



VIGILANCE PLAN

2025 FINANCIAL YEAR

INTRODUCTION

Hermès is committed to respecting human rights, fundamental freedoms, health and safety of people and environmental protection. To this end, policies and coordinated actions have been implemented, as described in this vigilance plan. In accordance with French law no. 2017-399 of 27 March 2017, this plan contains measures intended to identify and prevent risks of serious harm to human rights and fundamental freedoms as well as to health, safety and the environment, within the framework of a best efforts obligation.

The first autonomous vigilance plan covers the 2022 financial year. It is aimed at **external stakeholders** (institutions, associations, suppliers and service providers) and **internal stakeholders** (employees and employee representatives).

Subsequent editions have confirmed the Group’s commitment to accountability and transparency, by consolidating the continuous improvement approach.

This fourth plan covers the 2025 financial year and extends this momentum to four areas:

- a reinforced risk mapping methodology;
- an in-depth risk analysis;
- the ongoing deployment of risk mitigation measures;
- communication on the development of the whistleblowing system.

This approach responds to Hermès’ goal of ensuring virtuous economic, social and environmental development for all its employees, partners, customers and stakeholders, as well as for future generations.

Giving back to the world part of what it provides: this is the humanist goal that drives the Group.



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1. THE HERMÈS GROUP

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GROUP PROFILE AND AMBITION

Hermès, present worldwide, remains an independent house supported by family shareholders, a guarantee of pragmatism, stability and longevity. Promoting French manufacturing, its project is based on the excellence of its craftsmanship: human hands, savoir-faire and quality.

People are naturally at the heart of the House's craftsmanship model, as well as its partners and suppliers. **Hermès aims to be a responsible and committed employer wherever it operates:** it systematically seeks the best level of prevention and protection for its employees as well as for the staff of its partners working in its value chain.

Hermès is very attentive to respecting a balance in terms of diversity and to stringently applying the fundamental principles of the United Nations and OECD with regard to human rights and fundamental freedoms.

As a manufacturer committed to the excellence of its creations, **Hermès continually strives to improve working conditions within its value chain.**

The Group thus has a genuine ability to assess the risks and mitigation measures taken by its partners, regarding the health of people, their safety and their working conditions.

As regards the environment, Hermès is working to reduce all its impacts, notably in terms of GHG (greenhouse gas) emissions, the protection of resources and biodiversity, or animal welfare. This requirement runs throughout the entire production chain: from the supply of raw materials to the distribution of products and their repair, and including manufacturing.

Since 1837, Hermès has been producing exceptional objects, designed to last and to be passed on.

OUR ROOTS AND VALUES



An independent creative house since 1837



An integrated French manufacturing model



A humanist management of employees



A wide range of long-lasting products



A socially responsible company

UNIQUE HERITAGE



Creative heritage



Savoir-faire heritage



Materials heritage



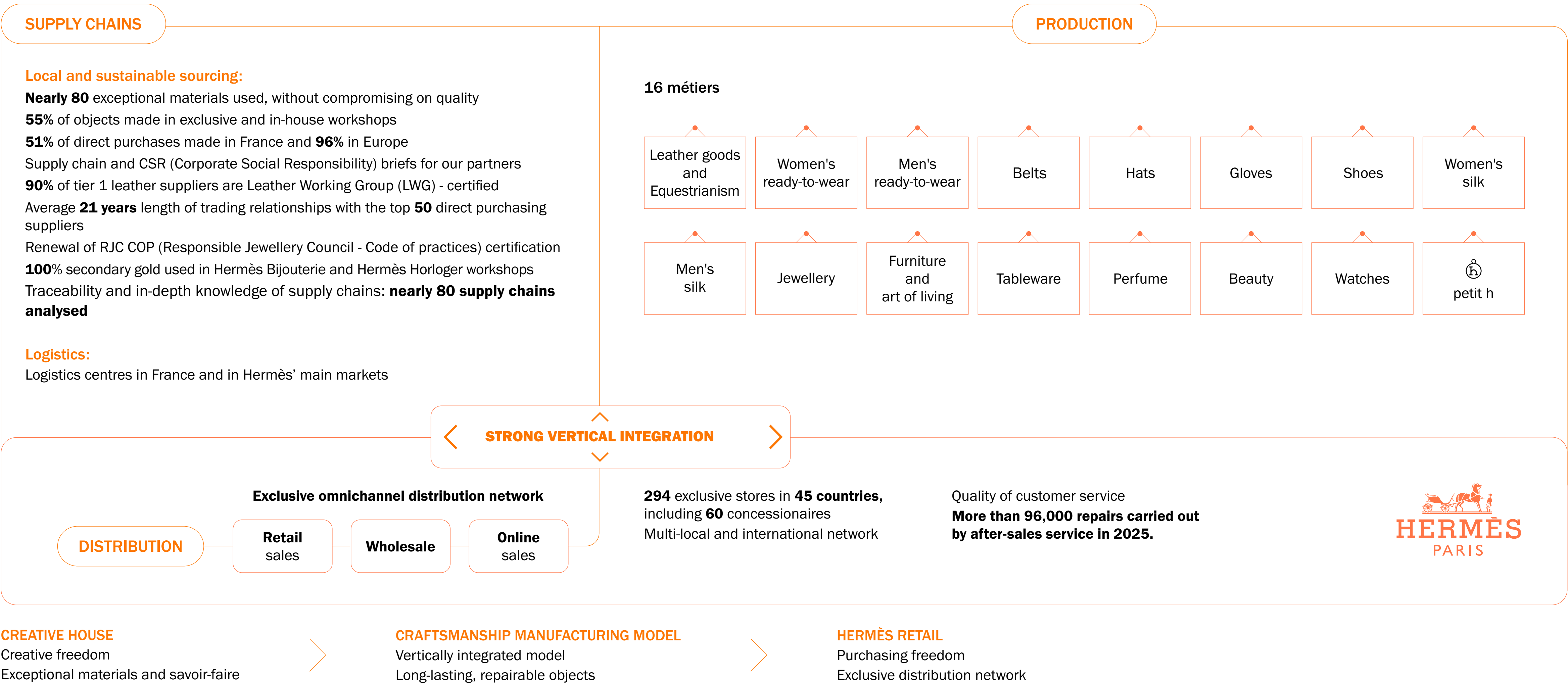
Retail heritage

HERMÈS' COMMITMENTS IN TERMS OF VIGILANCE

Hermès is committed to respecting human rights and fundamental freedoms and, as such, the House undertakes to comply with the principles, standards and international agreements listed in the table below:

INTERNATIONAL ETHICS PRINCIPLES AND STANDARDS	INTERNAL FRAMEWORK	EXAMPLES OF IMPLEMENTATION
→ The Universal Declaration of Human Rights → The Charter of fundamental rights of the European Union → The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the ILO Fundamental Conventions → The OECD Guidelines (2023) for Multinational Enterprises → The Global Compact under the aegis of the United Nations → The duty of vigilance in France and the legislation specific to certain countries and states where Hermès is present (UK Modern Slavery Act, California Transparency in Supply Chains Act, etc.)	→ Environmental policy Aims to prevent incidents and emergency situations and to present the actions implemented to control and limit their impact. → Ethics charter Aims to promote respect and ensure proper application of major international ethics principles. → Code of business conduct Aims to raise awareness of certain risks and give employees appropriate behavioural reflexes. → Responsible purchasing policy Aims to integrate the principles of corporate social responsibility (CSR) in all purchasing categories, in line with the Group's expectations in terms of sustainable development. → Supplier code of conduct Aims to promote ethical, responsible and sustainable conduct for all suppliers.	→ Ethics Committee The committee is in charge of collecting and monitoring the processing of alerts. It issues recommendations on the Group's ethics culture. → H-Alert! system Employees and stakeholders are invited to report any breaches of the ethics principles and/or applicable standards through the various channels of the H-Alert! system. → Supply chain and CSR briefs for suppliers Suppliers integrate the Group's expectations on social, environmental and human rights issues. → Métier/subsidiary EHS policies The policies incorporate Hermès' requirements in terms of employee working conditions and the environment. → Group vigilance plan and specific annual declarations The reports published present the measures adopted to meet legal requirements, particularly in terms of preventing the risk of serious violations of human rights and environmental protection. → Social policies In 2025, the Group set out five social policies that reflect the "Hearts & Crafts" social model into concrete priorities, in order to sustainably guide practices within the Group and guarantee employees a fulfilling working environment, while amplifying its social impact.

A SUSTAINABLE VALUE-CREATING FRENCH CRAFTSMANSHIP MODEL (SIMPLIFIED VERSION)



HERMÈS IN FIGURES

€16,002million
in revenue in 2025

294 exclusive stores in 45 countries

26,494
employees in 2025

Of which 16,349 in France: 46% in production,
39% in sales, 15% in support

75%
of objects produced in France

79
production sites

Of which 63 training and
production sites in France
in 11 of the 13 French regions

68%
women in 2025

55%
of objects made in
its exclusive in-house
workshops



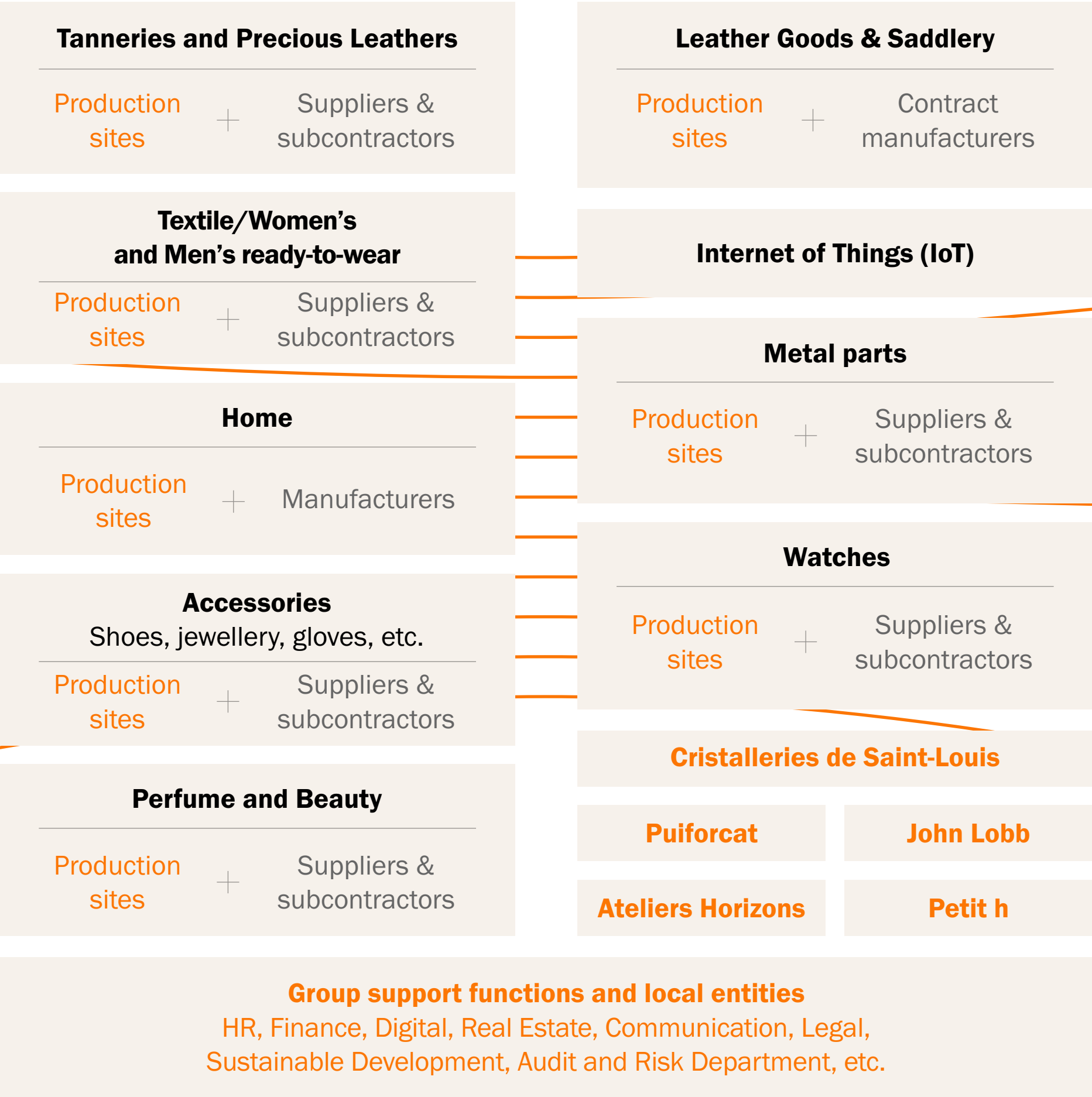
HERMÈS' VALUE CHAIN

 INTERNAL  EXTERNAL

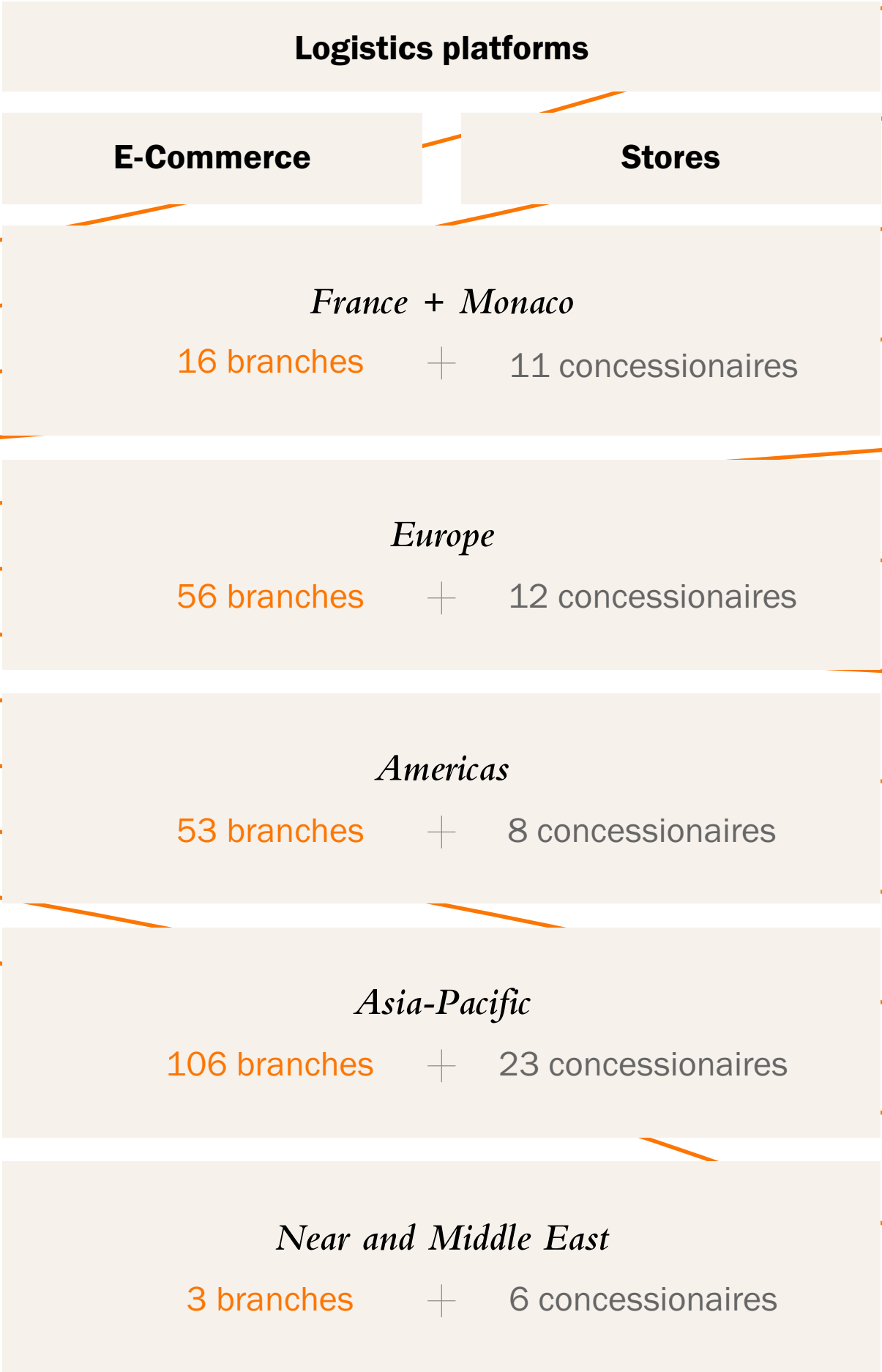
SOURCING & TRANSFORMATION OF MATERIALS



PRODUCTION/MANUFACTURING OF FINISHED PRODUCTS structured according to the Hermès Métiers



EXCLUSIVE DISTRIBUTION





2. VIGILANCE PLAN FRAMEWORK

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GOVERNANCE OF THE VIGILANCE PLAN

The Supervisory Board is regularly informed of the ethics and compliance systems and programmes rolled out within the Group, in particular through the Audit and Risk Committee, to which the legal compliance department presents the actions undertaken in this area at least once a year.

A Compliance and Vigilance Committee oversees the Group’s vigilance plan, led by the legal compliance department.

Its main duties are:

- defining compliance guidelines;
- recommending preventive actions;
- monitoring the entire Group vigilance plan;
- coordinating the consultation and involvement of stakeholders in updating the vigilance plan.

The departments that are members of the Compliance and Vigilance Committee participate in the oversight of these duties, as well as in the drafting of the vigilance plan. The functions that are at the centre of duty of vigilance issues, such as the human resources, sustainable development or purchasing departments, have their own oversight bodies. They meet regularly to monitor the actions implemented, with the aid of indicators.

A Compliance and Vigilance Committee member acts as the point of contact and is responsible for the implementation and monitoring of action plans stemming from the Group vigilance plan.

The vigilance plan is subject to operational oversight by the Direct Purchasing Coordination Committee, the supply chain purchasing networks and specific committees depending on the issues impacting the supply chains ([see page 45](#)).



RISK ASSESSMENT METHODOLOGY

In 2025, Hermès is continuing to strengthen its risk assessment methodology and the management of action plans associated with the duty of vigilance.

The Compliance and Vigilance Committee used three pre-existing approaches, presented below. Strengthening the risk assessment methodology has made it possible to:

- **adjust the risk universe specific to Hermès**, enabling a common language to be established and strengthening cross-functional work on these subjects;
- **develop the analysis of risks** in certain scopes assessed as priorities. This prioritisation was notably developed through an understanding of the level of exposure, the perception of the current level of control and the analysis of risk mitigation measures;
- **add an external and independent data source on “raw” risks**, i.e. without any mitigation measures that Hermès may implement;
- **measure the effectiveness of the action plans drawn up**;
- **reinforce stakeholder involvement**.

TAKING INTO ACCOUNT THE GROUP'S RISK MANAGEMENT SYSTEMS TO INFORM THE MAPPING OF RISKS RELATED TO THE DUTY OF VIGILANCE

The analysis of non-financial risks is based on two axes:

- the magnitude of multi-criteria impacts;
- the likelihood of occurrence.

This analysis is based on risk mapping exercises conducted by the audit and risk management department with all Group entities and departments.

A double materiality analysis was conducted jointly by the finance department, the sustainable development department, the audit and risk management department and the legal department. It is described in chapter 4.1.1.6 of the sustainability report, which can be accessed *via* the following QR code.



These issues provide:

- an internal overview of the overall impact of Hermès and its value chain, in view of their materiality;
- an external overview assessing the impact of these factors on the sustainability of Hermès' business model.

Supplier risk mappings by purchasing category and for all supply chains are carried out and managed by the direct and indirect purchasing departments. Buyers in each métier identify and formalise the risks for each purchasing category, particularly those related to the duty of vigilance. Since 2019, these risk analyses by purchasing category (manufacturing, metal parts, fabrics, etc.) have been supplemented by supply chain analyses by raw material.

As part of the supply chain risk management procedure, the updating of priority scopes continued in 2025.

UNIVERSE OF DUTY OF VIGILANCE RISKS

Hermès conducted mapping to identify, analyse and prioritise the risks of serious harm resulting from its activities. This risk universe was improved according to internal guidelines. It was then refined by the Compliance and Vigilance Committee, which structured all the interviews conducted on the internal and external scopes.

 HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

Social dialogue	Non-compliance with dialogue with our employees and trade union rights
Discrimination	Discriminatory behaviour in terms of access to employment, compensation, careers or access to training
Living wage	Salary not in accordance with the legislation in force or insufficient to meet the needs of the employee and their family
Child labour	Child labour, in any form
Forced labour	Forced labour or modern slavery
Impact on communities	Impact of activities on living conditions in local communities
Personal data	Breach of personal data protection

 HEALTH & SAFETY

Consumer safety	Failure to ensure the safety of products placed on the market
Health and safety at work	Occupational injury or illness
Psychosocial risks	Moral or sexual harassment Threats, stressful situations
Working conditions	Indecent working environment and/or accommodation for employees, excessive workload
Safety and security of persons	Lack of protection of employees in their workplace or during their travel: assaults, theft, attacks related to their activity

 ENVIRONMENT

GHG emissions and climate change	Impacts on climate change due to the Group's activities and its value chain
Depletion of natural resources	Insufficiently controlled consumption of resources that are non-renewable, limited, to be preserved (water, wood)
Pollution and waste	Emissions of pollutants <i>via</i> aqueous or atmospheric discharges and of various forms of waste, including plastic waste
Biodiversity damage	Destruction of a part of biodiversity through the use of raw materials or the establishment of sites
Animal welfare	Animal exploitation practices contrary to the Group's commitments and to compliance with the principles of animal welfare

STAKEHOLDER INVOLVEMENT

The Hermès Group has involved its stakeholders in the preparation of its vigilance plan. In this respect, it is true to the spirit of the law as well as its desire to work with its internal and external partners.

In consultation with the departments concerned, direct purchasing, indirect purchasing, sustainable development, labour relations and legal compliance, the Group’s stakeholders were involved in updating the vigilance plan.

Manufacturers, suppliers, service providers, employee representatives and associations met with an independent firm to share their analyses of Hermès’ duty of vigilance.

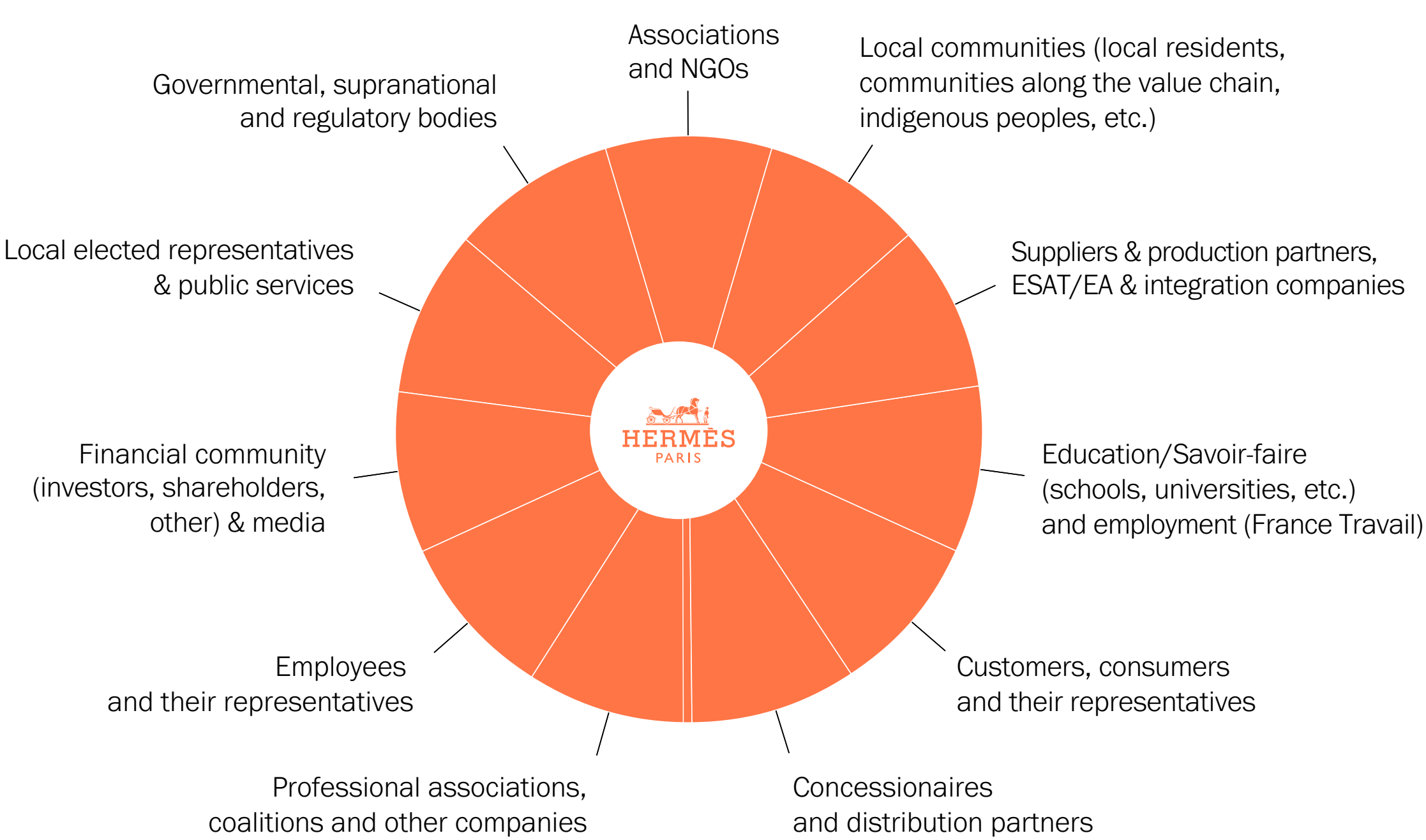
These discussions supplemented the analysis carried out with other stakeholders as part of the double materiality exercise.

This approach aims to establish **a high-quality, transparent and confidential discussion with the stakeholders concerned**. The interviews carried out focused on:

- points of attention and risks to be addressed by Hermès in its value chain;
- the assessment of the control systems implemented by the Group;
- suggestions for improvements to be taken into account.

In connection with the materiality analysis, **these discussions notably highlighted the Group’s vigilance on the following points:**

- a very cautious outlook in terms of ethics and risk control;
- employee protection and attention at all times;
- an in-depth knowledge of the craftsperson’s métier, enabling the implementation of a consistent system that meets the highest standards;
- working in partnership, creating lasting value;
- a steady reduction in the environmental footprint of activities (GHG, water, biodiversity);
- continuous improvement in animal welfare.



GLOBAL RISK MAPPING

AT HERMÈS

AT PARTNERS' SITES

To create, produce and distribute its products among its customers, Hermès operates a value chain that mobilises a number of supply chains for raw materials, subcontractors who transform these materials, and production sites, the majority of which are in France, that make products based on a unique savoir-faire and a global, multi-channel distribution chain.

HERMÈS MATERIALS AND COMPONENTS RAW MATERIALS SUPPLY CHAINS & SUPPLIERS	PRODUCTION WORKSHOPS MANUFACTURERS AND SUBCONTRACTORS	LOGISTICS PLATFORMS SERVICE PROVIDERS	HERMÈS BRANCHES CONCESSIONAIRES	SUPPORT FUNCTIONS SERVICE PROVIDERS & TRANSPORT
Stemming from nearly 80 identified supply chains, the materials used (leather, silk, cashmere, wood, etc.) are for the most part natural, renewable and obtained within a framework set by the “supply chain brief”, according to specifications, complying with regulations, and respecting the environment and best practices. There are two types of supply chains: “Hermès materials and components”, which constitute internal supplies within the Hermès Group; - the “raw materials supply chains”, which constitute supply sources that are external to the Group.	Materials are transformed at Hermès’ internal production workshops and at external sites managed by our manufacturers and subcontractors. The “Production Workshops” managed by Hermès apply a policy that addresses the challenges of protecting the health, safety and well-being of employees, as well as the protection of the environment in compliance with the regulations in force, according to their degree of priority. The same requirements apply to the sites of manufacturers and subcontractors, who are for the most part long-term partners.	The Group has a logistics division that ships Hermès products to all stores around the world, either directly or through local logistics service providers. At the Group's logistics platforms, whether directly managed or outsourced, numerous projects are underway to improve safety and working conditions for teams, and reduce the environmental impact.	Hermès distributes its products through 294 exclusive stores, including 234 branches and 60 concessionaires. Stores managed by Hermès (the branches) are located either in historical locations in markets where Hermès has long been established (France – Europe) or new locations in the heart of major cities (Asia – America – Middle East). Stores managed by concessionaires mainly concern the “Travel Retail” network of stores in the world's biggest airports, and a small number of stores in local markets managed by long-term partners.	To develop its activity and ensure its proper operation, the Group has internal support functions, notably in charge of human resources, information systems, general services, communication, legal affairs, sustainable development and finance, both centrally and in the various subsidiaries. At the same time, many external service providers and carriers are used to support the Group.

GLOBAL RISK MAPPING

AT HERMÈS

AT PARTNERS' SITES

Assessment of risks according to their net criticality: $impact \times probability \times level\ of\ control$

RISKS	HERMÈS MATERIALS AND COMPONENTS	RAW MATERIALS SUPPLY CHAINS & SUPPLIERS	PRODUCTION WORKSHOPS	MANUFACTURERS AND SUBCONTRACTORS	LOGISTICS PLATFORMS	SERVICE PROVIDERS & TRANSPORT	HERMÈS BRANCHES	CONCESSIONAIRES	SUPPORT FUNCTIONS
Human rights									
Social dialogue	●	●	●	●	●	●	●	●	●
Discrimination	●	●	●	●	●	●	●	●	●
Living wage	●	●	●	●	●	●	●	●	●
Child labour	●	●	●	●	●	●	●	●	●
Forced labour	●	●	●	●	●	●	●	●	●
Impact on communities	●	●	●	●	●	●	●	●	●
Personal data	●	●	●	●	●	●	●	●	●
Health and safety									
Consumer safety	●	●	●	●	●	●	●	●	●
Health and safety at work	●	●	●	●	●	●	●	●	●
Psychosocial risks	●	●	●	●	●	●	●	●	●
Working conditions	●	●	●	●	●	●	●	●	●
Safety and security of persons	●	●	●	●	●	●	●	●	●
Environment									
GHG emissions and climate change	●	●	●	●	●	●	●	●	●
Pollution and waste	●	●	●	●	●	●	●	●	●
Depletion of natural resources	●	●	●	●	●	●	●	●	●
Biodiversity damage	●	●	●	●	●	●	●	●	●
Animal welfare	●	●	●	●	●	●	●	●	●
Net criticality	● Very high	● High	● Average	● Low and very low	● Not significant				



AT HERMÈS

3. HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

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SUMMARY OF HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS RISK MAPPING

Hermès is a mosaic of women and men working daily for its development around the world. Because no creation exists without those who shape it, the Group is committed to building a respectful and fulfilling work environment, protecting their fundamental rights and preventing risks that could affect their well-being.

RISKS	DESCRIPTION OF RISK AT THE GROUP	HERMÈS MATERIALS AND COMPONENTS	PRODUCTION WORKSHOPS	LOGISTICS PLATFORMS	HERMÈS BRANCHES	SUPPORT FUNCTIONS
Social dialogue	Non-compliance with dialogue with our employees and trade union rights	●	●	●	●	●
Discrimination	Discriminatory behaviour in terms of access to employment, compensation, careers or access to training	●	●	●	●	●
Living wage	Salary not in accordance with the legislation in force or insufficient to meet the needs of the employee and their family	●	●	●	●	●
Child labour	Child labour, in any form	●	●	●	●	●
Forced labour	Forced labour or modern slavery	●	●	●	●	●
Impact on communities	Deterioration in the living conditions of local communities, related to activities	●	●	●	●	●
Personal data	Breach of personal data protection	●	●	●	●	●

Net criticality

Very high

High

Average

Low and very low

Not significant

ROLLOUT OF THE “HEARTS & CRAFTS” SOCIAL MODEL

Since 2023, Hermès has wanted to formalise its humanist and unique social model. The Group’s strong oral culture is thus supplemented by a framework common to the initiatives of each of the entities in terms of social responsibility and employee support. Four strategic pillars have been defined, with strong commitments and making it possible to strengthen a collective dynamic that is consistent across the entire Group. Using a survey of all employees, Hermès then measures their commitment, the conditions for success, health and well-being every two years.

HUMANIST MANAGEMENT

Hermès cultivates a managerial philosophy inspired by its heritage and its unique culture. The embodiment of the Group’s values in managerial practices makes them authentic and enables their transmission.

With this in mind, the Group takes care to ensure an inclusive work environment in which everyone finds their place, makes their own contribution and thrives while respecting others.

HEALTH & WELL-BEING

Hermès is committed to guaranteeing a working environment conducive to the physical and psychological well-being of all its employees, by offering them the conditions necessary to harmoniously reconcile their professional activity and their personal life.

Several levers contribute to compliance with this commitment, constituting a framework for action that is then rolled out locally, in a way which is adapted to the realities on the ground:

- employee **health and safety**;
- the **fight against harassment**;
- **core social protection** extended to all its employees worldwide;
- particular attention to **flexibility and the organisation of working hours**.

RECOGNITION AND COMPENSATION

Through its humanist values, Hermès is committed to the professional and personal fulfilment of each employee, to ensuring long-term employability for all, and to sharing value.

Hermès encourages the transmission of exceptional savoir-faire and high-quality skills, notably through its in-house training schools, and thanks to a broad and demanding training offering, coupled with diverse learning experiences throughout each career.

MEANING AT WORK

As a socially responsible employer, Hermès places meaning in work at the heart of its employee experience.

This ambition is framed by a number of focus areas:

- the opportunity for everyone to be true craftspeople, and to work together as a close-knit group;
- the opportunity for employees from various backgrounds to join networking programmes, to form strong human relationships;
- the involvement of Hermès entities and employees in corporate patronage.

GROUP SOCIAL POLICIES

As a responsible family company, Hermès offers its women and men a collective and human project that is authentic and unique. In 2025, the Group set out five social policies that reflect the “Hearts & Crafts” social model in the form of concrete priorities, in order to sustainably guide practices within the Group and guarantee employees a fulfilling working environment, while amplifying its social impact.

	DIVERSITY, EQUITY AND INCLUSION	DIALOGUE WITH EMPLOYEES	WELL-BEING AT WORK AND WORK-LIFE BALANCE POLICY	DEVELOPMENT, SAVOIR-FAIRE AND EMPLOYABILITY POLICY	HEALTH & SAFETY POLICY
AMBITIONS	Ensure an inclusive work environment in which each person, in their differences, finds their place, contributes, and thrives while respecting others.	Allow individual and collective free expression by fostering listening and discussion, aided by close ties.	Create conditions which promote employee well-being by providing an environment conducive to a good work-life balance.	Grow our House and grow with it by providing a framework which fosters collective success and individual achievement.	Provide each of our employees with a safe and secure working environment, as part of a zero-tolerance approach to accidents.
PRIORITIES	• Fight against all forms of discrimination • Promote gender equality • Promote the inclusion of people with disabilities or in vulnerable situations • Develop intergenerational links	• Strengthen opportunities for dialogue • Provide a high-quality managerial relationship • Offer free and confidential communication channels	• Create the right conditions for well-being at work • Support life’s milestones	• Create the conditions for professional achievement • Transfer and cultivate all savoir-faire • Offer "tailor-made" career paths	• Prevent risks • Protect employee health • Advance the Health & Safety culture • Manage Health & Safety performance

GROUP SOCIAL POLICIES:



NON-DISCRIMINATION

Through its métiers, its creations, its savoir-faire, its distribution network and its customers, diversity is deeply rooted within the House of Hermès. Its uniqueness is based on the continuous requirement to recruit and integrate employees from all backgrounds.

RISK ASSESSMENT

In line with Hermès’ humanist values, inclusion and the well-being of everyone have always been an essential lever for the notion of living together.

The Diversity, Equity and Inclusion approach for the entire Hermès Group is structured around shared priorities, serving as a reference framework for local action plans:

- fight against all forms of discrimination;
- promote gender equality;
- promote the inclusion of people with disabilities;
- develop intergenerational links.

RISK MITIGATION

Respect for the principle of non-discrimination is an integral part of the Hermès Group’s values and principles, and the Group strives to:

- make managers the guarantors of a safe, respectful and inclusive work environment;
- roll out communication and training actions, particularly on unconscious bias, to all employees;
- identify, assess and sanction all forms of discrimination in the workplace.

A network of Diversity, Equity & Inclusion Officers covering 100% of the workforce and meeting every quarter makes it possible to give visibility to the approach locally, to roll out joint actions and to develop initiatives specific to local issues.

In 2025, efforts to raise awareness of the risks of discrimination and the existence of unconscious bias continued among human resources communities, managers and employee representatives:

- the network of Harassment Officers in France, made up of pairs of employee representatives and HR professionals, met for a day to continue training on the harassment investigation procedure and to share best practices;
- a number of awareness-raising events were held on the theme of inclusion: the seventh Disability Forum brought together more than 400 people to discuss invisible disabilities. The DEI (Diversity, Equity and Inclusion) seminar brought together all the players in France and abroad to share their roadmaps. Several “Duodays” were held both in France and other countries to mark the European Week for the Employment of People with Disabilities (SEEPH);
- continued rollout of the e-learning module on unconscious bias.

The Group guarantees access for all employees to a free and secure channel to report any problems (H-Alert!), which is available in 21 languages.



MONITORING

60%

ratio of women in management bodies

2.79%

average gender pay gap, adjusted to take into account comparable levels of responsibility

More than 1,800

employees trained on diversity-related themes

> 8%

employment rate of people with disabilities in France

LIVING WAGE

Hermès is particularly attentive to the compensation conditions and development opportunities for all its employees. As a responsible employer and in line with the values intrinsic to its social model, the Group aims to go beyond a living wage and provide competitive overall compensation in order to enable quality of life and long-term personal and professional development.

RISK ASSESSMENT

Hermès guarantees its employees a living wage, while taking into account local regulations and applicable benchmarks.

Preventing and combating violations of employee human rights and efforts to ensure a working environment conducive to employee well-being are among the Group’s priorities.

The Group’s compensation & benefits department ensures, through an annual study, that the standards applied to fixed compensation comply with local salary regulations and fully include the level of living wages, for which thresholds are determined by independent benchmarking bodies.

At the same time, the Group carries out a regular mapping of social protection schemes, based on the core protection defined by its social protection policy.

RISK MITIGATION

The overall compensation proposed by Hermès is composed of a wide range of individual and collective schemes, salary components and benefits that cover:

- the fundamental needs and achievements of employees, in particular health, safety, education and social inclusion, through fixed salaries, individual and collective bonuses and supplementary collective social protection policies;
- the need for recognition and belonging of employees in the medium and long term, primarily through various profit-sharing schemes and employee shareholding plans awarded to all Group employees;
- the need to look forward to the future with confidence, including at the end of working life, through post-employment benefits such as retirement benefits and supplemental pension plans, and through the options made available to employees throughout their career to build up adequate financial savings.

In 2025, Hermès continued to roll out its core social protection in the various entities and countries where the Group operates, based on five pillars: parenthood, healthcare costs, retirement, death and disability.

In September 2025, Hermès announced a €120 increase in gross salaries in addition to individual increases for all employees in France.

To recognise the commitment and contribution of each employee to the success of the collective project, a bonus of €3,000 was paid to all employees for 2025.

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

MONITORING

100%

of employees covered by a living wage

64%

of the Group’s workforce at 31 December 2025 held shares or rights in the vesting period

6

free share plans have been in place since 2007 (2007, 2010, 2012, 2016, 2019 and 2023)

PERSONAL DATA

At Hermès, respect for privacy represents more than a legal obligation, it is a Maison Hermès value and an essential commitment to maintaining a relationship of trust with its employees, customers and partners. The Group has set up systems to protect all the personal data it processes. This system is applied in accordance with the European data protection regulation and applicable local regulatory requirements.

RISK ASSESSMENT

The main risks are related to customer data as well as candidate and employee data.

They mainly come in two forms:

- a breach of regulatory principles: poor management of personal rights, unlawful processing of data, etc.;
- a data breach: mainly due to subcontractors and cyberattacks.

Internal control assessments and audits are regularly carried out, including through auditors external to the Hermès Group. Conducted according to control and audit areas validated by the Group, they relate to the application of the Group’s procedures and, more generally, to the maturity of the data protection system.

RISK MITIGATION

The Group’s Data Protection Officer (DPO) relies on a **network made up of the Head of Information Systems Security, the legal department, internal controllers and regional DPOs**. This network enables it to be informed of issues and legal changes in the processing of personal data and to ensure that said processing complies with Group rules.

A range of actions and systems is deployed at the Group:

- since 2015, the Group has set up Binding Corporate Rules (BCR), which define the rules for the protection of its customers’ personal data and apply to retail entities;
- a face-to-face employee training programme and a mandatory e-learning module, translated into 11 languages;
- application of the principles of protection of Privacy by Design & by Default through the project security integration procedure and by conducting privacy impact assessments;
- use of a specific compliance tool, allowing in particular the efficient management of customer rights (access, modification, deletion, etc.);
- maintenance of a Group data processing register;
- a procedure for managing incidents and personal data breaches (data leaks).

Lastly, the protection of personal data is more generally part of the data governance put in place by the Group. This governance also addresses the issues posed by artificial intelligence (AI), in particular in terms of risks and ethics.

The background of the page is a photograph of a leather workshop. On the left, a large, round, brown leather drum with a woven rim sits on a wooden workbench. Next to it are various tools, including a knife and a wooden-handled tool. In the background, there are shelves with more tools and materials. A large, stylized 'H' logo is visible in the bottom left corner. The overall lighting is warm and focused on the workbench.

AT HERMÈS

4. HEALTH & SAFETY

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SUMMARY OF HEALTH AND SAFETY RISK MAPPING

The sustainability of the House rests on the women and men who contribute in a harmonious and positive manner to its functioning and development. For this reason, the Group is very demanding in terms of working conditions: everyone can express their potential safely, in a pleasant environment, whether on production or logistics sites, in stores or offices.

RISKS	DESCRIPTION OF RISK WITHIN THE GROUP	HERMÈS MATERIALS AND COMPONENTS	PRODUCTION WORKSHOPS	LOGISTICS PLATFORMS	HERMÈS BRANCHES	SUPPORT FUNCTIONS
Consumer safety	Lack of safety of products placed on the market					
Health and safety at work	Occupational injury or illnesses related to a lack of protection when using machines, uncontrolled exposure to hazardous chemicals, the occurrence of MSDs (musculoskeletal disorders) caused by heavy loads, repetitive movements or static work					
Psychosocial risks	Moral or sexual harassment Threats, stressful situations					
Working conditions	Indecent working environment and/or accommodation for employees, excessive workload					
Safety and security of persons	Lack of protection of employees in their workplace or during their travel: assaults, theft, attacks related to their activity					

Net criticality

Very high

High

Average

Low and very low

Not significant

HEALTH & SAFETY AT WORK

While craftsmanship expertise is essential to the production of beautiful products, the high level of expertise in health, safety and the environment contributes directly to the improvement of working conditions and the well-being of all. The diversity of the Group’s métiers, from production to retail, not forgetting the support functions, involves taking into account and managing different issues. Committed to its humanist values, Maison Hermès has embarked on a “Zero Accident” trajectory, and in 2023 formalised a Group Health & Safety policy to support this dynamic, which was updated in 2026.

RISK ASSESSMENT

In late 2023, **the Group published its Health & Safety policy.** Validated by the Executive Committee and signed by the Group Director of Human Resources, it was updated in 2026 and is revised every three years. Its monitoring also includes an annual presentation to the Supervisory Board’s CAG-CSR Committee. Its purpose is to provide a common strategic framework that contributes to preserving the health and ensuring the safety of employees. It is structured around four areas:

- preventing risks;
- protecting employee health;
- advancing the Health & Safety culture;
- Managing Health & Safety performance.

Each entity translates its commitments into an operational roadmap. Hermès has set up a network of internal officers to lead actions and an audit programme to assess progress.

From the outset, and in accordance with a prevention-based approach, health and safety requirements are incorporated into the design and construction of any new Hermès industrial site, for craftspeople and partners working there. New or existing industrial practices, as well as processes and products, are constantly analysed to minimise their risks and effects on health and safety.

Aware of its role as a benchmark in the industry, Hermès also shares essential Health & Safety principles and values with its suppliers.

RISK MITIGATION

The industrial technical and innovation department is overseeing a multi-year EHS (environment, health and safety) programme. With the support of an outside firm, the industrial department audits the sites’ level of maturity in terms of Health & Safety culture, and reports regularly on the progress made in meeting the commitments described in the Hermès Culture guidelines. The best practices identified during these audits are shared annually with the métiers in the form of an illustrated booklet.

At the same time, the Group continues to make progress in managing its risks, particularly through the deployment of a dashboard to monitor compliance with the requirements of the major risk framework, communication and awareness-raising initiatives, and targeted training.

Since 2023, internal guidelines on the 11 major Safety risks, developed by a multi-métier working group led by the industrial department, has structured risk management on industrial sites. In 2025, the second annual Group Health and Safety Day was organised on the theme of prevention stakeholders.

- | | |
|--|--|
| • Working at height | • Confined spaces |
| • Safety of equipment | • Risks of the road |
| • Management of hazardous energy | • Lifting/Storage/Areas shared by vehicles and pedestrians |
| • Fire risk/ATEX (explosive atmospheres) | • Management of external companies |
| • Chemical risk | • Isolated workers |
| • Falls on flat surfaces | |

These risks have been broken down into around 100 key requirements, for which the compliance of each site is being assessed as part of the 6th EHS cycle (2024-2026), in addition to the assessment of the level of Safety culture.

In addition, as part of the EHS approach, each accident or significant incident is investigated with a detailed analysis of the causes.

MONITORING

6.18

Group occupational injury frequency rate in 2025

0.39

Group occupational injury severity rate in 2025

HEALTH AND SAFETY POLICY



STRATEGIC FOCUS AREAS OF THE HEALTH & SAFETY POLICY

Formalised in 2023, the Health and Safety policy continued to be rolled out in 2025 through numerous central and local initiatives testifying to the commitments made within the Group. Their purpose is to embed the Health and Safety culture in all entities, by mobilising all employees around safer behaviours. Several particularly noteworthy approaches deserve to be highlighted at métier or site level.

Area 1

PREVENTING RISKS

The deployment of the major risk framework has made it possible to strengthen the roadmaps of the sites and métiers, by identifying the actions necessary for better control of these risks. Thus, Hermès Leather Goods & Saddlery has launched a programme to secure major risks (working at height, lockout/tagout of equipment, etc.) through a multi-site working group.

Some métiers, such as the textile supply chain, have also taken advantage of this framework to facilitate targeted communications to employees.

The behavioural safety visits tool is being rolled out in the métiers, with pilot initiatives underway at Hermès Leather Goods & Saddlery and Hermès Cuir Précieux.

Area 2

PROTECTING EMPLOYEE HEALTH

The prevention of musculoskeletal disorders (MSDs) is a priority for the métiers. In particular, Hermès was a pioneer, introducing a five-pillar programme in the Hermès Leather Goods & Saddlery division:

1. Presence of in-house “ergonomics relays” at each site.
2. Replacement of traditional workbenches by height-adjustable workbenches: more than 5,500 workstations were in place at the end of 2025.
3. Continued rollout of the “Un Corps pour la Vie” ergo-motor skills training module, with its systematic integration into the Écoles Hermès des Savoir-Faire programme.
4. Continuation of the ergonomic analysis method, co-developed with doctors in biomechanics: nearly 1,000 “reference methods” have been implemented in the leather goods workshops.
5. Introduction of osteopathy sessions for some of the manufacturing divisions.

Area 3

ADVANCING THE SAFETY CULTURE

In 2025, Hermès continued its involvement in this third focus area by rolling out initiatives at Group level to sustainably embed the Health and Safety culture within all entities.

The following major initiatives were carried out in 2025:

- rollout of a Group e-learning course on health and safety for all House employees. This course equips them to detect risky situations in terms of health and safety at work, and to adopt the right behaviours;
- organisation of the Group’s second annual Health and Safety Day, on industrial, service and tertiary sites and in stores, on the theme of prevention stakeholders;
- Group Health and Safety day held for all employee representatives in France;
- rollout of training programmes dedicated to Management Committees and managers for Health and Safety leadership development (examples: CNP, Cristalleries Saint-Louis, Hermès Commercial).

These initiatives complement the activities of the Group and métier EHS networks.

Area 4

MANAGE HEALTH & SAFETY PERFORMANCE

The Group's "Zero Accident" ambition has been shared with the métiers, which are gradually developing their reporting in this area.

The Group EHS network meets twice a year to share best practices, innovative projects, develop skills and align approaches.

In the tanneries, a cross-functional EHS Committee meets every two weeks to share EHS results, monitor the successful completion of actions and identify synergies between sites.

The textile supply chain has defined work accident frequency rate targets, which have been integrated into the supply chain’s incentive scheme criteria. Since 2023, a standard dashboard has been used by all sites in the supply chain in order to share results on a monthly basis.

The accident management tool continues to be rolled out to expand the scope covered. Thus, in 2025, the tool was rolled out to two new entities.

WORKING CONDITIONS

If Hermès appears to be demanding about working conditions, it is so that everyone can safely express their potential in a pleasant environment, at production sites and logistics sites, in stores or offices. In addition to the fundamental issues of health and safety at work, it also means promoting the best managerial practices and providing a working environment conducive to the well-being of everyone.

RISK ASSESSMENT

Since 2008, various employee dialogue and listening initiatives have been put in place in France and abroad in order to establish an inventory of employees’ feelings about their working environment, their well-being and their commitment.

In 2024, it was decided to extend the use of the Hermès Hears survey mechanism to all Group entities. 91% of employees responded to this first group-wide survey, making it possible to identify strengths and initiate improvement actions in each Group entity, as part of a process of continuous improvement of working conditions. In 2025, action plans were rolled out based on the conclusions of the survey (in particular via a dedicated communication platform in China to consult action plan results, priorities and progress). The mechanism is designed to be renewed every two years, with a new version planned for 2026.

RISK MITIGATION

The Group encourages everyone to put in place all measures likely to contribute to the well-being of employees at work, taking into account the specificities of each métier.

In 2025, the Group formalised a policy on well-being at work and work-life balance, applicable to all its entities. This policy aims, in particular, to better support employees facing personal situations likely to affect their professional lives. It is divided into three areas:

- Measures to support life’s pivotal moments;
- An ambitious core of social protection for all employees;
- A working environment conducive to well-being.

In terms of the organisation of working hours, the Group gives its subsidiaries a great deal of freedom. However, it ensures strict compliance with the regulations applicable in each country in terms of working hours, maximum working hours and minimum breaks. Particular attention is paid to monitoring leave and to counting hours of work and recovery.

- In the Leather Goods and Saddlery division, all production workshops benefit from “ergonomics relays” and are organised around flexible hours, with early and late working hours possible. Each craftsperson is responsible for choosing his or her hours in order to reconcile working time and personal organisation.
- In the United States, all sales associates receive a continuous weekend off each month. The schedules are designed to avoid work on Sundays and ensure a fair distribution of late working, notably during busy periods.
- In China, for sales associates, schedules provide for a maximum of eight hours of work per day and two days of rest per week. Annual leave has been increased from 10 days to 12.
- In logistics, employees benefit from flexible working hours with a minimum number of hours to be worked per week, the possibility of working more and the flexibility to adjust their daily working hours.



MONITORING

91%

participation rate in the 2024 Hermès Hears survey

2.66%

absenteeism rate in 2025

PSYCHOSOCIAL RISKS (PSR)

Hermès does not tolerate any conduct that manifests itself through behaviours, words, acts, gestures or writings that may infringe on a person’s personality, dignity or physical or psychological integrity, thereby jeopardising their personal well-being or employment, and adversely affecting the social environment. The prevention of and fight against harassment, whether psychological or sexual, is one of the House’s priorities.

RISK ASSESSMENT

The Group acts to prevent psychosocial risks. Notably, it tries to ensure **work-life balance** by disseminating best practices and encouraging subsidiaries to apply them. These incentives are of course rolled out locally, taking into account the cultural specificities of countries. Exemplarity is especially required of managers.

Training on the prevention of psychosocial risks is offered to managers to make them aware of the existence of PSRs (stress, harassment, violence at work, burnout, etc.). The objective is to teach them how to quickly detect difficult situations and to identify warning signals, even weak ones, in order to provide a rapid and appropriate response.

This training is also an opportunity to raise awareness of preventive measures for physical and psychological health, and well-being at work. Rollout of this theme began in France, and it will be extended internationally.

RISK MITIGATION

At the French entities, **more than 50 pairs of “Harassment and sexist behaviour” officers**, representing management and the SECs (Social and Economic Committees), were appointed to prevent sexist behaviour and sexual and moral harassment. They are continuing training on how these concepts relate to their legal framework, so as to be able to define situations.

This training also helps to identify risky behaviours, to encourage the implementation of preventive measures and to react in the event of an alert.

Furthermore, **an e-learning module called “Understanding to prevent sexist behaviour and harassment situations”**, addressing issues of moral and sexual harassment, sexist behaviour and sexual assault, is mandatory for all managers and representatives.

Any employee who believes that he or she is a victim or is a witness to such a situation is invited to inform their manager or a human resources manager as soon as possible or to report it through the **H-Alert! professional whistleblowing system**, which guarantees the confidentiality of exchanges.

Group rules provide for mechanisms that make it possible to examine and deal with any situation, with complete neutrality and impartiality (for example, the establishment of an internal joint commission of inquiry with a representative of management and a representative of the SEC). To support them in their role, an internal investigation procedure has been drawn up. It describes the different stages of an investigation, the precautions to be taken and the role of the various stakeholders.

In 2025, an annual meeting day was held for harassment officers. They received training on the investigation procedure and support, as well as sharing best practices and questions.

EMPLOYEE SAFETY

The Group’s policy includes the issue of employee safety, as a priority, in its strategy for the protection of people and property. Safety is very important in a context of risk of physical harm to people in several cities and countries where Hermès operates.

RISK ASSESSMENT

Due to the nature of its activities and the value of its products, the Hermès Group identifies risks of physical harm to people (employees and external partners that could cause moral and psychological harm).

Experts from the Group safety department regularly travel to the various sites to ensure compliance with Group safety procedures and to support the métiers and subsidiaries, including during events in France and abroad.

A questionnaire on industrial safety is also completed during these site visits or audits.

Safety incidents are reported in a specific database. They are regularly reported to the Group Safety Committee and the Audit and Risk Committee, and are then analysed in detail, thus contributing to the continuous improvement of the system.

RISK MITIGATION

The Group has set up several measures to ensure the safety of employees at the various sites and countries where it operates:

- a safety policy for all of its activities and sites;
- specific transport security procedures;
- a crisis management process, in the case of a serious event, which involves setting up a crisis unit with dedicated resources. Crisis management simulation exercises are regularly conducted.

Several measures are deployed depending on the level of risk at the Group’s various production and distribution sites to protect employees:

- reinforcement of safety and security equipment, surveillance cameras, vaults, access controls, fencing, intrusion detectors;
- transport security;
- training of teams on how to react in the event of incidents (e.g. robbery);
- provision of a psychological unit;
- anonymisation of sites.

A computerised safety and crisis management tool was rolled out in March 2021 at sites in the Paris region and has now been extended to all stores in France. The extension to other Group sites is being carried out gradually, depending on the level of risk at each site.



AT HERMÈS

5. ENVIRONMENTAL PROTECTION

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SUMMARY OF ENVIRONMENTAL PROTECTION RISK MAPPING

The Group’s sustainable development policy involves knowing, controlling and reducing its environmental impacts, as part of a responsible approach. More broadly, Hermès contributes, through its commitments and actions, to the fight against climate change and the preservation of biodiversity.

RISKS	DESCRIPTION OF RISK WITHIN THE GROUP	HERMÈS MATERIALS AND COMPONENTS	PRODUCTION WORKSHOPS	LOGISTICS PLATFORMS	HERMÈS BRANCHES	SUPPORT FUNCTIONS
GHG emissions and climate change	Impacts on climate change due to the Group’s activities and its value chain					
Pollution and waste	Emissions of pollutants <i>via</i> aqueous or atmospheric discharges and of various forms of waste, including plastic waste					
Depletion of natural resources	Insufficiently controlled consumption of resources that are non-renewable, limited, to be preserved (water, wood)					
Biodiversity damage	Destruction of a part of biodiversity through the use of raw materials or the establishment of sites					
Animal welfare	Animal exploitation practices contrary to the Group’s commitments and to compliance with the principles of animal welfare					

Net criticality

Very high

High

Average

Low and very low

Not significant

ENVIRONMENTAL POLICY

Hermès implements a strict environmental policy on its sites to prevent incidents and emergency situations. This policy details the actions set up to control and limit their impact, thus ensuring that both people and the environment are protected.

ENVIRONMENTAL POLICY FRAMEWORK	GUIDING PRINCIPLES OF THE ENVIRONMENTAL POLICY	
The environmental policy describes the main environmental commitments made by Hermès on the sites and activities under its direct control. This includes industrial sites, tertiary sites (such as offices and other administrative spaces), where sustainability initiatives can be implemented, as well as stores (excluding concessionaires and travel retail), which are also an integral part of the operations over which Hermès exercises direct control.	Climate (adaptation, mitigation, energy) → Comply with environmental regulations and anticipate changes whenever possible. → Reduce GHG emissions to mitigate the impacts of climate change. → Increase the resilience of the Hermès model in the face of environmental changes (primarily climate change) by studying their effects, obtaining information and collaborating with our stakeholders. → Manage energy resources by reducing energy consumption and favouring the use of renewable energies.	
	 Pollution (water, air, soil) and chemicals → Comply with locally applicable regulations in terms of discharges and use of restricted substances, <i>via</i> a single list and regular audits. → Control and limit impacts on the environment, whether in terms of soil, air or water.	
	 Freshwater → Reduce consumption and withdrawal (recycle and reuse water), particularly in areas of water stress, improve the quality of discharges, and work alongside stakeholders in watersheds to preserve this shared resource.	
	 Biodiversity & ecosystems → Structure all the actions already in place and new actions aimed at limiting its footprint on the various pressures exerted on biodiversity.	
	 Circularity & waste → Preserve resources. → Reuse materials and objects, reduce production of waste and recycle as much as possible.	

GREENHOUSE GAS EMISSIONS AND CLIMATE CHANGE

The Group is resolutely committed to a low-carbon world. Hermès has strengthened its climate strategy, in particular thanks to the 2030 targets validated by SBTi. These targets are aligned with the IPCC recommendations to limit global warming to 1.5°C. Actions have been taken in this regard, both within the Group’s activities (production, construction, logistics, etc.) and within its supply chain. Hermès’ climate transition plan specifies how the Group intends to reduce its emissions (mitigation policy) and integrate the effects of future changes (adaptation policy).

The Group’s policy includes several axes:

- measure the impacts of its activities across all scopes 1, 2 and 3;
- prioritise actions to reduce emissions in the various categories where the Group can act;
- set up carbon contribution actions;
- study the effects of climate change, inform and collaborate with our partners and suppliers to adapt the entire value chain.

RISK ASSESSMENT

Since 2013, the Group has **updated the overall greenhouse gas emissions assessment** of its production and distribution sites and its supply chain according to the three scopes of the GHG Protocol. This work is carried out with the help of an independent external specialist firm and using the Bilan Carbone® (carbon assessment) method and the GHG Protocol.

Since 2019, **energy and thermal diagnostic campaigns** are carried out regularly at all industrial, tertiary and distribution sites in France to assess performance and schedule action plans.

RISK MITIGATION

True to its concrete and long-term commitments, since 2020 Hermès has stepped up its fight against climate change by updating its strategy with ambitious, science-based targets, through the **“Science-Based Targets” initiative (SBTi)**:

- 50.4% reduction in terms of absolute value in scopes 1 and 2 emissions from 2018 to 2030;
- 58.1% reduction in terms of relative value in scope 3 emissions from 2018 to 2030;
- 50% reduction in the carbon footprint per m² of buildings constructed or renovated by 2030;
- defossilisation of operations and 100% renewable energy by 2030.

Hermès is gradually rolling out concrete actions to replace the fossil fuels used, and reduce its energy consumption and its carbon footprint across the three scopes:

- French sites supplied with 100% renewable electricity;
- rollout of the “Harmonie” real estate standard, an internal sustainable construction framework, which enables accurate measurement of the environmental issues relating to all of the House’s construction, development and renovation projects;
- improvement of the logistics footprint, in particular for local transport, using carbon-neutral modes of transport; for long-distance transport, giving preference to sea or road transport over air transport, opting for fuels with lower emissions, and optimising packaging and transport volumes;
- mobilisation of suppliers and sectors to reduce their scope 3 via awareness-raising for Tier 1 suppliers and partners, sharing greenhouse gas (GHG) emission reduction ambitions between Hermès and its suppliers, collecting GHG assessments from suppliers and providing support to major materials sectors.

Hermès also favours the conversion of former industrial or brownfield sites whenever possible. For example, the Riom leather goods workshop is located on a former manufacturing site, while that of Guyenne is on a former road embankment site, and those of Louviers and Saint-Junien are also reconverted brownfield sites.

These targets are being updated. The Group’s primary ambition is to achieve net zero by 2050.



MONITORING

-69%

decrease in scopes 1 and 2 emissions in absolute value compared to 2018

-59%

decrease in scope 3 emissions in intensity compared to 2018

100%

of the Group’s electricity consumption is of renewable origin

77%

renewable energy worldwide

Score of A

in the 2025 CDP Climate questionnaire

DEPLETION OF NATURAL RESOURCES

Managing the environmental impact of its entire value chain is a core preoccupation for Hermès. Respecting natural resources, promoting regenerative agriculture and forestry and managing energy resources are all pillars of the Group’s environmental strategy.

RISK ASSESSMENT

Hermès uses **natural and renewable** raw materials. This is particularly the case for hides from farmed animals, or the main textile materials such as silk, cashmere and wool.

The impacts of materials are carefully studied, in particular using supply chain analyses, product life cycle analyses and biodiversity studies.

The Group monitors its consumption of water withdrawals, whether industrial (mainly in France), or in its supply chain in:

- tanneries, with the hide tanning, dyeing and finishing processes;
- textiles, with the fabric printing and finishing steps;
- crocodilian farms, with the filling of breeding tanks and their regular renewal, which guarantees the bacteriological quality of the water and animal welfare.

RISK MITIGATION

Hermès’ policy aims to limit the consumption of natural resources:

- searching for new production methods for existing materials or for new, more frugal materials;
- rolling out eco-design;
- reducing losses at all stages of production;
- reducing water consumption at all stages of production.

Optimising the use of materials

- In order to increase the visibility of “unused” materials, an internal digital platform has been developed and was made available to the Group’s métiers in 2025.
- At the tanneries, hide imaging systems enable the identification of defects, facilitate sorting, maximise the use of hides and reduce loss.
- In leather work, the métiers have always been attentive to reducing material scraps as much as possible. In France, since 2022, the Group has implemented measures, notably inventory optimisation, to recycle and reuse its leather scraps where possible.
- Since 2019, a working group within Hermès' textile supply chain has focused on optimising the use of cashmere and the production of silk items is organised to avoid producing surpluses. In addition, Hermès works in collaboration with its partners to improve the recycling process for its materials. For example, the Resilked project gives a second life to silk as part of a strong innovation and circular economy approach.

- Since 2025, Hermès has had a building dedicated to the recycling of its textiles. This building allows it to collect, check, anonymise and sort Holding Textile Hermès' textile offcuts and some of the Group's resources.
- Since 2023, Hermès Manufacture de Métaux has been rolling out a closed-loop recycling channel for brass, from its production offcuts and production waste.
- Perfume and Beauty is rolling out a similar closed-loop recovery approach for cardboard waste, and is expanding its perfume collection as well as its other refillable beauty products.

Reducing consumption of water withdrawals

All production métiers have a minimum annual reduction target of 5% in intensity. This objective is relevant with regard to the trajectory observed over the last ten years because the reduction in consumption of industrial water withdrawals (excluding farms) has reduced by 64% in intensity between 2015 and 2025. This is the result of continued reduction efforts on all the Group’s industrial sites.

Preservation of wood resources

In line with its Forest policy published in 2023, and updated in 2025, Hermès is committed to developing a sustainable supply of wood and packaging materials from forestry. This involves strict traceability and certifications guaranteeing sustainable management (no deforestation, no clearing).

MONITORING



100%

secondary gold used in Hermès Bijouterie and Hermès Horloger workshops

-64%

decrease in intensity of industrial water withdrawal over 10 years

Score of A-

to the CDP Water questionnaire in 2025

Score of A

in the CDP Forests questionnaires in 2025

100%

of orange bags are FSC-certified

POLLUTION AND WASTE

Hermès works actively to limit the environmental impact of its activities, linked to pollution and waste production.

RISK ASSESSMENT

A major aspect of environmental protection and societal responsibility, waste and discharge management means that each of the House’s various métiers deploy practical measures to reduce the production of waste and discharges and to recycle or recover them.

The policies conducted by Hermès in terms of prevention and the fight against pollution aim, based on a study of risks, **to control them and limit their impact** on the environment, whether on soil, air or water.

In 2025, as part of the deployment of the Science-Based Targets for Nature (SBTN) method, Hermès finalised steps 1 and 2 for assessing pressures on nature, covering its 16 métiers and all raw materials supply chains. This analysis has allowed it to rank the priority sites and supply chains. The Group is continuing its step-3 work, with a pilot dedicated to “freshwater” pressure.

RISK MITIGATION

Hermès implements specific processes to control the various forms of pollution related to its operations. The following examples illustrate this:

- **Industrial water discharges:** Hermès strictly monitors the destination of its water discharges in collaboration with local water treatment systems and organisations. Quality parameters are monitored to ensure their environmental compliance and the preservation of the receiving environment. The Group rolls out technologies and processes to improve the elimination of polluting loads and the quality of water discharges. This approach is based on a policy of developing treatment plants (WWTP) at the exit of sites, with additional treatment provided by municipal wastewater treatment plants in most cases. To date, a total of 19 units use treatment techniques adapted to the nature of the discharges. In 2025, the new Ateliers AS plant, which includes part of the water recycling for the process, was commissioned and the first treatment steps for the new Tanneries du Puy plant began.
- **Management of chemical products and inflow materials:** Hermès complies with the strictest international standards thanks to a single list of restricted substances. Rigorous control guarantees the compliance of materials and products through tests, audits and immediate blocks in the event of non-compliance. The Tanneries division also aims to ensure that 100% of the mass of chemicals used in production comply with ZDHC MRSL by 2028, a target which had been 80% achieved by 2025.
- **Atmospheric emissions excluding greenhouse gases:** Atmospheric emissions from Hermès’ industrial sites come mainly from furnaces, boilers, surface treatments, dry degreasing, spray booths and solvent-based products. Depending on the activities and applicable regulations, sites monitor the relevant parameters and set up systems to reduce or treat discharges. However, the risks related to air pollution remain limited given the nature of the Group’s activities.
- **Soil pollution:** The Group carries out specific actions with its suppliers, in particular *via* certifications, to ensure responsible management. This subject is also taken into account in the SBTN approach.
- **Waste reduction:** Sludge from WWTP (wastewater treatment plants) and leather by-products generated in the tanning stages are among the main non-hazardous residual waste. The Tanneries division is actively studying options for recovering and recycling this waste, in conjunction with external partners.

MONITORING



100%

of Hermès tanneries are equipped with their own water treatment plants

68%

of all waste is recovered (recycling, reuse, energy recovery)

PROTECTION OF BIODIVERSITY AND ECOSYSTEMS

To protect biodiversity and ecosystems, Hermès is taking action within its direct sphere of responsibility, its extended sphere of influence, and through commitments beyond its economic sphere of influence.

RISK ASSESSMENT

To assess its biodiversity footprint, Hermès relies on impact measurements at different levels with the help of recognised partners:

- for its production sites, through Biodiversity diagnostics (16 indicators on the five erosion factors defined by IPBES*);
- across the entire value chain, thanks to the GBS (Global Biodiversity Score) approach;
- for supply chains, through dedicated studies: in 2023, biodiversity analysis of the cashmere supply chain with the University of Ulan-Bator, WWF France and WWF Mongolia, and in 2025, two studies were launched on the biodiversity footprint of silk and on the issues facing cotton.

Most of the footprint comes from upstream in the value chain. The main pressures on terrestrial biodiversity are related to land use by crops or livestock, and greenhouse gas emissions.

*Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem services.

RISK MITIGATION

Materials are selected and supplied by each métier, in compliance with the supply chain brief and regulations, and respecting biodiversity. Materials or species threatened with extinction, or those whose trade is illegal, are prohibited.

Hermès has renewed its commitment to Act4nature International. It is divided into four areas:

- train management committees, site and supply chain employees on biodiversity. An e-learning module has been rolled out, and more than 4,900 unique employees have completed it, including more than 700 in 2025;
- collaborate by developing the partnership with WWF France and other field NGOs involved in the protection of biodiversity, such as the ICFA (International Crocodilian Farmers Association) for crocodilians or SAOBC (South African Ostrich Business Chamber) for ostriches;
- measure the Group’s biodiversity footprint using the GBS (Global Biodiversity Score) approach, with the target, by the end of 2026, of covering 80% of the Group’s GBS footprint measured in 2021 by supply chain-dedicated footprints. The measurement of the biodiversity footprint of silk was launched in 2025;
- act by establishing biodiversity assessments and action plans for French production sites: 46 sites have carried out an assessment since 2021, with the full participation of all sites targeted by the end of 2026;
- continue to invest in the Livelihoods Funds and biodiversity projects with the Fondation d’Entreprise Hermès.

The Livelihoods Carbon Funds, of which Hermès has been a partner since 2012, act to restore biodiversity.

A best practices guide has been formalised since 2021 to help each Leather Goods division implement projects related to the protection of the Group’s biodiversity. More broadly, management aims to carry out biodiversity assessments on 100% of French sites.

The fight against deforestation, coordinated by a Group committee, works mainly on:

- cattle feed;
- the use of fully FSC (Forest Stewardship Council)-certified timber sources, or other specific certifications.

Finally, crocodilian farms in the United States and Australia that collect eggs in the wild strictly comply with the quotas in force and with the processes provided for by the applicable regulations. Revenues from collection are earned locally; they actively contribute to the maintenance of the natural ecosystems in place as well as to affected communities in general (whether through job creation or other social/economic schemes).

MONITORING

15 LIFE ON LAND

17 PARTNERSHIPS FOR THE GOALS

92%

of Hermès revenue covered by the GBS analysis of scopes 1, 2 and 3 upstream, i.e. the CDC Biodiversité “vertically integrated scope”

Scope 12%

Scope 23%

Scope 395%

100%

of employees will be trained by the end of 2026

100%

recycled materials in the cardboard used for orange boxes. The bags are made of 40% recycled materials (technical limit related to their resistance)

ANIMAL WELFARE

Hermès’ policy favours the search for animal well-being through the observation of animal behaviour and aims to achieve concrete results.

RISK ASSESSMENT

The Group is exposed to this risk in its animal supply chains: leathers (including exotic hides), wool and hair, feathers, horn and down.

Hermès uses more than 35 different leathers, mainly from French or European calves. Exotic hides include crocodilian, lizard and ostrich hides.

All of these supplies are purchased from suppliers, with the exception of some alligator and crocodile hides, since the Group has farms in Australia and the United States.

To assess this risk, update policy and standards, measure progress and ensure that resources are made available, the House set up an Animal Welfare Committee in 2019. This committee brings together members of the general management, the purchasing functions of the various métiers, the technical department and sustainable development. An independent expert specialising in animal welfare is also a member of this committee.

In addition to this committee, an animal welfare community has been in place since 2025, in order to share initiatives, best practices and the progress made by the various métiers.

RISK MITIGATION

The Group has a very strict animal welfare policy in all the supply chains concerned. Formalised in 2021 and updated in late 2023, it commits the Group to respecting the fundamental principles of animal welfare, including five fundamental freedoms defined by the **Farm Animal Welfare Council**.

The concept of “One Welfare” recognises the links between animal welfare, human welfare and the environment. In this context, various measures are rolled out:

- **strict standards describing best practices**, adapted to each supply chain, covering the areas of farming and slaughter practices, transportation, traceability, etc.;
- **a monitoring system adapted to each supply chain**, making it possible to improve practices through regular internal or external controls and audits;
- **multi-stakeholder collaboration**, to ensure that the results obtained on animal welfare correspond to the expectations of stakeholders (including NGOs).

Hermès thus participates in the development of global best practices in a number of supply chains:

- for its own breeding activities and for its raw material supply chains;
- with the International Crocodilian Farmers Association (ICFA), to develop, enrich and implement an international certification framework for the well-being of crocodilians and the application of sustainable livestock practices on farms; with the ostrich supply chain, in partnership with the South African Ostrich Business Chamber (SAOBC): through the creation of a standard, a certification process and funding to train farmers and processors;
- with several luxury French brands, Hermès participates in the collective initiative “Cuir de Veau Français Responsable” (CVFR) to define and implement a responsible calfskin supply chain and strict animal welfare standards. The project brings together the main French calf breeders and integrators, committed to a continuous improvement process following the audits carried out. Since the start of the initiative, more than 665 French calf farms have benefited from third-party audits;
- in collaboration with experts in animal welfare, the creation of the LPPS (Lizard Procurement and Processing Standard) for the “lizard” supply chain (*varanus salvator*) in Malaysia;
- by supporting the most demanding certifications for textile fibres: Textile Exchange's "Responsible Animal Fiber" reference framework and its specific standards (wool, alpaca, mohair, down), the Sustainable Fibre Alliance (SFA) standard for cashmere.



MONITORING

100%

of métiers comply with the Group’s animal welfare policy

100%

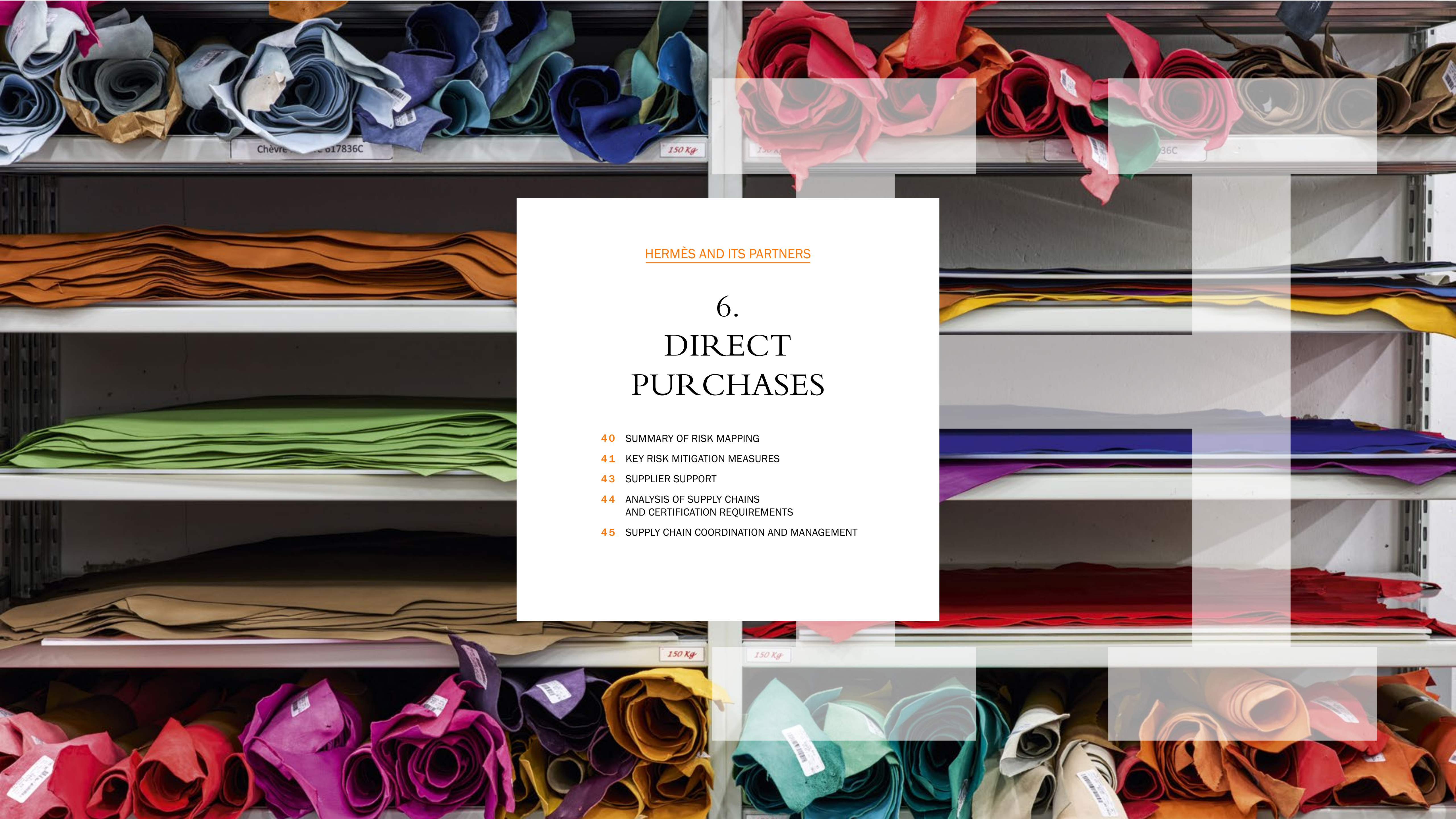
of Hermès farms are ICFA-certified

100%

of the ostrich supply chain is SAOBC-certified (South African Ostrich Business Chamber) since July 2022

100%

of the lizard supply chain in Malaysia is LPPS-certified (Lizard Procurement and Processing Standard)



HERMÈS AND ITS PARTNERS

6. DIRECT PURCHASES

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AND CERTIFICATION REQUIREMENTS
- 45 SUPPLY CHAIN COORDINATION AND MANAGEMENT

SUMMARY OF DIRECT PURCHASING RISK MAPPING

The Hermès craftsmanship model, with 75% of production in France, relies on a network of suppliers based mainly in Europe, where labour and environmental practices are some of the strictest.

Hermès builds balanced partnerships with its direct suppliers, according to its principles of transparency, high standards and fairness.

The risk exposure to its direct suppliers is therefore reduced for Hermès. Nevertheless, the Group is aware that the sustainability of its activities depends on the availability of the exceptional raw materials used. Furthermore, Hermès is committed to sustainably developing its supply chains, by going beyond compliance with environmental, ethics, social and animal welfare regulations, to contribute to the future availability of these resources.

To this end, the buyers in each métier carry out **risk mapping for each purchasing category** (raw materials, manufacturing, etc.). The risks assessed are mainly those relating to human rights and fundamental freedoms, personal health and safety, social issues, the environment, biodiversity, ethics and the risk of corruption.

Since 2019, these mapping exercises have been supplemented by supply chain analyses by raw material. With its 16 métiers, the Group has around 100 direct purchasing categories and nearly 80 materials supply chains.

At the end of 2025, risk mapping and a risk analysis by supplier were carried out for most purchasing categories. Of the supply chains identified, almost all were the subject of a comprehensive analysis, thus covering almost the entire scope. The analysis of these supply chains led to the Supply Chain Brief, which is distributed to all suppliers.

The Supply Chain Brief and the CSR Brief, which present the recommendations, traceability and certification targets expected by Hermès for each raw material, were updated in 2025.

RISKS	RAW MATERIALS SUPPLY CHAINS & SUPPLIERS	MANUFACTURERS AND SUBCONTRACTORS
Human rights		
Social dialogue		
Discrimination		
Living wage		
Child labour		
Forced labour		
Impact on communities		
Personal data		
Health and safety		
Consumer safety		
Health and safety at work		
Psychosocial risks		
Working conditions		
Safety and security of persons		
Environment		
GHG emissions and climate change		
Pollution and waste		
Depletion of natural resources		
Biodiversity damage		
Animal welfare		

Net criticality

Very high

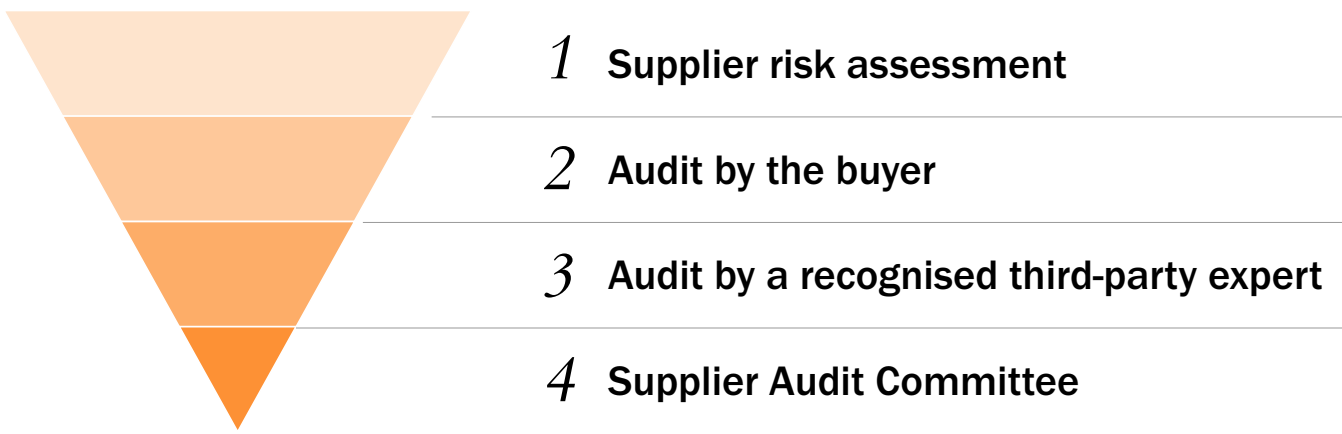
High

Average

Low and very low

Not significant

KEY RISK MITIGATION MEASURES (1/2)



1. SUPPLIER RISK ASSESSMENT

Each métier buyer carries out risk assessments, by supplier, in several areas as updated in 2025:

- corruption;
- human rights;
- health & safety;
- environment;
- shareholding;
- governance;
- financial health and economic dependence;
- quality of the relationship;
- supply chain;
- subcontracting;
- quality, costs and deadlines;
- continuity;
- security of assets.

2. AUDIT BY THE BUYER

If a risk is suspected, the buyer carries out a site visit to confirm or refute it, using a “supplier knowledge questionnaire” that details the various themes present in the supplier risk analysis grid.

This questionnaire covers topics such as ethics, human rights, health and safety, and the environment.

3. AUDIT BY A RECOGNISED THIRD-PARTY EXPERT

If the risk is related to the environment, working conditions, the health and safety of people, social issues or human rights and fundamental freedoms, an external body recognised for its expertise, will conduct an audit.

These audits last at least two days and are carried out in the presence of a Hermès representative. They make it possible to verify, *in situ*, the reality of suppliers’ social, environmental and ethics commitments. The proper implementation of the regulations that concern them is also monitored, as well as the working conditions and well-being of employees. The results of these audits and action plans are taken into account during any continuation of relationships.

Due to its craftsmanship culture, its in-depth knowledge of purchasing channels and mechanisms, and its external EHS expertise, Hermès provides genuine spaces for discussion to build targeted action plans together with its partners.

Lastly, in line with its supply chain strategy ([see p.44](#)), the purchasing department and métiers concerned initiated the first field audits in 2024, on the upstream scopes assessed as most at risk. This mechanism continued in 2025 and will continue in 2026. In 2025, more than 200 suppliers were audited as part of central purchasing, including more than 100 Tier 1 suppliers and more than 100 Tier 2 suppliers, in addition to more than 500 suppliers audited by métier buyers, bringing the total number of audits carried out to more than 700.

4. SUPPLIER AUDIT COMMITTEE

Since early 2019, a Supplier Audit Committee is tasked with analysing the audit reports and defining the priority actions to be established with the audited suppliers.

This Committee meets for two half-days per month. It is composed of the Group purchasing department, the audit and risk management department, as well as relevant buyers at the métiers. It reviews the conclusions of new audits and follows up on past audits.

Audit follow-ups are planned three months, six months or one year after the audit, depending on the type and severity of the findings. Once all the findings have been cleared by the supplier, a closing visit is carried out by the buyer concerned and by a representative of the Group direct purchasing department to confirm the successful completion of all corrective actions and ensure their sustainability.

MONITORING

More than 100

audits of Tier 1 suppliers were carried out in 2025

More than 100

audits of Tier 2 suppliers were carried out in 2025

More than 500

suppliers audited by métier buyers in 2025

KEY RISK MITIGATION MEASURES (2/2)

In addition to audits and improvement plans, in order to provide long-term support to all its partners and maintain balanced relationships, Hermès ensures that they all share and respect its social, environmental and ethics ambitions.

NETWORK MANAGEMENT AND TRAINING

The Group drew up a CSR brief in 2021, which was updated in 2025 and sets out its expectations with regard to suppliers. The themes include:

- social and human rights;
- biodiversity;
- forests;
- climate change;
- water;
- traceability;
- circularity, innovation in materials and processes;
- chemicals and safety;
- waste;
- pollution.

In 2023, the subjects of forests, pollution (waste) and pollution (safety and chemical substances) were added to the CSR brief. In 2025, the CSR brief was enhanced with the creation of a page dedicated to climate change adaptation and a page dedicated to industrial pollution.

In parallel with the CSR brief, the Group direct purchasing department has prepared the supply chain Brief ([see p.48](#)). The CSR brief and the supply chain brief are rolled out to all suppliers by the Group’s buyers. During distribution campaigns, buyers present the issues and advise suppliers on the implementation of the measures provided for in the CSR brief and the supply chain brief. In 2025, the supply chain brief and the CSR brief were updated, reflecting changes in the House’s priorities in terms of responsible supply chain management.

The Group direct purchasing department also hosts **an annual direct purchasing day**, which brings together all buyers. Depending on the agenda, internal control officers and representatives of the legal department or of the sustainable development department are also invited.

The “Adopt EHS (environment, health & safety) reflexes” training has been provided since 2020. This training is aimed at buyers and anyone who visits suppliers.

The “Hermès Purchasing Excellence” training course, finalised in early 2021 and updated in 2025 to include a more comprehensive module on sustainable development issues applied to purchasing. It lasts three days, including a full day dedicated to CSR, responsible purchasing and supply chain management.

In addition, legal training for buyers, “The Art of Negotiation at Hermès” together with finance training for buyers are provided each year in order to better understand risks and best practices in terms of ethics and compliance.

TRANSPARENCY & TRACEABILITY

Traceability software continues to be systematically implemented for better monitoring and control of risks in the value chains of the Group's partners.

SUPPLIER COMMITMENT (SUPPLIER CODE OF CONDUCT)

Hermès systematically seeks a formal commitment from its suppliers to comply with their social, regulatory and environmental obligations. This commitment is formalised by the signing of the supplier code of conduct since 2024 including the “Social, environmental and ethics policy”.

By signing this agreement, suppliers formally undertake to carry out their own duty of vigilance with respect to their suppliers and subcontractors, which they are also required to declare to Hermès. No production may be subcontracted without Hermès’ prior written agreement ([see p.43](#)).

CSR QUESTIONNAIRE

To support suppliers, a “CSR questionnaire” was created in 2022 and updated in 2025. With more than 100 CSR-related questions, it allows buyers to ask their suppliers for any useful information relating to their CSR commitments: social policy, commitments in favour of the environment and biodiversity, ethics charter, waste management, commitments to reduce the water footprint and greenhouse gas emissions, etc.

Since 2023, the annual use of this questionnaire has made it possible to refine the roadmaps by supplier. In 2025, the CSR questionnaire was updated to simplify monitoring with suppliers, and to reflect the results obtained in relation to the communicated trajectories.

SUPPORTING DIRECT PURCHASING SUPPLIERS

Committed to providing long-term support for its partners and maintaining balanced relationships, Hermès ensures that all its partners share and respect its social, environmental and ethics objectives. In particular, the Group monitors issues related to human rights and fundamental freedoms, working conditions (hygiene, health, safety, working hours, wages, etc.), the protection of the environment and biodiversity, as well as animal welfare. This monitoring applies to its suppliers and subcontractors in the value chain, with the aim of always better understanding all the supply chains and aligning their CSR objectives with those of Hermès.

SUPPLIER CODE OF CONDUCT

The Hermès Group updated its commitment handbooks in 2023, which are now combined in a single document. The supplier code of conduct now replaces the old commitment handbooks and notably strengthens the obligations relating to:

- human rights and working conditions;
- environmental protection;
- ethics;
- transparency in the value chain (control of subcontractors).



The supplier code of conduct is available in several languages (including French, English, Italian and Portuguese), and will be adapted for distribution partners. This code was published in early February 2024 and is available on the Hermès Finance website.

CSR TRAINING FOR BUYERS

A catalogue of CSR training courses tailored to buyers has been available since 2018 and is updated regularly.

- The three-day “Hermès Purchasing Excellence” training, including a full day on CSR and supply chain management, was rolled out in 2020.
- The “Social issues and human rights” training, rolled out in 2023 for buyers based in France, is designed to train buyers in issues arising from the duty of vigilance and, in particular, respect for human rights within the Hermès value chain. They can then raise awareness among their suppliers and ensure that the latter fully understand and implement the commitments required by the House in this area.
- The Carbon Footprint training was launched for buyers in 2022, giving them a better understanding of carbon issues in the value chain, with a specific focus on reading carbon data (carbon assessment, GHG Protocol, internal grid).
- In order to actively support our suppliers in their efforts to make progress, EHS (Environment, Health and Safety) training provided to buyers and teams travelling to the supplier is a key lever. It enables them to adopt a support-based approach, to identify areas for improvement during their on-site visits and to disseminate the Group’s best practices.

CARBON TRAJECTORY WITH SUPPLIERS

A Carbon Steering Committee meets three times a year to share objectives and progress made by each métier. At the same time, a scope 3 carbon working group was set up, involving at least one representative from each métier. Priority will be given to building GHG emission reduction trajectories for key suppliers by métier.

In this context, suppliers are invited to share their carbon data (scopes 1, 2 and 3), which will feed detailed figures into the Group’s carbon data. This approach will be strengthened in 2026 by the introduction of a new carbon footprint measurement tool, designed to more systematically collect data from suppliers, and to work with them to manage progress plans to reduce greenhouse gas emissions.

In 2025, major initiatives led to this approach being supplemented by two concrete levers. On the one hand, several suppliers benefited from the financing of energy assessments, carried out with the help of a specialised partner, in order to identify the main decarbonisation levers and to support the definition of appropriate investment plans. Furthermore, Hermès has undertaken several initiatives aimed at reducing the carbon footprint of its raw materials supply chains, through regenerative agriculture projects (beetroot, flax, sheep).

SUPPLY CHAIN ANALYSIS & CERTIFICATION REQUIREMENTS

For decades, the House has continued to learn more about its supply chains, to share and develop its requirements with its suppliers (often long-standing partners) and to achieve the highest quality and preserve future development.

Hermès has long had **a process for monitoring its raw materials supply chains**. Since 2019, the direct purchasing department has accelerated the process with the following ambitions:

- commit to in-depth knowledge and management of all the House’s raw materials supply chains;
- address risk management commitments, in particular with regard to issues related to the duty of vigilance;
- capture value creation opportunities for the House, local authorities and the environment;
- develop more virtuous supply chains to ensure that 100% of the raw materials used to manufacture products come from sustainable and responsible supply chains.

With the support of an independent expert firm, Hermès systematically analyses its supply chains to map them, qualify traceability, assess inherent and specific risks, identify opportunities and define insurance and certification procedures. This analysis makes it possible to set up ambitious action plans managed by the métiers.

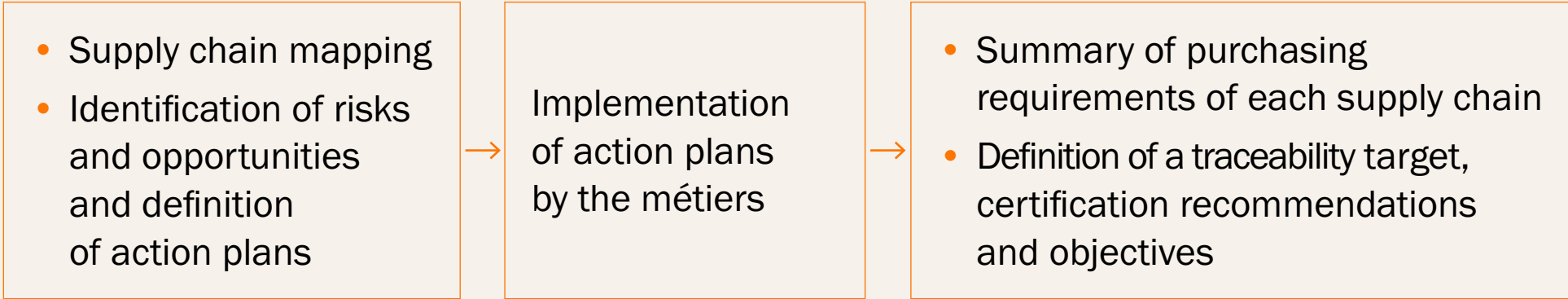
At the end of 2025, the supply chains identified had been analysed in detail, covering almost all material purchases by value. Additional analyses are now systematically carried out for all new materials and supply chains introduced by the creative departments



These analyses of the supply chains gave rise to a supply chain brief, drawn up by the Group’s direct purchasing department in collaboration with the métiers. The first version published on the Hermès Finance institutional website at the end of 2020 included around 10 supply chains. Successive updates have been carried out since 2020, in 2023 and 2024, resulting in a new version of the supply chain brief for 2025.

The supply chain brief is intended for all suppliers involved in the supply of raw materials required by Hermès. It allows Hermès to share with them its ethics and sustainable requirements and those relating to the protection of people, animals and the environment. The supply chain brief can be consulted on the Hermès Finance institutional website.

PROCESS TO ANALYSE AND DEVELOP AN ACTION PLAN BY SUPPLY CHAIN



 **CSR brief**

SUPPLY CHAIN BRIEF AND CERTIFICATION COMMITMENT (EXTRACT)

ANIMAL SUPPLY CHAINS <i>(covered by the Animal Welfare policy)</i>	Leather	LWG
	Precious leathers	ICFA; SAOBC; LPPS
	Wool & hair	RWS; RAS; RMS; SFA
	Feathers and down	RDS
	Silk	GOTS
PLANT-BASED SUPPLY CHAINS	Cotton	GOTS
	Linen	Master of Linen
	Cellulose fibres	FSC
	Wood	FSC
SYNTHETIC SUPPLY CHAINS	Fibres	GRS
	Rubber	FSC + GOLS
MINERAL & METAL SUPPLY CHAINS	Stones	RJC + COP and/or IRMA
	Gold & Silver	RJC + COC and use of recycled materials
	Steel, aluminium and brass	IRMA; ICMM; ARM or ASI certification and use of recycled materials



HERMÈS AND ITS PARTNERS

7. INDIRECT PURCHASES

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- 50 ILLUSTRATION OF CERTAIN PURCHASING CATEGORIES

SUMMARY OF INDIRECT PURCHASING RISK MAPPING

The indirect purchasing department coordinates a network of dedicated buyers in the support functions in each country and métier managers for categories such as real estate, general services, communications, IT and intellectual services.

The indirect purchasing department oversees the purchase of packaging and fixtures worldwide. This department coordinates energy, telephony, training, temporary work, translation, transport, logistics and other contracts in France. Depending on the countries in which the Group operates, the risks vary.

The subjects closely monitored by the Group in the scope of indirect purchases are notably:

- working conditions: hours, accommodation conditions, etc.;
- safety at work: wearing of PPE, safety on construction sites, etc.;
- workers' compensation;
- trade union rights and disciplinary practices;
- risks of discrimination;
- forced labour and modern slavery;
- child labour;
- environmental protection.

RISKS	SUPPLIERS, MANUFACTURERS AND SUBCONTRACTORS	SERVICE PROVIDERS & TRANSPORT
Human rights		
Social dialogue		
Discrimination		
Living wage		
Child labour		
Forced labour		
Impact on communities		
Personal data		
Health and safety		
Consumer safety		
Health and safety at work		
Psychosocial risks		
Working conditions		
Safety and security of persons		
Environment		
GHG emissions and climate change		
Pollution and waste		
Depletion of natural resources		
Biodiversity damage		
Animal welfare		

Net criticality

Very high

High

Average

Low and very low

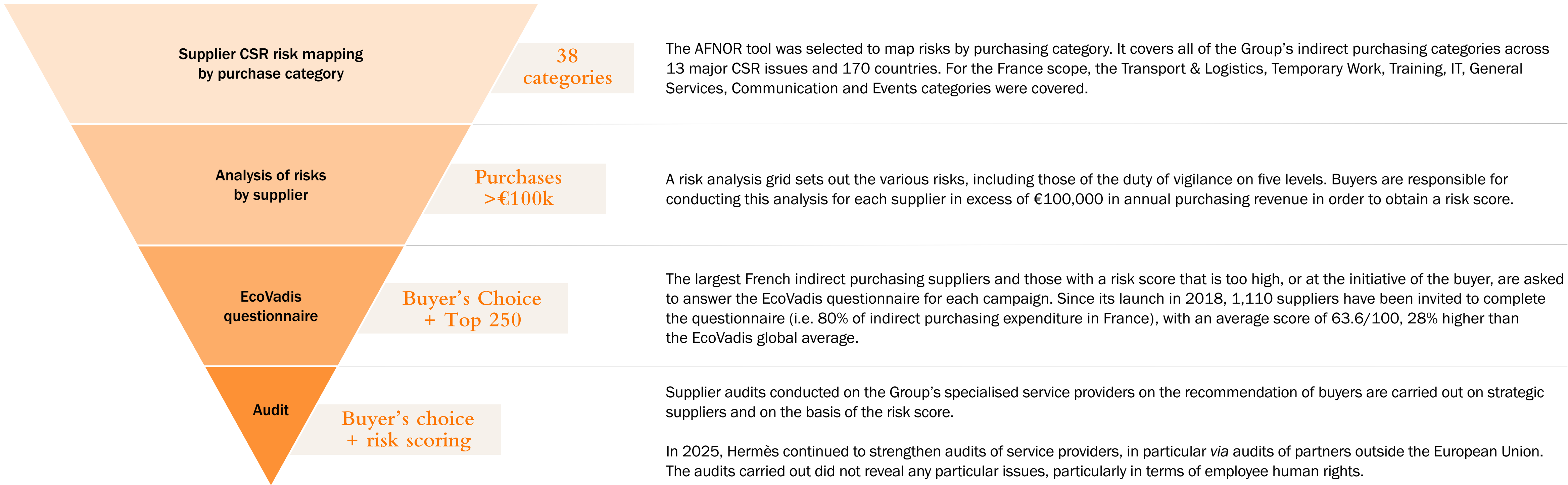
Not significant

RISK ASSESSMENT

Indirect purchases use the Group approach to supplier risk management, in accordance with the requirements of the French law on the duty of vigilance.

They carry out:

- risk mapping;
- regular assessment procedures for suppliers and subcontractors;
- risk mitigation actions;
- monitoring to measure their effectiveness.



RISK MITIGATION MEASURES

In a context of changing regulatory, environmental and societal requirements, the Group’s indirect purchasing is calling on a range of levers to mitigate risks in each purchasing category, as presented below: coordination of the buyer network, training, supplier engagement and operational support.

COORDINATION OF THE BUYER NETWORK

The indirect purchasing division is responsible for leading and coordinating a network of buyers structured around several levels of expertise, with dedicated buyers in the support functions in each country and métier managers covering strategic categories such as real estate, general services, communication, IT and intellectual services.

This network has been strengthened with the recruitment of new purchasing managers in France, within the Group’s Leather Goods division and Tanneries division (2024), as well as in the distribution subsidiaries, Japan and the United States (2024), in order to ensure the best possible consistency with the Group’s standards and monitoring of commitments.

To support this structure, the indirect purchasing department has been holding an annual indirect purchasing day since 2020, which brings together all buyers.

In 2025, the focus was on the deployment of the Responsible Purchasing policy and the provision of tools to support buyers in dialogue with suppliers. In addition, as every year, an update was given on solidarity purchasing, demonstrating the Group’s commitment to more responsible consumption.

BUYER TRAINING

An e-learning module on responsible purchasing, available on the Mycampus platform, completes this course.

In 2025, the indirect purchasing department also organised webinars to explain the Responsible Purchasing policy and the CSR expectations sheets, broken down by indirect purchasing category (general services, security and caretaking, concierge services, transport, intellectual services, events, cleaning and more), as well as a workshop in the form of a fresco designed in-house to raise awareness among buyers of the issues and tools available to them.

SUPPLIER COMMITMENT

In December 2024, Hermès published its “Responsible purchasing” policy, which formalises the Group’s requirements for its direct and indirect partners in terms of social and environmental responsibility.

In line with this policy, and as for direct suppliers, Hermès systematically requires the formal commitment of its suppliers and indirect service providers through the signing of the new supplier code of conduct. This code strengthens obligations in terms of:

- human rights and working conditions;
- environmental protection;
- ethics;
- transparency in the value chain (control of subcontractors).



This new code was published in early February 2024, and is available on the Hermès Finance website. Its rollout to indirect suppliers continued in 2025.

SUPPLIER SUPPORT

Buyers of the indirect purchasing department as well as the métier buyers and managers of the support functions in each country are responsible for monitoring the practices and services of their suppliers with whom they are in direct contact.

Since the end of 2018, the CSR performance of suppliers has been assessed via the EcoVadis platform. New indirect buyers were trained on this platform in 2025.

In order to extend this system to smaller suppliers, an additional solution was tested in 2025 with around 100 indirect suppliers, in the form of a simplified CSR self-assessment questionnaire, broken down by purchasing category. This conclusive trial will be extended in 2026 to a wider selection of suppliers, with priority given to small and medium-sized businesses.

In addition to these assessment systems, the handling of non-compliance issues follows a common approach: when a case of non-compliance is identified, it is discussed with the partner to enable them to understand why it is of major importance for Hermès. Proposals for improvement are then examined, as well as the implementation of an action plan, with a view to long-term relationships.

If this approach cannot be implemented, the subject is discussed by the Management Committee of the support function or the subsidiary concerned, and in certain cases by the Sustainable Development Committee, and relations are likely to be interrupted in accordance with the applicable internal rules and legislation.

ILLUSTRATION OF CERTAIN PURCHASING CATEGORIES: REAL ESTATE AND EVENTS



REAL ESTATE

Every year, the Group real estate department supervises around 100 construction or renovation projects, ensuring that they comply with the highest environmental, social and societal standards.



A set of sustainable construction standards known as “Harmonie” has been in place since 2021. Awarded “Label” status in 2022, the “Harmonie” standards ensure a level of requirement aligned with the highest real estate

standards in existence. Bureau Veritas has confirmed Harmonie’s label every year since 2022.

These standards cover all building types: production sites, logistics centres, stores and offices. They are based on five pillars:

- carbon footprint;
- biodiversity;
- indoor air quality;
- local sourcing;
- environmental health.

The “Harmonie” standards are constantly being updated to maintain their high specifications and ensure they remain aligned with market standards and developments.

In 2022, a Responsible Real Estate Committee was created, composed of members of the Group’s industrial, commercial, financial, human resources, sustainable development and real estate departments. This committee aims to ensure that the real estate portfolio is in line with the best environmental, social and societal performance.

In addition to setting up these standards, the real estate department strives to create a safe and ethical working environment, while ensuring the efficient completion of its projects. To this end, it ensures that its partners sign the supplier code of conduct, and that they comply with health and safety regulations.



EVENTS

The Group’s communications department designs the House’s communications through a variety of formats, including events, window displays, campaigns and printed editorial media. The teams define the creative and operational guidelines, then coordinate their implementation in conjunction with selected partners who have signed the supplier code of conduct.

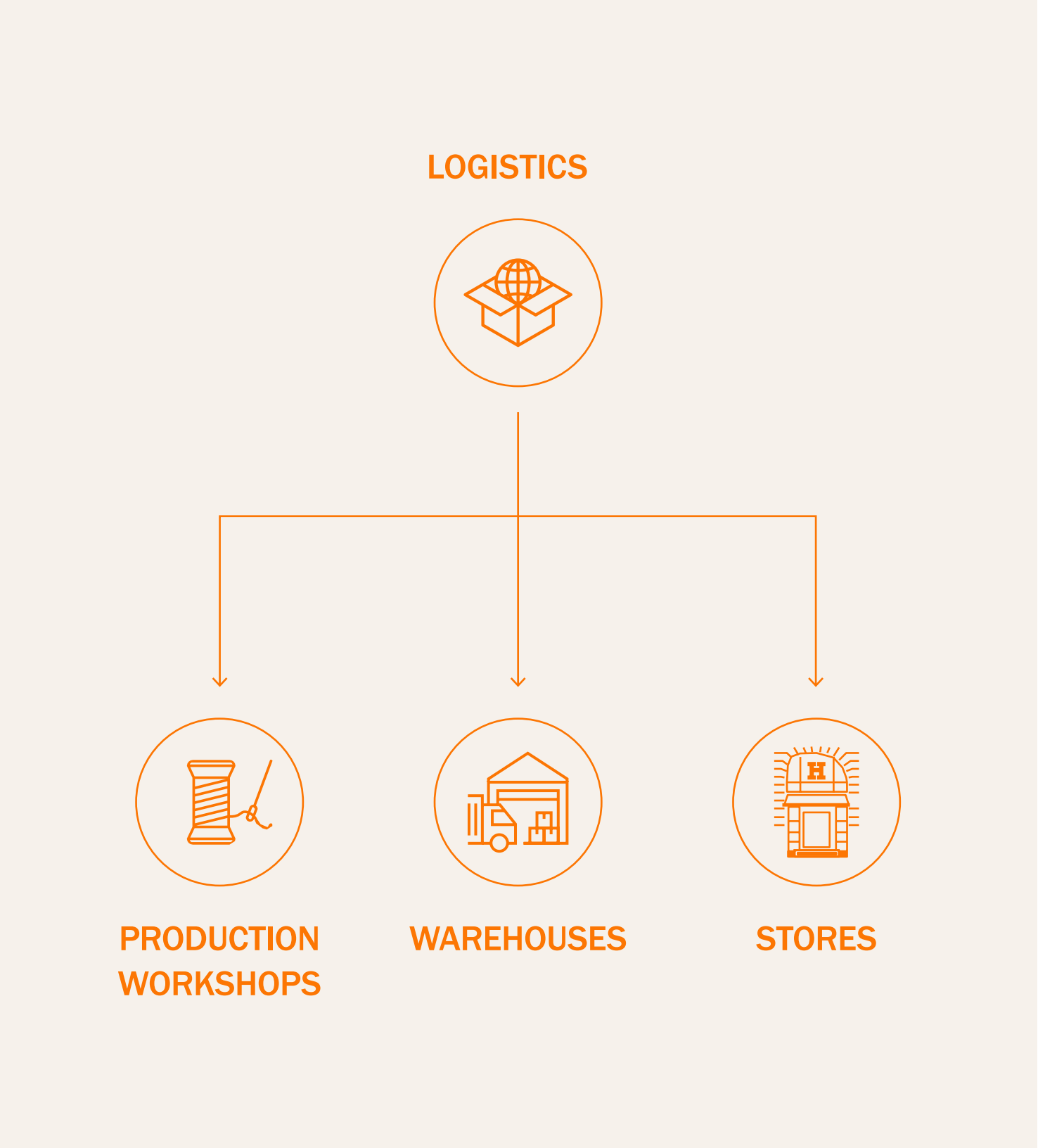
As such, they manage the various stakeholders, with particular attention paid to compliance with the Group’s health, safety and environmental requirements, and by promoting responsible practices at each project stage.

A study is also being carried out on the environmental footprint of events, specifically fashion shows. This dynamic is reflected in the exploration of eco-design practices, increased vigilance in the choice of materials and careful management of resources. Collaborations are therefore possible with specialised players to promote the reuse and upcycling of certain components, specifically in partnership with the Réserve des Arts for sets.

To support these approaches, CSR expectation sheets – in line with the Responsible Purchasing policy – are gradually being developed to guide purchasing decisions in certain communication activities, particularly events. In addition, internal educational tools have been designed to hone employees’ skills in relation to these issues.

Finally, interactive events such as internal conferences may be organised in order to raise awareness, galvanise and inspire teams around environmental, social and societal issues. All of these initiatives form part of a continuous improvement approach, aimed at combining high creative standards, environmental responsibility and attention to the working conditions of the people involved.

ILLUSTRATION OF CERTAIN PURCHASING CATEGORIES: LOGISTICS



The Group's logistics flows are concentrated between production workshops, manufacturers, raw materials suppliers and stores, with three central warehouses in France and local warehouses for certain destinations.

In terms of working conditions, the Group is investing in the mechanisation and use of robotics at its logistics sites (whether managed directly or through a partner in order to support the growth of its activities while reducing the arduousness of certain tasks and improving the safety and well-being at work of its employees and partners. Regarding personal safety, the requirements applicable to outsourced logistics sites are identical to those in place at Hermès, and particular attention is paid to transport flows, notably through driver training.

In terms of climate change, product transportation accounted for approximately 13% of the Group's GHG emissions (scope 3) in 2025, and is the subject of detailed analyses and operational actions to reduce its impact. The most significant actions are detailed below.

Upstream transport

(production workshops to central warehouses):

- optimisation of loading inside trucks in order to reduce the number of vehicles used;
- organisation of grouped collections at the various production sites;
- use of low-emission vehicles (electric or hybrid) and synthetic fuel, not derived from fossil fuels, for shuttles.

Downstream transport

(central warehouses to local warehouses and stores):

- systematic consideration of a criterion related to the improvement of the carbon footprint in calls for tenders for service providers and purchases of sustainable fuels: use of NGV (natural gas for vehicles) and bioNGV for road transport, SAF (Sustainable Aviation Fuel) for air transport, SMF (Sustainable Maritime Fuel) for maritime transport;
- maritime transport is used for long-distance transport (Asia, America, Oceania), when the nature, volume and/or quantity of the items to be shipped permit it;
- use of optimally-loaded cargo planes, which have lower emissions, for non-avoidable air transport;
- shipments by road for stores in Europe, rather than by air;
- use, where possible, of low-emission vehicles (electric or biogas-powered) for local transport from nearby warehouses to city centres.



HERMÈS AND ITS PARTNERS

8. DISTRIBUTION PARTNERS

53 RISK MAPPING

54 RISK ASSESSMENT AND MITIGATION MEASURES

DISTRIBUTION PARTNER RISK MAPPING

*Hermès also works with concessionaire partners around the world.
This accounts for a total of 60 stores in 27 countries.*

Hermès’ relationships with its concessionaires are long-standing relationships based on trust acquired over many years.

The few recent partners concern, among others or for the most part, Travel Retail stores. These are major structures, leaders in their market, whose requirements in terms of respect for human rights and fundamental freedoms, health and safety and environmental protection are in line with those of the Group.

The Group has carried out risk mapping and assessed its exposure. The nature of the activity and the presence of concessionaires in certain countries may present particular risks in terms of:

- trade union law and local disciplinary practices;
- discriminatory practices related to the culture of the country;
- stress or harassment in high-activity stores;
- employee working conditions in terms of hours and rest.

RISKS	CONCESSIONAIRES
Human rights	
Social dialogue	
Discrimination	
Living wage	
Child labour	
Forced labour	
Impact on communities	
Personal data	
Health and safety	
Consumer safety	
Health and safety at work	
Psychosocial risks	
Working conditions	
Safety and security of persons	
Environment	
GHG emissions and climate change	
Pollution and waste	
Depletion of natural resources	
Biodiversity damage	
Animal welfare	

Net criticality

Very high

High

Average

Low and very low

Not significant

RISK ASSESSMENT AND MITIGATION MEASURES

The legal and commercial departments use different levers to assess and mitigate risks in the Group’s concessionaire network. The action plans are defined, adapted and monitored locally by the local area directors and legal directors.

VALIDATION PROCEDURE

- The concessionaires are chosen because of the values shared with Maison Hermès.
- A procedure was put in place for the validation of concessionaires:
- 1

Validation by the real estate department at the time the concession is granted.

The site must meet Hermès’ criteria in terms of the environment (not to harm biodiversity, not to pollute during construction, etc.), but also in terms of human rights and fundamental freedoms (e.g. compliance with social regulations).
- 2

The regional or country management must then approve the location.
- 3

The Group Director of Sales must finally give their approval.

CONCESSIONAIRE COMMITMENT

Each concessionaire must sign the business ethics charter, which sets out the Hermès Group's ethics, social and environmental commitments. Common to all countries, the business ethics charter presents the commitments of distribution partners in terms of respect for human rights, and the rules applicable to working conditions, environmental protection and personal data protection.

The business ethics charter is regularly updated.

In addition, the contracts entered into with Hermès’ partners include social clauses defining minimum requirements in terms of working conditions, particularly in terms of team organisation, in order to prevent situations of overload or deterioration of working conditions.

CONCESSIONAIRE MONITORING

Retail directors and area directors carry out on-site visits, sometimes with the presence of local legal directors. The Hermès Group conducts occasional audits on the themes covered by the duty of vigilance and on the contractual obligations of distribution partners.

Regular reviews enable action to be taken as soon as a risky situation is detected (e.g. a change of service provider). The local teams trained by the central teams remain in very regular contact.

The store projects department works on behalf of concessionaires during renovations or construction. The retail project manager visits the site to ensure regular physical monitoring.



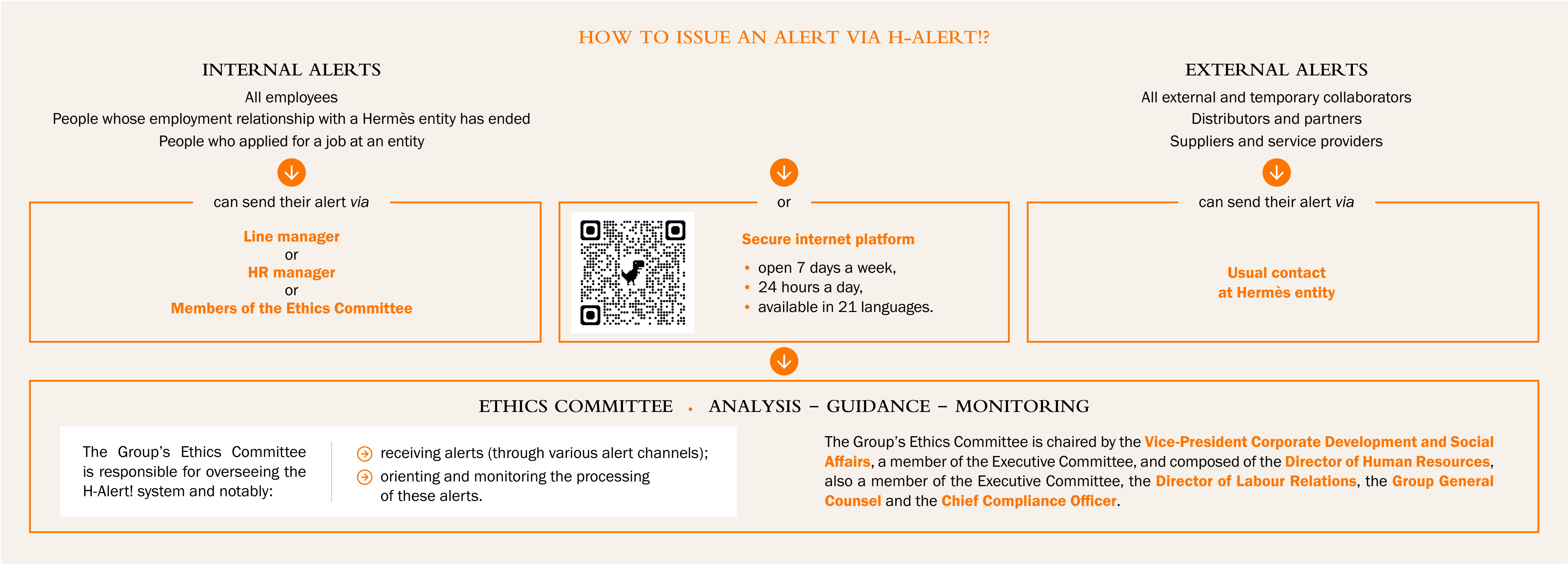
9. ALERT COLLECTION AND PROCESSING SYSTEM

56 H-ALERT! SYSTEM

57 SUMMARY OF ALERTS

H-ALERT! SYSTEM

The Group has had a global whistleblowing system called H-Alert! since 2019. This system was updated in 2026 to offer a more intuitive and accessible interface to users, while strengthening the alert management and monitoring tools for the teams in charge, particularly in terms of management, traceability and reporting. Intended for all internal and external stakeholders of the Group, the H-Alert! system enables reporting of the existence of risks to, or violations of, human rights and fundamental freedoms, and the health and safety of people or the environment resulting from the activities of the Group, its subcontractors or its suppliers.



SUMMARY OF ALERTS IN 2025

Whistleblowers and facilitators may not be subject to retaliation. The Hermès Group guarantees the confidentiality of information and the processing of alerts. It is also possible to issue an alert anonymously.

PROTECTION OF WHISTLEBLOWERS

A person who issues an alert and acts in good faith benefits from a protection that may vary depending on the applicable laws.

Under French law, the whistleblower may not be dismissed, sanctioned or discriminated against in any way for having reported facts in accordance with the procedure.

More generally, no retaliation may be taken against them.

PROCESSING OF ALERTS AND IMPLEMENTATION

All alerts are acknowledged within seven days. The admissibility of alerts is processed within one month of receipt. Disciplinary sanctions, which may include dismissal, may be decided at the end of an investigation and implemented against employees who have violated the Group’s ethics rules.

The global H-Alert! system is monitored and continuously improved in order in particular to provide access to the H-Alert! whistleblowing system to the Hermès Group’s suppliers, service providers, distributors, intermediaries and co-contractors, as well as any other person likely to identify breaches and to alert the Group.

COMMUNICATION ABOUT THE H-ALERT! SYSTEM

In 2025, the Hermès Group continued to strengthen the communication and training of internal teams on the professional whistleblowing system, and notably on recent changes.

The increase in alerts (285 in 2025 compared to 211 in 2024) reflects a process that is now well-known and efficient for all internal and external stakeholders.

At the same time, the Group’s “H-Alert!” ethics whistleblowing line was opened to the Group’s suppliers and external stakeholders. This widening of the scope was accompanied by a specific communication campaign on this topic.

In 2025, a new information notice was issued within the Group and to its suppliers detailing the terms and conditions of the H-Alert! whistleblowing system.

MONITORING

285

alerts received through the whistleblowing system

100%

of alerts considered admissible were processed and followed up

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all service providers

for their contributions

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