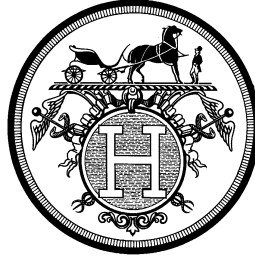


HERMES INTERNATIONAL
Partnership Limited by Shares [*Société en Commandite par Actions*]
with a share capital €53,840,400.12,
Registered under the no. 572 076 396 PARIS TCR
whose registered office is located at 24, rue du Faubourg Saint-Honoré 75008 PARIS



GENERAL MEETING OF 20 APRIL 2022

WRITTEN QUESTIONS

On the occasion of a General Meeting, written questions may be submitted to the Company under the conditions defined by law. In accordance with applicable legislation, the answer to a question is deemed given when it is published on the Company's website. Answers to written questions must be provided by the Executive Management.

The Executive Management has received fourteen written questions from three shareholders and provides answers below.

The management received a letter via email dated 21st March 2022 including several written questions intended for the 2022 General Meeting, from the *Forum pour l'Investissement Responsable* ("FIR").

Please find the responses of the Hermès group to the FIR's written questions hereinafter.

Environment

1. Have you explicitly committed to aligning your revenues and investments (CAPEX/OPEX/R&D/mergers-acquisitions, etc.) with the objective of the Paris Agreement that aims to limit global warming to 1.5 °C? How will you ensure that these revenues and investments comply with this objective? (Please describe the methodologies used) What are the main action plans and, if applicable, the associated investment amounts implemented to meet this objective on a short, medium, and long-term basis?

Due to its artisanal production model, highly integrated and located at 80% in France, Hermès is structurally low in CO₂ emissions. In 2021, the group's greenhouse gas emissions were 527 k tonnes of CO₂eq. In 2021, Hermès has improved again its greenhouse gas emission reduction objectives, by

increasing them to align with a trajectory that limits global warming to 1.5°C and obtained the validation of the *Science Based Target initiative* (SBTi). Therefore, Hermès is committed to reducing scope 1 and 2 emissions by 50.4% in terms of absolute value, and scope 3 emissions by 58.1% in intensity (per €M of gross margin) between 2018 and 2030. Since 2018, the scope 1 and 2 emissions have been reduced by 14.5% in terms of absolute value and scope 3 has been reduced by 44.8% in intensity in three years. In absolute value, the total greenhouse gas emissions of the group have therefore been reduced by 15.3% since 2018.

As part of this, we are pursuing the necessary investments to improve our energy efficiency, on one side and continuing with the decarbonisation of our energy, on the other.

To meet these ambitious objectives, Hermès is particularly committed to reducing the carbon footprint/m² of its real estate built or renovated by 50% by 2030, to using 100% renewable electricity in direct operations by 2025 and 100% renewable energy by 2030. In 2021, all the sites located on national territory were exclusively supplied by green electricity, produced on French territory.

These investments, that are staggered over several years, are already partially integrated in our CAPEX. At group level, the increase of the CAPEX will continue (€532M in 2021), with the integration of our CSR criteria. Our investments for a decarbonised economy notably include:

- Energy positive leather workshop construction projects such as: *La Maroquinerie de Louviers*, which inauguration is planned for spring 2022. This 20th leather workshop will not use fossil fuels for its operation and should generate at least as much energy as it consumes. The building certified E4C2 shall be in partial self-consumption, with the electricity surplus being reinjected into the network. Multiple leather workshops (*Allan, Manufacture de Haute Maroquinerie, Guyenne, Montereau*) are equipped with solar devices that are able to cover up to 40% of the sites' energy needs;
- The "all LED" lighting solution for all displays, shelving, and general ceiling lighting in any new shop projects. The LED relamping operations of existing shops is continuing, with 84% of shops already equipped with LED lighting at the end of 2021;
- Moreover, all the group's real estate projects are carried out in accordance with the internal Responsible real estate standard that aim to improve environmental performances based on 5 criteria: Carbon footprint, Biodiversity, Local supply, Air quality, Environment.

In addition to greenhouse gas emission reduction measures, Hermès supports the Livelihoods carbon fund (LCF), that finances high social and environmental value carbon compensation projects. These projects have benefited 1.7 million people around the world and have enabled the compensation of scope 1 and 2 greenhouse gas emissions as well as 64% of transport related emissions in 2021.

2. What percentage of your activities (expressed in turnover, net banking revenue, etc.) depends directly on biodiversity? What are your expenses in favour of biodiversity?

Hermès formalised a biodiversity strategy in 2018 that was updated in 2020 as part of the "Act4Nature

International” initiative. This plan concerns the Group’s activities in France (around 80% of production), and internationally (supply chain).

The aim of the four chosen pillars (train, collaborate, evaluate and act) is to:

- Guide the group and its lines of business in measuring the biodiversity footprint of value chains,
- Co-construct corrective and positive actions,
- Support the increase of the organisation’s skills.

They integrate precise commitments that describe clear objectives and dedicated time periods.

Hermès benefited from the update of this biodiversity strategy to renew its individual commitment to the Act4Nature International initiative in 2020. This strategy and the objectives attached thereto were therefore submitted for validation by a committee of stakeholders inherent in the governance of this multi-stakeholder alliance (companies, public powers, scientists, and environmental associations).

In this context, the Group began an analysis of its biodiversity footprint with the WWF and *CDC Biodiversité*, based on the *Global Biodiversity Score* (GBS) scheme, that studies the entirety of the Group’s value chain according to the different criteria of the IPBES (*Intergovernmental Science-policy platform on biodiversity and ecosystem services*). In total, 92% of Hermès’ turnover was covered by this analysis in 2021.

Particular attention was paid to the Leather Goods and Saddlery division that represents 46% of the Group’s turnover in 2021. The analysis of the contributions to the pressures on biodiversity is based on a detailed analysis of the supply chain (principally in France and in Europe for leatherwork). These pressures are at 95% within the upstream supply chain (scope 3). The work enabled the identification of two priority levers of action within our sectors: animal feed and farming (excluding crops). At the end of 2021, several projects were initiated with other sector stakeholders and experts on these levers in the aim of having a better understanding of their impact within the value chain, and to understand how to reduce their footprint on biodiversity.

As previously mentioned, since 2012, Hermès has been a partner of the Livelihoods Fund that aims to sustainably improve the living conditions of disadvantaged communities by developing large scale projects having a real impact for the protection of biodiversity and in the fight against climate change. The task of the LCF is to invest in three project types (ecosystems, agro-forestry, energy) from the outset in Africa, Asia, and Latin America. The group renewed its commitment in June 2021.

Hermès also contributes to positive actions in favour of biodiversity outside of its sphere of responsibility via the *Fondation d’entreprise Hermès*, including four projects dedicated to this theme. (Available at: <https://www.fondationentreprisehermes.org/fr/programme/biodiversite-ecosystemes>) The budget of the *Fondation d’entreprise Hermès* is 40 million euros over five years (2018-2023).

- 3. List the natural strategic resources necessary for the operation of your activity and/or that of your clients (water, energy, materials, etc.)? How do you evaluate and how do you calculate the impact of the shortage of resources on your economic models? What measures have you implemented to combat supply issues and seize “circular business model” development opportunities? What are your objectives in the area?**

The management of raw materials is one of the Group's six strategic pillars. Hermès' sustainable development is based on exceptional raw materials, of natural and renewable origin, that enable the manufacture of sustainable products. They are obtained with the desire to monitor their carbon footprint and used respectfully by optimising their use. More generally, Hermès is committed to sustainably developing supply chains, by going beyond just complying with the regulations in the environmental, ethical, and social domains, and by contributing to the future availability of these resources.

The Group's strategic materials (leather, cashmere, silk) are sourced from renewable subsidiaries. Our leathers, for example, principally bovine leather, are by-products of the food industry, and more than 90% comes from France and Europe. In certain supply chains, precious leathers for example, the vertical integration of the group secures the group's access to the resource.

The Group has put in place an approach for the systematic analysis of its supply chains, with precise diagnoses of the challenges and risks for each of them, performed by expert firms. During the risk analysis work regarding climate change as mentioned above, we also analysed the risks incurred by the shortage of these resources. Toolboxes and "Supply chain briefs" have been developed for buyers and for our partners within these supply chains, that enable these challenges to be monitored.

With this information, the Group strengthens the security of its supplies, is able to implement a diversification policy and a dependence limitation policy with regard to its suppliers, as the case may be, and constitute buffer stocks. Moreover, loyal to the tradition of creative abundance and the search for the most beautiful materials, the Hermès teams are permanently exploring new territories for innovative materials.

Lastly, the Group created a "circularity" committee in 2020 in order to explore potential internal up-cycling solutions (for example, with silk and cashmere), and initiated projects for the reuse of its production scraps. Going forward, these initiatives will contribute to reducing the Group's dependence.

Due to its artisan model and its ability to innovate, Hermès is developing whilst maintaining a small energy footprint, low water consumption and low levels of waste production. The control of these consumptions, indissociable from ecological and economic responsibility with regard to the current major global challenges, is an objective shared by all the house's divisions and lines of business.

The house's policy is based on the following pillars:

- Improving the measurement of consumptions in order to be able to implement reduction solutions,
- Improving production processes whilst prioritising the most economic technologies,
- Innovating whilst using environmentally friendly solutions.

Social

4. **What proportion of your corporate officers and your employees (separated by classification) are concerned by the integration of environmental and social (E&S) criteria in the determination of their variable remuneration (bonus, long-term remuneration, profit sharing, etc.)? Which governance bodies are responsible for the choice and the validation of these E&S criteria? How do they ensure that these criteria are both relevant, sufficiently motivational and correlated with the objectives to be reached to successfully implement the Group's environmental and social strategy? (Please specify the extra-financial criteria chosen for the corporate officers and the employees).**

Corporate Officers

100% of executive corporate officers (Executive chairmen) are concerned by the integration of environmental and social criteria (E&S) in the determination of their variable remuneration. The variable remuneration of the two Executive chairmen is partially conditional (10%) on "CSR" criteria reflecting the Group's confirmed and constant commitments regarding sustainable development.

The indices making up the CSR criteria pertain to the following elements:

- the divergence between the growth of the activity at a constant rate and scope, and the evolution of the consumption of industrial energies (quantifiable environmental criteria),
- the measures taken in favour of the group's support for local communities in France and around the world, outside of major cities (qualitative societal criteria),
- The group's initiatives in favour of gender equality (qualitative social criteria).

The variable remuneration of non-executive corporate officers (members of the Supervisory Board) does not include environmental and social criteria (E&S) given the role assigned to the Supervisory Board described on page 228 of the Reference Document 2021.

Choice of E&S criteria

The elements of the Executive chairmen remuneration policy are established by the company Émile Hermès SAS, Active Partner. This decision was made taking into account the principles and conditions provided for in article 17 of the Articles of Association regarding the ("statutory") variable remuneration.

The composition of the CSR criteria is therefore determined by the Management Board of the company Émile Hermès SAS.

It is submitted to the Supervisory Board for an advisory opinion.

The remuneration policy for Executive chairmen is subject to the approval of the Ordinary General Meeting every year (ex-ante vote).

Validation of E&S criteria

The effective amount of Executive chairmen's remuneration is determined each year by the company Émile Hermès SAS, Active Partner, in accordance with the remuneration policy that is approved then submitted to the deliberation of the Supervisory Board.

The CAG-CSR Committee of the Supervisory Board:

- Measures the achievement of the indices composing the CSR criteria of the Executive chairmen's variable remuneration,
- Verifies the compliance of the Executive chairmen's effective remuneration with the Articles of Association and the remuneration policy.

The effective global remuneration of corporate officers (including that of the Executive chairmen) and the effective individual remuneration of each Executive Chairman are submitted for the approval of the Annual Ordinary General Meeting every year (ex-post vote).

The achievement rate evaluated by the CAG-CSR Committee for 2021 is as follows:

RSE criteria indices	Importance	Achievement rate and motivation
Quantifiable environmental criteria: Divergence between the growth of the activity at a constant rate and scope, and the evolution of the consumption of industrial energies,	1/ 3	100% The constant efforts and the improvement of equipment and processes using industrial energy have continued to provide positive results enabling a much slower evolution of energy consumption over the reference period compared with the highly significant increase in the consolidated turnover. During the reference period - from 1 st November 2020 to 31 st October 2021: - The Group turnover consolidated at a constant exchange rate has seen an increase in 43.3%, - The total consumption of industrial energy (including any eventual scope effects) amounts to 161,332 Mwh, i.e., an increase of +10.6%.
Qualitative societal criteria: Measures taken in favour of the Group's support for local communities in France and around the world, outside major cities.	1/ 3	100% The house pursued its policy and its numerous local community support measures in 2021, both in France and abroad, despite the complex circumstances due to the continuation of the health crisis. The large majority of these measures are part of a medium to long-term perspective and are structured within entities in ambitious and engaging policies, the purpose of which is to revitalise regions, create and maintain high quality employment through partnerships with external stakeholders; projects that reflect the authentic values of its business model. Our measures in favour of providing substantial support for local communities were undertaken in 2021 with great determination and excellent achievements driven by the commitment of the house to act as a humanist, responsible company that creates jobs and notably: - The creation of jobs on the house's different sites, excluding large urban areas, has continued to grow, despite the context of the Covid-19 health crisis and reached a total number of 5,488 employees (92% of whom work in production) at the end of September 2021, - The quality of our social policies, deployed over the territory and enabling this creation of jobs, was rewarded by several prizes, - The house pursued its strategic investments in 2021 in several regional Divisions in France, - In the field of employment, the partnership with <i>Pôle Emploi</i> , <i>Cap Emploi</i> and professional reintegration associations were pursued and structured by the implementation of a new harmonised selection process deployed in all the partner local agencies of our regional Division, enabling the majority of its recruitments by this channel, - Hermès, as a responsible employer, is also committed to transmission and education, - The group's policy regarding disabilities also illustrates its genuine support for local communities.
Qualitative social criteria: Group initiatives in favour of gender equality	1/ 3	100% On all levels of the organisation, equal opportunities, diversity, and inclusion in terms of employment, training, management, and remuneration are at the heart of the company's measure, the objective of which is to genuinely embody its role as a responsible employer. The Group's average index in France with regard to the Gender Equality index is 92/100. In 50% of the entities concerned, the index is higher than 90/100, in the other entities it is higher than 80/100, In 2021, the Group launched several initiatives, notably: - The launch of a network of women within the group in December 2021, - The launch of a global Diversity & Inclusion measure aiming to ensure an inclusive, respectful, and harmonious working environment for all of our employees, that reflects the local environment of our subsidiaries, - The launch of a series of e-learning modules for the prevention of sexist behaviour

5. What lessons have you learnt from the new work organisation methods linked to the Covid-19 pandemic (working from home, digitisation of communication methods, increased flexibility, etc.) implemented within your company in terms of impact on working conditions? How does your Human Resources strategy integrate these new organisation methods today? What social dialogue has been undertaken on the subject (agreements, shared discussions on the future of work, etc.), in all of your lines of business and activity locations?

Given that 84% of employees are either craftspeople or work in stores, teleworking is less significant than in other industries. Other than in exceptional circumstances, it is considered on a case-by-case basis depending on the situation, particularly in France. However, the health crisis greatly increased the use of teleworking during periods of lockdown or tension related to the health situation, for workstations where it is possible.

In order to facilitate the temporary use of this work organisation, various measures have been implemented such as the provision of laptops, headsets or the payment of a fixed monthly sum intended to offset the additional costs related to teleworking, etc.

Given the diversity of its activities, the Group gives its subsidiaries a great deal of freedom in the organisation of working time and flexible working hours, in order to be able to adapt them as closely as possible to the realities of their *métier*. In this context, Hermès pays particular attention to compliance with the regulations applicable in the countries concerned in terms of working hours, maximum working hours and minimum breaks, depending on the activities. The Group encourages each entity to put in place all measures likely to contribute to the well-being of employees at work, such as flexible working hours for French entities.

The Group human resources department and the Director of Labour Relations, issue general contextual instructions, such as during the health crisis, negotiate agreements and carry out arbitration on any complaints, and intervene in the event of non-compliance with the general rules established by the House.

6. In order to evaluate the development from one year to the next, we are once again asking the question asked in 2021, the responses to which were deemed to be unsatisfactory. Do you have a definition of a “decent wage” without referring solely to the local legal minimum wage? If yes, what is it? How does your company ensure that its employees, as well as the employees of its suppliers, receive a decent wage?

Hermès pays constant attention to the remuneration conditions and the evolution of all its employees in order to offer them a comprehensive remuneration and to acknowledge their contribution to the development of the house.

This ambitious policy integrates a wide range of individual and collective measures regarding salary elements and benefits:

- On a short-term basis - fixed salaries, individual and collective bonuses, paid holidays, and various profit-sharing measures.
- On a medium and long-term basis - the employee shareholding plans allocated to all employees around the world.
- Post-employment benefits such as end-of-career indemnities and supplementary retirement regimes that are implemented for most employees, and in agreement with the legislation and local market practices.
- Lastly, social protection measures enrich the employer offer with supplementary healthcare and collective health insurance guarantees.

The Group policy, in France and abroad, ensures that all its employees receive an overall remuneration that competitively aligns with good market practices, strictly complies with the applicable standards and regulations, and that is higher than the legal or locally defined minimum wage. For example, this approach is illustrated through the allocation of rights to free Hermès International shares several times over the last few years to all its employees around the world (see page 78 of the Universal Registration Document 2021). Furthermore, in respect of 2021, and for the fourth consecutive year, Hermès paid all employees worldwide an exceptional and additional bonus of €3,000 in recognition of the commitment and the contribution of each person to the performance and success of the Group. (an exceptional bonus of €1,250 had been paid in 2021 in respect of 2020).

Loyal to its family traditions and wishing to involve all employees worldwide in the Group's medium- and long-term growth, Hermès has set itself apart in recent years by the implementation of employee shareholding plans, and notably free share plans in 2007, 2010, 2012, 2016 and 2019. On 31st December 2021, employee shareholding represented 1.06% of the share capital.

In terms of social protection, the Group also implements a comprehensive and ambitious policy to ensure that employees are protected against the major risks of everyday life. Benefits cover the risks of mortality (accidental and all other reasons) and long-term illness, but also medical and maternity care, and retirement.

Thus, the House's desire is to offer all its employees, in all countries where the Group operates, an overall compensation that provides a protective framework in the short, medium and long term, not only for employees but also for their families.

We believe that due to all the reasons set forth hereinabove, our group salary and social protection policies intrinsically meet the requirements of the notion of a "decent wage".

Moreover, due to its support, its loyalty to external partners and its procurement policy, the group aims to ensure the compliance of the legal employment and remuneration conditions practised by its suppliers, without being able to interfere in the definition of their own remuneration policies.

- 7. Regarding France: outside of investments in shares of your Company, what proportion of the employee savings funds offered to your employee are classified as responsible (SRI, Greenfin, Inter-Trade Union Employee Savings Committee (CIES) or Finansol labels)? How do you explain the upkeep of non-responsible funds in the absence of a difference in profitability and even though La Place de Paris is a leader on the subject? In the countries in which you conduct business: do your savings plans intended for your employees (retirement or others) also integrate ESG criteria? How does the Board of Directors or the Supervisory Board encourage the subscription to these types of employee savings funds?"**

In the context of our Group employee savings schemes, all the employees in France have access to various funds, proposed by the managing bank, which is a leader in this field in France.

These funds include the *Multipar Solidaire Oblig Responsable* which has received the (i) SRI (ii) Finansol (Solidarity-Based Finance Label) and (iii) CIES (Inter-Trade Union Employee Savings Committee) certifications.

The outstanding amounts of this fund currently represent around 17% of the total. Moreover, the other funds offered as part of our company savings plan are exclusively invested in instruments in Europe, therefore enabling the financing of European business projects that are subject to some of the strictest rules and standards regarding the environment and ethics in the world. The same applies to

the supplementary retirement measure implemented for the benefit of all the employees of the house in France.

The employees freely choose their employee savings investment vehicles and are aware of the clarity and transparency of objectives, the operation and the returns of the various funds offered to them, and the relevance of which is analysed in collaboration with the stakeholders.

8. Do you publish a charter detailing your commitments regarding fiscal responsibility? If yes, how is this fiscal responsibility integrated more broadly within your social responsibility? Does the Board review and approve this charter? Do you review the application of the principles of this charter annually via a fiscal responsibility report? Does this report provide details of the taxes paid in each country?

The group's tax expense amounts to €1,015 million, i.e., a rate of 29.5% (see note 10 of chapter 5 "consolidated accounts" of the Universal Registration Document 2021).

Regarding tax, the Group follows the recommendations of the GRI 207 reporting standard: the Hermès fiscal strategy is based on the following principles:

- Compliance by all Group companies with the regulations in force in the States where these companies are located, compliance with the deadlines provided for by the regulations applicable in each State, for the filing of the required declarations and the payment of the taxes due;
- Income is taxable in the place where the income is generated;
- Absence of creation of legal structure or transactions to meet a primarily tax-related objective;
- The fight against tax evasion with the absence of use of tax evasion schemes or structures without substance.

This tax strategy is implemented by Group Financial General Management, based on internal (the tax department) and external expertise in France and abroad. This strategy is reviewed and approved by the Executive Committee at least once per year:

- The location of the Hermès Group's activities is based exclusively on operational choices, and tax considerations do not modify that approach. That is how the location of production in France, which is a key element of the Hermès Group's strategy for sustainable development, impacts the amounts of taxes paid in the country as well as the Group's effective tax rate;
- the Hermès Group's tax positions are tracked and audited by the consolidation and tax department, which reports directly to a member of the Executive Committee, one of whose objectives is to anticipate, identify, and manage, with the finance department, the tax challenges;
- Every year, the Group files, as part of its tax obligations, a statement of transfer prices and a country-by-country statement, the Cross-Border Currency Reporting (CBCR) with the French tax administration. The CBCR is created in accordance with the recommendations of the OECD (as interpreted in French tax law). It is subject to an exchange of information between the tax administrations of the countries in which the Group is established. In the countries in which the exchange of information is not operational, the Group has a CBCR programme with the local tax administration.

9. Do you publish a responsible lobbying* charter? Are you a member of professional organisations with certain stances that are controversial with regard to general interests? If yes, what measures are you taking to redirect the stances of these organisations? What consolidated (human and

financial) means (i.e., over the entirety of your geographic scope) have you allocated to the representation of interests?

***Lobbying - or the representation of interests - plays an increasing role in the elaboration of public decisions. The organisations concerned (companies, professional organisations, associations, public players, etc.) devote substantial time and money thereto. When it is carried out with integrity and its use is made clear and transparent, lobbying can play a positive role and contribute to providing public decision-makers with elements of analysis as food for thought. On the contrary, unregulated lobbying can result in abuse, resulting in decisions that favour particular private interests more than general interests.” (Transparency International)**

Hermès is a member of several sectorial associations (*Association française des entreprises privées (AFEP), Comité Colbert, Union des Fabricants (UNIFAB), Fédération de la Haute Couture et de la Mode, Fédération des entreprises de la beauté (FEBEA).*) which work alongside institutional decision-makers on behalf of the collective interests of their members. In addition, the group maintains periodic contact with institutional officials, notably within the European Union. The objective of these institutional meetings is to enable us to precisely identify and anticipate future developments of the regulatory framework that may impact the activities of our lines of business.

All these discussions are undertaken in strict compliance with ethical conduct and the transparency of public affair activities in force within these different institutions, and the founding values of the Hermès Group.

Governance

- 10. The “Duty of Vigilance” Act provides for the preparation of a due diligence plan in association with the company’s stakeholders, notably the social partners. In addition, one of the measures in this plan is the implementation of a mechanism for alerting and collecting reports on the existence or occurrence of risks, established in consultation with the representative trade unions. The trade unions are knowledgeable in this field and can alert the company, while providing valuable information in the exercise of the duty of vigilance.**

How does your group involve its social partners - on the local and global levels - in the various stages of the development, evolution and implementation of its compliance plan? What resources for the accomplishment of this mission are provided by the group? How are the social partners involved in reporting on the effective implementation of this vigilance plan?

Our social partners are closely associated via a whole series of measures on various subjects that fall directly under our vigilance plan.

Since the end of 2018, the Group has deployed a health and well-being measure throughout France, which aims to maintain the physical and mental health of its employees. This measure notably enables the implementation of preventative measures regarding physical health and the fight against psycho-social risks and measures aiming to improve working conditions. The results of these inquiries are shared in the SEC and social partners are invited to participate in health and well-being research panels that are implemented in each company. The role of these research panels is to identify the areas of improvement and to implement corrective measures.

Similarly, and in direct connection to the subjects pertaining to physical and mental health, the prevention of work accidents and occupational illnesses, the social partners of each company are informed and consulted on the elaboration of the unique risk evaluation document. Moreover, as part of the combat against sexist behaviour and sexual harassment, the Hermès Group, eager to deal with these issues as best as possible, has expanded the role of the SEC to include the prevention of

psychological harassment. These experts (one per SEC) undertook a day-long training session led by an external service provider on dealing with these sensitive issues and they were encouraged to use the internal alert mechanisms to enable reporting in connection with these subjects. Lastly, an e-learning training module dedicated to the prevention of sexist behaviour and situations of harassment was implemented in March 2022 and will be undertaken by all the Group's staff representatives in France. This module also presents the use of the internal alert mechanism and invites social partners to use it.

Finally, at the end of 2021, the Group implemented and deployed a training course on the implementation of employment law on a daily basis. This training course, which is intended for managers, is also open to staff representatives. It notably deals with the respect of the principle of non-discrimination in any form, the preservation of physical and mental health and the necessity of constructing sustainable social relationships with all our social partners.

Still with regard to public health, the SECs were regularly and closely associated with the implementation of internal measures intended to fight the Covid-19 epidemic.

Lastly, an e-learning training module dedicated to the prevention of sexist behaviour and situations of harassment was implemented in March 2022 and will be undertaken by all the Group's staff representatives in France. This module also presents the use of the internal alert mechanism and invites social partners to use it.

On 12 April 2022, the Executive Management received an email from the association *People for the Ethical Treatment of Animals* (« PETA »).

Please find below the answer from the Hermès Group to this written question.

“Recent video footage of Hermès-owned farms in Australia shows that crocodiles endure solitary confinement in filthy, barren concrete pits barely large enough to allow them movement. While still in their infancy, they are electrocuted and dragged from their pens. Workers saw at their necks and prod their brains with screwdrivers as the animals pant and struggle to stand, all while bleeding out.

We are pleased to see that Hermès is embracing innovative, animal-free materials like MycoWorks’ mushroom leather. This needs to be the rule, not the exception, if the company is to appeal to today’s smart, young, compassionate consumers. When will Hermès take seriously its need to evolve to stay relevant by using only sustainable, luxurious vegan materials that don’t involve the torture and slaughter of exotic animals?”

The Hermès Group respects everyone’s convictions, and the absolute requirement for quality in our objects is at the heart of our approach, especially for our materials, whether of animal origin or not. This approach applies to all our supply chains.

Vertical integration and in particular farming activities in Australia, to implement the highest quality standards throughout the supply chain, is a choice made by Hermès for a sustainable and responsible approach. This approach implies a strict traceability of materials, the guarantee of fair working conditions and the application of the highest scientific standards of animal welfare.

The exotic animal skins used by Hermès strictly comply with the rules established under the aegis of the United Nations by the Washington Convention for the protection of endangered species (CITES). Hermès has been working for nearly 15 years in collaboration with specialized associations such as the International Crocodilian Farmers Association (ICFA), scientists, veterinarians, and farmers to develop and improve sustainable crocodile breeding practices in farms.

The Australian farms of the group are all ICFA certified by the independent control body BSI and are also audited annually by Bureau Veritas. These different audits cover various topics such as best practices in farming, transportation and slaughter, compliance with CITES requirements, personal safety, compliance with social criteria, environmental management, and site safety.

As part of its farming activities, the company has a long-standing relationship with farmers and communities in the Northern Territories and actively contributes to the growth of local economies while operating with respect for natural ecosystems and biodiversity.

The farming activity contributes to the protection of the natural habitat, favorable to the reproduction of crocodiles, by avoiding the deforestation of wetlands in the region.

Hermès has never ceased, since its origins, to explore and create materials capable of serving the aesthetics, functionality, and durability of its objects. Part of our research focuses on natural materials and another part is devoted to the search for the materials of tomorrow. As you pointed out, Sylvania, made out of Fine Mycelium, hybrid of nature and biotechnology, resulting from an exclusive collaboration between Hermès and MycoWorks, is an example of our approach.

On 10 April 2022, the Executive Management received an email from Mrs Myriam Sabatier, registered shareholder, containing several written questions in anticipation of the 2022 General Meeting.

Please find below the answers from the Hermès Group to these written questions.

- 1. Can you shed some light on the French distribution strategy – More specifically, Toulouse, the 4th largest city in France with an average purchasing power higher than the national average, has seen its store closed?**

Hermès' in-house distribution model, with its network of stores and e-commerce sites, proved its effectiveness during the health crisis. The House's tools were adapted to a transformed customer relationship in order to respond to rapid changes in demand and maintain a special relationship with customers.

The exclusive distribution network consists primarily of branches run by the Group around the Hermès brand. Each of the 303 stores across the world offers a personalised selection of objects, to exceed the specific expectations of its customers and offer a distinct purchasing experience in each and every store.

France, with 29 stores by the end of 2021, is one of the countries where the House has the largest number of locations. We are continuing to expand in France, with the aim of offering our customers the best possible experience in renovated and enlarged stores, such as those on Rue de Sèvres in Paris and in Lyon in 2021, and the Strasbourg store planned for 2022. The Toulouse store was a concession point of sale whose contract expired in February 2020.

We aim to continue this measured development through a constant search for prime locations and to complement it with our digital platform offering, in an omnichannel approach.

- 2. Without offending anyone, I wonder about the renewal of mandates where the age is over 60 (and 3-year term). Unfortunately, I don't have the articles of association close by, however, in order to be in a logic of adaptation, I would like to know your position on the rejuvenation of the governing bodies?**

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 decided to add to its rules of procedure (Article 2.1.7.1), as an internal rule, that 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).

No member of the Supervisory Board has reached the age of 75 and the oldest member was 68 in 2021. As of 31 December 2021, the average age of the members of the Supervisory Board was 53 years (the ages and lengths of service are determined in number of full years at 31 December 2021).

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 the current composition of the Supervisory Board fully meets the set objectives.

3. In a context where risks are increasingly growing, both in terms of scope and amount, can you give me your vision on a possible dissociation of the risk and audit committee (following the example of the financial world where these committees are separate)?

Since 2005, the Supervisory Board has relied in particular on the work of 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).

This committee acts under the collective and exclusive responsibility of the Supervisory Board. Its role is to discuss, analyse and prepare for certain deliberations of the Board, to which it submits its opinions, proposals or recommendations. Its 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.

In accordance with Article L. 823-19 of the French Commercial Code (*Code de commerce*), this Committee is responsible for monitoring *“the effectiveness of internal control and risk management systems and internal audits regarding the procedures for preparing and processing accounting, financial and non-financial information without jeopardizing its independence.”*

However, the Committee's analysis of risks is not limited to the above-mentioned. For example, 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 CAG-CSR Committee. The purpose of this joint meeting is to strengthen coordination and sharing between the two committees on this related subject.

More generally, the analysis of the risks faced by the group is carried out at different levels. The Group has put in place a system 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 control environment and the measures put in place can be found in Chapter 4 of the 2021 universal registration document.

The risk identification and management system in place is demanding and controlled. The roles and responsibilities of the Audit and Risk Committee correspond to the organisation set up within the Group. In this sense, the audit department is also a risk department. This Committee also has sufficient time - with six meetings per year - to deal with all the subjects within its competence.

Finally, the analogy with the banking sector does not seem to us to be relevant. Indeed, the regulations applicable to companies in this sector are specific, which may justify the need to set up separate committees.

In view of these elements, we do not believe that it would be useful at this time to separate audit and risk management into two distinct committees.

The Executive Management
Hermès International