

2023 Universal Registration Document

CSR Extract

Non-Financial Performance Statement (NFPS)

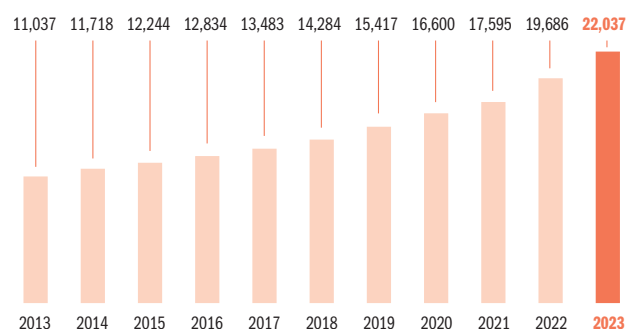


2.2.2 OUR TEAMS: GROWING OUR HOUSE, AND GROWING WITH IT

The sustainable development of the House rests on the women and men who contribute in a harmonious and positive manner to its functioning and development.

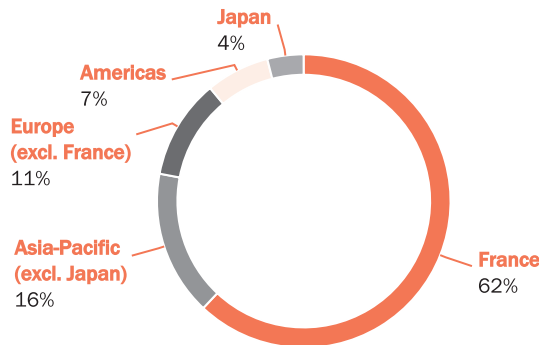
At the end of 2023, Hermès had 22,037 employees⁽¹⁾ of 110 different nationalities, an increase of 11.9% compared to 2022. Over the past five years, the workforce increased by 7,753 people, representing nearly one-third of the total permanent workforce in the Group today.

Growth is balanced and dynamic in all sectors and regions. Given its business model and production mainly located in France, 62.3% of the Group's total workforce is based there.

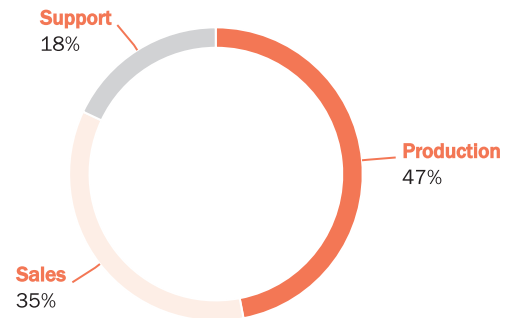


1. Employees on both permanent employment contracts and fixed-term employment contracts of more than nine months as at 31 December 2023.

BREAKDOWN OF EMPLOYEES BY GEOGRAPHICAL AREA



BREAKDOWN OF EMPLOYEES BY SECTOR



2

An artisanal business model

The production workforce represents 9,355 people located in France (68% of employees in France), and 10,395 people worldwide, i.e. 47% of the Group's workforce. The number of craftspeople is 7,513 people worldwide, including 7,317 in France.

BREAKDOWN OF EMPLOYEES BY SECTOR AND REGION

	Total		Production		Sales		Support	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
France	13,723	12,360	9,355	8,561	1,748	1,554	2,620	2,245
Europe (excluding France)	2,327	2,092	878	760	1,144	1,060	305	272
Japan	965	900	2	-	880	821	83	79
Asia-Pacific (excluding Japan)	3,498	2,954	101	77	2,832	2,552	565	325
Americas	1,524	1,380	59	71	1,152	1,028	313	281
TOTAL	22,037	19,686	10,395	9,469	7,756	7,015	3,886	3,202

Dynamic recruitment

Hermès supports the House's growth and the evolution of its organisation through dynamic recruitment.

In 2023, 2,351 net jobs were created within the Group. As of 31 December 2023, Hermès had 22,037 employees worldwide, of which 13,723 were in France.

Recruitment continued to be dynamic, with 5,186 new employees hired worldwide, including 2,544 on permanent employment contracts. Another illustration of the strong recruitment momentum in recent years is that 50% of the Group's total workforce has been with the Group for less than five years, for an average Group length of service of eight years, reinforced by a low turnover rate (4.78%). In addition, the average age of the Group's employees is 39.

A "family" business model

The uniqueness of Hermès lies in its long career paths. 30% of the workforce has been with the House for more than 10 years (i.e. 6,603 people), illustrating the loyalty and opportunities for career development within the House (as a reminder, 10 years ago the workforce comprised 11,037 people). The number of employees with more than 15 years of service increased by 6% in one year, a figure that is unchanged from 2022.

Hermès employees demonstrate their commitment to the Company through long-lasting, even exceptionally long, careers.

Highlight of the year – A celebration of employees for the years spent with the House: 25 years, 30 years, 35 years, 40 years, 45 years and sometimes even 50 years.

On 4 December 2023, around 100 people from certain French entities, accompanied by several members of the Executive Committee, were warmly applauded by 700 employees of the Hermès de Pantin workshops. Of these 100 employees, 10 had celebrated their 40 years of service, and three of them their 45 years of service.

A renewed opportunity to share the events that marked the history of the House in the year in which these employees joined. The rest of the day was full of surprises and anecdotes, triggering a lot of emotions for everyone. In this way, Hermès recognised the loyalty shown by its employees.

A responsible house

A strong player in employment in France, Hermès is committed to its responsibility as an employer thanks to its proactive approach to anchoring itself in the regions, within which it continues its development.

In 2023, approximately half of the workforce (50.2%) worked outside major urban areas in France (outside major cities and nearby suburbs), and 36% of the workforce at Group level.

To illustrate this desire to create jobs outside major cities, it should be noted, for example, that 32% of new employees in France under the age of 30 in 2023 concerned jobs in Seine-Saint-Denis.

Hermès' policy is to ensure job stability, and 92% of employees have permanent jobs, in line with its social model.

A symbol of the desire to include and support all of its employees in the transformation of the Company, non-voluntary departures remain limited, the total number of redundancies compared to the Group's workforce representing 1.17%. The last 10 years have not required the Hermès Group to undertake any restructuring efforts for economic reasons that had any consequences with regard to jobs.

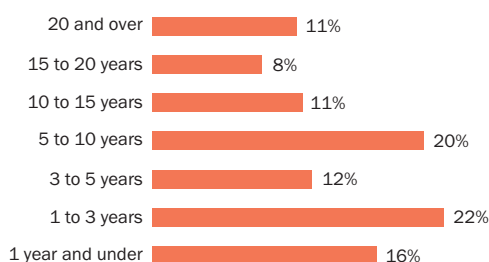
	Voluntary	Involuntary	Group
Turnover rate 2023	3.61%	1.17%	4.78%
Turnover rate 2022	4.46%	1.53%	5.99%

The workforce dynamic is positive, expressed by the balanced representation of all age groups. More generally, the dynamic illustrates and fosters our commitments to diversity and inclusion, both to ensure the wealth of talent profiles and to convey the culture of the House and its exceptional savoir-faire.

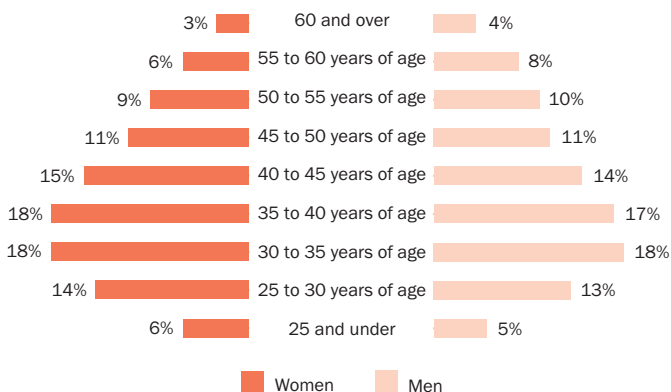
One of the elements of Hermès' uniqueness lies in its dual dynamism: that of recruitment, associated with long career paths if the employee so wishes. In this context, special attention is paid to the employment of young people and the retention of older workers:

- ◆ 50% of employees have less than five years of service. Nearly 20% of employees have more than 15 years of service;
- ◆ 20% of employees are under 30 and 19% are over 50.

GROUP LENGTH OF SERVICE



AGE PYRAMID BY GENDER



2.2.3 SEEKING RARITY AND DIVERSITY, KEY ISSUES FOR OUR GROWTH

2.2.3.1 ACTIVELY COMMITTED TO RECRUITMENT

By the very essence of its corporate project, to create, produce and sell high-quality objects, Hermès needs to choose the talents that join it carefully. The family business culture associated with humanistic values, the breeding ground for all interactions and a management style that is as empathetic as it is stimulating, strongly guides the recruitment criteria.

Hermès is looking for personalities with strong personal qualities to integrate a project that is above all human, by leaving their mark on their role while being part of the collective adventure. This requirement drives and structures Hermès' recruitment policy. This is to ensure the necessary compatibility with the specific needs of Hermès.

In a market driven by candidates (tensions on skilled profiles and heightened requirements from candidates), the strength of the business model and the quality of the candidate experience need to be differentiating at all stages of the recruitment process.

A bold and constantly reinvented recruitment strategy is implemented to achieve growth. The key elements of the Hermès employer brand are pillars feeding the language and communication media designed to attract talent and publicise the employer brand project.

As a priority source of recruitment, internal mobility is favoured in all recruitments with the aim of developing talent internally. With equal skills, priority is given to employees in order to enable them to fulfil themselves in a career that offers diversified experiences, conducive to their development in terms of skills and openness to new challenges.

Sourcing in 2023	Recruitment in 2023	Internal mobility in 2023
<p>427,000 candidate profiles registered on the career website talents.hermes.com</p> <p>232 job offers are published each month on the career website talents.hermes.com</p> <p>1,388,077 visitors to the career website in 2023, an average of 115,673 per month compared with 667,501 visitors in 2022, an average of 55,625 per month.</p> <p>1.4 million followers on the LinkedIn page</p>	<p>5,186 new hires made in 2023 (all types of contracts) including 2,544 on permanent employment contracts</p>	<p>1,059 positions filled through internal mobility</p>

2.2.3.2 ATTRACTING FOR THE RIGHT REASONS

The Hermès project requires the integration of personalities compatible with the values of freedom, authenticity, commitment and high standards. Finding the right people to join the House for the right reasons is key. Being part of a strong collective, serving Hermès over the long term and meeting quality requirements will all contribute to everyone's individual achievement.

Hermès uses two essential media to reach out to candidates: its career website and the professional LinkedIn social network.

In 2023, the Hermès career website – talents.hermes.com – posted strong performances with more than 400,000 candidate profiles registered. 232 jobs are published each month on the career website.

The angle of the LinkedIn editorial line, focused on the CSR dimensions of the corporate project, makes it possible to share the House's news with the community of 1.4 million active followers. It illustrates the many responsible initiatives and positions Hermès as a player in the economy and employment in France. In addition, it showcases Hermès employees.

2.2.3.3 RECRUITING YOUNG TALENTS TO SECURE THE FUTURE

Several programmes aimed at new graduates make it possible to integrate young talent after their training. They are offered programmes aimed at giving them intensive training during the first months and then offering them a role with responsibilities.

Jeunes Tanneurs Hermès Cuirs Précieux	Hermès baby Hermès Japan	Pépière Holding Textile Hermès
<p>This programme welcomes engineering students from various engineering schools as part of their end-of-study internship.</p> <p>The format: 18 months, three assignments, three tanneries and two countries, an opportunity to experience different approaches in the field and in cross-functional areas and to learn about team management.</p> <p>The aim is to ultimately offer participants a permanent position in which they can make a strong contribution having already been trained in all tannery métiers.</p>	<p>This programme aims to recruit young people with high potential and train them on the ground through experiences as close as possible to the customer and the product in the subsidiary's stores.</p> <p>In 2023, Hermès Japan welcomed 23 young talents as part of this programme; 23 young talents will join the cohort of 2024 in April.</p>	<p>This programme is intended for newly qualified engineers or those with a first experience. For three years, they are entrusted with various assignments of around six months in three main functions of the textile sector: Supply Chain, Product Development and Industrialisation, and Quality. A change of subject, team and management will develop agility, technical skills and a cross-functional understanding of the sector in the newly qualified engineer. At the end of this programme, depending on the profile, experience acquired and opportunities, they will be assigned to a permanent position within the function.</p>

At Group level, a VIE (*volontariat international en entreprise*, international volunteering within the Company) recruitment strategy was defined and widely rolled out in 2023. This reflects Hermès' desire to offer international career opportunities to prepare young people to join the House with a longer-term vision. Following 12 to 18 months of experience in a context requiring adaptation to a different culture and teams, the Group has the possibility of further developing agile, international talents versed in the Hermès culture.

In 2023, the young VIE employees of Hermès were spread out across five of our seven Retail regions (Europe, the United States, South-East Asia, Greater China and Japan).

Giving meaningful assignments and sharing a sense of permanent collective exchange is the objective assigned to the recruitment of interns and work/study students within the métiers. It is with this in mind that the Hermès Métiers human resources department, for example, has set up a welcome ritual for interns and work/study students in the Creation and Collection sectors. This induction took place in three stages: a launch evening highlighting the issues and particularities of the creation and collection development métiers, where attendees were given a discovery diary (*carnet d'étonnement*), a writing session, and a feedback evening, with candid questions put to two members of the Executive Committee, the Artistic Director and the Managing Director of Métiers.

To illustrate the care taken in recruitment, the partnership with local branches of Pôle Emploi for hiring leatherworkers is a good example. For several years, the House and Pôle Emploi have developed and implemented a system that makes it possible to recruit the best talents, of all origins, training and experience, based on an analysis of their manual skills. The success of this approach, known as MRS (simulation-based recruitment method), conducted to support psycho-technical tests, manual aptitude tests and interviews, is demonstrated by the fact that the vast majority of the craftspeople selected using this system successfully complete their initial cycle of 18 months of training.

2.2.3.4 MAINTAINING QUALITY LINKS WITH EDUCATION STAKEHOLDERS

An active school relations strategy aims to promote Hermès, to create and maintain quality links with players in the world of education in line with its métiers, development issues and recruitment needs. Privileged links are maintained with art schools, engineering schools, business schools and management universities.

For example, the “Hermès in the making” event, which presents the House’s savoir-faire throughout the world, stopped in Lille in July 2023, and was an opportunity to bring together the closest school partners. For one day, the House allowed some 30 partners to share in its savoir-faire in leather goods, watches, decoration on porcelain, textile printing, and had multiple conversations to cement the close ties maintained for several years by linking them with the specificities of the business model.

Hermès carries out three types of actions:

- ◆ **transformative initiatives for the community and the individual.** These aim to have a positive impact on society. They include, for example, the commitment to refugees hosted by Sciences Po Paris as part of the certificate in social sciences, or the support for the *Des territoires aux grandes écoles* initiative to facilitate access to major universities for young people from less privileged rural areas;
- ◆ **initiatives relating to participation in public debates.** These open up initiatives, helping to embrace broader issues than those of the House, related to the métiers of the future, or to forward-looking reflections, such as involvement in the Paris School of Economics OSE Chair (Open Economic Science), the financing of the European Chair in “Sustainable Development and Climate Transition” of

Sciences Po Paris, support for the materials library and actions led by the Campus des métiers d’art et du design, located at the Gobelins production unit in Paris. For this project, Hermès’ support takes the form of the creation of a materials library and the financing of a CIFRE (Industrial Research Training Agreement) project. Hermès Maison was involved in the 2023 Young Designer award and now in the 2025 and 2026 awards. This award is innovative in two ways, in that it combines the skills of the teachers who support students and the skills of Hermès’ employees. In 2023, Hermès took part in the creation of the Chair of drawing with Ensad, by NID (Nouvel Imaginaire du dessin). Its aim is to encourage young artists to consider careers in the art of drawing. Hermès also supports the financing of scholarships for IFM students;

- ◆ **initiatives relating to participation in school life.** Hermès intends to play its role as a socially responsible company through partnerships with the Université Dauphine, IFM, ENSAM, Sciences Po Paris, its involvement in forums, welcoming students and entrusting them with study topics. In 2023, Hermès took part in nearly 100 school events to meet higher education students.

In particular, Hermès has developed various programmes with Sciences Po Paris to train students by inviting them to work on operational subjects. Under its 2020 partnership with Sciences Po Paris’ European Chair in Sustainable Development and Climate Transition, renewed in 2023, Hermès entrusted a group of first-year students on the International Management & Sustainability Masters with a study of the challenges of Retail in the luxury goods industry (Capstone project). For the third consecutive year, the House is supporting and coaching students in their thinking for eight months, in order to help them meet the strategic and international challenges of the chosen topic by giving them the opportunity to immerse themselves in Hermès’ culture and become aware of the House’s sustainable ambition. The topic proposed by Hermès is the issue of management of packaging in the luxury goods industry. The study covers different cities (located in Europe, the United States and Asia). Another collective project was proposed by Hermès for the second time for Sciences Po Paris’ Executive Master in “Regional Governance and Urban Development”, focusing on local anchoring as a lever for sustainable economic development for companies and regions. The aim of this project is to objectively identify the impacts of the Group’s local anchoring strategy and to characterise its positive contribution. The project concerns the Rhône-Alpes sites.

ACHIEVEMENTS IN 2023 | TRANSFORMATIVE INITIATIVES FOR COMMUNITIES AND INDIVIDUALS

Programme d'excellence pour les élites de nos quartiers (PEEQ)	Des Territoires aux Grandes Écoles	Sciences Po Refugee Certificate
For the second year, Hermès took part in the PEEQ programme, which consists of developing leaders, in addition to their higher education studies, through a development path guided by high-level consultants. Hermès contributes financially to this programme and hosts two students for six months. In the long term, if an employment opportunity meets their aspirations, the House may be able to offer them a permanent position.	Promoting access for young people from rural areas to the prestigious <i>grandes écoles</i> by removing barriers related to financial fragility, lack of knowledge of higher education opportunities and personal obstacles. Hermès funded six scholarships in 2023 to enable promising young talents to finance part of their higher education. Departmental federations were able to hold their meetings in Nontron and the Maroquinerie de l'Allan.	A curriculum designed to welcome young refugees, for whom Sciences Po Paris wants to improve the employability through the acquisition of skills adapted to the world of work. They follow a programme of company visits, which aims to promote their professional integration and help them see the world of work through a certain number of companies in France. Hermès welcomed them in 2023, immersing them in the worlds of leather goods craftsmanship and Retail, as well as organising a workshop to train them in writing their CVs and giving them the opportunity to experience a recruitment situation, assisted by recruitment professionals.

2

ACHIEVEMENTS IN 2023 | INITIATIVES RELATING TO PARTICIPATION IN PUBLIC DEBATES & SCHOOL LIFE

Employer Brand events to attract young people to manual jobs	In 2023, the École des arts décoratifs and Hermès created the NID – Fabrique des Nouveaux Imaginaires du dessin.	Participation in schools life
By participating in the <i>les de(ux) mains du luxe</i> event at Station F in December 2023, Hermès wants to highlight the École Hermès des Savoir-Faire to young people looking for a career path and show them that it offers training leading to a diploma in the leather goods métiers, professions of the future, and creates jobs at many sites around France. With <i>Viva Fabrica</i> in Lyon in February 2023, Hermès went out to meet young people through demonstrations of savoir-faire in the tannery, leather goods and textile métiers, to awaken them to the richness of its craftsmanship métiers. More than 18,000 visitors were welcomed over four days.	Hermès' ambition is to engage, via the creation of the NID, in a large-scale educational initiative to contribute to giving a fair place to drawing by placing it at the heart of education. Hermès thus intends to play its role as a contemporary house of creation and savoir-faire and be recognised as a major player in the art of drawing.	70 actions were carried out in Hermès' target schools, for an audience of 4,000 students (in France): participation in forums, hosting of student groups to its premises, and case studies. More than 1,000 interns and work/study students were recruited in France in 2023, some of them through "Open the Orange Box" recruitment events, promoting an immersive experience at the heart of Hermès and meeting managers and HR managers.

Within the Group's various production divisions, La Montre Hermès took part in recruitment forums throughout 2023 (University of Lausanne, École Polytechnique Fédérale de Lausanne, École Hôtelière de Lausanne) to support its recruitment in a context of sustained growth.

The Cristallerie de Saint-Louis maintains close relations with the École Nationale du Verre in Moulins to enrich its teaching and recruit interns and glass craftspeople.

In the Retail subsidiaries, partnerships have been forged with numerous universities to promote Hermès and attract candidates to its hospitality and service métiers. For example, Hermès China has

established links with nine universities specialising in the fields of linguistics, the arts and fashion in order to build long-term collaborations and constitute a pool of candidates for internships and junior positions (such as commercial assistants, operational assistants, etc.). Partnerships have been extended with universities in Shanghai and Beijing and other cities.

Hermès Italy has continued to enhance its visibility with a number of universities, such as Bocconi, Luiss University in Rome, Libera Università Internazionale degli Studio Sociali, the Catholic University of Milan and Sapienza University, as well as the Milan Chamber of Commerce.

MEETINGS WITH SCHOOLS IN 2023

Schools of art and design, fashion and textiles

- ◆ Eindhoven
- ◆ Ensaama – Olivier de Serres
- ◆ ENSP Arles
- ◆ FM
- ◆ HEAD
- ◆ HEAR Strasbourg

Engineering schools

- ◆ Arts et Métiers Ensam
- ◆ CentraleSupélec
- ◆ Ecam Lyon
- ◆ ENSAIT
- ◆ Insa Lyon
- ◆ ITECH
- ◆ Les Mines
- ◆ UTT
- ◆ UTC Comutec

Business and management schools and universities

- ◆ Audencia
- ◆ CELSA
- ◆ City University of Hong Kong (EMLV)
- ◆ DJCE
- ◆ EIML
- ◆ EM Lyon
- ◆ ESCP
- ◆ ESSCA
- ◆ ESSEC
- ◆ GEM (Grenoble École de Management)
- ◆ IAE Gustave Eiffel
- ◆ IAE Paris Sorbonne
- ◆ IESEG
- ◆ ISG Luxe
- ◆ London Business School
- ◆ Mod'Art
- ◆ Rennes School of Business
- ◆ Sciences Po
- ◆ Skema Business School
- ◆ Stanford
- ◆ TBS
- ◆ Université Paris Dauphine
- ◆ Catholic University of Lille

2.2.3.5 ATTRACTING AND RECRUITING DIFFERENTLY

In 2023, Hermès also organised two “Open the Orange Box” events in one of its Paris stores, designed to provide an original experience for more than 100 executive candidates in work. The purpose of the first event was to attract engineering profiles and show them the extent of and issues facing Hermès’ Craftsmanship division, which draws on multiple savoir-faire and production units located in the regions in France. The second event was dedicated to attracting profiles for the House’s Support functions. Candidates were invited to discover the uniqueness of the Hermès model for an evening, to talk to managers during a job dating session and to take part in discussions to learn about the métiers and various players in Hermès. Eight other “Open the Orange Box” events were rolled out in Paris and Pantin within the House to attract and recruit interns and work/study students.

2.2.3.6 CONTINUOUSLY ENRICHING OUR DIVERSITY TEAMS

The recruitment strategy also reflects the Diversity & Inclusion strategy through its desire to source, identify and attract a variety of profiles. The aim is to offer candidates the opportunity to join a House that is inclusive, open and welcomes all forms of diversity. This is reflected in practice in four types of actions: the Group Disability Agreement, social diversity, gender equality and the integration and support of seniors.

As part of the Group Disability Agreement, Hermès implements awareness-raising actions to change the way its employees view disability and builds initiatives with partners to promote the employment of people with disabilities, such that it exceeds the legal obligation in France for 6% of the workforce to be recognised as RQTH (Recognition as a Worker with a Disability).

In terms of social diversity, Hermès is diversifying its recruitment actions to seek profiles from disadvantaged neighbourhoods and rural areas.

Finally, the recruitment of seniors is a common practice, with Hermès placing intergenerational transmission at the heart of the development of its craftsmanship model. The development of the expertise of employees in charge of recruitment, whether they are dedicated to recruitment full-time or whether it is just one of their functions among others, is ensured through recruitment training modules of five or three days, according to the profile of participants.

A one-day module dedicated to Disability Recruitment is offered to open up the way recruiters look at people with disabilities and learn to apply best practices for recruiting them. A “Promoting the Hermès employer brand” module aims to appropriate the dimensions of the employer brand and illustrate it through evidence to highlight their benefits for candidates.

“Viens Voir Mon Taf!”

Hermès is involved with the “Viens Voir Mon Taf” association. This association works to promote equal opportunities by supporting secondary school students in the priority education network in their search for internships.

In 2023, around 10 secondary school students were welcomed to the Faubourg Saint-Honoré store in Paris, the workshops of our textile entity HTH near Lyon and the workshops of Hermès Leather Goods & Saddlery in Pantin.

2.2.3.7 A HIGH-QUALITY RECRUITMENT SERVICE

The implementation in 2023 of a structure totally dedicated to the recruitment of managers and interns & work/study students in France aims to support Hermès entities in their recruitment, providing expertise in the recruitment business, in-depth knowledge of the employment market and a skilled approach to finding talent. Its mission is to seek out the unique and diverse, by cultivating the audacious, and guarantee an authentic candidate experience, reflecting our values, our employer promise, and furthering the House's entrepreneurial and inclusive spirit.

Organised from 2024 into four divisions by family of métiers, Hermès Recrutement department will roll out a range of services, processes and operating methods to further improve the candidate experience and offer managers faster and even more efficient services, in line with changes in the House's métiers and expertise: a reinvented approach to the recruitment business with a view to responding reactively and with an obligation to allocate resources, meet deadlines and achieve results and meet the needs of the entities.

Hermès, employer of choice, recognised with several awards in 2023

For the second consecutive year, Hermès was ranked second in the Universum ranking of the most attractive companies for students in 2023.

On Tuesday 5 December 2023, Hermès won the Grand Prix Emploi for the third 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.

2.2.3.8 INDUCTION PROGRAMME

Each year, the induction programme for everyone, regardless of their type of contract, in France and abroad, is developed and is enhanced with new elements. It is becoming multimodal and aims to offer experiences that assist the understanding of and acculturation to the House, its history, the various métiers, its organisation and its people.

From day one, each employee has access to a new digital induction programme that includes the new *Histoires d'Hermès* e-learning to discover the identity, foundations and history of a family House, regulatory e-learning modules and, coming soon, a local integration e-learning module for each subsidiary, as well as training courses in tools related to each métier.

Then, within two months of arrival, each new employee is invited to follow a new remote programme "Bienvenue au 24!" to get a better understanding of the House, its organisation and its values.

This system is supplemented by face-to-face induction training in each subsidiary (*Premiers pas*, *Tous en selle*, *Himmersion* for Retail, *Au fil de HTH*, *Dans la peau d'HCP*), as well as the "Mosaïque" Group

programme, which brought together 1,000 employees on permanent employment contracts in 2023 (France & Europe) in several sessions, and the "H Keys" Group training, which supports new managers joining the House in taking up their position and in their understanding of Hermès' managerial culture.

Finally, each new employee on a permanent employment contract is supported in his or her first few months by an internal mentor to better understand the informal nature of the House (Attelage programme).

2.2.4 OUR MANAGERIAL PHILOSOPHY – MANAGING DIVERSITY, EQUITY AND INCLUSION

2.2.4.1 AMBITION

The sustainability of the business model relies on the contribution of each employee to a collective project. The humanist culture and social model, which are passed on from generation to generation, nurture fundamental values, one of which is freedom: freedom to create, to act and to undertake, to be who you are and for each person to bring their own unique perspective.

The Group's managerial philosophy, in this humanist model, is unique and singular. Respect for men and women, savoir-faire and the history of the House are passed on by example, exchange and dialogue, and a detailed understanding of what comprise the fundamentals of Hermès.

Faced with the challenge of transmission in a context of strong growth, and convinced that humanist values are at the heart of collective success, Hermès entrusted an academic study to a team of INSEAD researchers in 2023, with the aim of formalising the House's managerial philosophy. This large-scale study, carried out in France and abroad, enabled employees of all métiers and all levels of responsibility to explain and show in a very concrete way what the essential elements of this philosophy are and the way they are embodied. In 2024, this study will lead to work on a summary that will serve as a compass enabling everyone to act in a balanced, precise and responsible way, while leaving essential room for freedom and autonomy.

Managing diversity, equity and inclusion

Through the House's métiers, creations, savoir-faire, distribution network and customers, diversity is deeply rooted within Hermès. Our uniqueness is based on the Group's ongoing commitment to recruit and integrate employees from all backgrounds.

Hermès' humanist values help create an inclusive work environment in which everyone finds their place and thrives in respect for others. This strong sense of belonging and collective working together is an invitation to join the House's families and share a unique collective adventure.

The Diversity & Inclusion ambition for the entire House is built around a shared commitment and the development of specific actions that meet local needs.

Each Hermès entity is asked to commit to a “common foundation” action programme based on three areas:

- ◆ eradicate all forms of discrimination;
- ◆ achieve gender equality;
- ◆ promote the inclusion of people with disabilities.

In order to extend this approach internationally, a network of 28 D&I – Diversity & Inclusion officers (covering 100% of the Group’s workforce) – was set up in 2022 to provide local visibility, roll out joint actions and develop their own initiatives according to their local Diversity & Inclusion issues. This network was strengthened in 2023 with the organisation of a seminar for the ambassadors and reflection on a common roadmap.

Each entity has defined a Diversity & Inclusion action plan, included in its roadmap, which was shared with the entire community of officers so that they can benefit from the discussions and share best practices.

2.2.4.2 FIGHTING AGAINST ALL FORMS OF DISCRIMINATION

The responsible employer policy implemented in the Group consists of establishing conditions that provide equal opportunity in terms of recruitment and employment, under its various components, and fighting all forms of discrimination.

For this, a common approach has been structured, enabling awareness to be raised and stakeholders to be trained on diversity, unconscious bias and micro-inequalities, in order to neutralise stereotypes in decision-making.

The entire community of the Group’s D&I contacts was trained on the issues of diversity and inclusion through the Diversity Fresk in partnership with ESSEC in March 2023, as well as on unconscious bias.

Employee representatives also benefited from training on unconscious bias, in order to facilitate their awareness and enable them to play their role fully.

An e-learning awareness module on “unconscious bias and micro-inequalities” was set up and translated into 11 languages in June 2023. It is mandatory for managers and the HR community in France and internationally, and open to all employees.

At the same time, Hermès is continuing to roll out the Alterego training programme in its subsidiaries, with the aim of promoting inclusion, explaining the value of difference for the Company and thus strengthening the equitable management of access to employment and career management. Since its launch in 2017, 946 managers and members of the HR teams have followed this programme in France, including 196 in 2023.

The aim is to share the Hermès culture as a responsible employer and an actor and to pass on the ambition of inclusion, particularly with regard to disability, religion, gender equality and intergenerational management.

An international network of contacts	Raising awareness of unconscious bias	Promoting inclusion
28 D&I officers	1 e-learning module rolled out worldwide (translated into 11 languages) in June 2023	946 managers and HR followed this programme in France, i.e. nearly 50% of this population, including 196 in 2023

Hermès of Paris has developed the “HOP Hiring Programme & Toolkit” promoting inclusive recruitment to welcome talents from various backgrounds, develop recruitment practices focused on the search for uniqueness and attract candidates by talking about the House’s values. For this, managers and HR in charge of recruitment are trained and have access to an inclusive recruitment kit.

Some entities (Hermès Distribution France, Hermès Group Services, Hermès Japan, Hermès Switzerland, Hermès Brazil) aim to build partnerships with specialised recruitment agencies to source various profiles.

2.2.4.3 PROMOTING GENDER EQUALITY

The Group's policy is to promote gender diversity and equality at all levels of the organisation in all entities and countries.

Particular attention is paid to gender equality within the House, with women comprising 68% of employees overall, 60% of managers, 70% of the Operations Committee and 47% of the Top 100 (see § 3.3.4.2. "Gender balance of governing bodies").

Furthermore, special attention is also paid to equality, particularly in the awarding of equal pay for equal work and ensuring equal opportunities at all levels of employment. The 2023 gender equal pay index, implemented in France, resulted in a score of 92/100.

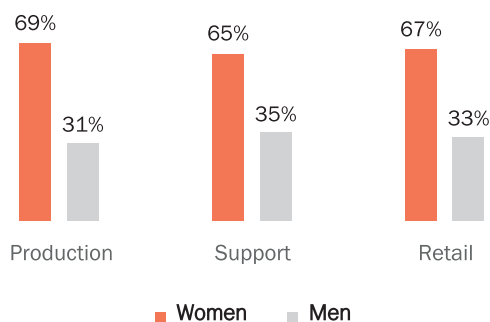
Promoting professional equality also involves building networks and

communities to support this ambition. In 2021, 13 women from different horizons in the House took the initiative to create "**Hécate**", the network of **Hermès women** whose objective is to create a space for listening and trust, to give everyone the means to express themselves, nurture, connect and develop. Since its creation, this network has brought together more than 100 women around various events.

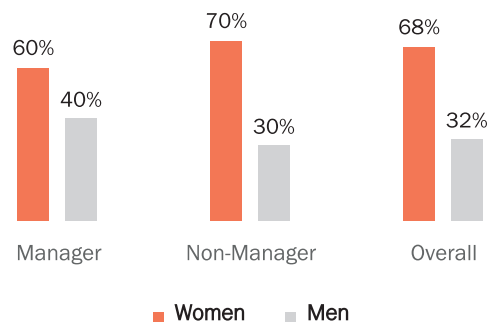
In 2023, the network met for three afterworks and five morning discussions on themes such as mentoring, parenting, careers, vulnerabilities and burnout. During these meetings, which represent opportunities for discussion, inspiring women from different horizons are invited to share their experiences. An Inspiration that Hécate also shares through its cultural newsletter.

2

GENDER BREAKDOWN BY SECTOR



GENDER BREAKDOWN - MANAGERS AND NON-MANAGERS



2.2.4.4 PROMOTING THE INTEGRATION OF PEOPLE WITH DISABILITIES

True to its humanist values, the Group has always been concerned with the integration and retention of people with disabilities. Wishing to further mobilise the entire organisation, a first group disability agreement was signed with the social partners in 2017 for the period 2018-2020, and was renewed by the signature of a second disability agreement for 2021-2023. This agreement made it possible to define a structured policy, the allocation of a dedicated budget, the implementation of communication tools intended to increase this commitment, supported at the highest level of the Group, with a sponsor member of the Executive Committee, generating steady progress. A third Group Disability Agreement was signed at the end of 2023.

The Group Disability Agreement, created in 2017, has helped a network of disability officers, which has gradually been expanded and professionalised. Today, it is made up of 16 Disability Officers representing each métier to help all sites make progress in integrating and retaining those with a temporary or permanent disability. The network of Disability Officers meets on a regular basis to share best practices, visit sheltered work establishments (ESATs) and promote skills development.

In order to promote the commitment to disability as close as possible to employees, a network of 130 Disability Ambassadors has been set up. Trained in disability, these employees with varied profiles (craftspeople, support functions, sales associates, etc.), who are not necessarily disabled, have volunteered to promote actions in favour of disability on their site. Working closely with their site disability officer, their role consists of informing, communicating, advising and providing guidance, while contributing to awareness-raising actions.

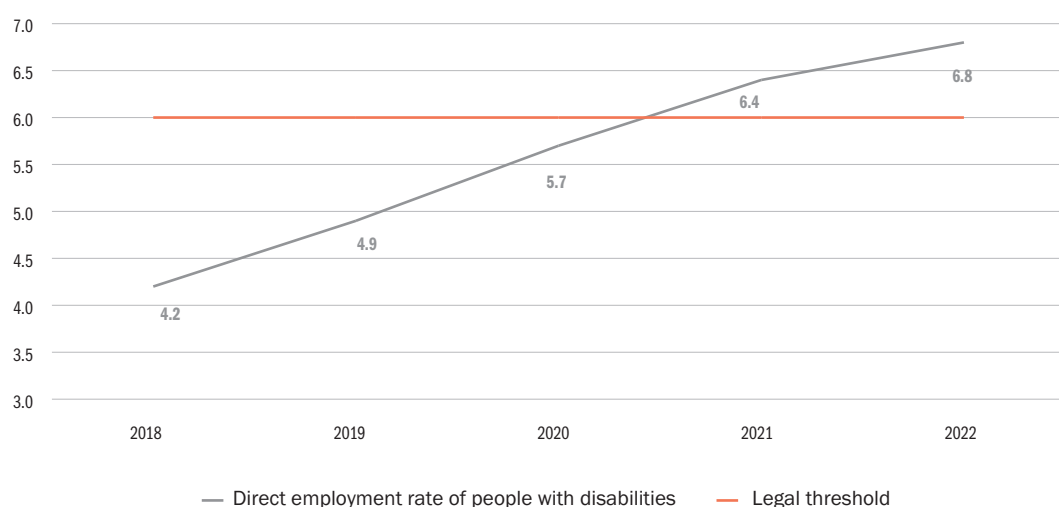
POLICY AND COMMITMENT

As part of the second agreement approved for the years 2021-2023, the Group is pursuing its ambitions in terms of inclusion, in particular on the following issues:

- ♦ promoting the employment and integration of people with disabilities;
- ♦ structuring a genuine job retention policy;
- ♦ strengthening indirect employment through collaboration with the sheltered and adapted sector and self-employed disabled workers;
- ♦ strengthening the fight against decision-making biases caused by stereotypes or bias in terms of disability and changing views within the Company through information and communication.

The Group Disability Agreement anticipated the scheduled end of the approved collective agreements by **signing a third Group Disability Agreement** on 29 November 2023 in order to continue working to promote the inclusion of people with disabilities in all regions beyond 2023. This agreement came into force on 1 January 2024.

At constant legislation, the **direct employment rate** for 2022 was 6.85% versus 3.5% at the launch of the Group's first Disability Agreement in 2017. The number of people with disabilities has more than doubled in six years, **exceeding 760 employees recognised at the end of 2022**. In 2023, more than 55 French employees took their first steps to having their disability recognised.



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	To be published in June 2024

Hermès is committed to continuing its efforts to include people with disabilities, for all its entities around the world, with the objective of achieving a 6% average direct employment rate of people with disabilities in the Group.

Promoting the employment and integration of people with disabilities

The first objective of the agreement being recruitment, Hermès continued its participation in **recruitment fairs** dedicated to candidates with a disability, such as Hello Handicap or Open Forum ESSEC. All job offers in France appearing on the Hermès Talent website are automatically sent to the AGEFIPH recruitment site and the applications received via AGEFIPH are thus identified to ensure the best possible processing.

Since the first agreement, 87 recruitment and human resources players as well as managers, including 19 in 2023, have been

trained in the recruitment of people with disabilities, to help them feel more comfortable in recruiting and supporting people with disabilities throughout the hiring process.

Structuring a genuine job retention policy

More than **€200 thousand** of the Group Disability Agreement budget was devoted to workstation adjustments or the financing of individual equipment (workstation studies by ergonomists, adaptations of work organisation, skills assessments or mediation coaching). The agreement also allows for an adjustment over the final two years of someone's career by moving to part-time work (80% of full time) while maintaining compensation at 100%.

Strengthening indirect employment through collaboration with the sheltered and adapted sector and self-employed disabled workers

The House also has a societal commitment to responsible purchasing, in particular by providing work to adapted structures (EAs and ESATs) that welcome workers with disabilities.

The use of the external sheltered work sector can also be a **gateway to the employment and integration of people with disabilities** within the House.

The success of this inclusion model is also enabled by a committed managerial culture open to diversity, as well as by long-term partnerships established with EAs (adapted companies) and ESATs (sheltered work establishments).

Since 2013, Hermès has been supporting the **Equiphoria** Hippotherapy Institute to design a saddle that does not hinder interactions between animals and patients. The Hermès saddler craftspeople have thus used their savoir-faire to assist the teams of doctors and caregivers of this foundation, as illustrated in the film “Footsteps Across the World” broadcast for the first time in 2022 in La Canourgue and viewable on our website.

Strengthening the fight against decision-making biases caused by stereotypes or bias in terms of disability and changing views within the Company

The 6th edition of the **Handi'Cap forum in 2023**, an annual highlight,

was held in early September, in virtual form, and brought together nearly 250 new managers and new HR, essential levers for the effective implementation of the Disability policy, with an openness to the international through the involvement of all the world Diversity & Inclusion officers.

The Group was very active during the 2023 **DuoDays** operation, launched by the French government, by hosting 140 DuoDays. This involves changing attitudes by welcoming people with disabilities who are looking for work or who come from ESAT-type support structures and over the course of a day, showing them the work of employees so that they may take a look behind the scenes of the production or support function métiers.

Hermès continued to produce episodes of the **new series “In full agreement”** which clearly illustrates the four pillars of its Group disability agreement approach through inspiring encounters and initiatives implemented within various Group entities.

2023 key figures

6.85%: direct employment rate for people with disabilities in France in 2022 (vs. 3.5% at the launch of the first Group Disability Agreement in 2017)
16 Disability Officers representing each of the House's métiers
130 Disability ambassadors
760 employees in France with disability recognition (+55 employees applied to be recognised in 2023)

2023 key initiatives

Week for the employment of people with disabilities in France and abroad
140 DuoDays
6th edition of the Handi'Cap forum
“In full agreement” series

Entities and subsidiaries engage through local initiatives

Leather

Hermès Leather Goods & Saddlery's commitment to disability is part of a global purchasing policy structured and anchored locally, where each regional division has developed an EA/ESAT partnership in order to increase the skills of these structures adapted to the Company's leather savoir-faire as required for the manufacture of our objects. Some EA/ESAT partners become manufacturers for the House, to whom it entrusts the production of objects from our collections.

Distribution subsidiary France

Disability is an important aspect of Hermès Distribution France's Diversity & Inclusion policy, with two major goals:

- ◆ integrate at least one person with a disability in each of our stores, regardless of the type of contract;
- ◆ at the same time, increase recruitment on permanent employment contracts to integrate and develop people on a long-term basis.

The development of partnerships with ESATs is an essential lever for achieving these commitments. Hermès Distribution France has partnerships in the form of “off site” services or provision with ESATs in 11 stores across France: in the North, West, South, Rhône and Paris regions. The aim is to extend these partnerships to all stores. ESAT workers generally take on positions in reception, inventory, sales support, ironing and retouching.

In 2023, all countries were invited to act in favour of people with disabilities by participating in the week for the employment of people with disabilities, or by participating in the DuoDays programme.

Watches

In June 2023, Hermès Horloger organised its second edition of the Week of Disability in partnership with a local foundation through a range of activities: multi-activity visits to discover the métiers, sports activities, and a new event: “round trip” DuoDays (in a reciprocal *vis-ma-vie* approach: Hermès Horloger employees hosted workers with disabilities for a day; and in turn, the employees were able to discover the professional environment of the foundation's workers).