

Delegation of authority to be granted to the Executive Management to decide on the issue of shares and/or any other securities giving access to the share capital, with preemptive rights cancelled, in order to compensate contributions in kind granted to the company in the form of equity securities or securities giving access to the share capital.

Twenty-sixth resolution

Delegation of authority to be granted to the Executive Management to decide on a capital increase by issuing shares and/or securities giving access to the share capital, with preemptive rights cancelled, in favour of one or more named persons, in accordance with Article L. 22-10-52-1 of the French Commercial Code (*Code de commerce*).

Twenty-seventh resolution

Delegation of authority to be granted to the Executive Management to decide on one or more operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime (Article L. 236-9, II of the French Commercial Code (*Code de commerce*)).

Twenty-eighth resolution

Delegation of authority to be granted to the Executive Management to decide on a capital increase by issuing shares in the event of use of the delegation of authority granted to the Executive Management to decide on one or more operations involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime (Article L. 236-9, II of the French Commercial Code (*Code de commerce*)).

Twenty-ninth resolution

Delegation of authority to carry out the formalities related to the Meeting.

8.2 EXPLANATORY STATEMENTS AND DRAFT RESOLUTIONS

Resolutions submitted for approval to the Combined General Meeting of 30 April 2025.

8.2.1 ORDINARY BUSINESS

FIRST, SECOND AND THIRD RESOLUTIONS: APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS (PARENT COMPANY AND CONSOLIDATED) – EXECUTIVE MANAGEMENT DISCHARGE

Explanatory statement

In the first and second resolutions, you are asked to approve:

- the parent company financial statements for financial year 2024, which show a net profit of €3,998,471,653, and the expenses and charges mentioned in Article 39-4 of the French General Tax Code;
- the consolidated financial statements for financial year 2024.

In the third resolution, you are asked to grant discharge to the Executive Management for its management in respect of said financial year.

You will find:

- the consolidated financial statements in the 2024 universal registration document (chapter 5 "Consolidated financial statements", § 5.1 to 5.6);
- the parent company financial statements in the 2024 universal registration document (chapter 6 "Parent company financial statements", § 6.1 to 6.5);
- the Statutory Auditors' reports on the parent company and consolidated financial statements in the 2024 universal registration document (chapter 6 "Parent company financial statements", § 6.9 and chapter 5 "Consolidated financial statements", § 5.7, respectively).

First resolution

Approval of the parent company financial statements

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Executive Management report on the activity and situation of the Company, the Supervisory Board report and the Statutory Auditors' report for the financial year ended 31 December 2024, approves as presented the parent company financial statements for said financial year, including the balance sheet, income statement, and notes, which show a net profit of €3,998,471,653, as well as the transactions reflected in these financial statements or described in these reports.

Pursuant to Article 223 *quater* of the French General Tax Code, the General Meeting approves the expenses and charges mentioned in Article 39-4 of the French General Tax Code, which amounted in the financial year ended 31 December 2024 to €306,154, and which generated an estimated income tax expense of €79,049.

Second resolution

Approval of the consolidated financial statements

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Executive Management report on the activity and situation of the Group, the Supervisory Board report and the Statutory Auditors' report for the financial year ended 31 December 2024, approves as presented the consolidated financial statements for said financial year, including the balance sheet, income statement, and notes, which show a consolidated net profit of €4,603 million, as well as the transactions reflected in these financial statements or described in these reports.

Third resolution

Executive Management discharge

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, grants discharge to the Executive Management for its management in respect of the financial year beginning 1 January 2024 and ended 31 December 2024.

FOURTH RESOLUTION: ALLOCATION OF NET INCOME – DISTRIBUTION OF AN ORDINARY DIVIDEND AND AN EXCEPTIONAL DIVIDEND

Explanatory statement

In the fourth resolution, the allocation of net income for the financial year, in the amount of €3,998,471,653, is submitted for your approval. Of this amount, pursuant to the Articles of Association (Article 26), the sum of €26,789,760 is to be distributed to the Active Partner.

You are asked to allocate €500,000,000 to other reserves. The Supervisory Board proposes that you set the ordinary dividend at €16 per share. In addition, you are asked to decide on an exceptional dividend of €10 per share, in order to distribute part of the available cash.

For shareholder beneficiaries who are natural persons fiscally domiciled in France, this entire dividend will be subject to a single flat-rate withholding tax at the overall rate of 30%.

The latter will consist in the application of tax on the income paid as an interim payment (so-called flat-rate withholding tax) withheld at source at a single flat rate of 12.8% of gross revenue, to which will be added social security withholdings of 17.2%.

This flat-rate taxation at the single rate of 12.8% will be automatically applicable unless the progressive tax scale is opted for overall, allowing the taxpayer to benefit from the 40% tax (1).

For shareholders who are not fiscally domiciled in France, the dividend distributed is subject to withholding tax at source at one of the rates specified in Article 187 of the French General Tax Code (*Code général des impôts*), in accordance with Article 119 *bis* of said Code, which may be reduced in application of any tax agreement concluded between France and the State in which the beneficiary is fiscally resident.

As an interim dividend of €3.50 per share was paid on 19 February 2025, the balance of the ordinary dividend, *i.e.* €12.50 per share, plus the exceptional dividend of €10, *i.e*. a total to be paid of €22.50 per share, would be detached from the share on 5 May 2025 and payable in cash on 7 May 2025 on the positions closed on the evening of 6 May 2025. As Hermès International is not entitled to receive dividends for shares held in treasury, the corresponding sums will be transferred to "Retained earnings" on the date the dividend becomes payable.

The five-year summary of the Company's financial data required under Article R. 225-102 of the French Commercial Code (*Code de commerce*) is presented in the 2024 universal registration document (chapter 6 "Parent company financial statements", § 6.6).

Fourth resolution

Allocation of net income – Distribution of an ordinary dividend and an exceptional dividend

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, noting that the profit for the financial year amounts to €3,998,471,653 and that the prior retained earnings amount to €3,676,449,595, and after noting that the legal reserve is fully allocated, approves the allocation of these sums representing distributable profits of €7,674,921,248, as proposed by the Supervisory Board, namely:

- to the Active Partner, pursuant to Article 26 of the Articles of Association, the amount of €26,789,760;
- to the shareholders, an "ordinary" dividend of €16 per share, *i.e.* €1,689,110,592 (2);
- to the shareholders, an "exceptional" dividend of €10 per share, *i.e* €1,055,694,120 2;
- allocation to other reserves of the sum of €500,000,000;
- to the "Retained earnings" item, the balance of the distributable profits, *i.e.* €4,403,326,775;
- **together €7,674,921,248.**

The Ordinary General Meeting resolves that the balance of the ordinary dividend for the financial year (an interim dividend of €3.50 per share having been paid on 19 February 2025), *i.e.* €12.50 per share, plus the exceptional dividend of €10 per share, *i.e*. a total of €22.50 per share, will be detached from the share on 5 May 2025 and payable in cash on 7 May 2025 on the positions closed on the evening of 6 May 2025.

As Hermès International is not entitled to receive dividends for shares held in treasury, the corresponding sums will be transferred to "Retained earnings" on the date the dividend becomes payable.

For shareholder beneficiaries who are natural persons fiscally domiciled in France, this entire dividend will be subject to a single flat-rate withholding tax at the overall rate of 30%.

The latter will consist in the application of tax on the income paid as an interim payment (so-called flat-rate withholding tax) withheld at source at a single flat rate of 12.8% of gross revenue, to which will be added social security withholdings of 17.2%.

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1. *Within the scope of the single flat-rate withholding tax, taxpayers may opt, expressly and irrevocably before the deadline for the declaration and overall for all their revenue defined in Article 200-A-1 of the French General Tax Code, for their revenue to be taxed using the progressive income tax scale, in accordance with Article 200-A-2 of the French General Tax Code (Code général des impôts).*
2. *The total amount of the distribution is calculated on the basis of the number of shares comprising the share capital as at 31 December 2024, i.e. 105,569,412 shares, and may vary if the number of shares giving entitlement to dividends changes between 1 January 2025 and the ex-dividend date, depending in particular on the change in the number of treasury shares, which do not give entitlement to dividends in accordance with the provisions of Article L. 225-210 paragraph 4 of the French Commercial Code (Code de commerce).*

This flat-rate taxation at the single rate of 12.8% will be automatically applicable unless the progressive tax scale is opted for overall, allowing the taxpayer to benefit from the 40% tax [1].

For shareholders who are not fiscally domiciled in France, the dividend distributed is subject to withholding tax at source at one of the rates specified in Article 187 of the French General Tax Code (*Code général des impôts*), in accordance with Article 119 *bis* of said Code, which may be reduced in application of any tax agreement concluded between France and the State in which the beneficiary is fiscally resident.

In accordance with the provisions of Article 43 *bis* of the French General Tax Code (*Code général des impôts*), the General Meeting duly notes that dividends distributed to shareholders in respect of the three previous financial years were as follows:

	Financial year		
In euros	**2023**	**2022**	**2021**
"Ordinary" dividend	15.00	13.00	8.00
"Exceptional" dividend	10.00	-	-

FIFTH RESOLUTION: APPROVAL OF RELATED-PARTY AGREEMENTS

Explanatory statement

Related-party agreements are presented in detail in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.9.1).

In the fifth resolution, in the absence of related-party agreements authorised and signed during the 2024 financial year, we ask you to note that there are no agreements to approve.

Agreements authorised in prior years

The agreements authorised and signed during previous financial years and whose performance continued during the last financial year are described in the Statutory Auditors' special report on the agreements referred to in Articles L. 226-10, L. 225-38 to L. 225-43, L. 22-10-12 and L. 22-10-13 of the French Commercial Code (*Code de commerce*). Since they have already been approved by the General Meeting, they are not resubmitted to you for a vote.

This report can be found in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2025", § 8.4.3).

A summary of the related-party agreements in force is presented in the Supervisory Board corporate governance report in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.9.1).

Fifth resolution

Approval of related-party agreements

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Statutory Auditors' special report on the agreements pertaining to the combined provisions of Articles L. 226-10, L. 225-38 to L. 225-43, L. 22-10-12 and L. 22-10-13 of the French Commercial Code (*Code de commerce*), approves said report in all its provisions, as well as the agreements and transactions referred to therein.

1. *Within the scope of the single flat-rate withholding tax, taxpayers may opt, expressly and irrevocably before the deadline for the declaration and overall for all their revenue defined in Article 200-A-1 of the French General Tax Code, for their revenue to be taxed using the progressive income tax scale, in accordance with Article 200-A-2 of the French General Tax Code.*

SIXTH RESOLUTION: AUTHORISATION GRANTED TO THE EXECUTIVE MANAGEMENT TO TRADE IN THE COMPANY'S SHARES

Explanatory statement

In the sixth resolution, you are asked to renew the authorisation granted to the Executive Management to trade in the Company's shares.

Objective

The shares may be repurchased in order to be allocated to the objectives permitted by Regulation (EU) no. 596/2014 of 16 April 2014 on market abuse (Market Abuse Regulation – "MAR"):

- objectives provided for in Article 5 of the MAR: capital decrease, hedging of debt securities exchangeable for shares and coverage of employee shareholding plans;
- objectives provided for in Article 13 of the MAR and, under the sole market practice accepted by the French Financial Markets Authority (AMF): the implementation of a liquidity contract by an investment service provider acting independently and in accordance with the provisions of AMF decision no. 2021-01 of 22 June 2021;
- other objectives: acquisitions, hedging of equity securities exchangeable for shares and, more generally, allocation to the completion of any transactions in accordance with the regulations in force.

Limits of the authorisation

- purchases and sales of securities representing holdings of up to 10% of the share capital would be authorised, *i.e.* for indicative purposes as at 31 December 2024: 10,556,941 shares;
- the maximum purchase price (excluding costs) would be set at €3,400 per share;
- the maximum amount of funds to be committed would be set at €8 billion. It is specified that treasury shares held on the day of the General Meeting are not taken into account in this maximum amount;
- pursuant to the law, the total number of shares held at any given date may not exceed 10% of the share capital as at that date.

Duration of the authorisation

This authorisation would be valid for a period of 18 months from the date of the General Meeting.

Sixth resolution

Authorisation granted to the Executive Management to trade in the Company's shares

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Executive Management report:

1) authorises the Executive Management, with the option to sub-delegate under the terms and conditions set by law, in accordance with the provisions of Articles L. 22-10-62 *et seq.* of the French Commercial Code (*Code de commerce*) and Regulation (EU) no. 596/2014 of 16 April 2014 on market abuse (MAR), to buy Company shares or have Company shares bought, within the limits stipulated by legal and regulatory provisions, provided that:

- the number of shares purchased by the Company during the term of the buyback programme shall not exceed 10% of the total number of shares comprising the Company's share capital, at any time; this percentage shall apply to share capital adjusted in accordance with transactions that may affect it subsequent to this General Meeting. In accordance with the provisions of Article L. 22-10-62 of the French Commercial Code (*Code de commerce*), the number of shares used as a basis for calculating the 10% limit is the number of shares bought, less the number of shares sold during the term of the authorisation if these shares were purchased to ensure liquidity under the conditions defined by the French Financial Markets Authority (AMF) General Regulation, and
- the Company will not at any time own more than 10% of its share capital on the date in question;

2) resolves that the shares may be acquired with a view to:

- objectives provided for in Article 5 of the MAR:
  - cancelling all or part of the shares bought back in this way in order notably to increase the return on equity and earnings per share, and/or to neutralise the dilutive impact for shareholders of capital increases, wherein such purpose is contingent upon adoption of a special resolution by the Extraordinary General Meeting,
  - reallocating them upon the exercise of rights attached to debt securities giving entitlement by conversion, exercise, redemption, exchange, presentation of a warrant or in any other way, to the allocation of Company shares,
  - allotting or selling the shares to employees and Corporate Officers of the Company or a Group company, under the terms and conditions stipulated by law, as part of stock option plans (in accordance with the provisions of Articles L. 225-179 *et seq.* of the French Commercial Code (*Code de commerce*)), or free share allocations (in accordance with the provisions of Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code (*Code de commerce*)), or with respect to their participation in the Company's profit-sharing or through a shareholding plan or a company or group savings plan (or similar plan) under conditions provided by law, in particular Articles L. 3332-1 *et seq*. of the French Labour Code;

- objectives provided for in Article 13 of the MAR and under the sole market practice accepted by the French Financial Markets Authority (AMF):
  - ensuring the promotion of a secondary market or the liquidity of the share through an investment service provider acting independently under a liquidity contract in accordance with an ethics charter recognised by the French Financial Markets Authority (AMF), and in accordance with the provisions of AMF decision no. 2021-01 of 22 June 2021;
- other objectives:
  - retaining the shares, in order subsequently to transfer the shares in payment, exchange or as other consideration for acquisitions initiated by the Company, it being specified that the number of shares purchased by the Company in view of retaining them and subsequently delivering them in payment or exchange under the terms of a merger, demerger or contribution shall not exceed 5% of the share capital,
  - reallocating them upon the exercise of rights attached to equity securities giving entitlement by conversion, exercise, redemption, exchange, presentation of a warrant or in any other way, to the allocation of Company shares; and more generally,
  - allocating them to the completion of any transactions in accordance with the applicable regulations.

This programme is also intended to enable the Company to operate for any other purpose that may be authorised, or come to be authorised, by law or regulations in force, including in particular any other market practice that may come to be approved by the French Financial Markets Authority (AMF), subsequent to this General Meeting.

In such case, the Company would inform its shareholders by publishing a special notice;

3) resolves that, except for shares acquired for allocation under share purchase plans for the Company's employees or Corporate Officers, the purchase price per share shall be no higher than three thousand four hundred euros (€3,400), excluding costs;

4) resolves that the Executive Management may nevertheless adjust the aforementioned purchase price in the event of a change in the par value of the share, a capital increase by capitalisation of reserves, a free share allocation, a stock split or reverse split, a write-off or reduction in the share capital, a distribution of reserves or other assets, or any other equity transactions, to take into account the effect of such transactions on the value of the share;

5) resolves that the maximum amount of funds that may be committed to this share purchase programme cannot exceed eight billion euros (€8 billion);

6) resolves that the shares may be purchased by any means, including all or part of interventions on regulated markets, multilateral trading systems, with systematic internalisers or OTC, including block purchases of securities (without limiting the portion of the buyback programme carried out by this means), by public tender or exchange offering or the use of options or derivatives (in compliance with legal and regulatory requirements applicable at the time), excluding the sale of put options, and at the time that the Executive Management deems appropriate, including during a public offering for the shares of the Company, in accordance with stock market regulations, either directly or indirectly *via* an investment services provider. The shares acquired pursuant to this authorisation may be retained, sold, or transferred by any means, including by block sales, and at any time, including during public offerings;

7) grants all powers to the Executive Management to implement this delegation, and in particular:

- to decide and carry out the transactions provided for by this authorisation,
- to determine the terms, conditions and procedures applicable thereto,
- to place all orders, either on or off market,
- to adjust the purchase price of the shares to take into account the effect of the aforementioned transactions on the value of the share,
- to allocate or re-allocate the acquired shares to the various objectives pursued under the applicable legal and regulatory conditions,
- to enter into all agreements, in particular for purposes of maintaining the stock transfer ledgers,
- to file all necessary reports with the French Financial Markets Authority (AMF) and any other relevant body,
- to undertake all formalities, and
- to generally carry out all necessary measures;

8) resolves that this authorisation is granted for a period of 18 months from this meeting.

This authorisation cancels and replaces, for the remaining term and the unused portion, the authorisation granted by the Combined General Meeting of 30 April 2024 in its sixth resolution ("Authorisation granted to the Executive Management to trade in the Company's shares").

SEVENTH, EIGHTH, NINTH AND TENTH RESOLUTIONS: APPROVAL OF TOTAL COMPENSATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 TO THE CORPORATE OFFICERS – EFFECTIVE APPLICATION OF THE COMPENSATION POLICY

Explanatory statement

The mechanism applicable to *sociétés en commandite par actions* (partnerships limited by shares) governing Senior Executive compensation is described in detail in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8).

In respect of the past financial year (ended on 31 December 2024), this mechanism provides for:

- a so-called "global" *ex-post* vote concerning the information referred to in I of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*). This information reflects, for each of the Corporate Officers in office during the financial year ended on 31 December 2024, the effective application of the compensation policy for that financial year.

  The information referred to in 1°, 2° and 4° of Article L. 22-10-9, I. of the French Commercial Code (*Code de commerce*) is detailed and explained below. The other information referred to in this Article, which is also subject to the global *ex-post* vote, is described in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1, § 3.8.2 and § 3.8.4).

In the seventh resolution you are asked to approve this information for each of the Corporate Officers.

- a so-called "individual" *ex-post* vote concerning the total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended to the Executive Chairmen and the Chairman of the Supervisory Board.

In the eighth to tenth resolutions, you are asked to approve the total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to the Executive Chairmen and the Chairman of the Supervisory Board.

The components making up this total compensation and benefits of all kinds are presented in the tables below:

Resolution	Corporate Officers concerned
Global *ex-post* vote	
7th (information on the compensation and benefits of all Corporate Officers)	Executive Chairmen, Chairman and members of the Supervisory Board
Individual *ex-post* votes	
8th (compensation and benefits of Mr Axel Dumas)	Executive Chairman
9th (compensation and benefits of Émile Hermès SAS)	Executive Chairman
10th (compensation and benefits of Mr Éric de Seynes)	Chairman of the Supervisory Board

EXECUTIVE CHAIRMEN

Components of compensation submitted to the vote	Amount awarded in respect of financial year 2024 or accounting valuation	Amount paid during financial year 2024	Presentation
Seventh and eighth resolutions (global and individual *ex-post* votes): Mr Axel Dumas			To the extent that the Executive Chairmen receive neither multi-year variable compensation nor deferred variable compensation, only the following elements are subject to a vote: ◆ fixed compensation paid during financial year 2024; ◆ variable compensation awarded in respect of financial year 2023, paid during financial year 2024; ◆ variable compensation awarded in respect of financial year 2024 whose payment in 2025 is contingent on approval by shareholders at the General Meeting of 30 April 2025; and ◆ benefits of all kinds. The components of compensation detailed below all comply with the compensation policy for the Executive Chairmen presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and § 3.8.1.2). The other information referred to in Article L. 22-10-9, I. of the French Commercial Code (*Code de commerce*), which is also subject to the global *ex-post* vote, is described in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1, § 3.8.2 and § 3.8.4). In the seventh resolution you are asked to approve this information for each of the Corporate Officers.
Gross annual fixed compensation for 2024 (or "additional" compensation in the Articles of Association)		€2,657,510	The fixed compensation of Mr Axel Dumas for 2024 was determined by the Executive Management Board on 7 February 2024, in accordance with the compensation policy for the Executive Chairmen, and was submitted to the Supervisory Board for approval at its meeting of 8 February 2024. In accordance with the compensation policy for the Executive Chairmen presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and 3.8.1.2), the actual gross annual fixed compensation for 2024 of Mr Axel Dumas increased (+20.6%) compared to the 2023 financial year.
Gross annual variable compensation for 2024 (compensation set by the Articles of Association ("statutory compensation"))		€4,630,203 of which 10% for achieving the CSR criterion	The gross annual variable compensation for 2024 of Mr Axel Dumas, awarded in respect of financial year 2023, was determined by the Executive Management Board on 7 February 2024, in accordance with the compensation policy for the Executive Chairmen, and was submitted to the Supervisory Board for approval at its meeting of 8 February 2024. This part of compensation for Mr Axel Dumas was already submitted to a vote (*ex-post*) by shareholders at the General Meeting of 30 April 2024 ("Gross annual variable compensation awarded in 2024 in respect of 2023"). The shareholders having approved the seventh and eighth resolutions, respectively by 91.79% and 91.70%, the payment of the gross annual variable compensation for Mr Axel Dumas was made following the General Meeting of 30 April 2024 (payment subject to the approval of the General Meeting). Given the terms of application of the mechanism governing Senior Executive compensation, this part remains subject to a vote (*ex-post*) by this Meeting, due to its payment in 2024. In accordance with the compensation policy for the Executive Chairmen presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and 3.8.1.2), the actual gross annual variable compensation for 2024 of Mr Axel Dumas increased (+26.9%) compared to the 2023 financial year.
Deferred variable compensation		n/a	The principle of the allocation of deferred variable compensation is not provided for.
Multi-year variable compensation		n/a	The principle of such compensation is not provided for.
Exceptional compensation		n/a	The principle of such compensation is not provided for.

Components of compensation submitted to the vote	Amount awarded in respect of financial year 2024 or accounting valuation	Amount paid during financial year 2024	Presentation
Stock options, performance-based shares or any other component of long-term compensation (IFRS valuation at the allocation date)	Stock options: n/a Performance-based shares: n/a Other items: n/a		No stock option or performance-based share plans benefiting the Executive Chairmen were implemented during or in respect of the 2024 financial year.
Compensation for assumption of duties		n/a	No such commitment exists.
Severance payment	€0	€0	The conditions governing the severance payment are presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.2.4). No payment has been made during or in respect of financial year 2024.
Non-compete indemnity		n/a	Mr Axel Dumas is not subject to any non-competition agreement, therefore no compensation is made in this respect.
Supplemental pension plan		1. With respect to Article 39: no payment 2. With respect to Article 83: no payment 3. With respect to Article 82: no payment in favour of the Executive Chairman Gross contribution of €1,457,543 (after deduction of the applicable social security contributions and the withholding of income tax, the amount of the contribution that was paid (net amount) to the insurer was €716,540)	The supplemental pension plans (with reference to Articles 39, 82 and 83 of the French General Tax Code) are presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.2.4). No payment has been made during or in respect of financial year 2024. *1. Defined-benefit pension plan (Article 39 of the French General Tax Code – Article L. 137-11 of the French Social Security Code)* Subject to satisfying the conditions of the plan at the time of liquidation of his pension, in particular, the beneficiary ending his career in the Company after at least 10 years' of service and the liquidation of the retirement pension as per the basic social security pension regime, and any statutory changes that may occur, the potential pension rights calculated for Mr Axel Dumas as at 31 December 2024 would be €162,024. *2. Defined-contribution pension plan (Article 83 of the French General Tax Code)* For information, the estimated maximum gross annual pension amount under the defined-contribution pension plan, if Mr Axel Dumas had been able to liquidate his pension rights as at 31 December 2024, would have amounted to €12,210. *3. Defined-contribution funded pension plan (Article 82 of the French General Tax Code)* The plan provides for a gross annual contribution based on the "Reference Compensation" of the Executive Chairman, consisting, at the payment date, of (i) the annual fixed compensation for year N and (ii) the annual variable compensation awarded in respect of year N-1 and paid in year N (subject to approval by the Shareholders' General Meeting). The contribution is calculated by applying a rate to the Reference Compensation that varies from 0% to 20% depending on the achievement of the applicable performance conditions (chapter 3 "Corporate governance", § 3.8.1.2.4). The CAG-CSR Committee evaluated the level of achievement of the performance criteria at its meeting of 29 May 2024 and noted that the three indicators making up the criteria were fully achieved. As a result, and in accordance with the mechanism, a gross contribution of €1,457,543 was determined, corresponding to 20% of the Reference Compensation (€7,287,713). It is specified that after deduction of the applicable social security contributions and the withholding of income tax, the net amount of the contribution that was paid to the insurer was €716,540. Mr Axel Dumas did not receive any cash payment.
Compensation paid or awarded by a company falling within the scope of consolidation		n/a	The principle of such compensation is not provided for.

n/a: not applicable.

Components of compensation submitted to the vote	Amount awarded in respect of financial year 2024 or accounting valuation	Amount paid during financial year 2024	Presentation
Valuation of benefits of all kinds		€8,852	Benefits in kind are presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.2.4).
Death and disability plan			The death and disability plan is presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.2.4).
Gross annual variable compensation for 2025 (compensation set by the Articles of Association ("statutory compensation"))	€5,042,291 of which 10% for achieving the CSR criterion		The gross annual variable compensation in 2025 of Mr Axel Dumas, awarded in respect of financial year 2024, was determined by the Executive Management Board on 12 February 2025, in accordance with the compensation policy for the Executive Chairmen, and was subject to the deliberation of the Supervisory Board at its meeting of 13 February 2025. A portion of the variable compensation is subject to a "CSR" criterion representing the Group's firm and ongoing commitments to sustainable development. The CAG-CSR Committee evaluated the level of achievement of the CSR criterion applicable to 10% of the variable compensation of the Executive Chairmen at its meeting of 10 January 2025 and noted that the three indicators making up the criterion were fully achieved. The details of this assessment can be found in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.2.1.2). Consequently, the gross variable compensation awarded in respect of financial year 2024 was calculated by applying the change in the Company's consolidated net income before tax for financial year 2024 compared with 2023, i.e. an increase of +8.9%, to the variable compensation paid in 2024 in respect of financial year 2023. Payment of this compensation is subject to the approval of the General Meeting of 30 April 2025.

Components of compensation submitted to the vote	Amount awarded in respect of financial year 2024 or accounting valuation	Amount paid during financial year 2024	Presentation
Seventh and ninth resolutions (global *ex-post* and individual *ex-post* votes): Émile Hermès SAS			To the extent that the Executive Chairmen receive neither multi-year variable compensation nor deferred variable compensation, only the following elements are subject to a vote: ◆ fixed compensation paid during financial year 2024; ◆ variable compensation awarded in respect of financial year 2023, paid during financial year 2024; ◆ variable compensation awarded in respect of financial year 2024 whose payment in 2025 is contingent on approval by the shareholders at the General Meeting of 30 April 2025; ◆ benefits of all kinds. The components of compensation presented below all comply with the compensation policy for the Executive Chairmen presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and § 3.8.1.2). The other information referred to in Article L. 22-10-9, I. of the French Commercial Code (*Code de commerce*), which is also subject to the global *ex-post* vote, is described in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1, § 3.8.2 and § 3.8.4). In the seventh resolution you are asked to approve this information for each of the Corporate Officers.
Gross annual fixed compensation for 2024 (or "additional" compensation in the Articles of Association)		€903,392	The fixed compensation paid in 2024 to Émile Hermès SAS was determined by the Executive Management Board on 7 February 2024, in accordance with the compensation policy for the Executive Chairmen, and was submitted to the Supervisory Board for approval at its meeting of 8 February 2024. In accordance with the compensation policy for the Executive Chairmen presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and 3.8.1.2), the actual gross annual fixed compensation for 2024 of Émile Hermès SAS increased (+20.6%) in respect of financial year 2023.

Components of compensation submitted to the vote	Amount awarded in respect of financial year 2024 or accounting valuation	Amount paid during financial year 2024	Presentation
Gross annual variable compensation for 2024 (compensation set by the Articles of Association ("statutory compensation"))		€2,159,191 of which 10% for achieving the CSR criterion	The gross annual variable compensation of Émile Hermès SAS in 2024, awarded in respect of financial year 2023, was determined by the Executive Management Board on 7 February 2024, in accordance with the compensation policy for the Executive Chairmen, and was submitted to the Supervisory Board for approval at its meeting of 8 February 2024. This part of compensation for Émile Hermès SAS was already submitted to a vote (*ex-post*) by shareholders at the General Meeting of 30 April 2024 ("gross annual variable compensation awarded in 2024 in respect of 2023"). Shareholders having approved the seventh and ninth resolutions by 91.79% and 91.98% respectively, the gross annual variable compensation was paid to Émile Hermès SAS after the General Meeting of 30 April 2024 (payment subject to approval by the General Meeting). Given the terms of application of the mechanism governing Senior Executive compensation, this component remains subject to a vote (*ex-post*) by this Meeting, due to its payment in 2024. In accordance with the compensation policy for the Executive Chairmen presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and 3.8.1.2), the actual gross annual variable compensation for 2024 of Émile Hermès SAS increased (+26.9%) in respect of financial year 2023.
Deferred variable compensation		n/a	The principle of the allocation of deferred variable compensation is not provided for.
Multi-year variable compensation		n/a	The principle of such compensation is not provided for.
Exceptional compensation		n/a	The principle of such compensation is not provided for.
Stock options, performance-based shares or any other component of long-term compensation (IFRS valuation at the allocation date)	Stock options: n/a Performance-based shares: n/a Other items: n/a		No stock option or performance-based share plans benefiting the Executive Chairmen were implemented during or in respect of the 2024 financial year. Émile Hermès SAS, a legal entity, is in addition not eligible for the stock option or performance-based share plans.
Compensation for assumption of duties		n/a	No such commitment exists.
Severance payment		n/a	No such commitment exists.
Non-compete indemnity		n/a	No such commitment exists.
Supplemental pension plan		n/a	Émile Hermès SAS, a legal entity, is not eligible for a supplemental pension plan.
Compensation paid or awarded by a company falling within the scope of consolidation		n/a	The principle of such compensation is not provided for.
Valuation of benefits of all kinds		n/a	Émile Hermès SAS does not receive benefits of all kinds.
Death and disability plan		n/a	Émile Hermès SAS, a legal entity, is not eligible for a death and disability plan.

n/a: not applicable.

Components of compensation submitted to the vote	Amount awarded in respect of financial year 2024 or accounting valuation	Amount paid during financial year 2024	Presentation
Gross annual variable compensation for 2025 (compensation set by the Articles of Association ("statutory compensation"))	€2,351,359 of which 10% for achieving the CSR criterion		The gross annual variable compensation of Émile Hermès SAS in 2025, awarded in respect of financial year 2024, was determined by the Executive Management Board on 12 February 2025, in accordance with the compensation policy for the Executive Chairmen, and was submitted to the Supervisory Board for approval at its meeting of 13 February 2025. A portion of the variable compensation is subject to a "CSR" criterion representing the Group's firm and ongoing commitments to sustainable development. The CAG-CSR Committee evaluated the level of achievement of the CSR criterion applicable to 10% of the variable compensation of the Executive Chairmen at its meeting of 10 January 2025 and noted that the three indicators making up the criterion were fully achieved. The details of this assessment can be found in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.2.1.2). Consequently, the gross variable compensation awarded in respect of financial year 2024 was calculated by applying the change in the Company's consolidated net income before tax for financial year 2024 compared with 2023, *i.e.* an increase of +8.9%, to the variable compensation paid in 2024 in respect of financial year 2023. Payment of this compensation is subject to the approval of the General Meeting of 30 April 2025.

CHAIRMAN OF THE SUPERVISORY BOARD

Components of compensation submitted to the vote	Amount awarded in respect of financial year 2024 or accounting valuation	Amount paid during financial year 2024	Presentation
Seventh and tenth resolutions (global *ex-post* and individual *ex-post* votes): Mr Éric de Seynes			The components of compensation detailed below all comply with the compensation policy for members of the Supervisory Board described in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and § 3.8.1.3). The other information referred to in Article L. 22-10-9, I. of the French Commercial Code (*Code de commerce*), which is also subject to the global *ex-post* vote, is described in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1, § 3.8.2 and § 3.8.4). In the seventh resolution you are asked to approve this information for each of the Corporate Officers.
Gross annual fixed compensation	€180,000	€180,000	The Chairman of the Supervisory Board is entitled to fixed annual compensation of €180,000. This is deducted from the total amount of compensation awarded to the Supervisory Board by the General Meeting. He is not entitled to any variable compensation as he attends all Supervisory Board meetings.
Gross annual variable compensation		n/a	The principle of such compensation for the Chairman is not provided for.
Other components of compensation		n/a	No other form of compensation is provided for.
Other commitments		n/a	No other commitments exist.

OTHER MEMBERS OF THE SUPERVISORY BOARD

Components of compensation submitted to the vote	Amount awarded in respect of financial year 2024 or accounting valuation	Amount paid during financial year 2024	Presentation
Seventh resolution (global *ex-post* vote): Members of the Supervisory Board (excluding the Chairman)			The components of compensation detailed below all comply with the compensation policy for members of the Supervisory Board described in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and § 3.8.1.3). The other information referred to in Article L. 22-10-9, I. of the French Commercial Code (*Code de commerce*), which is also subject to the global *ex-post* vote, is described in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1, § 3.8.2 and § 3.8.4). In the seventh resolution you are asked to approve this information for each of the Corporate Officers.
Gross annual fixed compensation for Board members	Please refer to Table 3 in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.4.3)		The allocation principles provided for in the compensation policy are presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.3).
Gross annual variable compensation for Board members	Please refer to Table 3 in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.4.3)		The allocation principles provided for in the compensation policy are presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.3).
Other components of compensation	n/a		No other form of compensation is provided for.
Other commitments	n/a		No other commitments exist.

Seventh resolution

Approval of the information referred to in I of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*) with regard to compensation for the financial year ended 31 December 2024, for all Corporate Officers (global *ex-post* vote)

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Supervisory Board's corporate governance report, approves, in accordance with I of Article L. 22-10-77 of the French Commercial Code (*Code de commerce*), in respect of each Corporate Officer, the information referred to in I of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*), as presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.2) and in the explanatory statements to the resolutions.

Eighth resolution

Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Mr Axel Dumas, Executive Chairman (individual *ex-post* vote)

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, in accordance with the provisions of II of Article L. 22-10-77 of the French Commercial Code (*Code de commerce*), approves the total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Mr Axel Dumas, Executive Chairman, as presented in the explanatory statements to the resolutions.

Ninth resolution

Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Émile Hermès SAS, Executive Chairman (individual *ex-post* vote)

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, in accordance with the provisions of II of Article L. 22-10-77 of the French Commercial Code (*Code de commerce*), approves the total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Émile Hermès SAS, Executive Chairman, as presented in the explanatory statements to the resolutions.

Tenth resolution

Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Mr Éric de Seynes, Chairman of the Supervisory Board (individual *ex-post* vote)

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, in accordance with the provisions of II of Article L. 22-10-77 of the French Commercial Code (*Code de commerce*), approves the total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to Mr Éric de Seynes, Chairman of the Supervisory Board, as presented in the explanatory statement to the resolutions.

ELEVENTH AND TWELFTH RESOLUTIONS: COMPENSATION POLICIES FOR THE EXECUTIVE CHAIRMEN AND SUPERVISORY BOARD MEMBERS (*EX-ANTE* VOTES)

Explanatory statement

The mechanism applicable to *sociétés en commandite par actions* (partnerships limited by shares) governing Senior Executive compensation, introduced by Order no. 2019-1234 of 27 November 2019, is described in detail in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8).

This system provides that the Shareholders' General Meeting votes each year on the compensation policies of the Corporate Officers (*i.e.* the Executive Chairmen and the Supervisory Board members). These are presented in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 to § 3.8.1.3).

As explained in § 3.8.1.2.1 of Chapter 3 "Corporate governance", the Executive Management Board of Émile Hermès SAS, Active Partner, renewed the compensation policy for the Executive Chairmen approved by the General Meeting of 30 April 2024.

In the eleventh resolution, you are asked to approve the compensation policy for the Executive Chairmen (unchanged).

In the twelfth resolution, you are asked to approve the compensation policy for members of the Supervisory Board (unchanged).

Resolution	Corporate Officers concerned
***Ex-ante* votes**	
11th (compensation policy)	Executive Chairmen
12th (compensation policy)	Members of the Supervisory Board

Eleventh resolution

Approval of the compensation policy for the Executive Chairmen (*ex-ante* vote)

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Supervisory Board's corporate governance report, pursuant to II of Article L. 22-10-76 of the French Commercial Code (*Code de commerce*), approves the compensation policy for Executive Chairmen, as set out in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and § 3.8.1.2).

Twelfth resolution

Approval of the compensation policy for Supervisory Board members (*ex-ante* vote)

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Supervisory Board's corporate governance report, pursuant to II of Article L. 22-10-76 of the French Commercial Code (*Code de commerce*), approves the compensation policy for members of the Supervisory Board, as set out in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.8.1.1 and § 3.8.1.3).

THIRTEENTH, FOURTEENTH AND FIFTEENTH RESOLUTIONS: REAPPOINTMENT OF SUPERVISORY BOARD MEMBERS

Explanatory statement

The terms of office of four members of the Supervisory Board (Mr Charles-Eric Bauer, Ms Estelle Brachlianoff, Ms Julie Guerrand and Ms Dominique Senequier) expire at the end of this meeting.

In the thirteenth, fourteenth and fifteenth resolutions, the Active Partner proposes that you renew, for the three-year period as set out in the Articles of Association, the terms of office of Mr Charles-Eric Bauer, Ms Estelle Brachlianoff and Ms Julie Guerrand.

These three terms of office would thus expire at the end of the General Meeting called in 2028 to approve the financial statements for the financial year ending 31 December 2027.

Mr Charles-Eric Bauer has been a member of the Supervisory Board since 3 June 2008. He brings to the Board his in-depth knowledge of the history and culture of Hermès. His expertise in banking and finance, and the commitment with which he carries out his duties enable him to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility.

Ms Estelle Brachlianoff has been a member of the Supervisory Board since 4 June 2019. Her experience as a high-level Senior Executive in an international group, steering structures undergoing transformation, as well as her expertise in CSR and the commitment with which she carries out her duties and participates in the Audit and Risk Committee and the CAG-CSR Committee enable her to make an effective contribution to the quality of the discussions and work of the Board in all of its areas of responsibility. She also brings her dynamism, intellectual agility and the special care she gives to the quality of human relations in organisations.

Ms Julie Guerrand has been a member of the Supervisory Board since 2 June 2005. She brings to the Board her in-depth knowledge of the history and culture of Hermès. Her expertise in the fields of finance and M&A, as well as her legal expertise and the commitment with which she carries out her duties enable her to contribute actively to the discussions and work of the Board in all of its areas of responsibility.

Cumulative attendance over the last three years (2022-2024) of their term of office

	Supervisory Board	Audit and Risk Committee	CAG-CSR Committee
Mr Charles-Eric Bauer	95.24%	100%	n/a
Ms Estelle Brachlianoff	95.24%	83.33%	76.47%
Ms Julie Guerrand	100%	n/a	n/a

n/a: not applicable.

Information concerning the persons whose reappointment is submitted for your approval is provided in the 2024 universal registration document (chapter 3 “Corporate governance”, § 3.4.8.1, § 3.4.8.2, § 3.4.8.4 and § 3.4.8.12).

These reappointments are in line with the diversity policy applied within the Supervisory Board, which is described in detail in the 2024 universal registration document (chapter 3 “Corporate governance”, § 3.4.3).

The Supervisory Board has set itself objectives or principles in terms of optimal Board size, age limit, number of independent members and diversity (representation of women and men, nationalities, international experience, expertise, etc.), and has gradually changed the composition of the Board to achieve this.

These proposed reappointments submitted to the vote of the General Meeting meet these objectives and principles, in particular by enabling a variety of skills and experience to be retained, covering each of the areas of expertise corresponding to the main operational issues facing the Hermès Group and the core subjects that the Supervisory Board and its committees are required to oversee as part of their duties. They also respond to the Board’s desire to maintain a composition that takes into account the specific nature of the Maison Hermès.

Thirteenth resolution

Reappointment of Supervisory Board member Mr Charles-Eric Bauer for a term of three years

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, renews, as a member of the Supervisory Board the mandate of:

Mr Charles-Eric Bauer

Pursuant to Article 18.2 of the Articles of Association, his three-year term of office will expire at the end of the Annual Ordinary General Meeting called in 2028 to approve the financial statements for the financial year ending 31 December 2027.

Mr Charles-Eric Bauer has indicated that he is prepared to accept the renewal of his mandate, and that he does not hold any positions and is not subject to any restrictions that could prevent him from carrying out his duties.

Fourteenth resolution

Reappointment of Supervisory Board member Ms Estelle Brachlianoff for a term of three years

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, renews, as a member of the Supervisory Board the mandate of:

Ms Estelle Brachlianoff

Pursuant to Article 18.2 of the Articles of Association, her three-year term of office will expire at the end of the Annual Ordinary General Meeting called in 2028 to approve the financial statements for the financial year ending 31 December 2027.

Ms Estelle Brachlianoff has indicated that she is prepared to accept the renewal of her mandate, and that she does not hold any positions and is not subject to any restrictions that could prevent her from carrying out her duties.

Fifteenth resolution

Reappointment of Supervisory Board member Ms Julie Guerrand for a term of three years

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, renews, as a member of the Supervisory Board the mandate of:

Ms Julie Guerrand

Pursuant to Article 18.2 of the Articles of Association, her three-year term of office will expire at the end of the Annual Ordinary General Meeting called in 2028 to approve the financial statements for the financial year ending 31 December 2027.

Ms Julie Guerrand has indicated that she is prepared to accept the renewal of her mandate, and that she does not hold any positions and is not subject to any restrictions that could prevent her from carrying out her duties.

SIXTEENTH, SEVENTEENTH AND EIGHTEENTH RESOLUTIONS: APPOINTMENT OF THREE NEW MEMBERS OF THE SUPERVISORY BOARD

Explanatory statement

The term of office of Ms Dominique Senequier, independent member of the Supervisory Board of Hermès International since 2013 and Chairwoman of the CAG-CSR Committee, expires at the end of this meeting.

Ms Dominique Senequier will have served terms of office totalling 12 years on 4 June 2025 and will therefore lose her status as an independent Board member according to the criteria of the Afep-Medef Code. This rule has always been strictly applied by Hermès International. For this reason, the renewal of her term of office is not proposed to this meeting.

Mr Alexandre Viros also announced his intention to resign from his duties as a member of the Supervisory Board with effect from 30 April 2025 (post-General Meeting) in order to devote himself fully to his new professional projects.

In 2024, the Supervisory Board, in conjunction with the CAG-CSR Committee, launched a selection process to find candidates to be proposed to the General Meeting of 30 April 2025. This process enabled the CAG-CSR Committee to identify and propose the candidacies of three people.

The sixteenth resolution proposes the appointment as a new member of the Supervisory Board of Ms Cécile Béliot-Zind.

Ms Cécile Béliot-Zind has solid experience in the agri-food sector and has been Managing Director of the Bel family group since 2022. With extensive international experience acquired within Kraft Foods (Mondelez group) and the Danone group, where she held various marketing and management positions for more than 15 years, Ms. Béliot-Zind joined the Bel group in 2019 as Deputy Chief Executive Officer, in charge of strategy, markets and growth. She succeeded in developing new territories while strengthening the Group's strategic positioning in so-called mature markets. These objectives were achieved thanks in particular to her appetite for innovation, while promoting a sustainable growth model that fully integrates social, societal, environmental and financial issues. Ms Béliot-Zind will bring to the Supervisory Board her ability to understand the global dynamics and integrate all the challenges of each project. In addition to her technical skills, her intellectual agility, attention to human relations, knowledge of family groups and her dynamism will enable her to contribute effectively to the quality of discussions and the work of the Board in all its areas of intervention.

Pursuant to Article 18.2 of the Articles of Association, her first term of office will have a term of three years.

The seventeenth resolution proposes the appointment of Mr Jean-Laurent Bonnafé as a new member of the Supervisory Board to replace Ms Dominique Senequier, whose term of office is due to expire.

Mr Jean-Laurent Bonnafé will bring to the Supervisory Board his experience as a high-level Senior Executive in an international group, a director of both listed and unlisted international groups, as well as his knowledge of the financial and banking markets. With a career spanning more than 30 years at BNP Paribas, Mr Jean-Laurent Bonnafé has acquired in-depth knowledge of market dynamics, financial risks and regulations. His career has enabled him to successfully navigate economic crises, thus strengthening his ability to anticipate and manage the complex challenges that a company may face. As a leader of one of the largest financial institutions in Europe, he has demonstrated his ability to develop and implement innovative strategies, promoting sustainable growth. His forward-looking vision and performance-driven approach will be invaluable in guiding the Company in a constantly changing environment. He will also bring to the Board his knowledge of customer relationships, his open-mindedness, his innovative approach to subjects and a keen eye on the digital world. As an independent member, Mr Jean-Laurent Bonnafé will bring an objective and informed perspective to the Board's discussions. His commitment to best governance practices and personal integrity will enrich the Company's governance and contribute to its long-term success by equipping us with valuable expertise.

Pursuant to Article 18.2 of the Articles of Association, his first term of office will have a term of three years.

By the 18th resolution, it is proposed that Mr Bernard Émié be appointed as a new member of the Supervisory Board to replace Mr Alexandre Viros, who has resigned from his position.

Mr Bernard Émié is a diplomat and a graduate of the Institut d'Etudes Politiques de Paris and the École Nationale de l'Administration. His career began in 1983 as Secretary of Foreign Affairs, with significant positions at the French Embassy in India and in the United States. He was also technical advisor to the office of the Minister of Foreign Affairs and deputy diplomatic advisor to the Presidency of the French Republic. In 2002, he managed the North Africa and Middle East department at the Quai d'Orsay (French Foreign Ministry), before serving as ambassador in several capitals, including London and Algiers. As Director General of External Security, he has developed a strategic vision of national and international security issues. Thanks to his experience, Mr Bernard Émié has in-depth expertise in international relations, an understanding of cultural and political dynamics, as well as an ability to assess risks, which will be valuable assets for the Supervisory Board.

In accordance with the principle of renewal of the Supervisory Board by thirds set out in Article 18.2 of the Articles of Association, his first term of office will last for two years.

The Supervisory Board analysed the compliance with the various independence criteria of the three candidates at its meeting of 13 February 2025, on the basis of the work of the CAG-CSR Committee of 12 February 2025.

With regard to Mr Jean-Laurent Bonnafé, Chief Executive Officer and Director of BNP Paribas, the Supervisory Board has looked particularly closely at the criterion relating to business relationships.

Thus, the business relationship between the two groups was assessed on the basis of the following quantitative and qualitative criteria:

- duration of the relationship between the Hermès Group and BNP Paribas;
- stability of relationship (regularity of transactions in particular);
- economic importance of this relationship (including in particular the distribution of powers in negotiations, the absence of exclusivity and the share in the respective revenue of the parties);
- any investments made as part of the relationship;
- economic interdependence between the parties (risk of serious consequences, particularly economic in the event of a sudden termination of the relationship);
- the organisation of the relationship (decision-making power of the person proposed for appointment in the relationship/compensation of the person proposed for appointment in connection with the business relationship);
- the possible existence of links between the entity or group in question and other companies in which other members of the Supervisory Board hold executive management positions or chair an administrative or supervisory body.

In essence, BNP Paribas provides Hermès International and its subsidiaries with day-to-day and normal commercial banking services, which represent less than 0.5% of BNP Paribas' net banking income. In addition, the Hermès Group has cash and operating cash flows that enable it to cover its operations and investments using only its own resources, and maintains relationships with around 10 other banking institutions.

The Supervisory Board has thus concluded that Ms Cécile Béliot-Zind, Mr Jean-Laurent Bonnafé and Mr Bernard Émié meet all the independence criteria of the Afep-Medef Code, as well as the additional criterion specific to Hermès International (not being a partner or member of the Executive Management Board of Émile Hermès SAS, Active Partner).

Subject to the approval of their appointment by this Meeting, Mr Jean-Laurent Bonnafé and Ms Cécile Béliot-Zind will join the CAG-CSR Committee and the Audit and Risk Committee, respectively, as members.

The appointments proposed to you will result in the following proportions (excluding employee representatives):

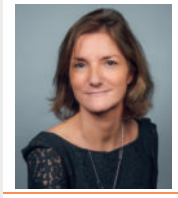
- 54% women and 46% men on the Board;
- 38% independent members on the Board;
- 75% independent members on the Audit and Risk Committee; and
- 67% independent members on the CAG-CSR Committee.

These proposed appointments are fully in line with the diversity policy applied within the Supervisory Board, which is described in detail in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.4.3).

These proposed appointments submitted to the vote of the General Meeting meet the objectives and principles set by the Board, in particular by enabling a variety of skills and experience to be retained, covering each of the areas of expertise corresponding to the main operational issues facing the Hermès Group and the core subjects that the Supervisory Board and its committees are required to oversee as part of their duties. They also respond to the Board's desire to maintain a composition that takes into account the specific nature of the Maison Hermès.

The information concerning the persons whose appointment is subject to your approval is set out below:

Age
50 years old [1]
(27 August 1974)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
None [2]
—
Date of first appointment
Supervisory Board [3]
30 April 2025
Audit and Risk Committee [4]
30 April 2025
Term of current office
2028 GM



CÉCILE BÉLIOT-ZIND

Independent member of the Supervisory Board of Hermès International [3]
Member of the Audit and Risk Committee [4]

Summary of main areas of expertise and experience

Ms Cécile Béliot-Zind holds an MBA from the École Supérieure des Sciences Economiques et Commerciales (ESSEC). She began her career at Kraft Foods (Mondelez group), before joining the Danone group, where she held several positions over more than 15 years: Global Brand Director for various divisions (Biscuits, Water), Marketing Director for the Belgian Dairies division, then Vice-Chairwoman of the Marketing Department of Danone-Unimilk Russia. In 2014, she became Chief Executive Officer of Danone Waters for France and Benelux. In 2017, in addition to these functions, she was appointed Chief Executive Officer of One Danone France, a service centralisation structure for all French business units, as well as for Danone's headquarters and its R&D centre. In 2018, she joined the Bel family group as Deputy Chief Executive Officer, in charge of strategy, markets and growth, before soon being appointed Group Executive Vice-President. She is responsible for strategy, global brands, global sales, R&D, digital/marketing transformation and global markets. In May 2022, she became Chief Executive Officer of the Bel group. Ms Cécile Béliot-Zind has also held several offices in professional associations in the agri-food sector.

Key skills

Ms Cécile Béliot-Zind has been working in the agri-food sector for nearly 30 years. Her experience as a Senior Executive of international groups, whether family-owned or not, gives her a global vision and an ability to navigate complex and multicultural environments. She has in-depth expertise in many strategic and operational areas, as well as a unique perspective on all markets (mature, emerging, digital). She will thus bring to the Supervisory Board her ability to understand global dynamics and integrate all issues relating to each project: human-centered, environmental, social, financial, etc. Her innovation-oriented vision, her ability to conceive and execute innovative strategies, her approach focused on sustainable growth - fully integrating financial and non-financial issues - as well as her ability to evolve in industries undergoing profound transformation will be invaluable assets to the Group. In addition to her technical skills, her intellectual agility, attention to human relations, knowledge of family groups and dynamism will enable her to contribute effectively to the quality of discussions and the work of the Board in all its areas of intervention.

Main activities outside the Company		Chief Executive Officer of the Bel group.	
	In Hermès Group companies	**French companies** ▲ *None*	**Foreign companies** ▲ *None*
Mandats et fonctions exercés au cours de l'exercice 2024	**Outside Hermès Group companies**	**French companies** ◆ **Bel group** ● ✱ Chief Executive Officer	**Foreign companies** ◆ **PUIG** ● ✱ *Advisory Member of the Board (until March 2025)*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** *None*	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
(2) In accordance with Article 18.1 of the Company's Articles of Association, Ms Cécile Béliot-Zind will hold one Hermès International share as at the date of the General Meeting of 30 April 2025.
(3) Subject to the decisions of the General Meeting of 30 April 2025.
(4) Subject to the decisions of the General Meeting of 30 April 2025 and the Supervisory Board.
▲ Société du groupe Hermès. ● Société cotée. ✱ Mandat pris en compte dans le calcul du cumul des mandats.

Age
63 years [1]
(14 July 1961)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
None [2]
—
Date of first appointment
Supervisory Board [3]
30 April 2025
CAG-CSR Committee [4]
30 April 2025
Term of current office
2028 GM



JEAN-LAURENT BONNAFÉ

Independent member of the Supervisory Board of Hermès International [3], Member of the CAG-CSR Committee [4]

Summary of main areas of expertise and experience

An alumnus of the École polytechnique and with an Engineering degree from the Corps des Mines, Jean-Laurent Bonnafé began his career as Head of Strategy and Development, then Head of merger in the context of the BNP and Paribas merger, before his 2002 appointment as Head of the French Retail Banking division, Director of the French networks and member of the BNP Paribas group Executive Committee. On 1 September 2008, Mr Jean-Laurent Bonnafé was appointed Deputy Chief Executive Officer in charge of the Retail Banking activities of the BNP Paribas group and, on 1 December 2011, Chief Executive Officer of BNP Paribas.

Key skills

Mr Jean-Laurent Bonnafé will bring to the Supervisory Board his experience as a Senior Executive of an international group, as a director, as well as his knowledge of the financial and banking markets. With a career spanning more than 30 years at BNP Paribas, Mr Jean-Laurent Bonnafé has acquired in-depth knowledge of market dynamics, financial risks and regulations. His career has enabled him to successfully navigate economic crises, thus strengthening his ability to anticipate and manage the complex challenges that a company may face. As a leader of one of the largest financial institutions in Europe, he has demonstrated his ability to develop and implement innovative strategies, promoting sustainable growth. His forward-looking vision and performance-driven approach will be invaluable in guiding the Board in a constantly changing environment. He will also bring to the Board his knowledge of customer relationships, his open-mindedness, his innovative approach to subjects and a keen eye on the digital world. As an independent member, Mr Jean-Laurent Bonnafé will bring an objective and informed perspective to the Board's discussions. His commitment to best governance practices and his personal integrity will enrich Hermès' governance and contribute to its long-term success by equipping the Group with valuable expertise.

Main activities outside the Company		Chief Executive Officer and Director of BNP Paribas.	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ *None*	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** ◆ **BNP Paribas** ● ✱ Director and Chief Executive Officer ◆ **Pierre Fabre** Director, member of the Strategy Committee ◆ **Pierre Fabre Participations** Director ◆ **Association Française des Banques (AFB)** Chairman ◆ **Fédération Bancaire Française (French Banking Federation) (FBF)** Member of the Executive Committee ◆ **Association pour le Rayonnement de l'Opéra de Paris** Chairman ◆ **Entreprises pour l'Environnement** Vice-Chairman ◆ **La France s'engage foundation** Member of the Board of Directors	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
(2) In accordance with Article 18.1 of the Company's Articles of Association, Mr Jean-Laurent Bonnafé will hold one Hermès International share as at the date of the General Meeting of 30 April 2025.
(3) Subject to the decisions of the General Meeting of 30 April 2025.
(4) Subject to the decisions of the General Meeting of 30 April 2025 and the Supervisory Board.
▲ Hermès Group company. ● Listed company. ✱ Office taken into account when calculating plurality of offices.

Other offices and positions held during the previous four financial years and having ended before 1 January 2024	**French companies** ◆ **Carrefour** Director (term ended on 29/05/2020) ◆ **Fédération Bancaire Française (French Banking Federation) (FBF)** Vice-Chairman of the Executive Committee ◆ **Bank Policy Institute** Member of the Board of Directors (term ended in 2022) ◆ **Entreprises pour l'Environnement** Chairman	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.

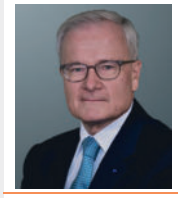
(2) In accordance with Article 18.1 of the Company's Articles of Association, Mr Jean-Laurent Bonnafé will hold one Hermès International share as at the date of the General Meeting of 30 April 2025.

(3) Subject to the decisions of the General Meeting of 30 April 2025.

(4) Subject to the decisions of the General Meeting of 30 April 2025 and the Supervisory Board.

▲ Hermès Group company. ● Listed company. ✱ Office taken into account when calculating plurality of offices.

Age
66 years old [1]
(6 September 1958)
Nationality
French
Address
c/o Hermès International
24, rue du Faubourg Saint-Honoré
75008 Paris
Shares held as at 31 December 2024
None [2]
—
Date of first appointment
Supervisory Board [3]
30 April 2025
Term of current office
2027 GM



BERNARD ÉMIÉ

Independent member of the Supervisory Board of Hermès International [3]

Summary of main areas of expertise and experience

Mr Bernard Émié is a graduate of the Institut d'études politiques de Paris and the École Nationale de l'Administration (Solidarity class). Choosing a diplomatic career as soon as he left the ENA, he was appointed Secretary of Foreign Affairs in 1983 and began his career as Second and then First Secretary at the French Embassy in India (New Delhi). He joined the office of the Minister of Foreign Affairs from 1986 to 1988, as a technical advisor before being appointed to the French Embassy in the United States, as First and then Second Advisor. In 1993, he returned to the office of the Minister of Foreign Affairs, before becoming Deputy Diplomatic Adviser to the Presidency of the Republic. Ambassador in Jordan from 1998 to 2002, he became head of the North Africa and Middle East department at the Quai d'Orsay (French Foreign Ministry). Following this, he held positions as ambassador in Beirut, Ankara, London and Algiers. He was Director General of External Security from 26 June 2017 to 8 January 2024.

Key skills

Mr Bernard Émié began his diplomatic career as soon as he left the ENA, thus developing in-depth skills in the field of international relations and negotiations. His experience in strategic positions, in particular as Deputy Diplomatic Adviser to the Presidency of the French Republic and Director General of External Security, has led him to manage crisis situations that were both complex and essential for the Hermès' sovereignty. As an ambassador in several countries, he has acquired an in-depth understanding of political dynamics, environments and economic forces, as well as cultural issues, all essential skills for an international group. His knowledge of foreign markets and intercultural relations will be a valuable asset for the Board. Moreover, his role as Director General of External Security enabled him to acquire a strategic vision of national and international security issues, thus strengthening his ability to identify and assess potential risks for the Group. By integrating Mr Bernard Émié, the Supervisory Board will benefit from high-level diplomatic expertise, an in-depth understanding of international issues and a profound ability to handle complex situations.

Main activities outside the Company		Chairman of BE Conseil	
Offices and positions held during financial year 2024	**In Hermès Group companies**	**French companies** ▲ ◆ **Hermès International** ● Member of the Supervisory Board and the Audit and Risk Committee	**Foreign companies** ▲ *None*
	Outside Hermès Group companies	**French companies** ◆ **Ardian** Senior Advisor ◆ **DCI** Chairman of the International Strategic Council	**Foreign companies** *None*
Other offices and positions held during the previous four financial years and having ended before 1 January 2024		**French companies** ◆ Director General of External Security (ended on 8 January 2024)	**Foreign companies** *None*

(1) The ages indicated are determined in number of full years as at 31 December 2024.
(2) In accordance with Article 18.1 of the Company's Articles of Association, Mr Bernard Émié will hold one Hermès International share as at the date of the General Meeting of 30 April 2025.
(3) Subject to the decisions of the General Meeting of 30 April 2025.
▲ Société du groupe Hermès. ● Société cotée. ✱ Mandat pris en compte dans le calcul du cumul des mandats.

Sixteenth resolution

Appointment of Ms Cécile Béliot-Zind as a new member of the Supervisory Board for a term of three years

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, appoints, as a member of the Supervisory Board the mandate of:

Ms Cécile Béliot-Zind

Pursuant to Article 18.2 of the Articles of Association, his three-year term of office will expire at the end of the Annual Ordinary General Meeting called in 2028 to approve the financial statements for the financial year ending 31 December 2027.

Ms Cécile Béliot-Zind has indicated that she is prepared to accept this appointment, and that she does not hold any positions and is not subject to any restrictions that could prevent her from carrying out her duties.

Seventeenth resolution

Appointment of Mr Jean-Laurent Bonnafé as a new member of the Supervisory Board for a term of three years, replacing Ms Dominique Senequier

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, appoints as a member of the Supervisory Board, replacing Ms Dominique Senequier:

Mr Jean-Laurent Bonnafé

Pursuant to Article 18.2 of the Articles of Association, his three-year term of office will expire at the end of the Annual Ordinary General Meeting called in 2028 to approve the financial statements for the financial year ending 31 December 2027.

Mr Jean-Laurent Bonnafé has indicated that he is prepared to accept this appointment, and that he does not hold any positions and is not subject to any restrictions that could prevent him from carrying out his duties.

Eighteenth resolution

Appointment of Mr Bernard Émié as a new member of the Supervisory Board for a term of two years, replacing Mr Alexandre Viros

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, appoints as a member of the Supervisory Board, replacing Mr Alexandre Viros:

Mr Bernard Émié

Pursuant to Article 18.2 of the Articles of Association, his two-year term of office will expire at the end of the Annual Ordinary General Meeting called in 2027 to approve the financial statements for the financial year ending 31 December 2026.

Mr Bernard Émié has indicated that he is prepared to accept this appointment, and that he does not hold any positions and is not subject to any restrictions that could prevent him from carrying out his duties.

8.2.2 EXTRAORDINARY BUSINESS

NINETEENTH RESOLUTION: AUTHORISATION TO REDUCE THE SHARE CAPITAL BY CANCELLATION OF SHARES

Explanatory statement

In the nineteenth resolution, you are asked to renew the authorisation granted to the Executive Management to cancel, on one or more occasions, in the amounts and at the times it so decides, all or part of the shares acquired by the Company under the programme to purchase its own shares.

Limit

Up to a maximum of 10% of the share capital per 24-month period.

Duration of the authorisation

This authorisation would be valid for 24 months from the date of the General Meeting.

The Statutory Auditors' report on the nineteenth resolution is presented in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2025", § 8.4.5).

Nineteenth resolution

Authorisation to be granted to the Executive Management to reduce the share capital by cancellation of all or part of the treasury shares held by the Company (Article L. 22-10-62 of the French Commercial Code (*Code de commerce*)) – General cancellation programme

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report, the Supervisory Board report and the Statutory Auditors' special report, authorises the Executive Management, in accordance with Article L. 22-10-62 of the French Commercial Code (*Code de commerce*), to reduce the share capital by cancelling, on one or more occasions, in the amounts and at the times it so decides, some or all of the shares held by the Company or acquired by the Company under the share buyback programme referred to in the sixth resolution ("Authorisation granted to the Executive Management to trade in the Company's shares") submitted to this Meeting and/or pursuant to any authorisation granted by a past or future General Meeting, up to a maximum of 10% of the share capital per 24-month period.

The General Meeting delegates the broadest of powers to the Executive Management for the purpose of implementing this delegation, and in particular:

- to allocate the difference between the purchase price and the par value of the cancelled shares to whichever reserve account it sees fit, and to record the reduction(s) in share capital resulting from the cancellations authorised by this resolution;
- to amend the Company's Articles of Association accordingly, and to undertake all necessary formalities.

This delegation is granted to the Executive Management for a period of 24 months.

It cancels and replaces, for the remaining term and the unused portion, the authorisation granted by the Combined General Meeting of 30 April 2024 in its eighteenth resolution ("Authorisation to reduce the share capital by cancellation of shares").

TWENTIETH TO TWENTY-NINTH RESOLUTIONS: DELEGATIONS TO EXECUTIVE MANAGEMENT

Explanatory statement

Resolution		**Limit common to several authorisations**	**Reason for possible use/comments**
Equity securities			
20th resolution	Authorisation: capital increase by incorporation of reserves Duration (expiry): 26 months (30 June 2027) Individual limit: 40% of the share capital	n/a	Can be used to incorporate reserves, profits or other into the share capital, to increase the share capital without new liquidity Delegation may be used during a public offering on the Company's shares
21st resolution	Authorisation: issue with preemptive subscription rights maintained Duration (expiry): 26 months (30 June 2027) Individual limit: 40% of the share capital	40% (Limit common to the 21st, 22nd, 23rd, 24th, 25th, 26th and 28th resolutions)	Can be used to provide the company with the financial resources necessary for its own development and that of the Group Delegation may be used during a public offering on the Company's shares
22nd resolution	Authorisation: issue by public offering with preemptive subscription rights cancelled Duration (expiry): 26 months (30 June 2027) Individual limit: 40% of the share capital		
23rd resolution	Authorisation: capital increase reserved for members of a company or group savings plan Duration (expiry): 26 months (30 June 2027) Individual limit: 1% of the share capital		Can be used to develop employee shareholding (allowing, where applicable, a share subscription at a discount to the Stock market share price) Delegation may be used during a public offering on the Company's shares
24th resolution	Authorisation: issue by private placement Duration (expiry): 26 months (30 June 2027) Individual limit: 20% of the share capital		Can be used to offer the company a faster and simpler method of financing than a capital increase through a public offering with preemptive rights maintained Authorisation intended mainly for qualified investors within the meaning of the regulations Delegation may be used during a public offering on the Company's shares
25th resolution	Authorisation: issue to compensate contributions in kind Duration (expiry): 26 months (30 June 2027) Individual limit: 10% of the share capital		Can be used to carry out external growth transactions, when the provisions of Article L. 22-10-54 of the French Commercial Code (Code de commerce) are not applicable Delegation may be used during a public offering on the Company's shares
26th resolution	Authorisation: issue with preemptive rights cancelled in favour of one or more named people Duration (expiry): 18 months (30 October 2026) Individual limit: 10% of the share capital		Can be used to provide the company with the financial resources necessary for its own development and that of the Group Delegation may be used during a public offering on the Company's shares

Resolution		**Limit common to several authorisations**	**Reason for possible use/comments**
Debt securities			
21st resolution	Authorisation: issue with preemptive subscription rights maintained Duration (expiry): 26 months (30 June 2027) Individual limit: €2,000 million	€2,000 million	Can be used to provide the company with the financial resources necessary for its own development and that of the Group Delegation may be used during a public offering on the Company's shares
22nd resolution	Authorisation: issue with preemptive subscription rights cancelled Duration (expiry): 26 months (30 June 2027) Individual limit: €2,000 million		
24th resolution	Authorisation: issue by private placement Duration (expiry): 26 months (30 June 2027) Individual limit: €2,000 million		Can be used to offer the company a faster and simpler method of financing than a capital increase through a public offering with preemptive rights maintained Authorisation intended mainly for qualified investors within the meaning of the regulations Delegation may be used during a public offering on the Company's shares
25th resolution	Authorisation: issue to compensate contributions in kind Duration (expiry): 26 months (30 June 2027) Individual limit: €2,000 million		Can be used to carry out external growth transactions, when the provisions of Article L. 22-10-54 of the French Commercial Code (*Code de commerce*) are not applicable Delegation may be used during a public offering on the Company's shares
26th resolution	Authorisation: issue with preemptive rights cancelled in favour of one or more named people Duration (expiry): 18 months (30 October 2026) Individual limit: €2,000 million		Can be used to provide the company with the financial resources necessary for its own development and that of the Group Delegation may be used during a public offering on the Company's shares
Merger by absorption, spin-off, partial contribution of assets			
27th and 28th resolutions	Authorisation: operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime, and resulting capital increase Duration (expiry): 26 months (30 June 2027) Individual limit: 40% of the share capital	40% (limit common to the 21st, 22nd, 23rd, 24th, 25th, 26th and 28th resolutions)	Can be used to carry out external growth transactions, when the provisions of Article L. 22-10-54 of the French Commercial Code (*Code de commerce*) are not applicable Delegation may be used during a public offering on the Company's shares

Issues of securities (general case)

In the twentieth, twenty-first and twenty-second resolutions, you are asked to renew a certain number of resolutions for the purpose of delegating to the Executive Management the authority to decide on various issues of the Company's securities with or without preemptive subscription rights. The purpose of these resolutions, as provided for by law, is to give the Executive Management the necessary flexibility to act in the Company's best interests, under the oversight of the Company's Supervisory Board as well as the Executive Management Board of Émile Hermès SAS, Active Partner. The diversity of financial products and rapid market changes necessitate significant flexibility in order to choose the most favourable issuance methods for the Company and its shareholders, in order to rapidly carry out transactions in accordance with opportunities that may arise.

The Executive Management will thus have the ability to proceed in all circumstances, both in France and abroad, with the issuance of ordinary shares of the Company as well as:

- securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), which are equity securities of the Company giving access, immediately and/or in future, to other equity securities of the Company and/or granting entitlement to the allocation of debt securities of the Company; and/or
- securities representing a debt obligation governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access to or likely to give access to equity securities of the company yet to be issued, where these securities may also, where applicable, give access to existing equity securities and/or debt securities of the company, up to the limits defined below. The issue of securities that are debt securities giving entitlement to the allocation of other debt securities or existing equity securities may be decided by the Executive Management under the conditions provided for by Article L. 228-40 of the French Commercial Code (*Code de commerce*) if it concerns the issue of bonds or participating securities, where authorization by the General Meeting is not required. These issues may include either the maintenance of shareholders' preemptive subscription rights (twenty-first resolution) or their cancellation (twenty-second resolution). You are asked to cancel preemptive subscription rights in order to accelerate the issue placement process and increase the chances of its success. However, we inform you that, in all cases of issues without preemptive rights:
  - the Executive Management may grant shareholders a priority option to subscribe for the securities;
  - the amount due or which shall be due to the Company for each of the shares to be issued, after taking into account, in the event of the issuance of stand-alone share subscription warrants, the issue price of said warrants, must be at least equal to the weighted average price of the last three trading sessions on the Euronext Paris regulated market preceding the setting of the subscription price of the capital increase, with the possibility to reduce it by a maximum discount of 10% in accordance with the regulations in force.

You are also asked to renew the standard delegation allowing the Company to increase the share capital by incorporation of reserves (twentieth resolution) within the limit of the ceilings defined above.

In accordance with Article L. 233-32 of the French Commercial Code (*Code de commerce*), these delegations of authority may be implemented during a public offering on the shares of the Company.

The Statutory Auditors' report on the twenty-first and twenty-second resolutions is presented in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2025", § 8.4.6).

Capital increase in favour of members of an employee savings plan with preemptive rights cancelled

In the twenty-third resolution, you are asked to delegate to the Executive Management all powers to carry out, under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, a capital increase reserved for employees and Corporate Officers under the conditions set out in Article L. 225-129-6 of the French Commercial Code (*Code de commerce*), provided that these employees are members of a company or group savings plan, and up to the aforementioned limits. The maximum discount authorised by applicable laws will be applied to the subscription price.

In accordance with Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation of authority may be implemented during a public offering on the shares of the Company.

The Statutory Auditors' report on the twenty-third resolution is presented in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2025", § 8.4.6).

Issues of securities (by private placement or to compensate contributions in kind)

In the twenty-fourth resolution, you are asked to delegate to the Executive Management, under the conditions provided for by the provisions of Article L. 22-10-52 of the French Commercial Code (*Code de commerce*) and Article L. 411-2 of the French Monetary and Financial Code and under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, the authority to decide on the issue of shares and/or any other securities giving access to the share capital, with preemptive rights cancelled, through a private placement reserved for qualified investors or a limited circle of investors, as defined by Article L. 411-1, 1° of the French Monetary and Financial Code, up to the limits defined above.

This resolution would allow the Company to benefit from all opportunities to potentially bring into the Company's share capital investors, economic, commercial or financial partners, acting as qualified investors.

The Statutory Auditors' report on the twenty-fourth resolution is presented in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2025", § 8.4.6).

In the twenty-fifth resolution, you are asked to delegate to the Executive Management, under the conditions set out in Articles L. 225-129 *et seq.* and L. 22-10-53 of the French Commercial Code (*Code de commerce*), and under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, the authority to decide on the issue of shares and/or securities giving access to the share capital, with preemptive rights cancelled, to compensate contributions in kind granted to the Company, up to the limits defined above.

This resolution would allow the Company to benefit from all opportunities to carry out external growth transactions in France or abroad or to buy out non-controlling interests within the Group without impacting the Company's cash flow, up to a maximum of 20% of the share capital.

The Statutory Auditors' report on the twenty-fifth resolution is presented in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2025", § 8.4.6).

Issue of securities (named person(s))

Law no. 2024-537 of 13 June 2024 created the possibility for the Extraordinary General Meeting to delegate to the Executive Management the authority to carry out capital increases, up to a limit of 30% of the share capital per year, in favour of one or more persons designated by name, and to authorise the Executive Management to appoint the beneficiary(ies) of the cancellation of the preemptive subscription rights.

By the twenty-sixth resolution, you are asked to delegate to the Executive Management, under the conditions provided for notably by the provisions of Article L. 22-10-52-1 of the French Commercial Code (*Code du commerce*), and under the control of the Supervisory Board of the Company and the Executive Management Board of Émile Hermès SAS, Active Partner, the authority to decide on a capital increase by issuing shares and/or securities giving access to the share capital, with cancellation of preemptive subscription rights, for the benefit of one or more named person(s), up to a limit of 10% of the share capital.

In particular, this delegation would enable the Executive Management to decide on the conditions of the issue(s), designate the person(s) for whose benefit the issue is reserved, determine the number of shares to be allocated to each of the beneficiaries and decide on the amount to be issued, the issue price and the amount of the premium that may, where appropriate, be requested at the time of issue. This delegation would be granted for a period of 18 months.

The Statutory Auditors' report on the twenty-sixth resolution is presented in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2025", § 8.4.6).

Delegations relating to mergers by absorption, spin-offs or partial contributions of assets

In the twenty-seventh resolution, you are asked to delegate to the Executive Management the authority to decide on one or more operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime, in accordance with the provisions of Article L. 236-9, II of the French Commercial Code (*Code de commerce*).

The purpose of this resolution is to give the Executive Management the necessary flexibility to act in the Company's best interests, under the oversight of the Company's Supervisory Board as well as the Executive Management Board of Émile Hermès SAS, Active Partner. This delegation of authority would considerably simplify the legal completion of any merger by absorption, spin-off or partial contribution of assets subject to the merger regime, by enabling the Executive Management, at any time, to seize opportunities in the context of external growth, consolidation or internal reorganisation operations and optimize the structuring and timing of such operations taking into account the constraints specific to each of them.

It should be noted that the Company's Executive Management is already competent to decide on a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime of a wholly-owned subsidiary. This delegation of authority would enable this authority to be extended, within the legal limits, allowing the Executive Management to have maximum flexibility in order to rapidly carry out transactions in accordance with the needs and opportunities that may arise.

In accordance with legal provisions, the Executive Management will be required to prepare a written report which will be made available to shareholders in the event that this delegation of authority is implemented.

In accordance with the provisions of Article L. 236-9, II of the French Commercial Code (*Code de commerce*), the twenty-eighth resolution asks the General Meeting to delegate to the Executive Management its authority to decide on a capital increase by issuing shares if the delegation of authority requested by the twenty-seventh resolution is used.

You are therefore asked, under the twenty-eighth resolution, to delegate to the Executive Management the authority to decide on a capital increase enabling the allocation of equity securities to the shareholders of the absorbed company(ies), when the operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime require a capital increase under the conditions of Articles L. 225-129 to L. 225-129-5 and L. 22-10-49 of the French Commercial Code (*Code de commerce*). The nominal amount of the share capital increases that may be carried out may not exceed 40% of the share capital on the date of the Meeting. This limit of 40% of the share capital will be deducted from the common ceiling referred to in paragraph 4 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting.

The delegations provided for in the twentieth to twenty-eighth resolutions would be valid for 26 months from the date of the General Meeting, with the exception of the delegation provided for in the twenty-sixth resolution, for which the term of validity would be 18 months from the date of the General Meeting.

Twentieth resolution:

Delegation of authority to the Executive Management to increase the share capital by incorporation of reserves, profits and/or premiums and free allocation of shares and/or increase in the par value of existing shares

The General Meeting, acting in accordance with Articles L. 225-129, L. 225 129-2, L. 225-130 and L. 22-10-50 of the French Commercial Code (*Code de commerce*), under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Executive Management report and the Supervisory Board's report:

1) delegates to the Executive Management, under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, the authority to increase the share capital, on one or more occasions, at the times and according to the terms and conditions it determines, by the successive or simultaneous incorporation into the share capital of all or part of the reserves, profits or share premiums, merger or contribution, or other whose capitalization may be permitted by law and the Articles of Association, to be carried out by creating and allocating free shares or by increasing the par value of existing shares or by the joint use of these two processes;

2) resolves that in the event of a capital increase giving rise to the allocation of new free shares, any such shares that are allocated on account of existing shares with double voting rights will benefit from this same right from the time they are issued;

3) delegates to the Executive Management the power to decide, in the event of a capital increase giving rise to the allocation of new free shares, that rights forming fractions shall not be tradable and that the corresponding shares shall be sold; the sums resulting from such sale being allocated to the holders of the rights under the conditions provided for by legal and regulatory provisions;

4) in the event that the Executive Management uses this delegation of authority, delegates to the Executive Management the power to make any adjustments designed to take into account the impact of transactions on the Company's share capital, in particular changes in the par value of the shares, a capital increase by incorporation of reserves, allocation of free shares, division or consolidation of securities, distribution of reserves or any other assets, capital amortization, or any other transaction involving equity, and to set the terms under which the rights of holders of securities giving access to the share capital will be ensured;

5) resolves that the nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 40% of the share capital on the date of this meeting, with capital increases carried out in accordance with this delegation not counting towards the ceiling referred to in paragraph 4 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting;

6) grants the broadest of powers to the Executive Management for the purpose of implementing this delegation, and in particular to set the terms and conditions of the transactions and determine the dates and conditions of any capital increases that are carried out pursuant to this delegation, the conditions of the issues and/or the amount by which the par value of existing shares may be increased, set the opening and closing dates for subscriptions, the dividend entitlement dates, the terms of payment of the shares, record the completion of capital increases at the amount of shares that are actually subscribed, and more generally, take all measures to ensure their successful completion, carry out all acts and formalities for the purpose of finalising the corresponding capital increase(s) and make the corresponding amendments to the Articles of Association, carry out, directly or through an agent, all operations and formalities related to share capital increases at its sole decision and, if it deems appropriate, charge the costs of the capital increases against the amount of the premiums relating to these increases and deduct from this amount the sums necessary to increase the legal reserve to one-tenth of the new capital after each increase;

7) grants full powers to the Executive Management to request the admission to trading on a regulated market of the securities created under this resolution, wherever it so requests;

8) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during a public offering on the shares of the Company;

9) resolves that this delegation granted to the Executive Management is valid for a period of 26 months from the date of this meeting.

This delegation cancels, for the remaining term and up to the unused portion, and replaces the delegation granted by the Combined General Meeting of 20 April 2023 in its twentieth resolution (capital increase by incorporation of reserves).

Twenty-first resolution

Delegation of authority to be granted to the Executive Management to decide on the issue of shares and/or any other securities giving access to the share capital with preemptive rights maintained.

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report, the Supervisory Board report and the Statutory Auditors' report, prepared pursuant to the law, and in accordance with Articles L. 225-129 to L. 225-129-6, L. 22-10-49, L. 225-132 to L. 225-134 and L. 228-91 to L. 228-93 of the French Commercial Code (*Code de commerce*):

1) delegates to the Executive Management, under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, the authority to decide on a capital increase, on one or more occasions, in the proportions and at the times that it chooses, both in France and abroad and/or on the international markets, either in euros, or in any other currency or monetary unit established by reference to several currencies, with preemptive rights maintained, through the issue, free of charge or against payment:

   a) new ordinary shares of the Company,

b) securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), which are equity securities of the company giving access, immediately and/or in future, to other equity securities of the company and/or giving entitlement to the allocation of debt securities of the company, and/or

c) securities representing a debt obligation governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access to or likely to give access to equity securities of the Company yet to be issued, where these securities may also, where applicable, give access to existing equity securities and/or debt securities of the Company;

2) resolves that the subscription of the shares and other securities referred to in paragraph 1) of this resolution may be made either in cash or by set-off against liquid claims due on the Company, or partly by capitalisation of reserves, earnings or share premiums;

3) resolves that the nominal amount of the capital increases that may be carried out immediately and/or in future under this delegation may not exceed 40% of the share capital at the date of this meeting (individual ceiling);

4) resolves that the amount of share capital increases that may be carried out immediately and/or in future pursuant to the twenty-first resolution (issue of shares and/or securities with preemptive rights maintained), twenty-second resolution (issue of securities with preemptive rights cancelled), twenty-third resolution (capital increase reserved for members of a company or group savings plan), twenty-fourth resolution (issue of securities by private placement), twenty-fifth resolution (issue of securities to compensate contributions in kind), twenty-sixth resolution (issue of securities to named persons) and twenty-eighth resolution (capital increase in operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime) submitted to this Meeting may not exceed 40% of the share capital on the date of the Meeting (common ceiling), or the equivalent of this amount in the event of an issue in foreign currency or in units of account set by reference to several currencies, to which will be added, where applicable, the nominal amount of additional shares to be issued to preserve the rights of holders of securities giving entitlement to shares, in accordance with legal and regulatory provisions or, where applicable, contractual stipulations providing for other cases of adjustment;

5) resolves that the maximum nominal amount of debt securities that may be issued immediately and/or in future under this delegation may not exceed two billion euros (€2,000 million) (individual ceiling), or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies, this amount being increased, where applicable, by any redemption premium above par;

6) resolves that the maximum nominal amount of debt securities that may be issued under the twenty-first resolution (issue of securities with preemptive rights maintained), twenty-second resolution (issue of securities with preemptive rights cancelled), twenty-third resolution (capital increase reserved for members of a company or group savings plan), twenty-fourth resolution (issue of securities by private placement), twenty-fifth resolution (issue of securities to compensate contributions in kind), and twenty-sixth resolution (issue of securities to named persons) submitted to this meeting, may not exceed two billion euros (€2,000 million) (common ceiling), with issuance of the debt securities possible in euros, a foreign currency or in units of account set by reference to several currencies;

7) resolves that, in the event of a subscription offer, shareholders may exercise, under the conditions provided for by law, their preemptive subscription rights on an irreducible basis, it being stated that the Executive Management will have the option to grant shareholders the right to subscribe on a pro-rated basis for a higher number of securities than they would be able to subscribe for on an irreducible basis, in proportion to the subscription rights they hold and, in any event, within the limit of their request;

8) resolves that, if the subscriptions on an irreducible basis and, where applicable, on a pro-rated basis have not absorbed the entire issue of securities, the Executive Management may use, in the order it deems appropriate, one and/or another of the options offered by the legal and regulatory provisions in force at the time, in particular Article L. 225-134 of the French Commercial Code (*Code de commerce*):

a) limit the issue to the amount of subscriptions under the conditions provided for by the law in force at the time this delegation is used,

b) freely distribute, in whole or in part, the unsubscribed shares, unless the General Meeting decides otherwise,

c) offer to the public all or part of the unsubscribed shares, where the meeting has expressly allowed such a possibility;

9) resolves that issues of Company share subscription warrants pursuant to Article L. 228-91 of the French Commercial Code (*Code de commerce*) may be carried out either by subscription offer under the above conditions, or by allocation free of charge to owners of existing shares. In the event of a free allocation of warrants, the Executive Management will have the option to decide that attribution rights forming fractions shall not be tradable and that the corresponding warrants shall be sold, with the sums resulting from such sale being allocated to the holders of the rights under the conditions provided for by the legal and regulatory provisions applicable at the time;

10) notes and decides, as necessary, that, where applicable, the aforementioned delegation automatically entails, in favour of the holders of securities giving future access to the Company's shares that may be issued, the waiver by shareholders of their preemptive subscription rights to shares that may be issued upon presentation of these securities;

11) resolves that the amount due or which shall be due to the Company for each of the shares issued under this delegation, after taking into account, in the event of the issue of stand-alone share subscription warrants, the issue price of said warrants, shall in any event be at least equal to the par value of the share or to the portion of the share capital that it represents;

12) resolves, with regard to securities giving access to the share capital, having reviewed the Executive Management report, that the subscription price of such securities will be determined by the Executive Management on the basis of the value of the Company's shares as defined in paragraph 11 above;

13) grants the broadest of powers to the Executive Management for the purpose of implementing this delegation, and in particular to:

- decide and determine the dates and terms of the issues as well as the form and characteristics of the securities to be created, determine the conditions and price of the issues, set the amounts to be issued,
- determine the entitlement date, with or without retroactive effect, of the securities to be issued and, where applicable, the conditions for their repurchase, suspend, where applicable, the exercise of share allocation rights attached to the securities to be issued within a period not exceeding three months,
- set the terms and conditions under which the rights of holders of securities giving future access to the share capital will be ensured, in accordance with legal and regulatory provisions,
- generally take all necessary measures, carry out all necessary formalities and enter into all agreements to successfully complete the planned issues, record the capital increase(s) resulting from any issue carried out by the use of this delegation and amend the corresponding Articles of Association;

14) resolves that, in the event of the issue of debt securities, the Executive Management shall have all powers to determine their characteristics and in particular to decide whether or not they are subordinated, to set their interest rate, their duration and the fixed or variable redemption price, with or without premium, the terms of amortisation according to market conditions, the conditions under which these securities will give entitlement to shares in the Company and to modify, during the life of the securities concerned, the terms and conditions set out above, in compliance with the applicable formalities;

15) resolves that the Executive Management may also charge the costs of issuing shares and securities to the amount of the premiums relating to the capital increases, deducting from these premiums the sums necessary to bring the legal reserve to one-tenth of the amount of capital resulting from these increases;

16) grants full powers to the Executive Management to request the admission to trading on a regulated market of the securities created under this resolution, wherever it so requests;

17) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during a public offering on the shares of the Company;

18) resolves that this delegation granted to the Executive Management is valid for a period of 26 months from the date of this meeting.

This delegation cancels, for the remaining term and up to the unused portion, and replaces the delegation granted by the Combined General Meeting of 20 April 2023 in its twenty-first resolution (issue of securities with preemptive rights maintained).

Twenty-second resolution

Delegation of authority to be granted to the Executive Management to decide on the issue of shares and/or any other securities giving access to the share capital, with preemptive rights cancelled, but with the option to establish a priority period, by a public offering (other than that referred to in Article L. 411-2, 1° of the French Monetary and Financial Code).

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report, the Supervisory Board report and the Statutory Auditors' report, prepared pursuant to the law, and in accordance with Articles L. 225-129, L. 225 129-2 *et seq.*, L. 225-135, L. 225-136 *et seq.*, L. 22-10-51, L. 22-10-52, L. 22-10-54 and L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*):

1) delegates to the Executive Management, under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, the authority to decide on a capital increase with preemptive rights cancelled and by a public offering (other than that referred to in Article L. 411-2, 1° of the French Monetary and Financial Code), on one or more occasions, in the proportions and at the times that it chooses, both in France and abroad and/or on the international markets, either in euros, or in any other currency or monetary unit established by reference to several currencies, through the issue, free of charge or against payment:

   a) new ordinary shares of the Company,

   b) securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), which are equity securities of the company giving access, immediately and/or in future, to other equity securities of the company and/or giving entitlement to the allocation of debt securities of the company, and/or

   c) securities representing a debt obligation governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access to or likely to give access to equity securities of the company yet to be issued, where these securities may also, where applicable, give access to existing equity securities and/or debt securities of the company issued pursuant to Article L. 228-92 paragraph 1 of the French Commercial Code (*Code de commerce*), free of charge or against payment and to be paid in cash or by set-off against liquid claims due on the company:

      - consisting of equity securities giving access, immediately and/or in future, to other equity securities or giving entitlement to the allocation of debt securities,
      - or whether they give access to equity securities to be issued;

2) resolves that the subscription of the shares and other securities referred to in paragraph 1 of this resolution may be made either in cash or by set-off against liquid claims due on the Company;

3) resolves that these issues may also be carried out:

a) to compensate securities that may be contributed to the Company as part of a public offering including an exchange component in accordance with the provisions of Article L. 22-10-54 of the French Commercial Code (*Code de commerce*),

b) following the issue, by one of the companies in which, at the time of the issue, the Company directly or indirectly holds more than half the share capital, of securities giving access to the company's shares or securities referred to in b) and c) of paragraph 1 above, under the conditions provided for in Article L. 228-93 of the French Commercial Code (*Code de commerce*). The issue by said companies of the aforementioned securities will automatically entail, in favour of the holders of these securities, the waiver by the company's shareholders of their preemptive subscription rights to the ordinary shares or securities referred to in b) and c) of paragraph 1 above to which the securities thus issued by these companies will give entitlement, as well as to company shares yet to be issued to which the securities referred to in b) and c) of paragraph 1 above would give entitlement;

4) resolves to cancel, under this delegation, the preemptive subscription rights of shareholders to the securities to be issued, it being understood that the Executive Management may grant shareholders a priority subscription option for all or part of the issue, during a period and under conditions that it will set in compliance with legal and regulatory provisions. This priority subscription will not give rise to the creation of tradable rights, but may, if the Executive Management deems it appropriate, be exercised on an irreducible or pro-rated basis. Securities not subscribed under this right will be the subject of a public placement;

5) resolves that the nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 40% of the share capital on the date of this meeting, capital increases carried out pursuant to this delegation being deducted from the ceiling referred to in paragraph 4 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting, or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies, this amount being increased, where applicable, by the nominal amount of additional shares to be issued to preserve the rights of holders of securities giving entitlement to shares, in accordance with legal and regulatory provisions or, where applicable, contractual provisions providing for other cases of adjustment;

6) further resolves that the maximum nominal amount of debt securities that may be issued under this delegation may not exceed two billion euros (€2,000 million) (individual ceiling), or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies, this amount being increased, where applicable, by any redemption premium above par, and the amount of the issues carried out in accordance with this delegation being deducted from the common ceiling referred to in paragraph 6 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting, with issuance of the debt securities possible in euros, a foreign currency or in units of account set by reference to several currencies;

7) notes and decides, as necessary, that, where applicable, the aforementioned delegation automatically entails, in favour of the holders of securities giving future access to the Company's shares that may be issued, the waiver by shareholders of their preemptive subscription rights to shares that may be issued upon presentation of these securities;

8) resolves that, in the event of an immediate or future issue of shares (i) the issue price set by the Executive Management in accordance with the terms and conditions provided for by the applicable regulatory provisions as at the date this delegation is used, which may be reduced by a maximum discount of 10%, it being specified that for the public offers defined in Article L. 411-2, 1° of the French Monetary and Financial Code, the price will also be determined in the same way, and that (ii) the issue price of securities giving access to the share capital will be such that the amount received immediately by the Company, plus, where applicable, that likely to be received subsequently by it, will, for each share issued as a result of the issuance of these other securities, be at least equal to the minimum issue price defined in paragraph (i) above;

9) resolves that if the subscriptions of shareholders and the public have not absorbed the entire issue of securities, the Executive Management may use, in the order it determines, one and/or another of the following options:

a) limit the issue to the amount of subscriptions under the conditions provided for by the law in force at the time this delegation is used,

b) freely distribute all or part of the unsubscribed shares among the persons of its choice;

10) grants the broadest of powers to the Executive Management for the purpose of implementing this delegation, and in particular to:

a) decide and determine the dates and terms of the issues as well as the form and characteristics of the securities to be created, determine the conditions and price of the issues, set the amounts to be issued,

b) determine the entitlement date, with or without retroactive effect, of the securities to be issued and, where applicable, the conditions for their repurchase, suspend, where applicable, the exercise of share allocation rights attached to the securities to be issued within a period not exceeding three months,

c) in the event of an issue of securities to compensate securities contributed as part of a public offering with an exchange component (OPE), draw up the list of securities that may be tendered to the exchange, set the conditions of the issue, the exchange ratio and, where applicable, the amount of the cash balance to be paid, without the pricing methods of paragraph 8 of this resolution being applied, and determine the terms and conditions of the issue under an OPE, an alternative purchase or exchange offering, or a unique offering proposing the purchase or exchange of the securities in question with a settlement in securities and cash, or principally a public tender offering (OPA) or exchange offering combined with an ancillary OPE or OPA, or any other form of public offering in accordance with the law and regulations applicable to said public offering,

d) set the terms and conditions under which the rights of holders of securities giving future access to the share capital will be ensured, in accordance with legal and regulatory provisions,

e) generally take all necessary measures, carry out all necessary formalities, enter into all agreements to successfully complete the planned issues, record the capital increase(s) resulting from any issue carried out by the use of this delegation and amend the corresponding Articles of Association;

11) resolves that, in the event of the issue of debt securities, the Executive Management shall have all powers to determine their characteristics and in particular to decide whether or not they are subordinated, to set their interest rate, their duration and the fixed or variable redemption price, with or without premium, the terms of amortisation according to market conditions, the conditions under which these securities will give entitlement to shares in the Company and to modify, during the life of the securities concerned, the terms and conditions set out above, in compliance with the applicable formalities;

12) resolves that the Executive Management may also charge the costs of issuing shares and securities to the amount of the premiums relating to the capital increases, deducting from these premiums the sums necessary to bring the legal reserve to one-tenth of the amount of capital resulting from these increases;

13) grants full powers to the Executive Management to request the admission to trading on a regulated market of the securities created under this resolution, wherever it so requests;

14) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during a public offering on the shares of the Company;

15) resolves that this delegation granted to the Executive Management is valid for a period of 26 months from the date of this meeting.

This delegation cancels, for the remaining term and up to the unused portion, and replaces the delegation granted by the Combined General Meeting of 20 April 2023 in its twenty-second resolution (issue of securities with preemptive rights cancelled).

Twenty-third resolution

Delegation of authority to be granted to the Executive Management to decide on a capital increase by issuing shares and/or securities giving access to the share capital, reserved for members of a company or group savings plan, with preemptive rights cancelled.

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report and the Statutory Auditors' special report, pursuant to the legal provisions, and in particular to Articles L. 225-129 to L. 225-129-6, L. 22-10-49, and L. 225-138-1 of the French Commercial Code (*Code de commerce*):

1) delegates to the Executive Management the authority to decide to increase the share capital, on one or more occasions and at its sole discretion, where applicable in separate tranches, up to a limit of one percent (1%) of the share capital on the date of this meeting (without prejudice to the consequences on the amount of the share capital of adjustments made to protect the holders of rights attached to securities giving access to the share capital), by the issue of shares and/or securities giving access to the Company's share capital reserved for members of one or more company or group savings plans that may be set up within the group formed by the Company and French or foreign companies related to it under the conditions of Article L. 225-180 of the French Commercial Code (*Code de commerce*) and Article L. 3344-1 of the French Labour Code;

2) resolves that the amount of the capital increases resulting from this delegation will be deducted from the common ceiling referred to in paragraph 4 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting;

3) resolves that this delegation cancels shareholders' preemptive subscription rights to the equity securities and securities to be issued under this resolution, in favour of said members of a company or group savings plan, and waiver of shareholders' preemptive subscription rights to the shares to which the securities issued on the basis of this delegation may give entitlement;

4) resolves, pursuant to Article L. 3332-19 of the French Labour Code, that the discount to be applied may not exceed the maximum discount provided for by law on the date of the Executive Management's decision (*i.e.* to date, more than 30% lower than this admission price or this average, or 40% when the lock-up period provided for by the plan is greater than or equal to 10 years). However, the Meeting authorises the Executive Management to replace all or part of the discount with the allocation of free shares or securities giving access to the Company's share capital, to reduce or not to grant a discount, within legal or regulatory limits;

5) resolves that the Executive Management may proceed, within the framework of the authorisation granted by this meeting and/or any authorisation granted by a subsequent General Meeting, within the limits set by Article L. 3332-21 of the French Labour Code, with the allocation of free shares or securities giving access to the Company's share capital as a matching contribution;

6) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during a public offering on the shares of the Company;

7) grants the broadest of powers to the Executive Management, with the option of subdelegation, for the purpose of implementing this delegation and in particular to:

a) determine all the terms and conditions of the transaction(s) to be carried out,

b) set the terms and conditions of the issues to be carried out under this authorisation, in particular deciding on the amounts proposed for subscription,

c) draw up, under the legal conditions, the list of companies in which members of an employee savings plan may subscribe to shares or securities giving access to the share capital thus issued and, where applicable, benefit from free shares or securities giving access to the share capital,

d) decide that subscriptions may be made directly or through company mutual funds or other structures or entities permitted by applicable legal or regulatory provisions,

e) determine the conditions, in particular length of service, to be met by the beneficiaries of capital increases, determine the issue price, dates, deadlines, terms and conditions for the subscription, payment, delivery and dividend entitlement of the shares or securities giving access to the Company's share capital,

f) in the event of the free allocation of shares or securities giving access to the share capital, set the number of shares or securities giving access to the share capital to be issued, the number to be allocated to each beneficiary, and set the dates and deadlines, terms and conditions for the allocation of these shares or securities giving access to the share capital within the legal and regulatory limits in force, and in particular choose to totally or partially substitute the allocation of these shares or securities giving access to the share capital with the aforementioned discounts, to deduct the equivalent value of these shares from the total amount of the matching contribution, or to combine these two possibilities,

g) at its sole discretion, after each capital increase, deduct the costs of the capital increases from the amount of the related premiums and deduct from this amount the sums necessary to increase the legal reserve to one-tenth of the new capital,

h) carry out all acts and formalities for the purpose of carrying out and recording the capital increase or increases carried out pursuant to this authorisation, in particular to amend the Articles of Association accordingly, and, more generally, do everything necessary;

8) resolves that this delegation granted to the Executive Management is valid for a period of 26 months from the date of this meeting.

This delegation cancels, for the remaining term and up to the unused portion, and replaces the delegation granted by the Combined General Meeting of 20 April 2023 in its twenty-third resolution (capital increase reserved for members of a company or group savings plan).

Twenty-fourth resolution

Delegation of authority to be granted to the Executive Management to decide on the issue of shares and/or any other securities giving access to the share capital, with preemptive rights cancelled, by a public offering to a restricted circle of investors or qualified investors (private placement) referred to in Article L. 411-2, 1° of the French Monetary and Financial Code.

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report, the Supervisory Board report and the Statutory Auditors' report, prepared pursuant to the law, and in accordance with Articles L. 225-129 to L. 225-129-6, L. 225-135, L. 225-136 *et seq.*, L. 22-10-49, L. 22-10-51, L. 22-10-52, and L. 228-91 to L. 228-93 and R. 225-119 of the French Commercial Code (*Code de commerce*):

1) delegates to the Executive Management, under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, the authority to decide on a capital increase with preemptive rights cancelled and by an offering referred to in Article L. 411-2, 1° of the French Monetary and Financial Code), on one or more occasions, in the proportions and at the times that it chooses, both in France and abroad and/or on the international markets, either in euros, or in any other currency or monetary unit established by reference to several currencies, through the issue, free of charge or against payment:

a) new ordinary shares of the Company,

b) securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), which are equity securities of the company giving access, immediately and/or in future, to other equity securities of the company and/or giving entitlement to the allocation of debt securities of the company, and/or

c) securities representing a debt obligation governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access to or likely to give access to equity securities of the company yet to be issued, where these securities may also, where applicable, give access to existing equity securities and/or debt securities of the company;

2) resolves that the subscription of the shares and other securities referred to in paragraph 1 of this resolution may be made either in cash or by set-off against liquid claims due on the company, or partly by capitalisation of reserves, earnings or share premiums;

3) resolves that these issues may also be carried out: following the issue, by one of the companies in which, at the time of the issue, the Company directly or indirectly holds more than half the share capital, of securities giving access to the company's shares or securities referred to in b) and c) of paragraph 1 above, under the conditions provided for in Article L. 228-93 of the French Commercial Code (*Code de commerce*). The issue by said companies of the aforementioned securities will automatically entail, in favour of the holders of these securities, the waiver by the company's shareholders of their preemptive subscription rights to the ordinary shares or securities referred to in b) and c) of paragraph 1 above to which the securities thus issued by these companies will give entitlement, as well as to company shares yet to be issued to which the securities referred to in b) and c) of paragraph 1 above would give entitlement;

4) resolves to cancel, under this delegation, the preemptive subscription rights of shareholders to the securities to be issued;

5) resolves that the nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 20% of the share capital per annum (individual ceiling), capital increases carried out pursuant to this delegation being deducted from the common ceiling referred to in paragraph 4 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting, or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies, this amount being increased, where applicable, by the nominal amount of additional shares to be issued to preserve the rights of holders of securities giving entitlement to shares, in accordance with legal and regulatory provisions or, where applicable, contractual provisions providing for other cases of adjustment;

6) resolves that the nominal amount of debt securities that may be issued under this delegation may not exceed two billion euros (€2,000 million) (individual ceiling), or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies, this amount being increased, where applicable, by any redemption premium above par, and the amount of the issues carried out in accordance with this delegation being deducted from the common ceiling referred to in paragraph 6 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting, with issuance of the debt securities possible in euros, a foreign currency or in units of account set by reference to several currencies;

7) notes and decides, as necessary, that, where applicable, the aforementioned delegation automatically entails, in favour of the holders of securities giving future access to the Company's shares that may be issued, the waiver by shareholders of their preemptive subscription rights in respect of shares that may be issued upon presentation of these securities;

8) resolves that, in the event of an immediate or future share issue:

(i) the issue price will be set by the Executive Management in accordance with the terms and conditions provided for by the applicable regulatory provisions as at the date this delegation is used, and may be reduced by a maximum discount of 10%,

(ii) the issue price of the securities giving access to the share capital will be such that the amount received immediately by the Company, plus, where applicable, that likely to be received subsequently by it, will be, for each share issued as a result of the issue of these other securities, at least equal to the minimum issue price defined in paragraph (i) above;

9) resolves that if the subscriptions have not absorbed the entire issue of securities, the Executive Management may use, in the order it determines, one and/or another of the following options:

a) limit the issue to the amount of subscriptions under the conditions provided for by the law in force at the time this delegation is used,

b) freely distribute all or part of the unsubscribed shares among the persons of its choice;

10) grants the broadest of powers to the Executive Management for the purpose of implementing this delegation, and in particular to:

a) decide and determine the dates and terms of the issues as well as the form and characteristics of the securities to be created, determine the conditions and price of the issues, set the amounts to be issued,

b) determine the entitlement date, with or without retroactive effect, of the securities to be issued and, where applicable, the conditions for their repurchase, suspend, where applicable, the exercise of share allocation rights attached to the securities to be issued within a period not exceeding three months,

c) set the terms and conditions under which the rights of holders of securities giving future access to the share capital will be ensured, in accordance with legal and regulatory provisions,

d) generally take all necessary measures, carry out all necessary formalities, enter into all agreements to successfully complete the planned issues, record the capital increase(s) resulting from any issue carried out by the use of this delegation and amend the corresponding Articles of Association;

11) resolves that, in the event of the issue of debt securities, the Executive Management shall have all powers to determine their characteristics and in particular to decide whether or not they are subordinated, to set their interest rate, their duration and the fixed or variable redemption price, with or without premium, the terms of amortisation according to market conditions, the conditions under which these securities will give entitlement to shares in the Company and to modify, during the life of the securities concerned, the terms and conditions set out above, in compliance with the applicable formalities;

12) resolves that the Executive Management may also charge the costs of issuing shares and securities to the amount of the premiums relating to the capital increases, deducting from these premiums the sums necessary to bring the legal reserve to one-tenth of the amount of capital resulting from these increases;

13) grants full powers to the Executive Management to request the admission to trading on a regulated market of the securities created under this resolution, wherever it so requests;

14) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during a public offering on the shares of the Company;

15) resolves that this delegation granted to the Executive Management is valid for a period of 26 months from the date of this meeting.

This delegation cancels, for the remaining term and up to the unused portion, and replaces the delegation granted by the Combined General Meeting of 20 April 2023 in its twenty-fourth resolution (issue of securities by private placement).

Twenty-fifth resolution

Delegation of authority to be granted to the Executive Management to decide on the issue of shares and/or securities giving access to the share capital, with preemptive rights cancelled, in order to compensate contributions in kind granted to the company in the form of equity securities or securities giving access to the share capital.

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report, the Supervisory Board report and the Statutory Auditors' report, prepared pursuant to the law, and in accordance with Articles L. 225-129 *et seq.* and L. 22-10-53 of the French Commercial Code (*Code de commerce*):

1) delegates to the Executive Management, under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, the authority to carry out, on the report of a Contribution Auditor, on one or more occasions, in the proportions and at the times that it chooses, both in France and abroad and/or on the international markets, either in euros, or in any other currency or monetary unit established by reference to several currencies, for the purpose of remunerating contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital, when the provisions of Article L. 22-10-54 of the French Commercial Code (*Code de commerce*) are not applicable, the issue:
   a) new ordinary shares of the Company,
   b) securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), which are equity securities of the company giving access, immediately and/or in future, to other equity securities of the company and/or giving entitlement to the allocation of debt securities of the company, and/or
   c) securities representing a debt obligation governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access to or likely to give access to equity securities of the company yet to be issued, where these securities may also, where applicable, give access to existing equity securities and/or debt securities of the company;
2) resolves to cancel, under this delegation, the preemptive subscription rights of shareholders to the securities to be issued;
3) resolves that the nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 10% of the share capital on the date of this meeting (individual ceiling), capital increases carried out pursuant to this delegation being deducted from the common ceiling referred to in paragraph 4 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting, or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies;
4) further resolves that the maximum nominal amount of debt securities that may be issued under this delegation may not exceed two billion euros (€2,000 million) (individual ceiling), or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies, this amount being increased, where applicable, by any redemption premium above par, and the amount of the issues carried out in accordance with this delegation being deducted from the common ceiling referred to in paragraph 6 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting, with issuance of the debt securities possible in euros, a foreign currency or in units of account set by reference to several currencies;
5) notes and decides, as necessary, that, where applicable, the aforementioned delegation automatically entails, in favour of the holders of securities giving future access to the Company's shares that may be issued, the waiver by shareholders of their preemptive subscription rights in respect of shares that may be issued upon presentation of these securities;
6) grants the broadest of powers to the Executive Management for the purpose of implementing this delegation, and in particular to:
   a) decide and determine the dates and terms of the issues as well as the form and characteristics of the securities to be created to compensate contributions, approve the report of the Statutory Auditor(s), approve the valuation of the contributions and, for said contributions, record their completion, determine the conditions and prices of the issues, set the amounts to be issued,
   b) determine the entitlement date, with or without retroactive effect, of the securities to be issued to compensate contributions and, where applicable, the conditions for their repurchase, suspend, where applicable, the exercise of share allocation rights attached to the securities to be issued within a period not exceeding three months,
   c) set the terms and conditions under which the rights of holders of securities giving future access to the share capital will be ensured, in accordance with legal and regulatory provisions,
   d) generally take all necessary measures, carry out all necessary formalities, enter into all agreements to successfully complete the planned issues, record the capital increase(s) resulting from any issue carried out by the use of this delegation and amend the corresponding Articles of Association;
7) resolves that the Executive Management may also charge the costs of issuing shares and securities to the amount of the premiums relating to the capital increases, deducting from these premiums the sums necessary to bring the legal reserve to one-tenth of the amount of capital resulting from these increases;
8) grants full powers to the Executive Management to request the admission to trading on a regulated market of the securities created under this resolution, wherever it so requests;

9) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during a public offering on the shares of the Company;

10) resolves that this delegation granted to the Executive Management is valid for a period of 26 months from the date of this meeting.

This delegation cancels, for the remaining term and up to the unused portion, and replaces the delegation granted by the Combined General Meeting of 20 April 2023 in its twenty-fifth resolution (issue of securities to compensate contributions in kind).

Twenty-sixth resolution:

Delegation of powers to be granted to the Executive Management to decide on the issue of shares and/or securities giving access to the share capital, with preemptive rights cancelled, in favour of one or more named persons, in accordance with Article L. 22-10-52-1 of the French Commercial Code (*Code de commerce*).

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report, the Supervisory Board report and the Statutory Auditors' special report, prepared pursuant to the law, and in accordance with Articles L. 225-129-2, L. 22-10-52-1 and L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*):

1) delegates to the Executive Management, under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, all powers to carry out the issue, with preemptive rights cancelled in favour of one or more named persons, on one or more occasions, in the proportions and at the times that it chooses, both in France and abroad and/or on the international markets, either in euros, or in any other currency or monetary unit established by reference to several currencies:

   a) of new ordinary shares of the Company,

   b) of securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), which are equity securities of the company giving access, immediately and/or in future, to other equity securities of the company and/or giving entitlement to the allocation of debt securities of the company, and/or

   c) of securities representing a debt obligation governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access to or likely to give access to equity securities of the company yet to be issued, where these securities may also, where applicable, give access to existing equity securities and/or debt securities of the company issued pursuant to Article L. 228-92 paragraph 1 of the French Commercial Code (*Code de commerce*), free of charge or against payment and to be paid in cash or by set-off against liquid claims due on the company:

      - consisting of equity securities giving access, immediately and/or in future, to other equity securities or giving entitlement to the allocation of debt securities,
      - or whether they give access to equity securities to be issued;

2) resolves that the subscription of the shares and other securities referred to in paragraph 1 of this resolution may be made either in cash or by set-off against liquid claims due on the company, or partly by capitalisation of reserves, earnings or share premiums;

3) resolves that the nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 10% of the share capital per annum) (individual ceiling), capital increases carried out pursuant to this delegation being deducted from the common ceiling referred to in paragraph 4 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting, or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies, this amount being increased, where applicable, by the nominal amount of additional shares to be issued to preserve the rights of holders of securities giving entitlement to shares, in accordance with legal and regulatory provisions or, where applicable, contractual provisions providing for other cases of adjustment;

4) resolves that the nominal amount of debt securities that may be issued under this delegation may not exceed two billion euros (€2,000 million) (individual ceiling), or the equivalent value in the event of an issue in a foreign currency or in units of account set by reference to several currencies, this amount being increased, where applicable, by any redemption premium above par, and the amount of the issues carried out in accordance with this delegation being deducted from the common ceiling referred to in paragraph 6 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting, with issuance of the debt securities possible in euros, a foreign currency or in units of account set by reference to several currencies;

5) resolves, in accordance with the provisions of Article L. 22-10-52-1 of the French Commercial Code (Code de commerce), that the issue price of the shares issued under this delegation will be set by the Executive Management in accordance with the terms and conditions provided for by the regulatory provisions applicable on the date of use of this delegation, and which may be reduced by a maximum discount of 10%;

6) resolves to cancel the preemptive subscription rights of shareholders to the shares and/or securities to be issued under this resolution, in favour of one or more persons designated by name and to delegate the designation of these persons to the Executive Management;

7) notes that if the subscriptions have not absorbed the entire issue, the Executive Management may limit the amount of the operation to the amount of subscriptions received, provided that this reaches at least three-quarters of the issue decided upon;

8) grants the broadest of powers to the Executive Management for the purpose of implementing this delegation, and in particular to:

   a) designate the person(s) for whose benefit the issue is reserved,

b) decide and determine the dates and terms of the issues as well as the form and characteristics of the securities to be created, determine the conditions and price of the issues, set the amounts to be issued,

c) determine the entitlement date, with or without retroactive effect, of the securities to be issued and, where applicable, the conditions for their repurchase, suspend, where applicable, the exercise of share allocation rights attached to the securities to be issued within a period not exceeding three months,

d) set the terms and conditions under which the rights of holders of securities giving future access to the share capital will be ensured, in accordance with legal and regulatory provisions,

e) determine the payment method for the shares and/or securities issued or to be issued, and

f) generally take all necessary measures, carry out all necessary formalities and enter into all agreements to successfully complete the planned issues and record the capital increase(s) resulting from any issue carried out through the use of this delegation and amend the Articles of Association accordingly.

9) resolves that the Executive Management may also charge the costs of issuing shares and securities to the amount of the premiums relating to the capital increases, deducting from these premiums the sums necessary to bring the legal reserve to one-tenth of the amount of capital resulting from these increases;

10) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (Code de commerce), this delegation may be implemented during a public offering on the shares of the Company;

11) resolves that this delegation granted to the Executive Management is valid for a period of 18 months from the date of this meeting;

12) notes that the Executive Management will report to the next Ordinary General Meeting, in accordance with the law and regulations, on the use of this delegation granted under this resolution.

Twenty-seventh resolution

Delegation of authority to be granted to the Executive Management to decide on one or more operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime (Article L. 236-9, II of the French Commercial Code (*Code de commerce*)).

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report and the Supervisory Board's report, prepared pursuant to the law, and in accordance with Articles L. 236-9, L. 236-16 and L. 236-22 of the French Commercial Code (*Code de commerce*):

1) delegates to the Executive Management under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, pursuant to the provisions of Article L. 236-9, II of the French Commercial Code (*Code de commerce*), its authority to decide, on one or more occasions, at its sole discretion, on one or more operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime in the context of operations in which the company is the absorbing company or the beneficiary of the contributions;

2) duly notes, as necessary, that, in accordance with the 4th paragraph of Article L. 236-9, II, one or more shareholders of the company together holding at least 5% of the share capital may apply to court, within 20 days of the last publication pursuant to Article R. 236-2 of the French Commercial Code (Code de commerce) or, where applicable, the last publication provided for in Article R. 236-2-1 of the same Code, requesting the appointment of a legal representative to convene the Company's General Meeting to approve the merger, spin-off or partial contribution of assets subject to the spin-off regime, or their sole project;

3) resolves that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during a public offering on the shares of the Company;

4) delegates all powers to the Executive Management to implement this delegation;

5) resolves that this delegation granted to the Executive Management is valid for a period of 26 months from the date of this meeting.

This delegation cancels, for the remaining term and up to the unused portion, and replaces the delegation granted by the Combined General Meeting of 20 April 2023 in its twenty-sixth resolution (delegation of authority to be granted to the Executive Management to decide on one or more merger(s) by absorption, spin-off or partial contribution of assets subject to the spin-off regime).

Twenty-eighth resolution:

Delegation of authority to be granted to the Executive Management to decide on a capital increase by issuing shares in the event of use of the delegation of authority granted to the Executive Management to decide on one or more operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime (Article L. 236-9, II of the French Commercial Code (*Code de commerce*)).

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management report and the Supervisory Board's report, prepared pursuant to the law, and in accordance with Articles L. 236-9, L. 225-129 to L. 225-129-5, and L. 22-10-49 of the French Commercial Code (*Code de commerce*):

1) delegates to the Executive Management, under the oversight of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SAS, Active Partner, its authority to decide to increase the share capital by issuing shares in the event of one or more operation(s) involving a merger by absorption, spin-off or partial contribution of assets decided by the Executive Management in application of the twenty-seventh resolution (completion of operation(s) involving a merger by absorption, spin-off or partial contribution of assets) submitted to this meeting and requiring a capital increase;

2) resolves that the maximum nominal amount of share capital increases that may be carried out immediately and/or in future under this delegation may not exceed 40% of the share capital on the date of this meeting, it being specified that this ceiling is set without taking into account the nominal amount of the shares to be issued in order to preserve the rights of holders of securities or other rights giving access to the Company's share capital, in accordance with the applicable legal and regulatory provisions and, where applicable, contractual stipulations providing for other adjustments;

3) resolves that the nominal amount that may be issued under this resolution will be deducted from the common ceiling referred to in paragraph 4 of the twenty-first resolution (issue of securities with preemptive rights maintained) submitted to this meeting;

4) resolves that any issue of preferred shares and securities giving access to preferred shares is expressly excluded;

5) resolves that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during a public offering on the Company's shares;

6) resolves that this delegation granted to the Executive Management is valid for a period of 26 months from the date of this meeting.

This delegation cancels, for the remaining term and up to the unused portion, and replaces the delegation granted by the Combined General Meeting of 20 April 2023 in its twenty-seventh resolution (capital increase by issuing shares in the event of use of the delegation of authority granted to the Executive Management to decide on one or more operation(s) involving a merger by absorption, spin-off or partial contribution of assets subject to the spin-off regime).

TWENTY-NINTH RESOLUTION: POWERS

Explanatory statement

The twenty-ninth resolution is a standard resolution making it possible to undertake all legal filing and disclosure formalities required by law, following the General Meeting.

Twenty-ninth resolution

Delegation of authority to carry out the formalities related to the General Meeting

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, confers full powers on any bearer of an extract or copy of these minutes recording its resolutions, in order to carry out all legal publication or other formalities.

8.3 SUPERVISORY BOARD REPORT TO THE COMBINED GENERAL MEETING OF 30 APRIL 2025

In accordance with legal and regulatory provisions, we hereby present our report on the accomplishment of our duties for the financial year ended 31 December 2024.

Firstly, you are advised that:

- the Executive Management has kept us regularly informed of the Company's business operations and results;
- the balance sheet and its notes, as well as the income statement, have been provided to us as required by law;
- transactions subject to prior authorisation by the Supervisory Board under the terms of specific provisions contained in the Company's Articles of Association have been duly approved by us;
- lastly, the Supervisory Board ruled on various matters within its exclusive competence with respect to the Articles of Association.

1. COMMENTS ON THE PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

In the light of the comprehensive review already provided, we have no specific comments on the business performance or on the financial statements for the financial year ended 31 December 2024. We issue a favourable opinion on the approval of the financial statements.

2. ALLOCATION OF NET INCOME

On 13 February 2025, the Executive Management decided to pay an interim dividend of €3.50 per share. The payment of this interim dividend took place on 19 February 2025.

You are asked to approve the allocation of net income as it appears in the explanatory statement in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2024", § 8.2.1 – Explanatory statement to the fourth resolution) and which provides for an ordinary dividend per share of €16 and an exceptional dividend of €10.

After deduction of the interim dividend, the balance, *i.e.* a total amount of €22.50 per share, will be detached from the share on 5 May 2025 and payable in cash on 7 May 2025 on the positions closed in the evening of 6 May 2025.

3. RELATED-PARTY AGREEMENTS

As no related-party agreement requiring the authorisation of the Supervisory Board was entered into in 2024, you are asked to note that there are none to approve.

The agreements approved previously by the General Meeting are presented in the Statutory Auditors' special report on the agreements mentioned in Articles L.226-10, L. 225-38 to L. 225-43, L. 22-10-12 and L. 22-10-13 of the French Commercial Code (*Code de commerce*), which appear in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2024, § 8.4.3). None of these agreements changed significantly with respect to amounts or financial terms in 2024.

No other agreements were downgraded in 2024.

A summary of the related-party agreements in force is presented in the Supervisory Board's corporate governance report in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.9.1.1).

In accordance with the provisions of Article L. 225-38 of the French Commercial Code (*Code de commerce*), authorisation decisions of the Supervisory Board since 1 August 2014 are all supported by justification. A review of the related-party agreements entered into during previous financial years and whose execution has continued over time is carried out by the Supervisory Board each year in accordance with the provisions of Article L. 225-40-1 of the French Commercial Code (*Code de commerce*).

Following the review of 2024, the Board had no comments to make.

In addition, the Company is required to put in place a procedure to regularly assess whether agreements relating to current transactions and concluded under normal conditions meet these conditions.

This procedure, which applies only to Hermès International and not to its subsidiaries, was approved by the Supervisory Board on 25 February 2020. Its purpose is to enable Hermès International to periodically assess the appropriateness of the classification used for ongoing agreements entered into during the financial year, those that continue over several years, and any agreements that may have been modified.

The description of this procedure and its implementation are given in the Supervisory Board's corporate governance report in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.9.1.3).

4. ACTIVITIES OF THE SUPERVISORY BOARD

The Supervisory Board's 2024 activity is presented in the Supervisory Board corporate governance report in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.5.4).

5. COMPOSITION OF THE SUPERVISORY BOARD

We fully support the proposal that is made to you in the explanatory statement in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2024", § 8.2.1 – Explanatory statement to the thirteenth to fifteenth resolutions) to renew for a three-year term, pursuant to the Articles of Association, the expiring terms of office of:

- Mr Charles-Éric Bauer;
- Ms Estelle Brachlianoff; and
- Ms Julie Guerrand.

We also fully support the proposal that is made to you in the explanatory statement in the 2024 universal registration document (chapter 8 "Combined General Meeting of 30 April 2024", § 8.2.1 – Explanatory statement to the sixteenth, seventeenth and eighteenth resolutions) to appoint as new members of the Supervisory Board:

- Ms Cécile Béliot-Zind;
- Mr Jean-Laurent Bonnafé; and
- Mr Bernard Émié.

The diversity policy applied within the Supervisory Board is presented in the Supervisory Board corporate governance report in the 2024 universal registration document (chapter 3 "Corporate governance", § 3.4.3).

6. RECOMMENDATIONS ON THE DRAFT RESOLUTIONS SUBMITTED TO THE COMBINED GENERAL MEETING OF 30 APRIL 2025

We are in favour of all the draft resolutions submitted.

This concludes our report on the information and opinions we considered necessary to bring to your attention in connection with this Meeting, and we recommend that you vote to adopt all the resolutions submitted to you.

The Supervisory Board

8.4 STATUTORY AUDITORS' REPORTS

8.4.1 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

The report can be found in the 2024 universal registration document (chapter 6 "Parent company financial statements", § 6.9).

8.4.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The report can be found in the 2024 universal registration document (chapter 5 "Consolidated financial statements", § 5.7).

8.4.3 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS

General Meeting for the approval of the financial statements for the financial year ended 31 December 2023

To the Shareholders,

In our capacity as Statutory Auditors of Hermès International, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of article R.226-2 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R.226-2 of the French Commercial Code (*Code de commerce*) in relation to the implementation during the year of agreements already approved by the General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE GENERAL MEETING

Agreements authorised and entered into during the year

We were not informed of any agreements authorised and entered into during the year to be submitted for the approval of the General Meeting pursuant to the provisions of article L.226-10 of the French Commercial Code (*Code de commerce*).

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

Agreements approved in previous years that were implemented during the year

In accordance with article R.226-2 of the French Commercial Code (*Code de commerce*), we were informed of the following agreements, approved by the General Meeting in previous years, which were implemented during the year.

1. Service agreement with Studio des Fleurs

PERSON CONCERNED

Frédéric Dumas, member of the Management Board of Émile Hermès SAS, legal manager (gérant) of Hermès International.

NATURE, PURPOSE AND CONDITIONS

On 29 July 2021, the Supervisory Board authorised an amendment to the initial agreement between Hermès International and Studio des Fleurs relating to the provision of photography and photo editing services for e-commerce product pack shots. The purpose of the amendment is to agree on new contractual conditions, as the initial agreement, which was authorised by the Supervisory Board on 20 March 2018, provided for a revision of the fees at the end of an initial three-year period.

REASONS WHY THE AGREEMENT IS BENEFICIAL FOR THE COMPANY

Studio des Fleurs agreed to the following points, which were fundamental to Hermès International:

- compliance with very precise specifications, duty to advise, monitoring of services, quality control;
- performance indicator monitoring criteria;
- no minimum order guaranteed;
- fixed three-year term followed by indefinite duration;
- long notice of termination (18 months);
- non-exclusivity;
- undertaking by Studio des Fleurs to take the necessary measures to maintain its economic independence (in particular by expanding and diversifying its customer base) from the Hermès Group;
- confidentiality and prohibition on using Hermès as a reference;
- fixed fees for three years.

For 2024, Hermès International was invoiced €89,250 for services provided under the agreement.

2. Design agreement with architectural firm RDAI

PERSON CONCERNED

Sandrine Brekke, partner with a stake of more than 10% in RDAI and member of the Management Board of Émile Hermès SAS, legal manager (gérant) of Hermès International.

NATURE, PURPOSE AND CONDITIONS

At its meetings of 7 July 2017 and 13 September 2017, the Supervisory Board authorised a new framework agreement between the Company and all the companies that it directly or indirectly controls, and RDAI, defining the scope of the work to be undertaken by RDAI in applying an exclusive architecture design concept to Hermès projects.

REASONS WHY THE AGREEMENT IS BENEFICIAL FOR THE COMPANY

The concept created by RDAI will enable stores and points of sale distributing Hermès products worldwide to be easily identified for their quality design.

The new agreement aims to integrate changes in Hermès' organisation (Real Estate Department, purchasing policy, digital initiatives), specify the roles and obligations of the parties and adjust the terms and conditions of execution to the changing needs in Hermès' projects. Following analysis of the renegotiated agreement, it is clear that the changes made are essentially to Hermès International's benefit, both with regard to RDAI's obligations and its fees.

For 2024, Hermès International was invoiced €44,004 for services provided under the agreement.

Neuilly-sur-Seine, 18 March 2025

The Statutory Auditors

PricewaterhouseCoopers Audit
Amélie Wattel

Grant Thornton Audit
Christophe Bonte

8.4.4 REPORT BY PRICEWATERHOUSECOOPERS AUDIT, STATUTORY AUDITOR IN CHARGE OF CERTIFYING SUSTAINABILITY INFORMATION

The report can be found in the 2024 universal registration document (chapter 2 "Information on the Sustainability report", § 2.2).

8.4.5 STATUTORY AUDITORS' REPORT ON THE SHARE CAPITAL REDUCTION (NINETEENTH RESOLUTION)

Combined General Meeting of 30 April 2025 – nineteenth resolution

To the Shareholders,

In our capacity as Statutory Auditors of Hermès International, and in accordance with the provisions of Article L.22-10-62 of the French Commercial Code (*Code de commerce*), applicable in the event of a share capital reduction *via* the cancellation of treasury shares, we hereby report to you on our assessment of the reasons for and the terms and conditions of the proposed share capital reduction.

Executive Management is seeking a 24-month authorisation, from the date of this General Meeting, to cancel, for up to a maximum of 10% of the share capital per 24-month period, the shares bought back by Hermès International pursuant to an authorisation to buy back its own shares in accordance with the provisions of the aforementioned article.

This authorisation cancels and replaces, for the remaining term and the unused portion, the authorisation granted by the Combined General Meeting of 30 April 2024 in its nineteenth resolution.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the reasons for and the terms and conditions of the proposed share capital reduction, which is not considered to affect shareholder equality, comply with the applicable legal provisions.

We have no matters to report as regards the reasons for and conditions of the proposed share capital reduction.

Neuilly-sur-Seine, 18 March 2025

The Statutory Auditors

PricewaterhouseCoopers Audit
Amélie Wattel

Grant Thornton Audit
Christophe Bonte

8.4.6 STATUTORY AUDITORS' REPORT ON THE ISSUE OF SHARES AND/OR SECURITIES WITH OR WITHOUT SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS

Combined General Meeting of 30 April 2025 - 21st, 22nd, 24th, 25th and 26th resolutions

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Hermès International, and in accordance with articles L.228-92 and L.225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegations of authority to Executive Management to issue various shares and/or securities, which are submitted to you for approval.

Executive Management proposes, based on its report and the report of the Supervisory Board:

- that you delegate to it, under the supervision of the Supervisory Board of the Company and the Management Board of Émile Hermès SAS, Active Partner, for a period of 26 months, as of this General Meeting, the authority to decide on the following transactions and to set the final terms and conditions of the related issues, and asks that you waive your preferential subscription rights, as necessary:
  - issue, with shareholders' preferential subscription rights (twenty-first resolution), on one or more occasions, in the proportions and at the times it deems appropriate, both in France and abroad and/or on the international market, either in euros or in any other currency or monetary unit established by reference to several currencies, whether free of charge or in exchange for consideration, new ordinary Company shares and/or securities that are equity securities of the Company carrying rights to other equity securities and/or carrying rights to debt securities of the Company and/or securities representing debt instruments or granting access or likely to grant access to equity securities of the Company to be issued;
  - issue, with cancellation of shareholders' preferential subscription rights, by way of a public offering (twenty-second resolution), on one or more occasions, in the proportions and at the times it deems appropriate, both in France and abroad and/or on the international market, either in euros or in any other currency or monetary unit established by reference to several currencies, whether free of charge or in exchange for consideration, new ordinary Company shares and/or securities carrying rights to other equity securities of the Company and/or carrying rights to the allocation of debt securities of the Company and/or securities representing debt instruments granting access or likely to grant access to equity securities to be issued by the Company and/or existing equity securities and/or debt securities:
    - it being specified that the issue price of the equity securities to be issued will be determined in accordance with article L.22-10-52 by Executive Management in accordance with the terms and conditions provided for by the regulatory provisions applicable on the date of use of this delegation of authority, possibly reduced by a maximum discount of 10%;
    - it being specified that, in accordance with article L.228-93, paragraph I of the French Commercial Code, the securities to be issued may grant access to equity securities to be issued by any company in which the Company holds, directly or indirectly, more than half of the share capital;
    - it being understood that these securities may be issued as consideration for shares contributed to the Company pursuant to a public offering with an exchange component that satisfies the conditions set forth in article L.2210-54 of the French Commercial Code.
  - issue, with cancellation of the shareholders' preferential subscription rights (twenty-fourth resolution), by way of an offering within the meaning of article L.411-2, paragraph I of the French Monetary and Financial Code (*Code monétaire et financier*) relating to private placement and within a limit of 20% of the share capital per year, on one or more occasions, in the proportions and at the times it deems appropriate, both in France and abroad and/or on the international market, either in euros or in any other currency or monetary unit established by reference to several currencies, whether free of charge or in exchange for consideration, new ordinary Company shares and/or securities that are equity securities of the Company granting access to other equity securities and/or rights to the allocation of debt securities of the Company and/or securities representing debt instruments granting access or likely to grant access to equity securities to be issued by the Company:
    - it being specified that the issue price of the equity securities to be issued will be determined in accordance with article L.22-10-52 by Executive Management in accordance with the terms and conditions provided for by the regulatory provisions applicable on the date of use of this delegation of authority, possibly reduced by a maximum discount of 10%;
    - it being specified that, in accordance with article L.228-93, paragraph I of the French Commercial Code, the securities to be issued may grant access to equity securities to be issued by any company in which the Company holds, directly or indirectly, more than half of the share capital.

- that you delegate to it, for a period of 26 months, the powers necessary to issue ordinary Company shares and/or securities that are equity securities granting access to other equity securities and/or carrying rights to the allocation of debt securities and/or securities granting access to equity securities to be issued, for the purpose of remunerating contributions in kind granted to the Company and consisting of equity securities or securities granting access to the share capital (twenty-fifth resolution), up to a limit of 10% of the share capital;
- that you delegate to it, for a period of 18 months, all powers to issue ordinary Company shares and/or securities that are equity securities granting access to other equity securities and/or carrying rights to the allocation of debt securities and/or securities granting access to equity securities to be issued, without shareholders' preferential subscription rights in favour of one or more named persons and that you delegate to it the appointment of these persons in accordance with article L.22-10-52-1 of the French Commercial Code, up to a limit of 10% of the share capital per year (twenty-sixth resolution):
  - it being specified that in accordance with the provisions of article L.22-10-52-1 of the French Commercial Code, the issue price of the shares issued will be set by Executive Management in accordance with the terms and conditions provided for by the regulatory provisions applicable on the date of use of the delegation of authority, possibly reduced by a maximum discount of 10%.

The maximum aggregate nominal amount of any capital increases, carried out immediately or in the future, pursuant to the twenty-first and twenty-second resolutions is 40% of the share capital as of the date of this General Meeting, 20% of the share capital pursuant to the twenty-fourth resolution as of the date of this General Meeting, and 10% of the share capital pursuant to the twenty-fifth and twenty-sixth resolutions (individual ceilings) as of the date of this General Meeting, it being specified that the capital increases carried out in accordance with these delegations of authority shall be deducted from the common ceiling provided for in the twenty-first resolution, corresponding to 40% of the share capital as of the date of this General Meeting for the purposes of the twenty-first, twenty-second, twenty-third, twenty-fourth, twenty-fifth, twenty sixth and twenty-eighth resolutions.

The maximum aggregate nominal amount of the debt securities that may be issued pursuant to the twenty-first, twenty-second, twenty-fourth, twenty-fifth and twenty-sixth resolutions may not exceed €2 billion (individual ceilings), it being specified that any securities issued pursuant to these delegations of authority shall be deducted from the €2 billion common ceiling provided for in the twenty-first resolution for the purposes of the twenty-first, twenty-second, twenty-third, twenty-fourth, twenty-fifth and twenty-sixth resolutions.

It is Executive Management's responsibility to draw up a report in accordance with articles R.225113 *et seq.* of the French Commercial Code. It is our responsibility to express an opinion on the fairness of the information taken from the financial statements, on the proposed cancellation of shareholders' preferential subscription rights and on certain other information relating to the issue, presented in this report.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such an engagement. These procedures consisted in verifying the information disclosed in Executive Management's report pertaining to these transactions and the methods used to set the issue price of the equity securities to be issued.

The Executive Management's report calls for the following observation on our part:

This report specifies that, with regard to the twenty-second, twenty-fourth and twenty-sixth resolutions, "*the issue price will be set by Executive Management in accordance with the terms and conditions provided for by the regulatory provisions applicable on the date of use of this delegation of authority, possibly reduced by a maximum discount of 10%*".

However, to date, there are some uncertainties regarding the application of the regulatory provisions relating to the methods of setting the price, due to the following elements:

- Article L.22-10-52 of the French Commercial Code, as amended by Law No. 2024-537 of 13 June 2024, known as the "*Loi Attractivité*" (Attractiveness Law), no longer refers to article R.22-10-32 of the same Code relating to the terms and conditions for setting the price in the event of a public offer. In the absence of any amendment to this article, its application remains uncertain.
- With regard to the twenty-sixth resolution, your Executive Management proposes that you authorise it to freely set the issue price of equity securities, in accordance with the provisions of article L.22-10-52-1 paragraph III. However, the decree of the *Conseil d'État* (French Council of State) provided for in paragraph III of this article has not been published to date.

As a result, we are not in a position to comment on the methods of setting the price provided for in the twenty-second, twenty-fourth and twenty-sixth resolutions.

In addition, as this report does not stipulate the methods used to set the issue price of equity securities to be issued pursuant to the twenty-first and twenty-fifth resolutions, we do not express an opinion on the choice of components used to calculate the issue price.

Since the final terms and conditions of the issues have not been set, we do not express an opinion in this respect or, consequently, on the cancellation of shareholders' preferential subscription rights proposed in the twenty-second, twenty-fourth and twenty sixth resolutions.

In accordance with article R.225-116 of the French Commercial Code, we will prepare an additional report if and when Executive Management uses its delegations of authority to issue securities which are equity securities granting access to other equity securities or carrying rights to the allocation of debt securities, to issue securities granting access to equity securities to be issued or to issue shares without shareholders' preferential subscription rights.

Neuilly-sur-Seine, 18 March 2025

The Statutory Auditors

PricewaterhouseCoopers Audit
Amélie Wattel

Grant Thornton Audit
Christophe Bonte

8.4.7 STATUTORY AUDITORS' REPORT ON THE ISSUANCE OF SHARES AND/OR ANY OTHER SECURITIES GIVING ACCESS TO THE SHARE CAPITAL RESERVED FOR THE MEMBERS OF A COMPANY OR GROUP SAVINGS PLAN WITHOUT PREEMPTIVE SUBSCRIPTION RIGHTS (TWENTY-THIRD RESOLUTION)

Combined General Meeting of 30 April 2025 – twenty-third resolution

To the Shareholders,

In our capacity as Statutory Auditors of Hermès International and in accordance with articles L.228-92 and L.225-135 et seq. of the French Commercial Code (Code de commerce), we hereby report to you on the proposal to delegate to Executive Management the authority to decide, on one or more occasions, to issue ordinary shares and/or securities granting access to the share capital without preferential subscription rights for existing shareholders, reserved for members of one or more Company or Group employee savings plans set up within the Group formed by the Company and the French or foreign companies related to it, as defined by article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labour Code (Code du travail), in a maximum amount not exceeding 1% of the Company's share capital as of the date of this General Meeting, to be deducted from the blanket ceiling provided for in the twenty-first resolution, which is submitted to you for approval.

This issue is submitted to you for approval pursuant to the provisions of article L.225-129-6 of the French Commercial Code and articles L.3332-18 et seq. of the French Labour Code.

On the basis of its report, Executive Management proposes that you grant it the authority, for a period of 26 months, to decide on the issue of shares and/or securities and to cancel your preferential subscription rights to the shares and/or securities granting access to the capital to be issued. Where applicable, the Board of Directors will set the final terms and conditions of the issue.

It is Executive Management's responsibility to draw up a report in accordance with articles R.225-113 et seq. of the French Commercial Code. It is our responsibility to express an opinion on the fairness of the information taken from the financial statements, on the proposed cancellation of shareholders' preferential subscription rights and on certain other information relating to the issue, as presented in this report.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying the information disclosed in Executive Management's report pertaining to the transaction and the methods used to set the issue price of the shares and/or securities granting access to the capital to be issued.

Subject to a subsequent examination of the terms and conditions of any proposed issues, we have no matters to report as regards the methods used to set the issue price of the shares and/or securities granting access to capital to be issued, as described in Executive Management's report.

Since the final terms and conditions of the issue have not been set, we do not express an opinion in this respect or, consequently, on the proposed cancellation of shareholders' preferential subscription rights.

In accordance with article R.225-116 of the French Commercial Code, we will prepare an additional report if and when Executive Management uses this delegation of authority.

Neuilly-sur-Seine, 18 March 2025

The Statutory Auditors

PricewaterhouseCoopers Audit

Amélie Wattel

Grant Thornton Audit

Christophe Bonte

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ADDITIONAL INFORMATION

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9.1 PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AFR

9.1.1 NAME AND FUNCTION OF PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE UNIVERSAL REGISTRATION DOCUMENT

Mr Axel Dumas, Executive Chairman.

Émile Hermès SAS, 23, rue Boissy d'Anglas, 75008 Paris, France, Executive Chairman.

9.1.2 STATEMENT OF PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

We certify that the information contained in this universal registration document is, to the best of our knowledge, consistent with the facts and does not contain any omissions that could affect its import.

We hereby certify, to the best of our knowledge, that the annual and consolidated financial statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets and liabilities, financial position and profits or losses of the issuer and of all the entities included in the scope of consolidation, and that the management report, the contents of which are listed in §9.5.2 (Cross-reference table for the management report) presents a true and fair view of the development and results of the company and the financial position of the issuer and of all the entities included in the scope of consolidation, as well as a description of the main risks and uncertainties to which they are exposed, and that it has been prepared in accordance with applicable sustainability disclosure standards.

Paris, 27 March 2025

Executive Management

Axel Dumas

Henri-Louis Bauer

Representative of Émile Hermès SAS

9.2 PERSONS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS AFR

The Principal Statutory Auditors serve for a term of six years.

If a Statutory Auditor is appointed to fill a vacancy left by the resignation of a Statutory Auditor or any other reason, he or she is appointed for the remainder of his or her predecessor's term.

The terms of the Principal Statutory Auditors will end in 2029.

The Principal Statutory Auditors are:

PricewaterhouseCoopers Audit

Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

63, rue de Villiers

92200 Neuilly-sur-Seine

Represented by Ms Amélie Wattel

First appointed: Ordinary General Meeting of 30 May 2011.

Term of current office: Ordinary General Meeting called to approve the financial statements for 2028.

Grant Thornton Audit

Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

29, rue du Pont

92200 Neuilly-sur-Seine

Represented by: Mr Christophe Bonte.

First appointed: Ordinary General Meeting of 31 May 1999.

Term of current office: Ordinary General Meeting called to approve the financial statements for 2028.

9.3 CONSULTATION OF REGULATORY INFORMATION

The Company's financial website can be accessed at the following address: https://finance.hermes.com/en/. This site provides shareholders and investors with information available in French and English for the last five financial years.

9.4 INFORMATION INCLUDED BY REFERENCE

Pursuant to Article 19 of Regulation (EU) no. 2017/1129 of 24 June 2017, this universal registration document incorporates the following information by reference, to which the reader is invited to refer:

Section of the relevant appendix	Document(s) containing the information *(with hyperlink)*	Parts incorporated by reference
18.1.1 18.3.1	Universal registration document filed with the French Financial Markets Authority (AMF) on 24 March 2023 under reference D23-0142. This document is available on the website https://finance.hermes.com/en/publications/.	In respect of the financial year ended 31 December 2022: consolidated financial statements, parent company financial statements and related Statutory Auditors' reports, on pages 398 to 446 and 450 to 474 respectively.
18.1.1 18.3.1	Universal registration document filed with the French Financial Markets Authority (AMF) on 26 March 2024 under reference D24-0177. This document is available on the website https://finance.hermes.com/en/publications/.	In respect of the financial year ended 31 December 2023: consolidated financial statements, parent company financial statements and related Statutory Auditors' reports, on pages 416 to 464 and 468 to 492 respectively.

Information included in these two registration documents, other than the information referred to above, has been replaced and/or updated, where appropriate, by the information contained in this universal registration document. Copies of this universal registration document are available as described on the website https://finance.hermes.com/en/publications/.

The information on the websites mentioned by the following hyperlinks in this universal registration document is not part of the universal registration document. As such, this information has not been reviewed or approved by the AMF.

URL	Paragraph
https://finance.hermes.com/en/ethics-human-rights-and-diversities/	Chapter 3 § 3.3.4.3 / page 241
https://finance.hermes.com/en/supplier-code-of-conduct	Chapter 2 § 2.1.3.2.7/ page 171

URL	Paragraph
https://finance.hermes.com/en/governing-bodies/	Chapter 3 § 3.1.2 / page 225 § 3.4.7.1 / page 259 § 3.4.7.2 / page 259 § 3.4.7.3 / page 259 § 3.6.2.2 / page 293 § 3.6.3.2 / page 297 Chapter 7 § 7.1.3 / page 448
https://finance.hermes.com/en/corporate-officers/	Chapter 3 § 3.8.1.1.4 / page 304
https://finance.hermes.com/en/	Chapter 2 § 2.1.2.1.2/ page 90 § 2.1.3.1.3 / page 148 § 2.1.3.1.5 / page 152 § 2.1.3.1.7 / page 158 § 2.1.3.2.3 / page 165 § 2.1.3.4.3 / page 179 § 2.1.4.3 / page 2.1.4.3 § 2.3 / page 201 Chapter 3 § 3.5.6.3 / page 290 Chapter 7 § 7.1.1 / page 448 § 7.2.4 / page 466 § 7.5.5 / page 475 § 7.5.8 / page 477 Chapter 9 § 9.3 / page 535
https://finance.hermes.com/en/regulated-information/	Chapter 7 § 7.2.1.2 / page 457 § 7.5.3 / page 474 § 7.5.7 / page 477
https://finance.hermes.com/en/calendar/	Chapter 7 § 7.5.6 / page 477
https: //finance.hermes.com/en/publications	Chapter 7 § 7.2.2.3.1 / page 458
https://finance.hermes.com/en/general-meetings/	Chapter 3 § 3.8.5 / page 324
https://finance.hermes.com/en/policies-publications/	Chapter 2 § 2.1.1.2.3 / page 52 § 2.1.2.1.2 / page 90 § 2.1.2.5.3 / page 127 § 2.1.2.6.3 / page 140 § 2.1.3.2.3 / page 165 § 2.1.3.3.1 / page 172 § 2.1.3.3.4 / page 174 § 2.1.4.2 / page 185 § 2.1.4.3 / page 193

9.5 CROSS-REFERENCE TABLES

The universal registration document consists of presenting in a single document information that the Company has already disclosed in other forms, and separately, in application of existing law.

This universal registration document thus aggregates various information which is also published by the Company in accordance with the legislative and regulatory obligations in force. It also includes:

- the annual financial report required by Articles L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF General Regulation;
- the full management report within the meaning of Article L. 232-1 of the French Commercial Code (*Code de commerce*), including:
  - the sustainability report provided for by the European CSRD Regulation transposed into French national law by Government Order of 8 November 2023 as well as Article L. 225-102-1 of the French Commercial Code (*Code de commerce*),
  - the report on corporate governance required by Article L. 226-10-1 of the French Commercial Code (*Code de commerce*); and
- all the information required for the General Meeting and provided for by Articles L. 225-100 and R. 225-83 of the French Commercial Code (*Code de commerce*), including the documents and information sent to shareholders.

As a result, and in accordance with the AMF position-recommendation DOC-2021-02, it is specified that this universal registration document is presented in the form of a "4-in-1 URD".

The table below summarises the content of the aforementioned documents:

Document(s)	Reference texts	Chapter / § / Page
1. Universal registration document	Headings in Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019, supplementing Regulation (EU) no. 2017/1129 of 14 June 2017	Chapter 9 § 9.5.4 / pages 456 - 552
2. Annual financial report	Article L. 451-1-2 of the French Monetary and Financial Code Article 222-3 of the AMF General Regulation	Chapter 9 § 9.5.1 / page 540
3. Management report	Articles L. 225-100, L. 232-1 *et seq.*, R. 225-102 *et seq.* of the French Commercial Code (*Code de commerce*)	Chapter 9 § 9.5.2 / pages 541 - 543
Sustainability-related information	Articles L. 232-6-3 and L. 233-28-4 of the French Commercial Code (*Code de commerce*)	Chapter 2 § 2.1. *et seq.* pages 48 *et seq.*
Supervisory Board report on corporate governance	(Articles L. 226-10-1 and L. 22-10-78 of the French Commercial Code (*Code de commerce*))	Chapter 9 § 9.5.3 / pages 544 - 545
4. Documents intended for the General Meeting	Articles L. 225-100 and R. 225-83 of the French Commercial Code (*Code de commerce*)	
Information relating to the Executive Chairmen and members of the Supervisory Board	Articles L. 22-10-78 and L. 225-37-4 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.3.2 / pages 233 - 235 § 3.4.5 / pages 250 - 255 § 3.4.6 / pages 256 - 258 § 3.4.8 / pages 262 - 280
Text of the draft resolutions		
Ordinary resolutions		
1st, 2nd and 3rd resolutions *Approval of the annual financial statements (parent company and consolidated) – Executive Management discharge*	Articles L. 225-100 and L. 22-10-34 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.1 / page 482
4th resolution *Allocation of net income – Distribution of an ordinary dividend and an exceptional dividend*	Article L. 232-12 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.1 / page 483
5th resolution *Approval of related-party agreements*	Articles L 225-38 to L 225-43, L 226-10, L 22-10-12 and L 22-10-13 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.1 / page 484
6th resolution *Authorisation granted to the Executive Management to trade in the Company's shares*	Articles L. 22-10-62 *et seq.* of the French Commercial Code (*Code de commerce*) "MAR" Regulation (EU) no. 596/2014 of 16 April 2014	Chapter 8 § 8.2.1 / pages 485 - 486

Document(s)	Reference texts	Chapter / § / Page
7th, 8th, 9th and 10th resolutions *Approval of total compensation and benefits of all kinds paid during or awarded in respect of the financial year ended 31 December 2024 to the Corporate Officers – Effective application of the compensation policy*	Articles L. 22-10-9 and L. 22-10-77 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.1/pages 482 - 503
11th and 12th resolutions *Compensation policies for the Executive Chairmen and Supervisory Board members (ex-ante votes)*	Article L. 22-10-76 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.1 / pages 494 - 494
13th, 14th and 15th resolutions *Reappointment of Supervisory Board members*	Article L. 226-4 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.1 / pages 495 - 496
16th, 17th and 18th resolutions *Appointment of new members of the Supervisory Board*	Article L. 226-4 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.1 / page 497 - 503
Extraordinary resolutions		
19th resolution *Capital reduction*	Article L. 22-10-62 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.2 / page 504
20th, 21st, 22nd, 23rd, 24th, 25th, 26th, 27th and 28th resolutions *Delegation to Executive Management*	Articles L. 22-10-49 to L. 22-10-54, L. 22-10-59, L. 22-10-60, L. 225-132 to L. 225-134, L. 225-129 *et seq.*, L. 225-135 *et seq.*, L. 225-136 *et seq.*, L. 225-138-1, L. 225-197-1 *et seq.*, L. 228-91 *et seq.*, L. 236-9, L. 236-16, L. 236-22, R. 225-119 and L. 22-10-52-1 of the French Commercial Code (*Code de commerce*). Articles L. 411-1 1° and L. 411-2 of the -French Monetary and Financial Code.	Chapter 8 § 8.2.2 / pages 509, 509, 511, 514, 516, 517, 518, 518
29th resolution *Powers for formalities*	Article R. 210-18 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.2 / page 519
Text and explanatory statements presented by shareholders as well as the list of items added to the agenda at their request	Articles L. 225-105, R. 225-71 to R. 225-73 of the French Commercial Code (*Code de commerce*)	n/a
Information relating to corporate governance	(Articles L. 226-10-1 and L. 22-10-78 of the French Commercial Code (*Code de commerce*))	Chapter 9 § 9.5.3 / pages 544 - 545
Supervisory Board report to the Combined General Meeting of 30 April 2025	Article L. 226-9 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.3 / pages 480
Information on the members of the Supervisory Board whose appointment or renewal is proposed to the Combined General Meeting of 30 April 2025	Article R. 225-83 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.4.8.6 / page 268 § 3.4.8.7 / page 269 § 3.4.8.10 / page 274 Chapter 8 § 8.2.1 / page 497 - 503
Annual financial statements	Article L. 232-1 of the French Commercial Code (*Code de commerce*)	Chapter 6 § 6.1 et seq. / page 420 *et seq.*
Consolidated financial statements	Articles L. 233-18 to L. 233-26 of the French Commercial Code (*Code de commerce*)	Chapter 5 § 5.1 et seq. / page 370 *et seq.*
Management report including sustainability information	Articles L. 225-100, L. 232-1 *et seq.*, R. 225-102 *et seq.* of the French Commercial Code (*Code de commerce*)	Chapter 9 § 9.5.2 / pages 541 - 543
Allocation of net income	Article R. 225-83 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.2.1 (4th resolution)/ pages 483 - 484
Executive Management report on transactions carried out by the Company or affiliated companies in connection with stock subscription or purchase options reserved for employees and Senior Executives	Article L. 225-184 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.3 / page 318
Executive Management report on transactions carried out by the Company or affiliated companies in connection with free share allocations reserved for employees and Senior Executives	Article L. 225-197-4 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.3 / page 318

Document(s)	Reference texts	Chapter / § / Page
Statutory Auditors' reports		
Statutory Auditors' report on the financial statements	Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*)	Chapter 6 § 6.6 / pages 438 - 441
Statutory Auditors' report on the consolidated financial statements	Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*)	Chapter 5 § 5.7 / pages 413 - 418
Statutory Auditors' special report on related-party agreements	Articles L. 226-10 and R. 226-2 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.4.3 / pages 253
Report by one of the Statutory Auditors on the certification of the sustainability-related information in the Executive Management's management report	Articles L. 22-10-36 and L. 233-28-4 and L. 821-54 of the French Commercial Code (*Code de commerce*)	Chapter 2 § 2.2 / pages 196 - 200
*Statutory Auditors' special report on the share capital reduction (**19th resolution**)*	Article L. 22-10-62 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.4.5 / page 526
*Statutory Auditors' report on the issuance of shares and/or any other securities giving access to the share capital with or without preemptive subscription rights (**21st, 22nd, 24th, 25th and 26th resolutions**)*	Articles L. 228-92, L. 225-135 *et seq.*, L. 22-10-52 and L. 22-10-52-1 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.4.6 / page 527 - 529
*Statutory Auditors' report on the issuance of shares and/or any other securities giving access to the share capital reserved for members of a company or group employee savings plan without preemptive subscription rights (**23rd resolution**)*	Articles L. 228-92 and L. 225-135 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.4.7 / page 530

9.5.1 CROSS-REFERENCE TABLE FOR THE ANNUAL FINANCIAL REPORT

(Article 222–3 of the AMF General Regulation)

In order to facilitate the reading of this document, the cross-reference table below makes it possible to identify, in this universal registration document, the information that constitutes the annual financial report that must be published by listed companies in accordance with Articles L 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF General Regulation.

Required elements	Chapter / § / Page
Hermès International annual financial statements	Chapter 6 § 6.1 *et seq.* / page 420 *et seq.*
Hermès Group consolidated financial statements	Chapter 5 § 5.1 *et seq.* / page 370 *et seq.*
Executive Management report, including the sustainability report	Chapter 9 § 9.5.2 / page 541 - 543
Responsibility statement for the annual financial report	Chapter 9 § 9.1.2 / page 534
Statutory Auditors' report on the financial statements	Chapter 6 § 6.6 / pages 438 - 441
Statutory Auditors' report on the consolidated financial statements	Chapter 5 § 5.7 / pages 413 - 418
Report by one of the Statutory Auditors on the certification of the sustainability-related information	Chapter 2 § 2.2 / pages 196 - 200
Supervisory Board report on corporate governance	Chapter 9 § 9.5.3 / pages 544 - 545

9.5.2 CROSS-REFERENCE TABLE FOR THE MANAGEMENT REPORT

(Articles L. 225-100 *et seq.*, L. 232-I, II and R. 225-102 of the French Commercial Code (*Code de commerce*))

In order to facilitate the reading of this document, the cross-reference table below makes it possible to identify the information that must be included in the management report, in accordance with the provisions of the French Commercial Code (*Code de commerce*) applicable to *sociétés en commandite par actions* (partnerships limited by shares).

Items that are not applicable to Hermès International are marked "n/a".

No.	Required elements	Reference texts	Chapter / § / Page
1	**Group situation and activity in 2024 / Comments on the financial year**		
1.1	Situation of the Company during the past financial year and objective and exhaustive analysis of the evolution of the business, earnings and financial position of the Company and the Group, in particular its debt position, with regard to volume and complexity of the business	Articles L. 232-1, II, L. 233-6, L. 22-10-35 and L. 233-26 of the French Commercial Code (*Code de commerce*)	Highlights 2024 / pages 6 - 8 Chapter 1 § 1.6 / pages 27 - 35 § 1.7 / pages 36 - 39 § 1.8 / pages 40 - 41 § 1.9 / page 41
1.2	Financial key performance indicators	Article L. 225-100-1, I., 2° of the French Commercial Code (*Code de commerce*)	Chapter 1 § 1.5.1 / page 24 § 1.5.2 / page 24 § 1.5.3 / pages 24 - 25
1.3	Non-financial key performance metrics relating to the Company's specific activity, in particular information on environmental and staff issues with reference made to amounts featured in the annual financial statements and the relevant additional explanations		Chapter 1 § 1.5.4 / page 26 Chapter 2 § 2.1.1.6.3 / pages 66 - 82
1.4	Important events between the closing date of the financial year and the date the report is established	Articles L. 232-1, II. and L. 233-26 of the French Commercial Code (*Code de commerce*)	Chapter 1 § 1.9 / page 41
1.5	Identity of the main shareholders and holders of voting rights at General Meetings, and changes made during the financial year	Article L. 233-13 of the French Commercial Code (*Code de commerce*)	Chapter 7 § 7.2.2.5 / pages 458 - 459
1.6	Existing branches	Article L. 232-1 of the French Commercial Code (*Code de commerce*)	Chapter 6 § 6.9.1 / page 444
1.7	Significant equity investments in companies headquartered in France or the takeover of such companies	Article L. 233-6 paragraph 1 of the French Commercial Code (*Code de commerce*)	Chapter 6 § 6.9.3 / page 444
1.8	Disposals of shares arising from the effect of regularising cross-shareholdings	Articles L. 233-29, L. 233-30 and R. 233-19 of the French Commercial Code (*Code de commerce*)	n/a
1.9	Foreseeable developments of the Company and its outlook	Articles L. 232-1, II and L. 233-26 of the French Commercial Code (*Code de commerce*)	Chapter 1 § 1.10/pages 42 - 43
1.10	Company research and development activities	Articles L. 232-1, II and L. 233-26 of the French Commercial Code (*Code de commerce*)	n/a
1.11	Table of the Company's results during each of the last five financial years	Article R. 225-102 of the French Commercial Code (*Code de commerce*)	Chapter 6 § 6.7 / page 442
1.12	Information regarding payment terms of suppliers and customers of the Company whose annual financial statements are certified by a Statutory Auditor	Article D. 441-4 of the French Commercial Code (*Code de commerce*)	Chapter 6 § 6.8 / page 443
1.13	Amount of loans with a maturity of less than two years granted by the Company, on an ancillary basis to its main activity, to micro-companies or small or medium-sized companies with which it has economic links justifying such loans	Articles L. 511-6 and R. 511-2-1-3 of the French Monetary and Financial Code	Chapter 6 § 6.9.2 / page 444

No.	Required elements	Reference texts	Chapter / § / Page
1.14	Activity of the Company's subsidiaries and companies under its control	Article L. 233-6 of the French Commercial Code (*Code de commerce*)	Chapter 1 § 1.4 / pages 17 - 23 § 1.8 / page 40 *et seq.*
1.15	Notice given to another joint-stock company in which the Company holds more than 10% of its share capital		n/a
1.16	Progress made or difficulties encountered	Article L. 22-10-35, I of the French Commercial Code (*Code de commerce*)	Chapter 1 § 1.8 / page 40 *et seq.*
2	**Internal control and risk management**		
2.1	Description of main risks and uncertainties the Company faces	Article L. 225-100-1, I., 3° of the French Commercial Code (*Code de commerce*)	Chapter 4 § 4.1 *et seq.* / page 334 - 356 *et seq.*
2.2	Guidance on financial risks linked to the effects of climate change and presentation of steps taken by the Company to reduce them by implementing a low-carbon strategy in all areas of its activity	Article L. 22-10-35, I of the French Commercial Code (*Code de commerce*)	Chapter 4 § 4.1.4 / pages 351 - 351 § 5.6 (note 3) / page 426
2.3	Principal characteristics of the internal control and risk management procedures put in place by the Company relating to accounting and financial information reporting procedures	Article L. 22-10-35, 2° of the French Commercial Code (*Code de commerce*)	Chapter 4 § 4.3.4.2 / pages 365 - 366
2.4	Information regarding the Company's objectives and its policy as to the hedging of each main category of scheduled transactions for which hedge accounting is used, along with its exposure to price, credit, liquidity and cash risk; these indications include the Company's use of financial instruments	Article L. 225-100-1, 6° of the French Commercial Code (*Code de commerce*)	Chapter 4 § 4.1.5 / pages 353 - 366 Chapter 5 § 5.6 (note 12) / page 399 *et seq.*
2.5	Anti-corruption system	Law no. 2016-1691 of 9 December 2016 known as "Sapin II"	Chapter 2 § 2.8.2 / pages 193 Chapter 4 § 4.1.4.1 / pages 350 *et seq.*
2.6	The vigilance plan helps to identify risks and prevent serious breaches of human rights and fundamental freedoms, health, safety and the environment arising from the activity of the Company and companies it controls, as well as the activities of subcontractors and suppliers Reporting of the effective implementation of the vigilance plan	Article L. 225-102-4 of the French Commercial Code (*Code de commerce*)	Chapter 2 § 2.3 / pages 201 - 203 Chapter 4 § 4.1.2.3 / page 346 § 4.1.4.1 / page 350
3	**Information relating to corporate governance**		
	Refer to the cross-reference table for the Supervisory Board report on corporate governance		Chapter 9 § 9.5.3 / page 544 - 545
4	**Information on shareholding and share capital**		
4.1	Structure, change in the Company's share capital and crossing of thresholds	Article L. 233-13 of the French Commercial Code (*Code de commerce*)	Chapter 7 § 7.2.2.4 / page 458 § 7.2.2.5 / pages 458 - 459 § 7.2.2.7 / page 461
4.2	Information regarding the Company's acquisition of its own shares with a view to allocating them to employees or Senior Executives (share buyback programmes)	Article L. 225-211 of the French Commercial Code (*Code de commerce*)	Chapter 7 § 7.2.2.10 / pages 462 - 463
4.3	Statement of employee and Senior Executive holdings in the share capital on the last day of the financial year, and proportion of the capital represented by the shares held by employees managed collectively (in an employee savings plan or an employee mutual fund), and the registered shares held directly by them following the allocation of free shares or from other schemes	Article L. 225-102, paragraph 1 of the French Commercial Code (*Code de commerce*)	Chapter 7 § 7.2.2.8 / page 461
4.4	Statement of any adjustments for securities giving access to the share capital in the event of share buybacks or financial operations	Articles R. 228-90 and R. 228-91 of the French Commercial Code (*Code de commerce*)	n/a

No.	Required elements	Reference texts	Chapter / § / Page
4.5	Summary of transactions carried out on their securities by Senior Executives, senior managers or persons with which they are closely linked	Article L. 621-18-2 of the French Monetary and Financial Code	Chapter 7 § 7.2.3 / pages 464 - 465
4.6	Amount of dividends distributed over the last three years, and amount of distributed income eligible and ineligible for deductions, broken down by share class	Article 243 *bis* of the French General Tax Code	Chapter 6 § 6.7 / page 442 Chapter 8 § 8.2.1 (4th resolution) / pages 483 - 484
4.7	Restrictions imposed by the Board regarding the exercise of options granted or the sale of free shares awarded to Senior Executives	Article L. 225-185 of the French Commercial Code (*Code de commerce*)	n/a
4.8	Calculation elements and results of adjustment to the conversion basis, and terms of subscription or exercise of securities giving access to the share capital or options to subscribe for or purchase shares	Articles R. 228-90 and R. 228-91 of the French Commercial Code (*Code de commerce*)	n/a
5	**Report on sustainability-related information**		
	Sustainability-related information	Articles L. 232-6-3 and L. 233-28-4 of the French Commercial Code (*Code de commerce*)	Chapter 2 § 2.1.1.7 / page 47 - 222
6	**Other information**		
6.1	Additional tax information	Articles 223 *quater* and 223 *quinquies* of the French General Tax Code	Chapter 8 § 8.2.1 (1st, 2nd and 3rd resolutions)/page 482
6.2	Injunctions or fines for anti-competitive practices imposed by the Competition Council, the inclusion of which in the annual report was prescribed by said Council	Article L. 464-2 of the French Commercial Code (*Code de commerce*)	n/a
7	**Other documents**		
7.1	Supervisory Board report to the Combined General Meeting of 30 April 2025	Article L. 226-9 of the French Commercial Code (*Code de commerce*)	Chapter 8 § 8.3 / pages 480 - 480
7.2	Executive Management report on transactions carried out by the Company or affiliated companies in connection with stock subscription or purchase options reserved for employees and Senior Executives	Article L. 225-184 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.3 / page 318
8	**Documents attached to the management report**		
8.1	Executive Management report on the use of a delegation of authority or a delegation of powers of the General Meeting	Article L. 22-10-10 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.9.4 / pages 328 - 330

9.5.3 CROSS-REFERENCE TABLE FOR THE SUPERVISORY BOARD REPORT ON CORPORATE GOVERNANCE

(Articles L. 226-10-1 and L. 22-10-78 of the French Commercial Code (*Code de commerce*))

In accordance with Article L. 226-10-1 of the French Commercial Code (*Code de commerce*), the report on corporate governance is attached to the management report.

Items that are not applicable to Hermès International are marked "n/a".

No.	Required elements	Reference texts	Chapter / § / Page
3	**Compensation information**		
3.1	Compensation policy for Corporate Officers	Article L. 22-10-8, I, paragraph 2 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.1 / pages 302 - 312
3.2	Compensation and benefits of all kinds for each Corporate Officer paid during or awarded in respect of the financial year ended	Article L. 22-10-9, I., 1° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.2 / pages 312 - 317
3.3	Relative proportion of fixed and variable compensation	Article L. 22-10-9, I., 2° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.1.2.4 / pages 305 - 310 § 3.8.1.3.4 / pages 311 - 312
3.4	Use of the option to request the return of variable compensation	Article L. 22-10-9, I., 3° of the French Commercial Code (*Code de commerce*)	n/a
3.5	Commitments of any kind made by the Company in favour of its Corporate Officers, and corresponding to components of compensation, indemnities or benefits due or liable to be due in respect of the taking up, termination of or change in their duties or subsequent to the exercise thereof	Article L. 22-10-9, I., 4° of the French Commercial Code (Code de commerce)	Chapter 3 § 3.8.1.2.4 / pages 305 - 310
3.6	Compensation paid or allocated by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code (*Code de commerce*)	Article L. 22-10-9, I., 5° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.1.2.4 / pages 305 - 310
3.7	Ratios between the level of compensation of each Executive Corporate Officer and the average and median compensation of the Company's employees	Article L. 22-10-9, I., 6° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.2.3 / pages 316 - 317
3.8	Annual change in compensation, Company performance, average compensation of Company employees and the aforementioned ratios over the five most recent financial years	Article L. 22-10-9, 7° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.2.3 / pages 316 - 317
3.9	Explanation of how the total compensation complies with the agreed compensation policy, including how it contributes to the long-term performance of the Company and the way in which the performance criteria have been applied	Article L. 22-10-9, 8° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.2.1 / pages 312 - 315 § 3.8.2.2 / page 315 § 3.8.2.4 / page 317
3.10	Way in which the vote of the last Ordinary General Meeting, as provided for in I of Article L. 22-10-34 of the French Commercial Code (*Code de commerce*), was taken into account	Article L. 22-10-9, 9° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.1.2.1 / pages 305 - 305 § 3.8.1.3.1 / page 311
3.11	Deviation from the procedure for implementing the compensation policy and any exceptions	Article L. 22-10-9, I., 10° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.1.2 / pages 304 - 310 § 3.8.1.3 / pages 310 - 312
3.12	Application of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code (*Code de commerce*) (suspension of the payment of compensation to members of the Supervisory Board in the event of non-compliance in terms of parity in the composition of the Supervisory Board)	Article L. 22-10-9, 11° of the French Commercial Code (*Code de commerce*)	n/a

No.	Required elements	Reference texts	Chapter / § / Page
3.13	Allocation and retention of options by Corporate Officers	Article L. 225-185 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.3 / page 318 § 3.8.4.8 / page 322
3.14	Allocation and retention of free shares to Executive Corporate Officers	Articles L. 225-197-1 and L. 22-10-59 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.8.3 / page 318 § 3.8.4.10 / page 323
	Governance information		
3.15	Offices and positions held in any Company by each Corporate Officer during the past financial year	Article L. 225-37-4, 1° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.3.2.2 / pages 234 - 235 § 3.4.8 / pages 262 - 280
3.16	Agreements, other than those relating to ongoing transactions concluded on an arm's length basis, directly or through an intermediary, between i) one of the Corporate Officers or shareholders holding more than 10% of the voting rights of a company and ii) another company in which the first company directly or indirectly holds more than half of the share capital	Article L. 226-10 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.9.1 / pages 324 - 326 Chapter 8 § 8.2.1 (5th resolution) / page 484 § 8.4.3 / pages 523 - 524
3.17	Summary table of delegations of authority and powers granted by the General Meeting to Executive Management with respect to capital increases	Articles L. 225-37-4, 3° and L. 226-10 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.9.4 / pages 328 - 330
3.18	Methods of operation for Group Management	Article L. 225-37-4, 4° of the French Commercial Code (*Code de commerce*)	n/a
3.19	Composition and conditions governing the preparation and organisation of the Board's work	Article L. 22-10-10 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.4 to 3.7 / pages 243 - 301
3.20	Application of the principle of balanced gender representation on the Board and description of the diversity policy applied within the Board	Article L. 22-10-10, 2° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.4.3 / pages 247 - 249
3.21	Possible limitations on the powers of the Executive Chairmen	Article L. 22-10-10, 3° of the French Commercial Code (*Code de commerce*)	n/a
3.22	Reference to a Corporate Governance Code and application of the comply or explain principle	Article L. 22-10-10, 4° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.1 / pages 225 - 228
3.23	Specific terms and conditions relating to shareholder participation in the General Meeting	Article L. 22-10-10, 5° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.9.3 / pages 327 - 328
3.24	Procedure implemented by the Company to regularly assess the nature of ongoing and regulated agreements	Article L. 22-10-10, 6° of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.9.1.3 / page 326
3.25	Information on factors liable to affect the outcome of a public offering	Article L. 22-10-11 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.9.2 / pages 326 - 327
3.26	Non-discrimination and diversity policy with respect to the balanced representation of women and men in the Governing bodies and diversity in the 10% of key management positions	Articles L. 225-37-4, 6° and L. 22-10-74 of the French Commercial Code (*Code de commerce*)	Chapter 3 § 3.4.3 / pages 247 - 249

9.5.4 CROSS-REFERENCE TABLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

The following table cross-references this document with the main headings required under Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019 supplementing Regulation (EU) no. 2017/1129 of 14 June 2017, amended and corrected by Delegated Regulation (EU) no. 2020/1273 of 4 June 2020.

Items that are not applicable to Hermès International are marked "n/a".

No.	Required elements	Reference texts	Chapter / § / Page
1	**Persons responsible, third party information, experts' reports and competent authority approval**		
1.1	Name and function of responsible persons		Chapter 9 § 9.1.1 / page 534
1.2	Statement of responsible persons		Chapter 9 § 9.1.2 / page 534
1.3	Statement of the expert report		n/a
1.4	Information from third parties		n/a
1.5	Statement without prior approval of the competent authority		Page 1
2	**Statutory Auditors**		
2.1	Name and address of the Statutory Auditors		Chapter 9 § 9.2 / page 535
2.2	Information on the Statutory Auditors who have resigned or been dismissed from their duties		n/a
3	**Risk factors**		Chapter 4 § 4.1 *et seq.* / page 334 *et seq.*
4	**Information about Hermès International**	Headings in Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019, amended and corrected by Delegated Regulation (EU) no. 2020/1273 of 4 June 2020	
4.1	Company name and commercial name		Chapter 7 § 7.1.1 / page 448
4.2	Place of registration and registration number and legal entity identifier (LEI)		Chapter 7 § 7.1.1 / page 448
4.3	Date of incorporation and duration		Chapter 7 § 7.1.1 / page 448
4.4	Registered office, legal form, applicable legislation, country of origin, address and telephone number		Chapter 7 § 7.1.1 / page 448
5	**Business overview**		
5.1	Principal activities		
5.1.1	Transactions carried out and main activities		Chapter 1 § 1.6 / pages 27 - 35 Chapter 2 § 2.1.1.5.2 / pages 55 - 56 § 2.1.1.5.2 / pages 57 - 60
5.1.2	New products and services		Chapter 1 § 1.6 / pages 27 - 35 § 1.10 / pages 42 - 43
5.2	Principal markets		Chapter 1 § 1.6 / pages 27 - 35 § 1.7 / pages 36 - 39

No.	Required elements	Reference texts	Chapter / § / Page
5.3	Important events in the development of the issuer's business		Highlights 2024 / pages 6 - 8 Chapter 1 1.1 Hermès in key dates / pages 10 - 12
5.4	Strategy and objectives		Chapter 1 § 1.3 / pages 14 - 16 § 1.10/pages 42 - 43 Chapter 2 § 2.1.1.5.1 / page 55 § 2.1.1.5.2 / pages 57 - 60
5.5	Extent to which the issuer is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes		Chapter 4 § 4.1.3.2 / page 349
5.6	Competitive position		Chapter 1 § 1.1 / pages 14 - 16
5.7	Investments		
5.7.1	Significant investments made	Headings in Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019, amended and corrected by Delegated Regulation (EU) no. 2020/1273 of 4 June 2020	Highlights 2024 / pages 6 - 8 Chapter 1 § 1.5.3 / pages 24 - 25 § 1.8.2 / page 41 Chapter 5 § 5.5 / page 373 § 5.9 (note 9) / pages 388
5.7.2	Major investments in progress or for which firm commitments have already been made		Chapter 1 § 1.8.2 / page 41 § 1.10 / pages 42 - 43
5.7.3	Joint ventures or undertakings in which the issuer holds a share of capital likely to have an impact on its assets/ liabilities, its financial position or its earnings		n/a
5.7.4	Environmental issues that may influence the use of property, plant and equipment		Chapter 1 § 1.4.5 / page 23 Chapter 2 § 2.1.2.6 / page 90 § 2.1.2.1.2/ page 138
6	Organisational structure		
6.1	Brief description and organisational chart for the Group		Chapter 1 § 1.4 / page 17
6.2	List of significant subsidiaries		Chapter 5 § 5.6 (note 18) / pages 410 - 412 Chapter 6 § 6.5 (note 7.3) / page 431

No.	Required elements	Reference texts	Chapter / § / Page
7	**Operating and financial review**		
7.1	Financial condition		Chapter 1 § 1.8.3 / page 41
7.2	Operating income		
7.2.1	Major factors significantly affecting operating revenue		Chapter 1 § 1.5 / pages 24 - 26 § 1.8.1 / page 40
7.2.2	Significant changes in net revenue or net income		Chapter 1 § 1.6 / pages 27 - 35 § 1.7 / pages 36 - 39
8	**Capital resources**		
8.1	Information concerning capital resources	***Headings in Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019, amended and corrected by Delegated Regulation (EU) no. 2020/1273 of 4 June 2020***	Chapter 1 § 1.5.3 / page 24 § 1.8.3 / page 41 Chapter 5 § 5.3 / page 371 § 5.4 / page 372 Chapter 6 § 6.2 / page 421 § 6.3 / page 422 Chapter 7 § 7.2 / pages 457 - 468
8.2	Cash flows		Chapter 1 § 1.8.2 / page 41 Chapter 5 § 5.5 / page 373 Chapter 6 § 6.4 / page 422
8.3	Borrowing requirements and funding structure		Chapter 5 § 5.6 (note 12.3) / page 403 § 5.6 (note 13) / pages 405
8.4	Restrictions on the use of capital		n/a
8.5	Anticipated sources of funds		Chapter 1 § 1.8.3 / page 41
9	**Regulatory environment**		Chapter 4 § 4.1.3 / page 348
10	**Trend information**		Chapter 1 § 1.9 / page 41 § 1.10/pages 42 - 43

No.	Required elements	Reference texts	Chapter / § / Page
11	**Profit forecasts or estimates**	Headings in Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019, amended and corrected by Delegated Regulation (EU) no. 2020/1273 of 4 June 2020	n/a
12	**Administrative, management and supervisory bodies and Senior Management**		
12.1	Information on administrative, management and supervisory bodies		Chapter 1 § 1.2 / page 13 Chapter 3 § 3.3 / page 232 *et seq.* § 3.4 / page 243 *et seq.* § 3.6.1 / pages 291 - 292 § 3.6.3 / pages 296 - 298 § 3.10.2 / page 331
12.2	Administrative, management and supervisory bodies and Senior Management conflicts of interests		Chapter 3 § 3.4.7.5 / page 261 § 3.8.1.1.3 / page 304
13	**Remuneration and benefits**		
13.1	Remuneration and benefits in kind for Corporate Officers		Chapter 3 § 3.8 / page 302 *et seq.* Chapter 8 § 8.2.1 (7th to 10th resolutions) / page 480 *et seq.*
13.2	Amounts set aside or accrued to provide pension, retirement or similar benefits		Chapter 5 § 5.6 (note 7.5) / page 386
14	**Board practices**		
14.1	Expiration dates of current terms of office		Chapter 3 § 3.3.2 / pages 233 - 235 § 3.4.5.1 / pages 250 - 251
14.2	Service contracts		Chapter 3 § 3.4.7.5/pages 261 § 3.8.1.2.4 / pages 305 - 310 § 3.10.2.4 / page 331 - 332
14.3	Information on the Audit and Risk Committee and the CAG-CSR Committee		Chapter 3 § 3.6 / pages 291 - 298 Chapter 4 § 4.3.2 / page 358
14.4	Statement of compliance with the applicable corporate governance regime		Chapter 3 § 3.1.1 / page 225
14.5	Potential material impact on corporate governance		n/a

No.	Required elements	Reference texts	Chapter / § / Page
15	**Employees**	Headings in Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019, amended and corrected by Delegated Regulation (EU) no. 2020/1273 of 4 June 2020	
15.1	Number of employees and breakdown of workforce		Highlights 2024 / pages 6 - 8 Chapter 1 § 1.5.3 / page 24 Chapter 2 § 2.1.3.1.8 / page 159 Chapter 5 § 5.6 (note 7.1) / page 383
15.2	Shareholdings and stock options held by members of administrative, supervisory and management bodies		Chapter 3 § 3.4.5.1 / page 250 § 3.8.3 / page 318 § 3.8.4.4 to 3.8.4.12 / pages 321 - 324 § 3.10.1 / page 330
15.3	Arrangements for involving employees in the share capital		Chapter 2 § 2.1.3.1.12 / page 160 Chapter 7 § 7.2.2.8 / page 461
16	**Principal shareholders**		
16.1	Notifiable interests – shareholders holding more than 5% of the share capital or voting rights		Chapter 7 § 7.2.2.5 / pages 458 - 459
16.2	Existence of different voting rights		Chapter 7 § 7.2.1.2 / page 457 § 7.2.2.5 / pages 458 - 459
16.3	Control of Hermès International		Chapter 7 § 7.2.2.3 / page 458
16.4	Arrangements known to Hermès International whose implementation could result in a change of control		Chapter 7 § 7.2.5.2 / page 467
17	**Related-party transactions**		Chapter 3 § 3.9.1.1 / pages 324 - 325 Chapter 5 § 5.6 (note 15) / page - 408 Chapter 6 § 6.5 (note 11) / page 437 Chapter 8 § 8.2.1 (5th resolution) / page 484 § 8.4.3 / page 523

No.	Required elements	Reference texts	Chapter / § / Page
18	**Financial information concerning the assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information	Headings in Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019, amended and corrected by Delegated Regulation (EU) no. 2020/1273 of 4 June 2020	Chapter 5 § 5.1 to 5.6 / pages 370 *et seq.* Chapter 6 § 6.1 to 6.7 / pages 420 *et seq.* Chapter 9 § 9.4 / pages 536 - 537
18.2	Interim and other financial information		n/a
18.3	Auditing of historical annual financial information		Chapter 5 § 5.7 / page 413 Chapter 6 § 6.6 / page 438 Chapter 9 § 9.4 / pages 536 - 537
18.4	*Pro forma* financial information		n/a
18.5	Dividend policy		Chapter 7 § 7.3 / page 469
18.6	Legal and arbitration proceedings		Chapter 4 § 4.1.3 / page 348
18.7	Significant change in the financial position of Hermès International		n/a

No.	Required elements	Reference texts	Chapter / § / Page
19	**Additional information**		
19.1	Share capital	Headings in Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of 14 March 2019, amended and corrected by Delegated Regulation (EU) no. 2020/1273 of 4 June 2020	Chapter 5 § 5.3 / page 371 § 5.4 / page 372 § 5.6 (note 13) / page 405 Chapter 6 § 6.2 / page 421 § 6.3 / page 422 § 6.5 (note 9) / page 436 § 6.7 / page 442 Chapter 7 § 7.1.3 / page 448 § 7.2.1.1 / page 457
19.1.1	Amount of issued share capital		Chapter 5 § 5.6 (note 13.1) / page 405
19.1.2	Other shares		n/a
19.1.3	Treasury shares		Chapter 5 § 5.6 (note 13.3) / page 405 Chapter 7 § 7.2.2.4 / page 458 § 7.2.2.5 / pages 458 - 459 § 7.2.2.6 / pages 459 - 460
19.1.4	Securities		n/a
19.1.5	Acquisition rights and/or obligations over authorised but unissued share capital		n/a
19.1.6	Options or agreements		n/a
19.1.7	History of the share capital		Chapter 7 § 7.2.2.6 / pages 459 - 460
19.2	Memorandum and Articles of Association		Chapter 7 § 7.1.1 / page 448 § 7.1.3 / pages 448 - 456
19.2.1	Register and corporate purpose		Chapter 7 § 7.1.1 / page 448 § 7.1.3 / page 448
19.2.2	Rights, preferences and restrictions attached to the shares		Chapter 7 § 7.1.3 / pages 448 -456
19.2.3	Provisions of the Articles of Association and other provisions that could delay, defer or prevent a change in control		Chapter 7 § 7.2.5 / pages 467 - 468 § 7.5.8 / page 477 Chapter 8 § 8.2.1 (6th resolution) / pages 485 - 486
20	**Material contracts**		Chapter 7 § 7.2.5.1 / page 467
21	**Documents available**		Chapter 7 § 7.5.3 / page 474 Chapter 9 § 9.3 / page 535

9.6 GLOSSARY

Active Partners

See "société en commandite par actions" (partnership limited by shares).

Adjusted free cash flow

Adjusted free cash flows are the sum of cash flows related to operating activities, less operating investments and the repayment of lease liabilities recognised in accordance with IFRS 16 (aggregates in the consolidated statement of cash flows).

Afep-Medef Code

Corporate Governance Code of listed corporations developed by the Association française des entreprises privées (Afep) and the Mouvement des entreprises de France (Medef), after consultation with the various parties of the financial marketplace. This code provides a set of demanding and precise recommendations on corporate governance. It can be designated by listed corporations as their reference code pursuant to Article L. 22-10-10, 4° of the French Commercial Code (*Code de commerce*). The Afep-Medef Code is revised and updated on a regular basis.

Affiliates

Companies in which your company does not own, directly or indirectly, more than 50% of the share capital.

Articles of Association

The Articles of Association are a deed of incorporation of a company which defines its characteristics and the rules governing its operation. An amendment to the Articles of Association requires the agreement of all the Active Partners and a vote by an Extraordinary General Meeting.

Audit and Risk Committee

A committee of the Supervisory Board in charge of the financial statements and sustainability, audit, risks, and corruption prevention.

Bearer share

When shares are in bearer form (the most common), the custodian is a financial intermediary (bank or stock market firm). This intermediary is the only entity to know the individual shareholder's identity, so the issuing company does not know the name of the holders of these shares.

Biodiversity

Biodiversity refers to all living species. It encompasses the diversity of genes, species and ecosystems and the way they interact.

CAG-CSR Committee

A committee of the Supervisory Board in charge of compensation, appointments, governance, and corporate social responsibility.

Capital gain

The profit made on the sale or disposal of a security. It is equal to the positive difference between the sale price and the purchase or subscription price.

Capital increase

Operation conducted to increase the Company's equity. A capital increase is either done by increasing the par value of existing shares, or by creating new shares proceeding from subscriptions in cash, contributions in kind or profits, reserves or issue of share premiums incorporated into the capital. Capital increases may be carried out with or without preemptive subscription rights. They may enable new shareholders to hold a part of the Company's share capital. They must be previously approved by an Extraordinary General Meeting.

CDP (formerly "Carbon Disclosure Project")

International non-profit organisation, independent and recognised, offering a system for measuring the strategy, measures and results of companies in the fight against climate change, sustainable water management and protection of forests.

Consensus

This is the mean value of forecasts made by analysts.

Consolidated financial statements

The consolidated financial statements consolidate all of the financial statements of the companies forming the Hermès Group, for the purpose of presenting the financial position as if they formed a single entity.

Corporate governance

Corporate governance:

- covers certain principles of efficient operation and transparency to improve a company's management and meet demands from investors and the public;
- concerns all the responsibilities, processes and practices designed to define Group Management and the Company's strategic actions, to ensure that risks are correctly managed and that goals are achieved;
- covers all the different bodies (Supervisory Board and its specialised committees, Executive Committee, etc.) put in place to oversee the management of a publicly-traded company.

Corporate Sustainability Reporting Directive (CSRD)

European Directive 2022/2464 of 14 December 2022 applicable from 1 January 2024. It aims to harmonise the publication of information on the sustainability of companies and bring it to the same level of robustness as financial information. It is based on a double materiality analysis.

CSR

Corporate social responsibility.

Declaration by Senior Executives (upon disposal of securities)

Declaration that the Senior Executives, the persons acting on their behalf, and the persons related to them are required to make to the issuer and the AMF, in respect of the transactions they carry out on the shares and debt securities of the Company in which they perform their duties and the related financial instruments. This declaration must be made within three working days starting from the date of the transaction (for more information, see the "Guide to Permanent Information and Management of Inside Information" DOC-2016-08 of the AMF).

Dividends

Portion of the Company's profits, retained earnings or reserves that the General Meeting, on a recommendation by the Supervisory Board, decides to distribute to the shareholders. The dividend represents the share earnings, and its amount varies each year depending on the Company's results and the policy it adopts.

Double materiality

Double materiality has two dimensions: impacts and financial. A sustainability issue meets the double materiality criterion if it presents an impact materiality, or a financial materiality, or both.

Double voting rights

The double voting right departs from the legal principle that the number of votes attaching to shares must be proportional to the share of capital they represent (principle of "one share one vote").

A double voting right is granted:

- to any fully-paid Hermès International registered share which has been duly recorded on the books in the name of the same shareholder for a period of at least four years, and from the date of the first General Meeting following the fourth anniversary of the date when the share was registered on the books; and
- to any Hermès International registered share allocated as a bonus share to a shareholder, in the event of a capital increase by incorporation of amounts entered in share premium, reserve or retained earnings accounts, in proportion to existing shares carrying a double voting right.

The double voting right automatically ceases to exist in the conditions stipulated by law.

Earnings per share

This is a calculation done for stock market analysis obtained by dividing the Company's net profit by the number of shares comprising the capital.

EHS

Environment, Health and Safety.

Elimination of waste

Elimination of waste is defined as all operations that cannot be considered recovery, even if their secondary consequence is the recovery of substances, materials or products or energy. In France, elimination is considered a last resort solution in the waste treatment hierarchy.

Equity

Capital belonging to the shareholders comprising equity subscriptions, profits left in reserves and income for the period.

ESG

International acronym designating the environmental, social and governance criteria used to analyse and assess the consideration of sustainable development and long-term issues in company strategy, as well as to analyse the performance of companies in these areas and the risks they incur.

ESRS

European Sustainability Reporting Standards.

Executive Chairman

The role of the Executive Chairman consists in running the Group and acting in the general interests of the Company, within the limits of its corporate purpose and in compliance with the powers granted by law to the Supervisory Board and Shareholders' General Meetings.

Extraordinary dividend

This is a dividend of an exceptionally high amount compared to the dividend ordinarily paid and which is not therefore recurrent. It may complete or replace the ordinary dividend.

French Financial Markets Authority (AMF)

Financial markets authority regulating French financial market players and products. The authority regulates, authorises, monitors and, when necessary, audits, investigates and imposes sanctions. It also ensures that investors are correctly informed and offers investor assistance, where necessary, *via* its mediation procedure.

The French Financial Markets Authority (AMF) is an independent public authority responsible for:

- protection of savings invested in financial products;
- investor information;
- proper financial market operation.

"Épargne Info Service" answers your questions about savings products, the stock market or the role of the AMF on +33 (0)1 53 45 62 00 (local call rates in France).

General Meeting

The General Meeting is a decision-making body comprising all shareholders (Limited Partners).

Except for the appointment and dismissal of members of the Supervisory Board, the appointment and dismissal of the Statutory Auditors, the allocation of profits for the financial year and the approval of agreements subject to authorisation, no decisions may be validly made by the General Meetings unless they are approved by the Active Partners at the latest by the end of the Meeting that voted on the decision in question.

Global Reporting Initiative (GRI)

The Global Reporting Initiative (GRI) is a non-profit organisation. Its purpose is to raise sustainable development reporting methods to a level equivalent to that of financial reporting, for the sake of comparability, credibility, rigour, frequency and verifiability of the information communicated.

Greenhouse gases

Gases listed in Part 2 of Annex V to Regulation (EU) 2018/1999 of the European Parliament and of the Council. These gases include carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), sulphur hexafluoride (SF6), nitrogen trifluoride (NF3), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs).

Green taxonomy

Stemming from European Regulation 2020/852 of 18 June 2020, with the aim of providing a benchmark definition within the European Union for economic activities considered to be environmentally sustainable.

Growth in revenue at constant exchange rates

Growth in revenue at constant exchange rates is calculated by applying, for each currency, the average exchange rates of the previous period to the revenue for the period.

HCGE

High Committee on Corporate Governance (HCGE), whose role is to conduct oversight of the application of the Afep-Medef Code and to propose changes therein, subject to public consultation.

Hermès family group

The Hermès family group consists of the partners of Émile Hermès SAS, their spouses, children and grandchildren, and their direct and indirect holding companies of Hermès International and Émile Hermès SAS. The right to be a partner of Émile Hermès SAS is reserved for the descendants of Mr Émile-Maurice Hermès and his wife, and their spouses, but only as usufructuaries of the shares.

Identification on request

In order to know the identity of all or part of its holders of bearer shares at a given time, a publicly-traded company may ask the Company Euroclear France for a breakdown of its shareholders using its notification platform, which allows identification information to be collected from financial intermediaries.

Law no. 2021-1308 of 8 October 2021, which transposed Directive (EU) 2017/828 of 17 May 2017 (known as "SRD II") into French law, amending Directive 2007/36/EC of 11 July 2007 (known as "SRD I") has replaced the TPI (identifiable bearer share) procedure by this procedure.

IFRS

International Financial Reporting Standards.

Institutional investors

Financial institutions (pension funds, insurance companies, banks, sovereign funds, etc.) investing money in securities.

Interim dividend

Advance payment of a portion of the forth coming dividend.

Joint Council

Whenever it considers it necessary, the Executive Management of Hermès International or the Chairman of the Supervisory Board of Hermès International calls a Joint Council between the Executive Management Board of Émile Hermès SAS and the Supervisory Board of Hermès International.

The Joint Council is an institution designed to enable extensive consultation between the Executive Management Board of the Active Partner, an internal body needing to have knowledge of the main aspects of Hermès International's Executive Management, and the Supervisory Board, an emanation of the shareholders.

The Joint Council hears all questions that are submitted to it by the person calling it or which it decides to examine, without however being able to make decisions in place of the bodies to which such powers are granted by law, the Company's Articles of Association and those of Émile Hermès SAS.

The Joint Council of the Executive Management Board and the Supervisory Board does not, itself, have any decision-making powers. It acts solely as a consultation body. If they so wish, at a Joint Council meeting, the Executive Management Board and the Supervisory Board may make any decision or give any opinion within their sphere of competence.

LEI

LEI is a unique, global identifier that takes the form of a 20-character alpha-numeric code. It is linked to key reference information. Developed by the International Organization for Standardization (ISO), the LEI is compulsory for all transactions in financial instruments listed on the stock exchange: it clearly and uniquely identifies the legal entities involved in such transactions.

Limited Partners

See "société en commandite par actions" (partnership limited by shares).

Liquidities

For a given security, this corresponds to the ratio between the volume of shares traded on the market and the number of shares comprising the floating stock. A security or a market is said to be "liquid" when buy or sell transactions can be completed without causing any excessive variations compared to the last trading price.

Location-based

This method uses average emission factors from the country's electricity network to calculate greenhouse gas emissions (GHG) related to electricity consumption.

Management report

Information document required by the French Commercial Code (*Code de commerce*) whereby the Senior Executives and management bodies of a company report to the governing body on their management over the past year, and provide all significant information about the issuer and its future prospects. It is prepared by the same bodies as those that approve the annual financial statements. Companies preparing consolidated financial statements must also provide information about the management of the Group. This document is included in the universal registration document.

Market-based

This method uses emission factors specific to the electricity purchase agreements (such as renewable energy certificates) to calculate greenhouse gas emissions (GHG) related to electricity consumption.

Market capitalisation

This is the market value of a company at a given time. It is calculated by multiplying the stock market price by the number of shares comprising the capital.

Net cash position

Net cash position includes cash and cash equivalents presented under balance sheet assets, less bank overdrafts which appear under short term borrowings and financial liabilities on the liabilities side. Net cash position does not include lease liabilities recognised in accordance with IFRS 16.

Net income

A company's net income is the balance between all of its income and all of its expenses over a given period. It reflects what the Company has earned or lost through its activities over that period.

Net profit

Positive income statement balance.

Operating cash flows

Operating cash flows are all the financial resources generated by the Company in connection with its activity and which it could use to cover its financial needs. It measures the Company's ability to finance its requirements in order to exist, using its own resources, such as investments or debt repayments.

Parent company financial statements

The parent company financial statements are the annual financial statements of Hermès International taken individually.

Preemptive subscription rights

Tradable right, detached from each existing share, enabling existing shareholders to purchase new shares or securities giving access to the share capital in an offering before the general public has the opportunity to do so, or to obtain, by selling their rights, an amount equivalent to the notional reduction in the value of their shares that would arise from the new issue.

Priority subscription right/priority subscription period

In return for the cancellation of preemptive subscription rights, the Executive Management may introduce a priority right, which may be pro-rated. A priority right, like a preemptive subscription right, enables existing shareholders to subscribe to the proposed issue in proportion to the number of shares they currently hold. However, unlike a preemptive subscription right, a priority right is (i) exercisable within a priority period (in practice, at least five trading sessions) that is shorter than the period allowed for a preemptive subscription right and (ii) not tradable.

Pro-rated (subscription rights)

In some cases, the Executive Management may introduce pro-rated subscription rights in favour of existing shareholders. This means that if irreducible subscriptions (*i.e.* subscriptions by shareholders exercising preemptive subscription rights) fail to entirely absorb the capital increase, the unsubscribed equity securities would be allocated on a pro-rated basis to those shareholders who made an application for additional shares (over and above the entitlement given by their preemptive subscription rights) in proportion to the subscription rights they hold and within the limit of the number of shares applied for by that shareholder.

Quorum

Minimum percentage of shares present or represented and carrying voting rights, required for a General Meeting to validly proceed.

Recurring operating income

Recurring operating income is one of the main performance indicators monitored by Group Management. It excludes non-recurring items having a significant impact that could affect understanding of the Group's economic performance.

Registered share

When shares are registered shares, the custodian is the Company itself or an agent appointed by the issuing company to keep its registered share accounts. For Hermès International, this agent is Uptevia. Holders of registered shares are known by name by the issuing company. They may either manage their shares themselves, in which case they are described as "pure" registered shareholders; or appoint an agent of their choosing to manage their account held with the issuing company, in which case they are described as "administered" registered shareholders.

Remote voting

A shareholder may vote by post using a form provided for this purpose or online (please refer to the corresponding notice of meeting).

Restated net cash position

The restated net cash position corresponds to net cash plus cash investments that do not meet the IFRS criteria for cash equivalents due in particular to their original maturity of more than three months, less borrowings and financial liabilities.

Revenue

Revenue is the total amount of sales of goods and services made by the Company, over a given period, in the normal course of business.

SBTI

Science Based Targets Initiative.

SBTN

Science Based Targets for Nature.

Scopes 1, 2 and 3

Scopes 1, 2 and 3 of the carbon footprint group together the various categories of greenhouse gas emissions. According to the Green House Gas Protocol, Scope 1 includes "direct emissions from sources owned or controlled by the reporting entity". Scope 2 includes "indirect emissions related to the consumption of electricity, heat or steam necessary for the manufacture of the product or the operation of the reporting entity". Scope 3 includes "other indirect emissions related to the supply chain (upstream) and the use of products and services during their life cycle (downstream)".

Share

A marketable security issued by a listed (publicly-traded) or unlisted incorporated company, representing the unit value of the Company's share capital and granting the holder shareholder status. This share carries rights to disclosure of information and the right to vote at General Meetings, as well as financial rights (right to dividends, preemptive subscription rights). A share may be a bearer share or a registered share.

Share buyback

After consulting its shareholders at a General Meeting and obtaining their consent, a company may purchase its own shares on the stock market, within the limit of 10% of its share capital (in accordance with the objectives defined in the share buyback programme). Shares thus purchased may then be held, sold, transferred or cancelled.

Share capital

Portion of equity contributed by shareholders when the Company is established or upon a subsequent capital increase.

Shareholding certificate

Document provided by the financial intermediary proving that a holder of bearer shares is a shareholder. This document enables the shareholder to take part in General Meetings.

***Société en commandite par actions* (SCA) (partnership limited by shares)**

A company whose capital is divided into shares comprising one or more Active Partners having status as merchant and who have unlimited joint and several liability for the Company's debts, and Limited Partners (or shareholders) who are not merchants and are only liable for the Company's debts in proportion to their investment.

SSE (Social and Solidarity Economy)

Concept that designates a set of organisations of different forms such as mutual insurance companies, cooperatives, foundations or associations, whose internal operations and activities are based on a principle of solidarity and social utility. These organisations adopt democratic and participatory management methods. The use of the sums is strictly controlled in the reallocation of dedicated projects.

Subsidiaries

Companies in which your company owns, directly or indirectly, more than 50% of the share capital.

Supervisory Board

The Company has a Supervisory Board (*Conseil de surveillance*), comprising between three and 15 members (in addition to employee representative members) who are appointed for term of three years (unless otherwise specified pursuant to Article 18.2 of the Articles of Association) from among shareholders that do not have status as Active Partner, legal representative of the Active Partner or Executive Chairman.

The powers and competence of the Supervisory Board are defined in Article 18 of the Articles of Association.

Task Force on Climate Related Financial Disclosure (TCFD)

Working group created in 2015 to define recommendations on the financial transparency of companies relating to climate.

Treasury shares

A share that a company holds in its own capital. Treasury shares do not carry any voting rights and do not grant entitlement to dividends.

Universal registration document

Summary document filed on a voluntary basis by issuers. This is a communication tool enabling the market (financial analysts, investors, individual shareholders, etc.) to have access to annual information that includes all the information necessary to make a judgment on the business, financial position, results and outlook of the issuer as well as the governance and shareholding structures. It contains legal, financial and accounting information, information concerning the activities and shareholding as well as a description of the issuer for a given financial year. While this document is optional, most large listed companies prepare a universal registration document.

Value chain

The set of activities, resources and relationships linked to the company's business model, and to the external environment in which it operates. A value chain encompasses the activities, resources and relationships the company uses and relies on to create its products or services, from conception to delivery, consumption and end-of-life.

Voting rights

A voting right attached to a share is exercised at the Company's General Meetings and enables shareholders to take part in the Company's principal decisions. A share may carry a single or multiple voting right(s), or no voting right at all, but only shareholders may hold voting rights.

Yield

Ratio of the dividend to the share price.

This glossary contains the most frequently used terms. The definitions are provided for information only and do not purport to be exhaustive. On no account shall this glossary be interpreted as replacing rules in force (legislation, regulations, Articles of Association, etc.), or documents and communications issued by the Company (notice of meeting, universal registration document, financial disclosures, etc.).

Hermès International

Société en commandite par actions (partnership limited by shares)

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