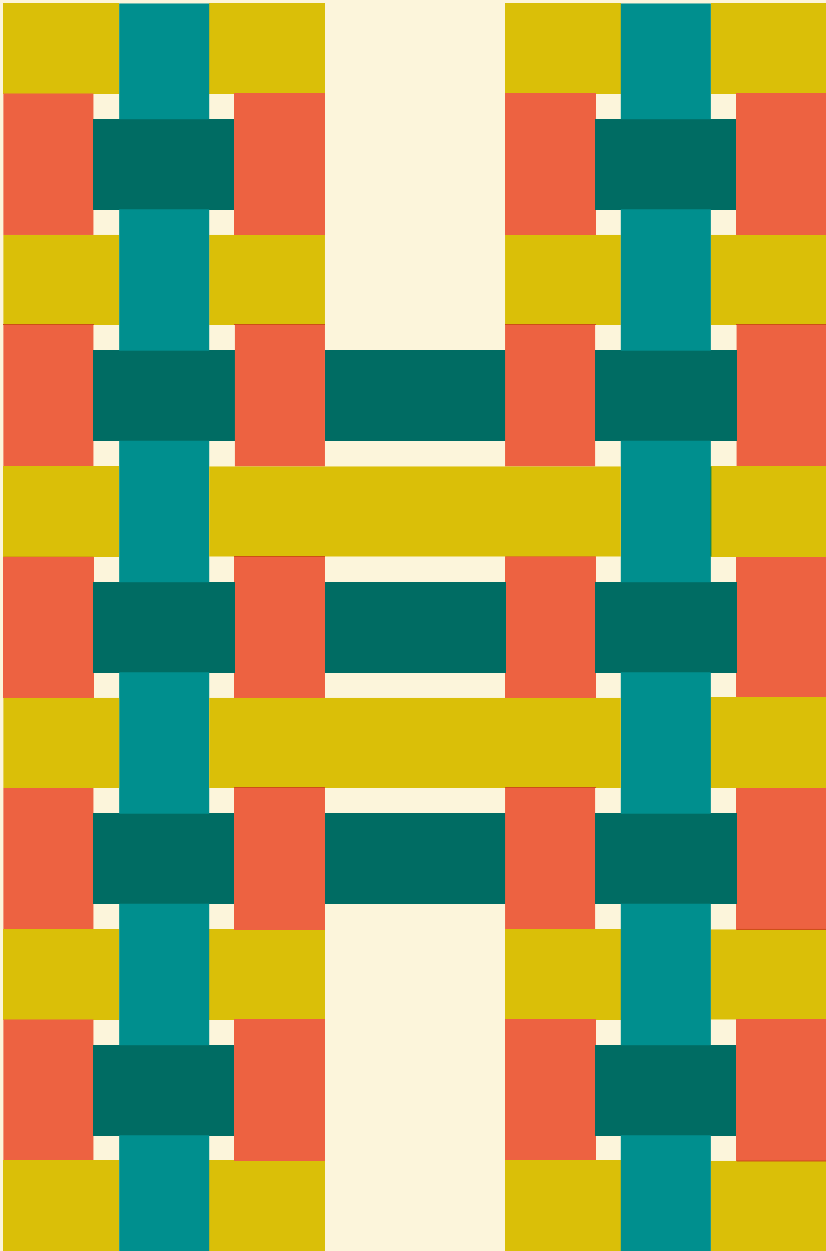


2020 Universal registration document

CSR EXTRACT
Non-Financial Performance Statement (NFPS)



2.3.2 PRESERVATION AND SUSTAINABILITY

Hermès contributes to the maintenance and development of craftsmanship and manufacturing *savoir-faire*, in a context where this *savoir-faire*, and not only that of craftspeople, is in danger of disappearing.

Within a sector of excellence such as Hermès, these technical *métiers* represent a key asset and heritage. The singularity of all this *savoir-faire* is expressed not only through the quality of the objects made but also through our ability to craft them in a way that respects both the craftspeople and the environment. There is therefore a major challenge in attracting and retaining talent, consolidating, developing and perpetuating individual expertise, improving versatility and strengthening transmission from generation to generation.

POLICY

Hermès is developing in-house training schools for its major craftsmanship *métiers* - Leather, Textile division and Tanneries - enabling this *savoir-faire* to be perpetuated and handed on. The human resources department conducts a systematic training policy for new hires, with a dedicated training programme, mainly carried out internally and supplemented by external training. Keen to provide the world with a better understanding of these *métiers*, the House works upstream to promote *métiers* and crafts to younger generations, through local initiatives such as open houses and exchanges with educational establishments, or through the Fondation d'entreprise Hermès and in particular the "Manufacto" programme. Allowing young people to discover and become involved in a manual *métier* is essential; these *métiers* are often misunderstood and yet offer excellent prospects.

MEASURES IMPLEMENTED AND RESULTS

2.3.2.1 PROMOTING AND VALUING THE TRANSFER OF SAVOIR-FAIRE EXTERNALLY

A responsible company through strong relationships with educational establishments

Hermès pursues an active policy of close relations with leading educational establishments in the fields of art, design, craftsmanship, engineering and commerce, both to make students aware of its values and to share its project and occupy a position of choice in their world. These relationships are coordinated with the subsidiaries that support these activities, and taking into account the rapid development of certain *métiers*. In the current context of the health and economic crisis, Hermès believes that it is more necessary than ever to prepare for the future by supporting students seeking work-study programmes and internships. The House also wants to take an active part in education in different forms and in various fields: welcoming students to its premises through presentations and discussions, and going to meet them throughout France during forums to offer internship and work-study opportunities, provide real-life case studies, etc.

For the most part, these actions took place in new talk and video-conference formats. **Hermès was able to reach an audience of more than 1,000 students in 2020, during 40 different presentations in France.**

Art and design schools

A major publisher of objects and designs, Hermès seeks to promote its creative culture and its unique *savoir-faire*, particularly among young people who are future players in the creative world. The House wants to identify young talents for future collaborations, identify potential interns and work-study students, provide them with an accurate perception of Hermès' reality through a concrete and immersive experience, be in direct contact with young designers, and capture their expectations and their questions about the world.

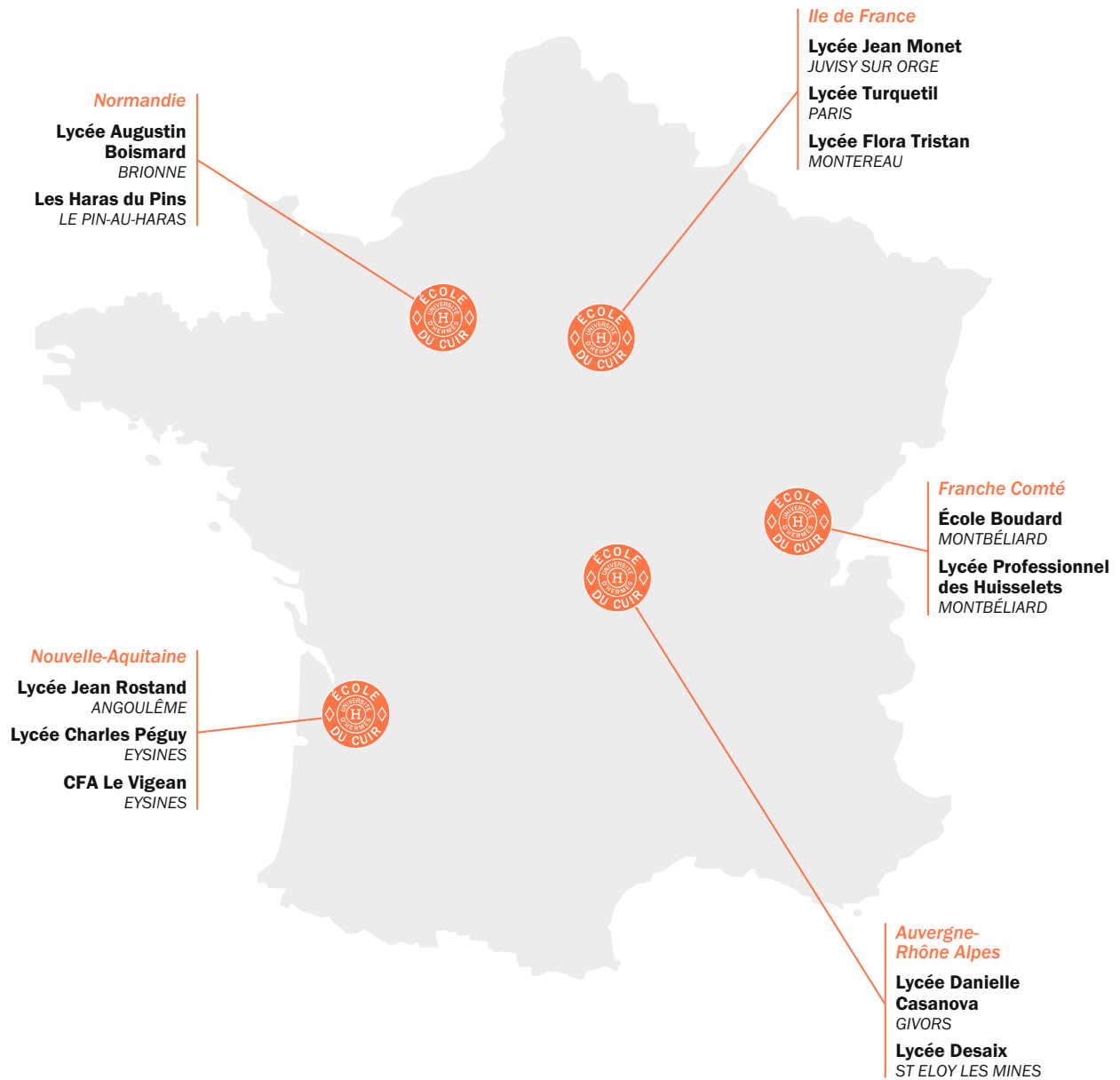
Hermès' general artistic department coordinates close relationships with several art schools. Students from **the Camondo school** were invited to create a communication object. Puiforcat involved students from **the Boule school** in a reflection on a moment of life. The petit h *métier* led a partnership with **the Eindhoven Design Academy**: 16 students worked on a theme defined by the Artistic Director, and the nominated student will be able to complete their project as part of their graduation project. He or she will be supported by the Creative Director of petit h and a creative contract will be offered if the result is successful. This partnership with the Eindhoven Design Academy also made it possible to recruit an intern for six months.

Craftsmanship schools

Craftsmanship employs more than 6,000 people at Hermès. It is the foundation of the House's vocation as a creator of high-quality sustainable objects. To continue recruiting for all *métiers* and to support the growth momentum of the Leather Goods segment, Hermès has forged long-term local partnerships with high schools and further education establishments, which are committed to understanding its specificities, culture and development.

Hermès Maroquinerie-Sellerie was thus able to start a CAP vocational qualification in leather work with the Lycée professionnel Flora Tristan vocational school in Montereau. The Hermès Maroquinerie-Sellerie division, which is expanding at a particularly dynamic pace, continued its partnerships with the École Boudard (Franche-Comté), the Thiviers training centre (Nouvelle-Aquitaine), the Lycée professionnel Jean Rostand vocational school in Angoulême (Nouvelle-Aquitaine), Les Compagnons du devoir, the Lycée Jean Monet de Juvisy-sur-Orge (Paris Val de Seine), the GRETA de l'Eure and the Lycée Boismard in Brionne (Normandy), the Lycée Charles Dupuy in Eysines (Nouvelle-Aquitaine) and the Maison familiale rurale in Isère. The partnership with the Lycée professionnel des Huisselets (vocational school in Franche-Comté) was strengthened with the integration of trainees from the first year of professional baccalaureate in Leather Goods. Steps have been taken to strengthen the partnership with Le Haras du Pins (Normandy). Pupils from La Fabrique's professional baccalaureate have been recruited by the Paris Val-de-Seine division.

12 PARTNERSHIPS WITH SCHOOLS OF LEATHERWORK IN FRANCE



Engineering schools

The Hermès manufacturing portfolio, with 51 sites in France and frequent plans to open new sites, offers engineers multiple opportunities, from production *métiers* to more cross-functional areas such as team management, quality, methods, safety, environment, technical and industrial development, etc.

The House cultivates regular links with several schools recognised for the quality of their project and their teaching.

For the past two years, the Group has been conducting work at École centrale de Paris to help highlight the artisanal-industrial business model, through cases assigned to students.

The École nationale des arts et métiers invited Hermès to come and share its project with the students, show the scope of its manufacturing portfolio and describe the opportunities for management positions on the production sites, in particular using the experiences of a former student.

Cristalleries Saint-Louis cultivates partnerships with the Lycée professionnel Jean Monnet vocational high school in Yzeure.

Hermès Cuirs Précieux is continuing its partnership with ITECH, a chemical engineering school offering a leather specialty. The “Young Tanners” programme, dedicated to creating an incubator for young engineers, was presented on campus. In a dual approach of social responsibility and local involvement, a collaboration with the GRETA in Montereau, located near the tannery, was initiated by the recruitment of an apprentice.

The Textile division has maintained close relationships with specialised schools such as the CFA Textile, ITECH, the vocational high schools Diderot, Émile Cohl, and Jean Claude Aubry, as well as the ENSAIT and with schools favouring disadvantaged populations and people with a disability. A partnership was initiated with the Rhône section of the Metropolitan Integration Centre for Employment to diversify the textile sector’s recruitment network with vulnerable populations. A presence at the Balbigny Employment Forum (Loire) resulted in the recruitment of weavers for the Bussièrès site.

Business and management schools

In November 2020, Hermès became sponsor of the European Chair in sustainable development and Climate Transition at Sciences Po Paris, which focuses on complementary and inseparable areas of sustainable development in any region: **climate transition, economic development and social inclusion**, through an approach that brings together a variety of players and expertise and is based on collective intelligence. This choice resonates perfectly with the House’s craftsmanship model, which is based on regional involvement and a strong social commitment. This chair will enable Hermès to go further in the analysis of regional involvement, a fundamental social and societal issue for the House.

At the same time, the partnership with Sciences Po Paris continued with the participation in forums, presentations in specialised masters’ courses and internship recruitment sessions.

Other initiatives carried out with the France’s Grandes Écoles bear witness to Hermès’ desire to play an active role in the emergence of a generation of managers trained in management techniques as well as in working together.

Hermès worked with Essec, Sciences Po Paris, EM Normandie, the University of Lugano in Switzerland in partnership with La Sorbonne Nouvelle, and with the students of the Design Fashion Luxury master’s programme at IAE Gustave Eiffel, EM Normandie – which received the MBA class from the University of Cracow, and the Grenoble École de Management to share its business project and interact directly with the students.

In addition, Hermès was able to welcome students from the Institut Français de la Mode who were following a retail course to give them an insight into its global Retail universe, a class from the Executive MBA Major Luxury at HEC to share its business model with them, and students from the École Estienne to show them the *savoir-faire* of the Pantin leather workshops.

Hermès Distribution France was welcomed by Pigier Création to enable its first-year students to understand Hermès’ expectations as part of a sales internship in a store. The division maintains close relations with IESEG, hosting students and participating in two forums in 2020, as well as with the EsmoD school. Lastly, the students of the École Hôtelière Ferrières were invited to meet Hermès Distribution France managers who came to talk to them about the requirements of the Retail *métiers* and internship opportunities.

The Retail Hermès Switzerland subsidiary gave lectures at the University of Geneva and HEC Lausanne. Hermès Mexico continues a long-standing partnership with IES Moda Casa de Francia and has initiated new ones with Tec de Monterrey, Iberoamericana, ITAM and Panamericana universities to offer internship opportunities. The Hermès Of Paris subsidiary supports the Luxury Education Foundation (LEF) in partnership with Columbia & Parsons. The LEF provides opportunities for a first professional experience and knowledge of the luxury goods industry to design and business school students. It provides support in the form of financial resources, time and expertise to ensure the success of the foundation’s programmes and help promote study scholarships in the luxury industry. The Hermès Germany subsidiary has had a partnership with the AMD University of Design and Fashion in Munich since 2017. Hermès Grande-Bretagne has revamped its internship programme, which enables young university graduates to be hired on a 9 to 12-month contract in the field in which they wish to specialise. Hermès China, a high-recruiting subsidiary, has joined forces with Donghua University and Shanghai International Studies University.

Manufacto

The Hermès Maroquinerie-Sellerie division continues to support the “Manufacto” programme piloted by the Fondation d’entreprise Hermès, which aims to introduce children and teenagers to the universe of craftsmanship by showing them how to manufacture an object in several stages.

From the start of the 2020-2021 school year, this support was notably reflected in talks by eight craftspeople to several middle and senior school classes in the Paris region, Lyon, Normandy and Franche-Comté, and in the hosting of classes on certain sites in the Savoie-Dauphiné, Sud-Ouest and Franche-Comté divisions.

Since the start of the programme in 2016, nearly 4,000 students, or 160 classes, have met craftspeople during 12 production sessions.

Today, nine academies are participating in this programme to discover the worlds of carpentry, saddlery and upholstery, Leather Goods and plastering.

2.3.2.2 MAINTAIN HERMÈS' POSITION AS A LEADER IN TRAINING FOR ITS TRADITIONAL *MÉTIER*S AND PROMOTE ITS MANUFACTURING SAVOIR-FAIRE (VAE, MOF, EPV)

Meilleurs Ouvriers de France (MOF)

This prestigious title is awarded only in France by category of craftsmanship *métiers*, as part of a competition between professionals. It takes place every three years. The goal is to reward excellence and *savoir-faire*, which are the required criteria for the awarding of the title.

The House has 22 MOF, distributed as follows: two at the bootmaker John Lobb, 10 at Holding Textile Hermès (drawing-engraving, sabre velvet, weaving, printing and finishing), nine at Cristalleries Saint-Louis (crystal cutters, glassmaker by hand and using a blowtorch, as well as four Best craftspeople of France, glassmaker by hand and cutter), and a saddler-leather worker at Hermès Maroquinerie-Sellerie.

Entreprise du Patrimoine Vivant (EPV)

The Hermès Group is proud to have had **12 companies recognised by the *Entreprise du Patrimoine Vivant* (Living Heritage Company – EPV)** label in 2020, namely Hermès Sellier, Holding Textile Hermès (Bucol), Établissements Marcel Gandit, Ateliers A.S., Siegl, Ateliers de Tissage de Bussières et de Challes, Beyrand, Cristalleries Saint-Louis, Puiforcat, John Lobb and Les Tanneries du Puy (<http://www.patrimoine-vivant.com/>).

These distinctions bear witness to Hermès' commitment to the safeguarding, preserving and promoting heritage *savoir-faire*.

Concealed in a Hong Kong skyscraper, a quintessence of the House's *savoir-faire*

If you were to take the lift to the 22nd floor of a skyscraper stretching out from the heart of Hong Kong's Admiralty district, you'd expect to walk out into the offices of a large bank or the headquarters of a multinational. But you'd be wrong. What a surprise it is to discover traditional leather craftspeople and their tools nested incognito in the sky. Welcome to a Hermès repair shop. A concentration of the House's *savoir-faire*, hidden behind the scenes in major cities and available to customers around the world. This is the domain of Christelle, Farid and Alexandre, leatherwork magicians trained in French Leather Goods and dispatched to Hong Kong. A bevy of bags with the Hermès label are waiting patiently for a new handle, a colour stitch or a seam stitch at their gifted hands. In this workshop overlooking a city that never sleeps, time stands still. These objects with their individual histories come to life, recover, take on new colours, until they are ready for a new lease of life on the arms of their owners.

