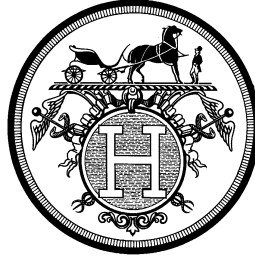


HERMES INTERNATIONAL
Société en Commandite par Actions (limited partnership with shares) with share capital of
€53,840,400.12
Paris Trade and Companies Register (RCS) no. 572 076 396
Registered Office: 24, rue du Faubourg Saint-Honoré 75008 PARIS



GENERAL MEETING OF 30 APRIL 2025

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 management.

On 7 March 2025, management received an email containing several written questions in anticipation of the 2025 General Meeting, from Forum pour l'Investissement Responsable ("**FIR**").

Please find below the answers from the Hermès Group to the written questions submitted by FIR.

Question 1: Sufficiency

According to the IPCC definition, “Sufficiency policies are a set of measures and daily practices that avoid demand for energy, materials, land and water while delivering human well-being for all within planetary boundaries.”

Sufficiency encompasses a variety of strategies aimed at limiting or moderating demand (repairability, designing timeless offerings, employing marketing strategies that encourage moderation, ...) or supply (reduction in number of product lines and/or products, production on-demand,...) as well as in resources and materials (on means and inputs such as material intensity or on , finished products (reduction of packaging, elimination of non-essential product parts that do not compromise final satisfaction),etc...).

- a) Is sufficiency a part of your environmental strategy? If yes, how do you define it? If not, do you use another concept with an equivalent objective? If yes, which one(s), and could you define them?

Hermès’ French integrated artisanal business model places quality and sustainability at the centre of its concerns, guaranteeing exceptional products while respecting the principles of sustainable development and environmental responsibility.

The concept of sufficiency is thus intrinsic to Hermès’ model: Nature, a source of exceptional materials, is at the heart of Hermès’ artisanal model and its preservation plays a central role in the Group’s commitments. Hermès pays close attention to the preservation of its resources and to its impact on natural environments and local ecosystems.

The Hermès model is based on several strategic pillars related to sufficiency:

- **The Group’s environmental policy** is based on commitments particularly in terms of preserving natural resources, including the protection and regeneration of biodiversity. Hermès limits its use of virgin raw materials by promoting their frugal use. Resources are sourced in a controlled and certified manner.
- **Long-lasting objects:** Hermès creates and manufactures quality objects designed to last, and offers a repair service to prolong their use. Hermès has adopted a circular manufacturing model, in which materials are reused and waste is minimised.
- **A moderate and controlled environmental impact:** Hermès is committed to strict resource management, for its consumption of both energy and water.

This information is provided in the following sections of the 2024 Universal Registration Document and on the Hermès Finance website, <https://finance.hermes.com/>

Document	Page	Chapter
URD	15	1.3 Strategy The environment at the heart of the craftsmanship model
URD	56	2.1.1.5.1 Strategy, business model and value chain (SBM-1)
URD	57	2.1.1.5.2 Sustainable development and value chain strategic framework (SMB-1)
URD	90	2.1.2.1 Climate change (ESRS E1)
URD	90	2.1.2.1.2 Transition plan for climate change mitigation (E1-1)
URD	96	2.1.2.1.5 Policies related to climate change mitigation and adaptation (E1-2)
URD	120 -121	2.1.2.4.3 Policies related to biodiversity and ecosystems (E4-2)
URD	128 - 129	2.1.2.5.3 Policies related to resource use and circular economy (E5-1)

b) How do you apply the concept of sufficiency to resource use and to your offerings throughout your value chain? Have you calculated the share of your activities covered by this concept (either in terms of sales or another equivalent metric)?

The quality of raw materials used is the primary guarantee of the durability of Hermès products. They are therefore selected through a rigorous process. The Group only uses the highest quality materials, optimises their use through its production methods and develops methods to reuse and recycle any production offcuts.

More precisely, Hermès has undertaken several actions to incorporate sufficiency into its model, including:

- **Resource Management:** implementing an environmental policy means respecting natural resources, controlling water and energy consumption, and managing resources in a sustainable and responsible way. A biodiversity footprint assessment was carried out using the Global Diversity Score in order to assess and prioritise impacts.
- **Responsible and sustainable sourcing:** Hermès supports its suppliers in their efforts to reduce their carbon footprint and to reduce water and energy consumption. Hermès conducts thorough analyses of its supply chains in order to identify real and potential risks, impacts and opportunities related to resources and the circular economy. The Group maintains balanced and long-term relationships, offering support while upholding high standards of sustainability and social responsibility.
- **Eco-design and circular economy strategies:** these strategies are integrated by all *métiers* in order to optimise resource use, promote the reuse and recycling of materials and contribute to a circular economy approach. Hermès' circular approach follows the principle of the 9Rs¹, a system proposed by the European Union.
- **Durability and repairability:** the objects manufactured by the Group are designed to last, to be repaired, and to be passed on from one generation to the next, thus reducing the need for new resources and extending their lifecycle.
- **Responsible real estate standard** aimed in particular at reducing the energy consumption of buildings. The main levers of Hermès' effort to reduce the carbon footprint of its operations are energy sufficiency and efficiency.

The Group's strategy is to ensure that all of its activities are aligned with the principle of sufficiency. Hermès incorporates this approach into all of its operations, ensuring consistency and environmental responsibility at every level.

These informations are further explained in the following sections of the 2024 Universal Registration Document, on the Hermès Finance website

Document	Page	Chapter
URD	15 - 16	1.3 Strategy The environment at the heart of the craftsmanship model
URD	42	1.10 Outlook
URD	87 -98	2.1.2.1.6 Actions and resources in relation to climate change policies (E1-3) Climate change mitigation actions TABLE : Transition plan levers / Scope / GHG Scope / Action / Time horizon / Estimated reduction in emissions
URD	91	2.1.2.1.2 Transition plan for climate change mitigation (E1-1)
URD	112 -113	2.1.2.3.4 Actions and resources related to marine resources (E3-2)
URD	123	2.1.2.4.4 Actions and resources related to biodiversity and ecosystems (E4-3)
URD	125 - 126	2.1.2.5.1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities (ESRS 2 IRO-1)

¹ Refuse, rethink, reduce, reuse, repair, refurbish, remanufacture, repurpose, recycle

URD	127 - 128	2.1.2.5.3 Policies related to resource use and circular economy (E5-1)
URD	129	2.1.2.5.5 Actions and resources related to resource use and circular economy (E5-2) (E5-2)

c) Could you provide concrete examples of recent successful actions implemented to integrate sufficiency into your business model? What indicator(s) do you use to ensure the effectiveness of these measures? What challenges have you faced with your clients or key suppliers in implementing sufficiency measures?

Hermès has implemented several initiatives to integrate sufficiency into its business model, including the following recent examples:

- **Energy:** a limited increase in energy consumption despite the growth in operations, the responsible real estate standard enabling renovation and restoration of buildings, the optimisation of modes of transport, the rollout of mobility plans.
- **Water:** a 65.4% reduction in water withdrawal intensity for industrial use over the past ten years, along with the launch of programmes aimed at reducing water consumption in tanneries, resulting in optimised water usage. The SIEGL site has started reusing water through its new wastewater treatment plant, leading to a reduction in water withdrawal.
- **Materials:** the development of a range of refillable perfumes and cosmetics, after-sales services provided for 200,000 products in 2024, a network of craftspeople worldwide in 2024, the *Resilked* project, which reduced the environmental impact of herringbone pattern dust bags by 20%, the deployment of the Petit h offer, which promotes the internal reuse of materials, the Ateliers d'Ennoblement d'Irigny site, which has significantly cut plastic use by reducing wrapping film, lowering overall consumption by nearly a quarter.
- **Circular economy:** Life cycle analyses conducted by all Hermès *métiers* on their emblematic products.

These actions illustrate Hermès' commitment to integrate sufficiency into its business model and to promote the responsible use of resources. By the end of 2024, greenhouse gas emissions, across all scopes, amounted to 748 ktCO_{2eq}, which is relatively limited among CAC 40 companies.

Regarding efforts to combat climate change, the SBTi validated the Group's reduction objectives for scopes 1, 2 and 3 at the end of 2021. Hermès continues to take action in line with its objectives for 2030, and moreover achieved its reduction targets for scopes 1 and 2 at the end of 2024 with a reduction of 63.7% in absolute value (surpassing the target of -50.4% compared to 2018) and is continuing its efforts to reduce its scope 3 emissions, achieving a 50.5% reduction in intensity (target of -58.1% compared to 2018).

Hermès uses several key indicators to ensure that sufficiency measures are effective:

1. **Energy consumption:** energy consumption, optimisation of modes of transport, rollout of mobility plans. Hermès is committed to implementing a policy of 100% renewable electricity within its own operations by 2025 and 100% renewable energies by 2030.
2. **Water:** water withdrawal, water consumption, and wastewater discharge.
3. **Biodiversity:** Biodiversity footprint measured using the Global Biodiversity Score, pressure indicators from the SBTN approach.
4. **Materials:** the weight of incoming raw materials, the % of recycled materials, the % of reduction of single-use plastics, the number of products repaired, and the % of offcuts reused and recycled.
5. **Suppliers and partners:** the % of certified supply chains, the number of suppliers audited.

Recognising the importance of involving every part of the supply chain in a sufficiency approach, Hermès is dedicated to engaging its suppliers in this initiative. To accomplish this, Hermès relies on long-term

relationships with its suppliers, built on trust and collaboration. The average relationship length with the top 50 direct suppliers is 19 years. Thanks to these solid partnerships, the Group and its suppliers collaborate to integrate sustainable and responsible practices into every stage of their operations. In particular, written documents, such as the responsible purchasing policy or the Supplier CSR Brief, formalise and systematise these discussions.

Hermès recently published its first responsible purchasing policy, based on the principles of ethics, respect for the environment and long-term partnerships. This policy is communicated to all suppliers and subcontractors, further reinforcing Hermès' commitment to sustainable and responsible practices.

These actions illustrate Hermès' commitment to integrate sufficiency into its business model and to promote the responsible use of resources.

Document	Page	Chapter
URD	69 - 73	2.1.1.6.3 Results analysis (SBM-3)
URD	98	2.1.2.1.6 Actions and resources in relation to climate change policies (E1-3) Climate change mitigation actions TABLE : Transition plan levers / Scope / GHG Scope / Action / Time horizon / Estimated reduction in emissions
URD	113	2.1.2.3.4 Actions and resources related to marine resources (E3-2)
URD	114	2.1.2.3.5 Water consumption (E3 -4)
URD	123	2.1.2.4.4 Actions and resources related to biodiversity and ecosystems (E4-3)
URD	128	2.1.2.5.3 Policies related to resource use and circular economy (E5-1)
URD	132 - 134	2.1.2.5.5 Actions and resources related to resource use and circular economy (E5-2) (E5-2)
URD	172	2.4.2.1.2. Breakdown of the Group's energy consumption (electricity and gas) by division

All the targets and indicators are developed in the following sections of the Hermès 2024 Universal Registration Document.

Document	Page	Chapter
URD	91	2.1.2.1.2 Transition plan for climate change mitigation (E1-1) Decarbonisation levers
URD	98	2.1.2.1.6 Actions and resources in relation to climate change policies (E1-3) Climate change mitigation actions TABLE : Transition plan levers / Scope / GHG Scope / Action / Time horizon / Estimated reduction in emissions
URD	113	2.1.2.3.5 Targets related to water and marine resources (E3-3)
URD	125	2.1.2.4.5 Targets related to biodiversity and ecosystems (E4-4) Pillar 3 – Assess Pillar 4 – Act
URD	125	2.1.2.4.6 Impact metrics related to biodiversity and ecosystems change (E4-5)
URD	135	2.1.2.5.6 Targets related to resource use and circular economy (E5-3) Table: Policy focuses / Action / Target
URD	136	2.1.2.5.7 Resource inflows (E5-4) Table: Quantity and type of inflow materials used in 2024

d) How do you balance sufficiency with profitability in your operations?

The concept of sufficiency is at the centre of the Group's business model and history. Its model of artisanal excellence creates lasting value. This model is based on designing durable objects made by skilled craftspeople who are committed to the principles of sufficiency, using exceptional materials carefully sourced from our long-term partners who are selected based on strict social and environmental criteria. By controlling its resource consumption and reducing its environmental impact, sufficiency efforts reduce operational costs related to energy and raw materials, while also meeting clients' growing expectations around sustainability and environmental and social responsibility.

Document	Page	Chapter
URD	58 - 59	2.1.1.5.2 Sustainable development and value chain strategic framework (SMB-1)

Question 2: Decent standard of living

A decent standard of living is partially achieved by paying employees a living wage, but also : social protection, financial benefits, etc.

As a reminder, the Global Living Wage defines a living wage as *“The remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.”* This remuneration must also enable the employee and his or her family to take part in social life (leisure activities, access to communication services, etc.).

Therefore, a living wage, which can vary depending on the location, should not be confused with the minimum wage, which may be determined at a national level.

The question as a whole concerns:

- **The employees in your value chain (excluding your own workforce), both upstream (employees of suppliers, service providers, subcontractors, etc.) and downstream (franchises, etc.).**
- **Non-permanent staff, such as freelancers, temporary workers, or contract workers.**

The question therefore does not concern employees of your company and its subsidiaries.

General introduction

Hermès made a commitment to comply with current regulations on working conditions and compensation many years ago. This commitment is applied uniformly in all the countries in which Hermès operates, without exception. Furthermore, the vast majority of our employees and suppliers work in OECD member countries, where remuneration and social protection are governed by a strict legal framework.

In line with the values intrinsic to its social model, Hermès aims not only to provide a living wage, but also to offer competitive overall compensation packages to ensure a high quality of life and long-term personal and professional development. Hermès guarantees a living wage for employees, in accordance with local regulations and applicable benchmarks, as confirmed once again by the analysis conducted in 2024 and audited by an independent third party (see URD 2024).

- a) How do you guarantee a decent standard of living (living wage, social protection, emergency savings, and other benefits such as housing assistance) to these workers? Which workers does this apply to (tier 1, 2, and 3 suppliers, all of your strategic suppliers, non-permanent staff, etc.)?**

Hermès' social model, in which 55% of products are made in exclusive, in-house workshops and 74% in France, relies on a network of suppliers based mainly in Europe, where social practices are the strictest. Hermès' exposure to the supplier risk is therefore reduced, especially since 55% of its top 50 direct suppliers are in France and 40% in other European countries. Two per cent of purchases are made in more distant countries, where strict control and monitoring are implemented.

Furthermore, the Group builds long-term relationships with its suppliers, with an average of 19 years working with its top 50 direct suppliers.

The Group recognises that the long-term viability of its operations depends on the availability of exceptional raw materials. Hermès is committed to sustainably developing its supply chains, going

beyond merely complying with environmental, ethical and social regulations.

The Group's goal is to ensure a decent standard of living within Hermès' value chain. The quality of our relationships and compliance audits contribute to this goal.

Hermès implements several specific measures to reduce risks related to compensation and social benefits and engage its suppliers: the responsible purchasing policy, the Supplier code of conduct, the CSR briefs, the Supply chain briefs.

Hermès has built its social model on the following four pillars:

- Humanistic management
- Health and well-being, which includes social protection
- Recognition and remuneration: which involves paying a living wage
- Meaningful work

These internal values are shared with the Group's suppliers and may contribute to the positive evolution of their practices.

Full details of the social policies pertaining to Hermès' operations and value chain are provided in the following sections of Hermès' published documents, available on the Hermès Finance website.

Document	Page	Chapter
URD	148 -151	2.1.3.1.3 Policies related to own workforce (S1-1)
URD	165 -166	2.1.3.2.3 Policies related to value chain workers (S2-1)
Code of Ethics	13 - 14	Adherence to international principles
Code of business conduct	22 -23	Human rights and fundamental freedoms
Health and safety policy 2023 - 2025	Entire document	
URD	148 - 151	2.1.3.1.3 Policies related to own workforce (S1-1)
URD	160 -161	2.1.3.1.12 Living wages (S1-10)
URD	165	2.1.3.2.3 Policies related to value chain workers (S2-1)
URD	303	3.8.1.1.2 Manner in which the conditions of compensation and employment of the Company's employees are taken into account in the decision-making process (Article R. 22-10-40, I-3° of the French Commercial Code)
Supplier code of conduct	4	2.5 Ensuring adequate remuneration
Vigilance plan	17	Summary of the human rights and fundamental freedoms risk map
Vigilance plan	19	Work-life balance (focus)
Vigilance plan	22	Living wage
Supply chain brief	Entire document	
CSR brief	3	Social and human rights

b) Have you identified and mapped the risks and obstacles to the payment of decent compensation and social security benefits in your value chain (e.g. high-risk jobs, high-risk countries, local regulatory context, inflation, competitiveness, and lack of supply chain transparency)?

What specific measures do you take to reduce the risks related to these jobs (such as an annual review with correction of disparities, introducing incentives for suppliers)?

Hermès identifies and maps risks related to respecting a decent standard of living, in particular as part of the Group mapping process and its vigilance plan.

Every year and whenever necessary, Hermès prepares and updates a map designed to identify, analyse and rank risks of serious violations caused by its activities. The mapping covers all human rights and includes the issue related to decent wages.

Hermès maps the risks within its value chain each year, using a list of sensitive countries in order to rank country risks based on human rights issues, particularly the issue of a living wage. Year after year, Hermès strives continuously to improve its risks assessment methodology and the management of its action plans.

Hermès has taken several specific measures to reduce risks associated with the compensation paid and social security benefits provided by its suppliers:

- **Supplier code of conduct:** Hermès has a strict code of conduct that all suppliers must comply with. This code includes ethical principles and international standards applicable to compensation and working conditions.
- **Responsible purchasing policy:** Hermès has documented a responsible purchasing policy based on four pillars: ethics and fundamental rights, environment, relationships with partners, solidarity and local purchasing. This policy aims to ensure that all the Group's partners meet high standards in terms of social and environmental responsibility. Ethics and human rights are a fundamental pillar of this goal.
- **Vigilance plan:** Hermès has developed a vigilance plan in order to assess and mitigate risks related to human rights and working conditions in its value chain.
- **Supplier support:** Hermès supports its suppliers by helping them to adopt responsible practices. This support includes regular audits and training to ensure that social and environmental standards are met.

Audits conducted by buyers or third-party experts also contribute to mitigating risks. Alongside audits and improvement plans, Hermès ensures that all the Group's partners share and respect its social, environmental and ethical goals by building balanced relationships with them and providing long-term support.

These initiatives demonstrate Hermès' commitment to working closely with suppliers in order to guarantee decent working conditions and reduce the related risks.

Details of the actions taken are provided in the following sections of the 2024 Universal Registration Document.

Document	Page	Chapter
URD	75	2.1.1.6.3 Results analysis (SBM-3)
URD	147	2.1.3.1.2 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)
URD	152 -153	2.1.3.1.5 Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)
URD	153 - 157	2.1.3.1.6 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)
URD	164	2.1.3.2.2 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)
URD	165	2.1.3.2.3 Policies related to value chain workers (S2-1)
URD	167	2.1.3.2.5 Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)
URD	168	2.1.3.2.6 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4)
URD	170 - 171	2.1.3.2.6 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4)
URD	201	2.3.2 Risk mapping and assessment methodology

c) Is respect for a decent standard of living a criterion applied in selecting your suppliers or subcontractors? To what extent is it a material criterion in your choice?

Hermès selects suppliers who share our values and meet high standards, particularly in terms of working conditions and compensation. Audits are also performed based on a set of social criteria including a decent standard of living to ensure that our partners are aligned with our values.

When we first begin working with a supplier, it must take a number of documents into account and above all sign the Group's supplier code of conduct. This Code defines a living wage in section 2.5. It also stipulates that: "For guidance, the Supplier may refer to the studies of independent reference organisations, such as *Fair Wage Network* or *Global Living Wage Coalition*, to ensure that it complies with this objective."

Furthermore, prior to and throughout the business relationship, suppliers undergo assessments by buyers to verify their compliance with the Group's social requirements.

The Group has also set up a whistleblowing system for both its own operations and the supply chain in order to collect reported concerns.

Details of the actions taken are provided in the following sections of the 2024 Universal Registration Document.

Document	Page	Chapter
URD	162	2.1.3.2.1 Interests and views of stakeholders (ESRS S2 SBM-2)
URD	165 -166	2.1.3.2.3 Policies related to value chain workers (S2-1)
URD	168 -171	2.1.3.2.6 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4)

d) If you have introduced a policy to guarantee a decent standard of living for all or some of the workers and freelancers in your value chain, what outcomes have you achieved? What is your roadmap for the future (measures and quantification, example of metrics, tracking and improvement, expansion of scope, etc.)? How do you ensure that your suppliers, subcontractors and franchisees meet their commitments? In the event of an established controversy about a supplier, how do you address the situation (contract termination, dialogue and commitment, etc.)?

In line with the values intrinsic to its social model, Hermès aims not only to provide a living wage, but also to offer competitive overall compensation packages to ensure a high quality of life and long-term personal and professional development. Hermès therefore guarantees a living wage for its employees, in compliance with local regulations and applicable benchmarks. The overall compensation policy comprises a number of individual and collective schemes, salary components and benefits that cover:

- the basic and self-fulfilment needs of employees, in particular health, safety, education, social inclusion, access to leisure activities, and personal and professional development, through fixed salaries, individual and collective bonuses and various profit-sharing schemes, additional social welfare schemes covering health costs and collective personal insurance;
- the need for recognition and belonging of employees in the medium and long term – for example through the six employee stock ownership plans granted to all employees worldwide;
- the need to look to the future with confidence, including at the end of working life – with post-employment benefits through retirement payments, exceptional bonuses, and a collective free share allocation plan.

Policies are currently being developed for the upstream value chain.

No serious violations related to the non-compliance with the United Nations Guiding Principles on Business and Human Rights involving workers in the upstream and downstream value chain were reported in 2024.

In addition, any human rights impacts identified during an audit are systematically addressed through an action plan developed with the supplier. Progress of the action plan is regularly monitored.

Hermès requires its suppliers to comply with the responsible purchasing policy and the supplier code of conduct, which particularly refers to the ILO Conventions. Suppliers undertake to declare their subcontractors in the annex to that code and to take due diligence and oversight measures to ensure that they comply with all their obligations with regard to human rights and employee health and safety.

To ensure that suppliers meet their commitments, Hermès deploys a monitoring system:

- **Prior to approving a supplier:** suppliers are selected based on strict social criteria in addition to an on-site visit if necessary and they sign the Supplier code of conduct
- **During the business relationship:** on-site audits of tier 1 and 2 suppliers are conducted and the EvoVadis platform is also used
- **Following audits / in the event of non-compliance** identifying potential human rights impacts, an action plan is systematically developed with the supplier. Progress of the action plan is regularly monitored. Depending on the degree of criticality and the supplier's response, the business relationship may be reviewed or terminated in the case of serious violations.

Question 3: Sustainability Governance

- a) Do you publish a skills matrix for directors? Does it identify each director? Does it give a granular presentation of sustainability-related skills (listing in detail the skills of each director beyond CSR/ESG/sustainability: climate, biodiversity, human rights, diversity and inclusion, energy transition, social and value chain, financial impact of climate change, etc.)?

The Company publishes a matrix of the main areas of skills and expertise of the members of the Board appointed by the General Meeting in its Universal Registration Document (URD). This matrix is presented in § 3.4.5.1 of the 2024 URD (p. 250).

- b) On what basis do you consider that a director has expertise in CSR or sustainability? Have you defined prerequisites/criteria for each of these skills? If yes, which ones?

As stated in § 3.4.5.2 of the 2024 URD (p. 252), each member of the Supervisory Board is asked to make a declaration listing the areas in which they have particular expertise. This declaration is made upon their appointment and is renewed each year when the universal registration document is prepared. The criteria used to validate an area of expertise are presented on pages 252 and 253 of the 2024 URD.

- c) For each director with expertise in sustainability (giving their first and last names), could you list their specific skills and the nature of these skills (e.g. experience, scientific/research profile, regulatory expertise, specialised training)?

We do not publish the skills matrix on an individual basis. As stated above, the criteria used to validate a skill are predefined, although the list is not exhaustive.

- d) For transparency purposes, do you publish the following information?

Do you publish the following information:		Yes	No	If yes, please provide the source/ reference
A detailed biography of each director highlighting their experience or training in sustainability-related issues ?		X		§ 3.4.8 of the 2024 URD (p. 262 to 280)
How the skill was acquired?	Format of each training programme (internal or external)	X		§ 3.5.3.3, § 3.5.3.4 and § 3.5.3.5 of the 2024 URD (p. 284 and 285) § 3.5.6.1.2 of the 2024 URD (p. 287 to 289)
	Content of each training programme	X		§ 3.5.6.1.2 of the 2024 URD (p. 287 to 289)

				to 289)
	Mandatory or optional nature of each training programme	X		§ 3.5.6.1.2 of the 2024 URD (p. 287 to 289)
	Frequency of each training programme	X		§ 3.5.6.1.2 of the 2024 URD (p. 287 to 289)
	Target recipients of training	X		§ 3.5.6.1.2 of the 2024 URD (p. 287 to 289)
The type of ongoing assessment of the skill?	Self-assessment	X		§ 3.4.5.2 of the 2024 URD (p. 252)
	Independent third-party assessment		X	

Question 4: Artificial Intelligence Governance

a) Vision/Management:

- Which of your company's activities and professions are already impacted by the use of AI?
- Which ones will be impacted by AI use within one year, in the medium term (between one and three years) and in the long term (more than three years)? In your opinion, which ones will not be impacted, or will only be slightly impacted in the near future?

Artificial intelligence (AI) is transforming many industries and professions, bringing significant changes to the way businesses operate and interact with their stakeholders, employees, customers and suppliers.

Artificial intelligence is integrated into some of our systems via our partners and is deployed when appropriate. The Group is open and attentive to change and to everything that can help to safeguard and support our unique model while relieving operational staff of difficult and repetitive tasks.

It should be noted that Maison Hermès also pays close attention to the related governance and ethical concerns.

The first use cases emerging include:

- It for IT : improvement of IT and technical services (automation, documentation, development support).
- Data : Use of Business Intelligence for decision support, reporting, and document research.
- Retail Tools : support for the customer relationship centre, and assistance with logistic processes.
- Supply chain optimisation, enabling the automation of certain logistics processes and decision support.

However, the Group will continue to follow its artisanal model and our craftspeople will continue to work and express our *savoir-faire* by hand. Artificial intelligence may enhance and facilitate access to continuous training to better meet the needs of our craftspeople.

Similarly, creation will remain in the hands of our designers and artists, offering a perspective on the Group, our materials, our expertise and modernity.

- b) Impacts: Has your company assessed the direct and indirect effects of its use of AI on energy consumption, particularly electricity and water? Has your company estimated how AI use will impact energy consumption in future? If so, over what time frame(s)? Please provide the figures. Has your group identified the social consequences of its use of AI? What ethical issues does your company's use of IA raise? For each of the three areas – energy, social, and ethics – do you incorporate identified potential impacts into your investment decisions? What organisation and measures have you adopted to reduce or eliminate the impacts (please be precise and provide adequate examples to illustrate your answer)?**

AI is not impact-neutral; however, based on our current usage, we only measure the environmental impact of our cloud practices, as our AI systems are exclusively hosted on these two platforms. When AI is embedded in partner software or applications, it is integrated into the partner's cloud.

Regarding the social and ethical consequences of AI, we have identified:

- the need to train our employees to help them understand and use AI responsibly. This training is particularly necessary as it ensures employability and minimises generational inequality.
- Confidentiality and personal data protection: Ensuring strict governance to protect the privacy of employees and clients is a key priority for the Group. A governance structure has therefore been adopted. This information is provided in section 3.5.5 of the Universal Registration Document (Ethics and Compliance – Personal Data Protection).

In order to oversee these technological developments while remaining true to the company's values, a governance structure is being established in 2025 with an Artificial Intelligence Governance Committee.

This Committee's role will include:

- Establishing a **complete list** of projects and initiatives in order to identify potential AI interactions among them and correct any bias.
- **Managing the quality of technology**: precision, robustness, performance, transparency, and explainability.
- Taking **responsibility for the approach**: measuring bias (e.g. of models, data, interfaces), impact, confidentiality, risks and compliance (risk assessment), and approving roles and responsibilities.

We also pay special attention to regulatory requirements, including the GDPR and the European AI Act.

c) How many AI systems do you use? Have you anticipated any potential dependency on your AI suppliers? If yes, what action have you taken or do you plan to take to address this risk?

We currently use a range of partner applications powered by artificial intelligence and, due to the diversity of the Group's approach, we have not identified any significant dependency on suppliers.

Personalised Question

As you reported last year in your answer to the FIR's question on circular economy, Hermès follows the 9Rs principle and adopts a circularity approach based on product durability, repair services, recovery of materials and the use of certified raw materials, while improving waste and water management and reducing emissions. Your answer to last year's question indicated that 100% of the 15 métiers have included a section on the circular economy in their roadmap.

a. What investments have you made and what are your short- and medium-term goals in this area?

The Group's artisanal model has always incorporated the principles of a circular economy, notably by striving to minimise and reuse our production offcuts, but also by promoting our expertise in repair and after-sales services. Hermès is pursuing its commitment to a circular economy. The Group has implemented a number of actions and defined the following related goals: designing durable objects, responsible sourcing, certification of supply chains, promotion of circular manufacturing and improving object end-of-life.

Details of all actions and targets are provided in the following sections of the 2024 Universal Registration Document, and on the Hermès Finance website in the circular economy section.

Document	Page	Chapter
URD	72 - 73	2.1.1.6.3 Results analysis (SBM-3)
URD	129 - 134	2.1.2.5.5 Actions and resources in relation to resource use and circular economy (E5-2) (E5-2)
URD	135 - 136	2.1.2.5.6 Targets related to resource use and circular economy (E5-3)

b. What is the proportion of recycled materials used to manufacture products at Group level and/or by business line?

Information on the weight, in absolute value and as a percentage, of the recycled materials used by the Group is not yet available.

We can provide the following information on this topic: The orange packing cardboard box is made from 100% recycled materials; the Resilked project (use recycled silk yarns) enable the Holding Textile Hermes (HTH) teams to reduce the environmental impact by 20% compared to original reference canva accompanying products in stores. Furthermore, Petit h creations are made from recycled materials/offcuts from our métiers;

Details of all actions and targets are provided in the following sections of the 2024 Universal Registration Document.

Document	Page	Chapter
URD	137	2.1.2.5.7 Resource inflows (E5-4) Quantity and type of inflow materials used in 2024
URD	206	2.4.1.1 HERMÈS' CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS SDG 12
URD	72 - 73	2.1.1.6.3 Results analysis (SBM-3)
URD	134	2.1.2.5.5 Actions and resources in relation to resource use and circular economy (E5-2) Improving the circularity of packaging and reducing plastic consumption

c. What proportion of products are eco-designed, and what are the main technical, economic or commercial obstacles to deploying this eco-design strategy?

The circular economy is part of Hermès' broader strategy as regards raw materials. Hermès uses exceptional raw materials, from renewable natural sources, which enable it to create long-lasting objects. They are obtained with the aim of controlling their environmental and social footprint, both in terms of biodiversity and human rights, and are used with respect by optimising their use.

More specifically, the majority of the *métiers* now have an LCA roadmap with objectives for permanent or emblematic product coverage, or even for all collections. Currently, 15 Hermès *métiers* complete LCAs for their emblematic products. The eco-design strategy aims to constantly balance the following factors: maintaining object quality and durability, availability of high-quality sustainable materials, adjustment of manufacturing processes, and development cost (investments in the research and development of new solutions).

As one of our material risks, Hermès has identified a risk relating to the availability and proper use of natural resources. The Group seeks to secure quality supplies of natural and renewable materials, obtained while fully respecting biodiversity. The risk relates to access and availability of materials, as well as the conditions under which they are obtained: social and environmental impact and their societal acceptability (animal welfare). The Group works in each of its *métiers*, under the coordination and supervision of the direct purchasing department, to gain a better understanding of the supply chains and develop operational practices in order to jointly build the resilience of these channels.

Hermès is pursuing its works in eco-design which it regards as a crucial approach for the future of its *métiers* and the sustainability of its business model.

Details of all actions and targets are provided in the following sections of the 2024 Universal Registration Document.

Document	Page	Chapter
URD	130	2.1.2.5.5 Actions and resources in relation to resource use and circular economy (E5-2) (E5-2)