



HERMÈS

2022 UNIVERSAL REGISTRATION DOCUMENT

EXTRACTS FROM THE UNIVERSAL REGISTRATION DOCUMENT

The following page numbers are those of the 2022 Universal registration document

3.3.4 NON-DISCRIMINATION AND DIVERSITY POLICY

3.3.4.1 GENDER BALANCE POLICY WITHIN GOVERNING BODIES

In accordance with the provisions of 2 of Article L. 22-10-10 of the French Commercial Code (*Code de commerce*), the way in which the Company seeks balanced representation of men and women on the committees established, where relevant, by the Executive Management, in order to regularly assist it in exercising its general duties, is presented below, alongside the results in terms of gender balance in the 10% of management positions with the greatest responsibility.

Since 2018, the Supervisory Board has been tasked with ensuring that the Executive Chairmen implement a non-discrimination and diversity policy in the Governing bodies.

This policy was presented to the Supervisory Board in late 2018.

Pursuant to Article 8 of the Afep-Medef Code, updated in December 2022, Boards are recommended to set gender balance objectives within Governing bodies.

The HCGE implementation guide revised in June 2022 stipulates that in *sociétés en commandite par actions* (partnerships limited by shares):

- ◆ it is the responsibility of the Executive Management to set gender balance objectives and the time frame for attaining them, as well as to determine how these objectives and the action plan are implemented;
- ◆ the Supervisory Board ensures compliance with and monitoring of this recommendation. It is informed annually by the Executive Management of the results obtained so that they can be included in the corporate governance report.

The Executive Management has set Company gender balance objectives since 2020 as follows:

Overall gender balance target for Governing bodies: that the proportion of members of each gender be at least equal to 40%. The scope of the Governing bodies selected includes the committees established by the Executive Management several years ago to regularly assist it in exercising its general duties, namely:

- ◆ the Executive Committee (role and composition described in § 3.3.3.1);
- ◆ the Operations Committee (role and composition described in § 3.3.3.2).

Time horizon: the proportion set having already been reached in 2019, the Executive Management has set the target of maintaining the current balance (over both the medium and long term).

Action plan: for several years now, the Company has been encouraging female representation among Senior Executives, which should help achieve this goal.

At the start of 2023, the Supervisory Board noted that the overall gender balance of the Governing bodies remained in line with the objectives set.

The diversity policy applied to the members of the Supervisory Board is described in § 3.4.3.

3.3.4.2 GENDER BALANCE OF GOVERNING BODIES

The table below illustrates gender balance on the governance bodies, on the Supervisory Board and in the Senior Executives category:

AS AT 31 DECEMBER	2022		2021
Governing bodies (Executive Committee and Operations Committee, excluding the Executive Chairmen)			
Proportion of women	54.2%	13/24	52.2%
Proportion of men	45.8%	11/24	47.8%
Overall female representation			
Supervisory Board (excluding the employee representatives on the Supervisory Board)	50.0%		50.0%
CAG-CSR Committee	66.7%		66.7%
Audit and Risk Committee	40.0%		40.0%
Senior Executives	47.0% ¹		47.0% ¹

(1) Within the meaning of Article L. 3111-2 of the French Labour Code. This category comprises the 105 positions with the highest levels of responsibility according to the classification used by the Group in 2021 and the 100 positions with the highest levels of responsibility according to the classification used by the Group in 2022.

A special mention was awarded to Hermès International by the Ministry in charge of Gender Equality as part of the Women in Governance Bodies Awards, in the Gender Parity in the Top 100 category (49 women); the Company was ranked 15th overall.

3.3.4.3 PROFESSIONAL GENDER EQUALITY INDEX

The Hermès Group is committed to the principles of recognition and respect, irrespective of one's origin, gender, family situation or position. Employees are reminded of this respect for differences in the ethics charter (available at <https://finance.hermes.com/en/ethics-human-rights-and-diversities/>) ensuring objectivity and equal opportunities and promoting diversity and inclusion in recruitment, career development and day-to-day management.

As the results published below illustrate, the Hermès Group is constantly committed to promoting gender equality. Particular attention is paid to equality, particularly in the awarding of equal pay for equal work and ensuring equal opportunities in access to employment and internal promotions. At all levels of the organisation, equality of opportunity, diversity and inclusion in terms of employment, training, supervision and compensation are backed by the House's commitment, with the objective of taking concrete and sustainable actions.

Since 2019, Hermès has harmonised its international maternity leave practices by defining a minimum maternity leave period of 16 weeks, maintaining 100% basic pay and making 100% coverage of maternity expenses available in all locations.

In addition, in order to offer an increasingly inclusive framework for parenthood and to support the professional careers of women, from 1 January 2022, the Group is offering paternity or adoption leave for employees in France (i.e. 62% of the House's workforce) by maintaining the compensation of the persons concerned at 100%.

In France, agreements or action plans relating to professional equality are regularly renewed in order to reaffirm the guarantee of a balanced salary positioning between men and women, as well as respect for equal treatment in the allocation of salary increases. These agreements define progress targets in order to promote the role of fathers in the exercise of family responsibility, and to enable women to carry out a professional activity corresponding to their wishes. Women in managerial roles and positions of responsibility at production sites also benefit from personalised coaching support.

In accordance with Article L.1142-8 of the French Labour Code (*Code du travail*), on 1 March 2023 Hermès International published the professional gender equality index for 2022, which was 99/100.

This index measures the gender pay gap within a single company. It takes into account all components of a compensation package and must be calculated each year, thereby serving to identify any points of progress. This index includes the following five indicators (the results obtained for each indicator are given in brackets):

- ◆ gender pay gap (39/40);
- ◆ difference in the breakdown of individual pay increases (20/20);
- ◆ breakdown of promotions (15/15);
- ◆ number of employees receiving a pay increase upon their return from maternity leave (15/15);
- ◆ number of employees of the under-represented gender among the 10 highest-paid employees (10/10).

The overall weighted average index of the Group for financial year 2022 was 95/100.

The results of the other Group companies are available at <https://finance.hermes.com/en/ethics-human-rights-and-diversities/>.

3.3.4.4 DIVERSITY POLICY AND RESULTS IN TERMS OF GENDER BALANCE IN THE TOP 10% OF POSITIONS WITH THE HIGHEST RESPONSIBILITY

Whether appointments to governing bodies, recruitment or the appointment of any employee, the Hermès Group is particularly committed to compliance with the principle of non-discrimination.

Whenever possible, all employees are reminded of the importance of this principle.

The “Hermès, a Responsible Employer” policy insists on compliance with two essential principles: the principle of non-discrimination and the principle of gender equality. This policy is described in chapter 2 “Corporate social responsibility and non-financial performance”, § 2.2.2.

The Group has also made commitments to promote the professional integration and employment of people with disabilities (see in chapter 2 “Corporate social responsibility and non-financial performance”, § 2.2.3.1.4).

The Group has put in place an “Alterego” training programme which focuses on integration and diversity management. This training is attended by all Management Committee members and the Group’s local managers. It takes the form of a one-day programme, which alternates between a theory-based and a more hands-on approach, for preventing and identifying all forms of discrimination (direct, indirect or even involuntary) and reaffirming the Group’s zero tolerance with regard to this type of practice.