



2022



UNIVERSAL REGISTRATION DOCUMENT

CSR EXTRACT NON-FINANCIAL PERFORMANCE
STATEMENT (NFPS)

Page numbers have been retained from the original version

AN ARTISANAL, CREATING VALUE AND SUSTAINABLE FRENCH MODEL

CAPITAL AND RESOURCES

Committed women and men

19,686 employees:
48% production, 36% sales, 16% support
67% women
Gender equality index: **95/100**
6.4% of employees with disabilities in France

Exceptional craftsmanship savoir-faire

Creation of a leather goods apprentice training centre
21 *Meilleurs Ouvriers de France*
(Best Craftspeople in France)
8 *Entreprises du Patrimoine Vivant*
(Living Heritage Company – EPV)
150 in-house trainers

Abundant creativity

Around **50,000** items in each collection
Distinctive style
Omnipresent creation
Material and process innovations
Unique and responsible communication

Long-term partners

19 years length of relationship with top 50 suppliers
65 years length of relationship with textile suppliers

Financial independence

€3,404 million adjusted free cash flow
€12,457 million in equity
€9,742 million in restated net cash position
Shareholder stability: **66.7%** of the share capital held by the Hermès family

Natural resources used with care

Craftsmanship model on a human scale
Climate strategy aligned with **1.5 °C** trajectory validated by SBTi
Certified sustainable real estate standard

Societal anchoring

€61 million budget for the Fondation d'entreprise Hermès over the 2023-2027 period
Strong local presence: regional craftsmanship centres and exclusive store in **11 out of 13 French regions**

SUPPLY CHAIN

Local and sustainable sourcing:

More than **80** exceptional materials, without compromising on quality
67% of purchases made in France and **97%** in Europe
CSR supply chain briefs for our partners
66% of leather suppliers are LWG certified
97% of hides used are by-products from the food industry
Hermès RJC COP certified
100% of top 50 suppliers audited over 3 years
100% non-mining gold used in the workshops
Formalisation of the animal welfare policy
Traceability and in-depth knowledge of supply chains:
80 materials have undergone supply chain analysis

Logistics:

2 logistics centres in France (Bobigny, Saint Priest)
1 externalized logistics center in Orléans (France)
Regional logistics centres established internationally

STRONG VERTICAL

DISTRIBUTION

Exclusive omnichannel distribution network

Retail sales

Wholesale

Online sales

HOUSE OF CREATION

Creative freedom
Exceptional materials and *savoir-faire*

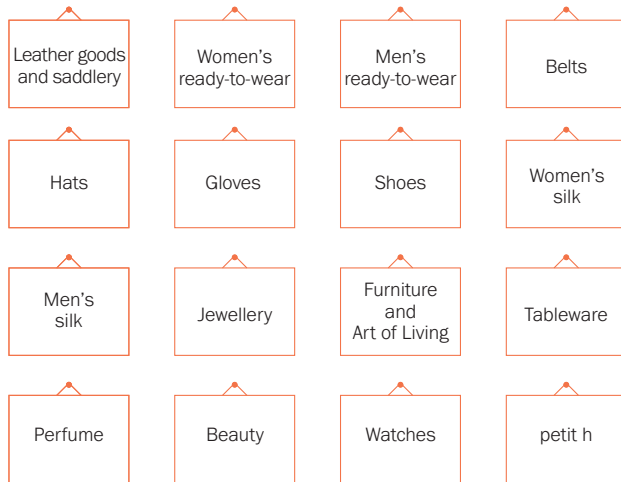
MANUFACTURIER

Vertically integrated model
Long-lasting, repairable objects

An independent creative house since 1837, guided by the skills of the craftspeople. An integrated model of French manufacturing. A humanist approach to employee management. A rich selection of useful and long-lasting objects. A socially responsible company that gives back to the world.

PRODUCTION

16 métiers



50,000 product references
Local production: **76%** in France
Vertical integration: **55%** of objects made in exclusive in-house workshops

7,025 craftspeople, i.e. 36% of the workforce
68 production sites of which **54** in France

INTEGRATION

300 exclusive stores in **45** countries
Multi-local and international network
Agility through local logistics platforms
Strengthening e-commerce in **29** countries
Quality of service for customers
Local repairs



HERMÈS RETAIL

Purchasing freedom
Exclusive distribution network

VALUE CREATION AND SHARING

For employees

€1.5 billion of payroll costs in 2022
€4,000 exceptional bonus paid to all employees in 2023 in respect of 2022
More than 11,000 employee shareholders
5 free share plans worldwide since 2007
€170 million incentive schemes and profit-sharing in respect of 2022 in France

Transmission of savoir-faire

€11.7 million dedicated to training
23 hours of training per employee on average

Support for our partners

Support for the highest standards
Payment terms **25** days on average

Financial value

€153 billion market capitalisation as at december 2022
€852 million total dividends paid to shareholders
€518 million in operating investments

Societal value

1,964 jobs created, including 1,263 in France, **x2 total headcount in 10 years**
28.2% consolidated tax rate
€242 million in purchases with social and environmental added value, from 3,340 SMEs, including €5.5 million with socially supported organisations
3 Fondation programmes promoting biodiversity and **2** Fondation programmes promoting transmission of skills to young people
Contribution to the scientific and academic world
Nearly 380 social actions in more than 40 countries representing more than €6 million (excluding special actions related to the health and geopolitical context)

Environmental value

44 supply chains certified by 2024
89.1% renewable electricity supply
202,000 repairs
Decrease of 28.4% in scopes 1 and 2 emissions in absolute value and 46.5% in scope 3 in intensity since 2018
Measurement of the biodiversity footprint and collaboration with NGOs for the preservation of biodiversity



CONTRIBUTION TO 16 SDGS OUT OF 17

mission handicap

act4nature
international

