

GREENHOUSE GAS EMISSIONS ASSESSMENT

In k tonnes CO ₂ eq	2018	2019	2020	2021	2022	Like-for-like change/ 2021 ⁽¹⁾	Change/2018	2030 target
Scope 1	22.1	20.9	19.9	21.3	18	-	-	-
Scope 2 market-based	21.7	20.5	18.7	16.1	13.3	-	-	-
Total scopes 1 and 2	43.7	41.4	38.5	37.4	31.3	-16.4%	-28.4%	-50.4%
Scope 3	578.7	483.6	462.5	490.1	609.6	-	-	-
TOTAL GROUP	622.4	524.9	501.0	527.4	640.9	18.9%	-	-

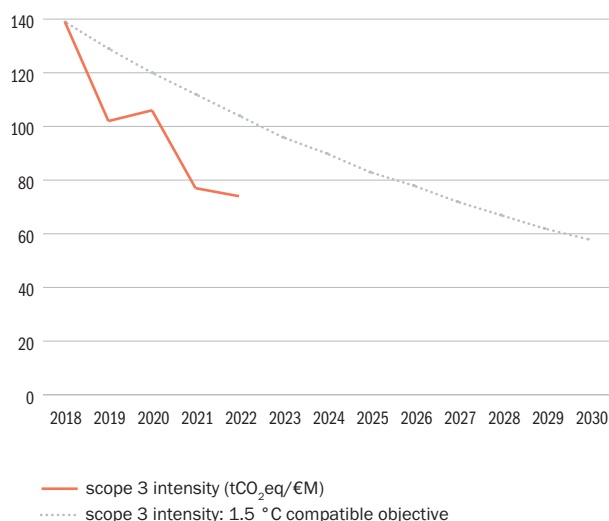
INTENSITY

In tonnes CO ₂ eq per €M Gross Margin	2018	2019	2020	2021	2022	Like-for-like change/ 2021 ⁽²⁾	Change/2018	2030 target
Scopes 1 and 2	10.5	8.7	8.8	5.8	3.8	-	-	-
Scope 3	138.6	101.8	105.7	77	74.2	-5.3%	-46.5%	-58.1%
TOTAL GROUP	149.1	110.6	114.5	82.8	78	-	-	-

In 2022, the Hermès Group's GHG emissions were around 641 k tonnes CO₂eq (up 18.9% from the previous year on a like-for-like basis). **With a decrease of -28.4% in absolute value of scopes 1 and 2 compared to 2018, and -46.5% of scope 3 in intensity, emissions are in line with the Group's 2030 targets validated by SBTi.**

The chart below illustrates the reduction trajectory of the intensity ratio of scope 3 emissions validated with SBTi (grey curve). The scope 3 intensity ratios recorded between 2018 and 2022, shown on the dark orange curve, demonstrate that the Group systematically manages to exceed the targets it had set itself as part of its emissions reduction trajectory. **In 2022, the Group achieved 80% of its SBTi scope 3 reduction target.**

CHANGE IN THE INTENSITY TRAJECTORY OF THE GROUP'S SCOPE 3 EMISSIONS WITH REGARD TO THE TRAJECTORY VALIDATED BY SBTi



Analysis of the Group's overall GHG assessment

The GHG emissions break down as follows:

- ◆ 31.3 k tonnes of CO₂eq for scopes 1 and 2, i.e. direct and indirect emissions related to energy consumed by production sites, offices, logistics centres and exclusive stores. In understanding this figure, it should be recalled that the Company has a business model in which **most objects are made in Hermès' in-house workshops, so it is representative of a very large part of production** (which is rarely the case in the Fashion & Apparel industry, where production is generally subcontracted and therefore falls within scope 3). This figure is in line with Hermès' objectives validated by the SBTi. With a reduction of -28.4% in four years, the Group is making progress towards its 2030 target, and is continuing the necessary transformation effort for its industrial facilities, which will take several years to achieve;
- ◆ 609.6 k tonnes of CO₂eq for scope 3, which essentially takes into account mainly the carbon footprint of raw materials (64% of scope 3) as well as all purchases, fixed assets, waste, subcontracting, packaging, transport of products and employee travel. Upstream and downstream transport (categories 4 and 9) represent 15% of the total scope 3. **With a reduction in intensity of -46.5% in four years, the Group is in line with its reduction targets for 2030.**

These figures confirm the merits of a low-environmental-footprint French craftsmanship model: with a carbon intensity of 78 (all scopes), Hermès is ranked as one of the least carbon-intensive companies of the CAC 40, based on a full scope 3. The decoupling between activity growth and the Group's footprint is -47.7% over four years.

1. See the greenhouse gas emissions assessment table in the appendix to § 2.5.
2. Idem.