

HERMÈS



NOTICE OF MEETING 2019

General Meeting Tuesday 4 June 2019
at 9.30 AM

Palais des Congrès, Grand Amphithéâtre,
2 avenue de la Porte Maillot à Paris (17^e)

This document is a free translation into English of the “*Brochure de convocation*”, originally prepared in French, and has no other value than an informative one. Should there be any difference between the French and the English version, only the French language version shall be deemed authentic and considered as expressing the exact information published by Hermès.

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HERMÈS INTERNATIONAL

24, rue du Faubourg-Saint-Honoré – 75008 Paris – France – Partnership limited by shares with capital of €53,840,400.12

572 076 396 RCS Paris

Dear Sir / Madam,

The shareholders of the Hermès International company are invited to the Ordinary and Extraordinary Combined General Meeting that will be held on

Tuesday 4 June 2019
at 9.30 AM (reception open as of 8 AM)

at the Palais des Congrès, Grand Amphithéâtre, 2 avenue de la Porte Maillot in Paris (17th), in order to vote on the following agenda.

We strongly invite you to personally attend this meeting.

You will therefore have to produce an admission card. If you cannot attend the meeting, you can still express your vote either by submitting a proxy, or by voting remotely, by mail or by Internet. Below, you will find information and recommendations regarding each of the means for participating in the meeting.

As the session starts at exactly 9.30 AM, we recommend that you arrive early (as of 8 AM) at the reception desk and at the sign-in desk, **with a document establishing your identity and your admission card**, in order to sign the attendance register.

All preparatory documents for the Combined General Meeting on June 4th, 2019 (the registration document, as well as the present meeting notice) are available for consultation and download from the site <https://finance.hermes.com>. To receive a paper version, please refer to page 60.

It will be our pleasure to welcome you amongst the participants in this General Meeting.

Sincerely.

The Executive Management

*A recorded webcast of the main speeches of the Annual General Meeting will be available on the website:
<https://finance.hermes.com>*

AGENDA OF THE GENERAL MEETING

ORDINARY BUSINESS

1. PRESENTATION OF REPORTS TO BE SUBMITTED TO THE ORDINARY GENERAL MEETING

Executive Management's reports

- ♦ on the financial statements for the year ended 31 December 2018 and on the Company's activity for said financial year;
- ♦ on the management of the Group and the consolidated financial statements for the year ended 31 December 2018;
- ♦ on the resolutions relating to ordinary business.

Supervisory Board's report on the corporate governance

Supervisory Board's report to the Combined General Meeting of 4 June 2019

Statutory Auditors' reports

- ♦ on the annual financial statements;
- ♦ on the consolidated financial statements;
- ♦ on the related-party agreements and commitments.

Report from one of the Statutory Auditors, designated as the independent third party organisation, on the consolidated social, environmental and societal information contained in the management report

2. VOTE ON THE RESOLUTIONS RELATING TO ORDINARY BUSINESS

First resolution

Approval of the parent company financial statements.

Second resolution

Approval of the consolidated financial statements.

Third resolution

Executive Management discharge.

Fourth resolution

Allocation of net income – Distribution of an ordinary dividend.

Fifth resolution

Approval of related-party agreements and commitments.

Sixth resolution

Authorisation granted to the Executive Management to trade in the Company's shares.

Seventh resolution

Opinion on the components of compensation due or awarded to Mr Axel Dumas, Executive Chairman, for the financial year ended 31 December 2018.

Eighth resolution

Opinion on the components of compensation due or awarded to the company Émile Hermès SARL, Executive Chairman, for the financial year ended 31 December 2018.

Ninth resolution

Re-election of Mr Charles-Éric Bauer as Supervisory Board member for a term of three years.

Tenth resolution

Re-election of Ms Julie Guerrand as Supervisory Board member for a term of three years.

Eleventh resolution

Re-election of Ms Dominique Senequier as Supervisory Board member for a term of three years.

Twelfth resolution

Appointment of [Mr /Ms @] as new member of the Supervisory Board for a term of two years to replace Mr Robert Peugeot.

Thirteenth resolution

Appointment of [Mr /Ms @] as new member of the Supervisory Board for a term of three years to replace Ms Sharon MacBeath.

EXTRAORDINARY BUSINESS

1. PRESENTATION OF REPORTS TO BE SUBMITTED TO THE EXTRAORDINARY GENERAL MEETING

Executive Management's report

- ♦ on the resolutions relating to extraordinary business.

Supervisory Board's report

Statutory Auditors' reports

- ♦ on the capital decrease by cancellation of treasury shares (14th resolution);
- ♦ on the issue of shares and/or any securities while maintaining and/or cancelling preferential subscription rights (16th and 17th resolutions);
- ♦ on the issue of shares or any securities giving access to the capital of the Company reserved for members of a company or group savings plan while cancelling preferential subscription rights (18th resolution);
- ♦ on the issue of shares and or any securities while cancelling preferential subscription rights by private placement (19th resolution);
- ♦ on the issue of shares and or any securities giving access to capital in order to compensate contributions in kind (20th resolution).

2. VOTE ON THE RESOLUTIONS RELATING TO EXTRAORDINARY BUSINESS

Fourteenth resolution

Authorisation granted to the Executive Management to reduce the share capital by cancellation of all or part of the treasury shares held by the Company (Article L. 225-209 of the French Commercial Code (*Code de commerce*)) – General cancellation programme.

Fifteenth resolution

Delegation of authority to be granted to the Executive Management to increase the capital by incorporation of reserves, profits and/or premiums and free allocations of shares and/or increase the par value of existing shares.

Sixteenth resolution

Delegation of authority to be granted to the Executive Management to decide on the issuance of shares and/or any securities giving access to the capital with maintenance of preferential subscription rights.

Seventeenth resolution

Delegation of authority to be granted to the Executive Management to decide on the issuance of shares and/or any securities giving access to the capital with cancellation of preferential subscription rights but with the option of setting a priority period through a public offering.

Eighteenth resolution

Delegation of authority to be granted to the Executive Management to decide on a share capital increase by issuing shares and/or securities giving access to the capital, reserved for members of a company or group savings plan, with cancellation of preferential subscription rights.

Nineteenth resolution

Delegation of authority to be granted to the Executive Management to decide on the issuance of shares and/or any securities giving access to the capital, with cancellation of preferential subscription rights, by private placement pursuant to Article L. 411-2, II of the French Monetary and Financial Code (*Code monétaire et financier*).

Twentieth resolution

Delegation of authority to be granted to the Executive Management to decide on the issuance of shares and/or any securities giving access to the capital, with cancellation of preferential subscription rights, to compensate the contributions in kind granted to the Company in relation to equity securities or securities giving access to the capital.

Twenty-first resolution

Delegation of authority to carry out the formalities related to the General Meeting.

1 THE HERMÈS GROUP IN 2018

HIGHLIGHTS

EXCELLENT SALES PERFORMANCE AND RESULTS IN 2018

The Group's consolidated revenue amounted to €5,966 million, up +10.4% at constant exchange rates and +7.5% at current exchange rates. Recurring operating income increased 6% to €2,045 million (34.3% of sales). Net profit increased 15% to €1,405 million.

Axel Dumas, Executive Chairman of Hermès, said: *"Hermès once again delivered a remarkable performance this year, the fruit of the talent and exceptional commitment of the men and women of Hermès, confirming the robustness of the Group's growth model."*

IN 2018, ALL GEOGRAPHICAL AREAS POSTED GROWTH

(at constant exchange rates unless otherwise indicated)

The significant rise in revenues recorded in 2018 in Group stores (+11%) was driven by growth in all geographical areas. Hermès continued to improve the quality of its distribution network, both by opening stores that highlight the profusion of our creations and by completing renovation and extension work on almost twenty stores. Hermès successfully continued the roll-out of its new digital platform in Europe and in China in October.

Asia excluding Japan (+14%) pursued its strong growth in China and in South Asian countries. The Shanghai IFC and Singapore Marina Bay Sands stores were extended and renovated, after opening the Landmark Prince's in Hong Kong at the beginning of the year, Changsha and Xi'an in China, and Chadstone in Australia.

Japan (+8%) recorded a sustained increase with no price or scope effects.

America (+12%) confirmed its momentum throughout the area. The 34th store in the United States opened in May in Palo Alto, in the heart of Silicon Valley, the Cancun store in March, and the Mexico Artz Pedregal in December.

Europe excluding France (+8%) achieved a sound performance, driven in particular by the United Kingdom and Italy. France (+6%) posted growth, despite the negative impact of year-end events. The Parisian store on avenue George V, now covering three floors, re-opened in November after renovation and extension.

SALES BY MÉTIER AT THE END OF DECEMBER

(at constant exchange rates unless otherwise indicated)

All métiers recorded growth, with a remarkable performance of the Ready-to-Wear and Accessories division.

Leather Goods and Saddlery (+9%) recorded growth thanks to the increase in production capacity, in order to meet the high demand, both for the re-invented classics and other models such as the *Mosaïque* and *24/24* bags. Development projects continued with the Manufacture de l'Allan workshop gaining momentum and the launch of the Guyenne and Montereau workshops, which are expected to be completed by 2020. A new site will be built in Louviers by 2021, with the creation of 250 jobs. Hermès strengthens once again its territorial roots in Normandy, the development of employment and the creation of social value.

The Ready-to-Wear and Accessories division (+14%) confirmed its dynamic activity despite high comparison bases, driven by the success of the ready-to-wear collections, and fashion accessories, particularly shoes.

The Silk and Textiles métier posted an increase (+3%), with collections that combine diversity of materials with creative design.

Perfumes (+9%) performed well, thanks particularly to the success of *Terre d'Hermès* and *Twilly d'Hermès*.

The Watches métier (+10%) recorded good sales performance in group's stores, that reflects the creativity of the collections. The presentation of the Hermès' new women's watch *Galop d'Hermès* and the *Arceau L'heure de la lune* watch at the International Salon of Haute Horlogerie (SIHH) in Geneva last January was very well received.

Other Hermès métiers (+20%), which encompass Jewellery, Art of Living and Hermès Table Arts, were up sharply. The high jewellery collection, *Enchaînements libres*, was presented in September enhancing the creativity of the design with precious metal work.

STRONG GROWTH IN NET PROFIT AND FREE CASH FLOW

Recurring operating income increased 6% to €2,045 million compared to €1,922 million in 2017. Thanks to particularly healthy growth and good cost control, recurring operating profitability reached 34.3% of sales, close to the outstanding level achieved in 2017 ¹.

1. In 2017, recurring operating profitability was 34.6%.

After including the €53 million net capital gain on the sale of the former Galleria store premises in Hong Kong, operating income increased 9% to €2,098 million, representing 35.2% of sales.

Consolidated net profit (Group share) increased 15% to €1,405 million. Restated with the Galleria disposal capital gain, the increase is 11%.

After adjustment for capital expenditure (€312 million), free cash flow amounted to €1,447 million, up 8%.

Net cash gained €553 million to reach €3,465 million as at 31 December 2018, after payment of the ordinary dividend (€428 million) and an extraordinary dividend (€521 million).

In 2018, Hermès International redeemed 103,237 shares for €59 million, outside transactions completed within the framework of the liquidity contract.

GROWTH IN WORKFORCE

The Hermès Group increased its workforce by almost 800 people, including more than 500 in France, mainly in the production units and sales teams. At the end of 2018, the Group employed 14,284 people, including 8,846 in France.

Hermès has announced payment of an exceptional €1,000 bonus to all employees who earned less than three times the annual minimum wage in 2018. This bonus will be paid on top of the €100 increase in monthly salaries for all staff in France and an additional bonus for employees outside France. These measures confirm the willingness and commitment of Hermès to share the fruit of its growth with all those who contribute to it on a daily basis.

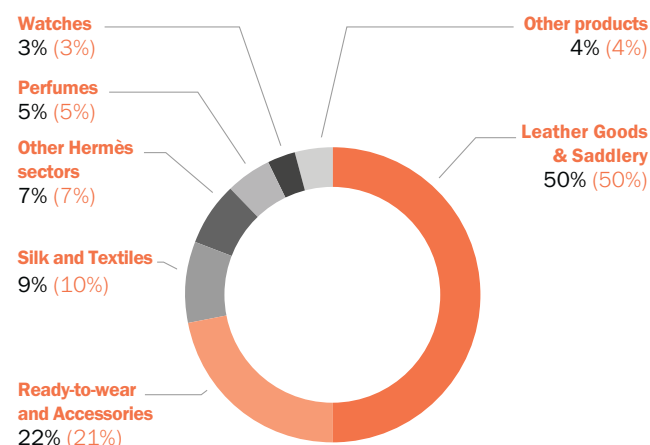
OUTLOOK

In the medium term, despite growing economic, geopolitical and monetary uncertainties around the world, the Group confirms an ambitious goal for revenue growth at constant exchange rates.

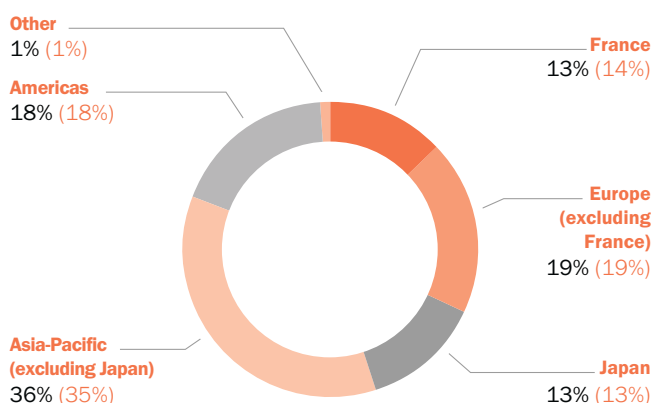
“In the pursuit of dreams” will be the theme of the year 2019. Celebrating the dream of Hermès means to affirm the need to dare to see further, to open the field of the imagination that stimulates creation. Thanks to its unique business model, Hermès is pursuing its long-term development strategy based on creativity, maintaining control over know-how and singular communication.

KEY FIGURES

BREAKDOWN OF REVENUE BY MÉTIER 2018 VS. 2017



BREAKDOWN OF REVENUE BY GEOGRAPHICAL AREA 2018 VS. 2017



KEY CONSOLIDATED DATA

(In millions of euros)	2018	2017	2016	2015	2014
Revenue	5,966	5,549	5,202	4,841	4,119
Growth at current exchange rates vs. n-1	7.5%	6.7%	7.5%	17.5%	9.7%
Growth at constant exchange rates vs. n-1 ¹	10.4%	8.6%	7.4%	8.1%	11.1%
Recurring operating income ²	2,045	1,922	1,697	1,541	1,299
in % of revenue	34.3%	34.6%	32.6%	31.8%	31.5%
Operating income	2,098	1,922	1,697	1,541	1,299
in % of revenue	35.2%	34.6%	32.6%	31.8%	31.5%
Net income attributable to owners of the parent	1,405	1,221	1,100	973	859
in % of revenue	23.5%	22.0%	21.2%	20.1%	20.9%
Operating cash flows	1,683	1,580	1,427	1,217	1,047
Free cash flow ³	1,447	1,340	1,212	933	688
Operating investments	312	265	262	252	279
Equity attributable to owners of the parent	5,503	5,039	4,383	3,742	3,449
Net cash position IFRS	3,465	2,912	2,320	1,571	1,422
Restated net cash position ⁴	3,615	3,050	2,345	1,614	1,494
Workforce (number of employees)	14,284	13,483	12,834	12,244	11,718

- (1) Growth at constant exchange rates is calculated by applying, for each currency, the average exchange rates of the previous period to the revenue for the period.
- (2) Recurring operating income is one of the main performance indicators followed by the Group's management. It excludes non-recurring items having a significant impact that could affect understanding of the Group's economic performance.
- (3) Free cash flow = operating cash flows + change in working capital requirement – operating investments.
- (4) Restated net cash includes cash investments that do not meet IFRS cash equivalent criteria as a result of their original maturity of more than three months.

2

TABLE OF RESULTS OVER THE LAST FIVE FINANCIAL YEARS

	2018	2017	2016	2015	2014
Share capital at the end of the year					
Share capital (in millions of euros)	53.8	53.8	53.8	53.8	53.8
Number of shares outstanding	105,569,412	105,569,412	105,569,412	105,569,412	105,569,412
Comprehensive income from operations (in millions of euros)					
Revenue excluding taxes	247.6	216.6	177.6	207.2	161.9
Net income before tax, employee profit-sharing, amortisation, depreciation, provisions and impairment	1,337.6	842.5	1,165.2	961.9	605.8
Income tax (income)	(7.0)	(24.4)	5.8	28.3	(4.0)
Employee profit-sharing (expense)	4.6	4.5	3.9	3.9	4.4
Net income after tax, employee profit-sharing, amortisation, depreciation, provisions and impairment	1,238.5	778.3	1,091.2	842.8	587.7
Profits distributed as dividends (including on treasury shares)	488.6	965.9	403.2	359.3	843.2
Earnings per share (in euros)					
Net income after tax and employee profit-sharing but before amortisation, depreciation, provisions and impairment	12.69	8.17	10.95	8.81	5.73
Net income after tax, employee profit-sharing, amortisation, depreciation, provisions and impairment	11.73	7.37	10.34	7.98	5.57
Net dividend paid per share	4.55 ¹	9.10 ²	3.75	3.35	7.95 ²
Employees					
Number of employees (average workforce)	414	399	384	369	347
Total payroll in millions of euros	53.5	49.4	47.0	45.6	37.5
Employee benefits paid in the year in millions of euros	31.3 ³	29.1 ³	105.0	55.3	71.8

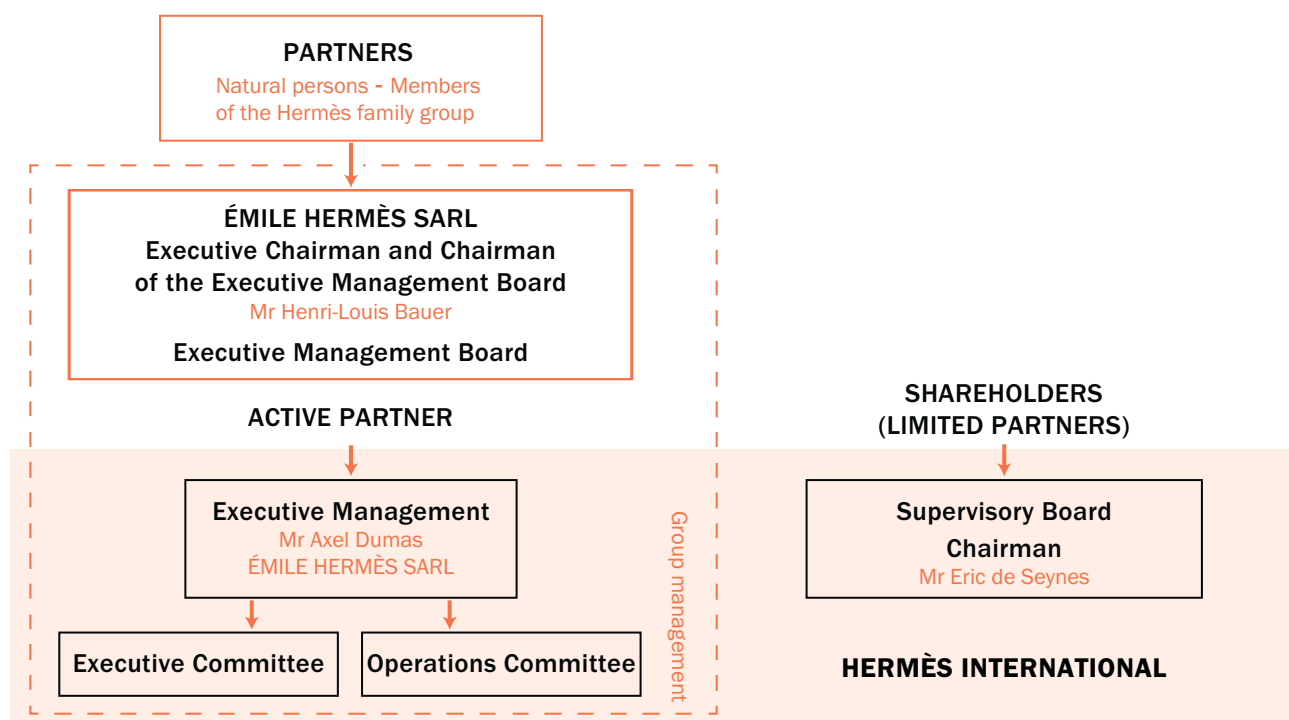
(1) Subject to approval by the Ordinary General Meeting of 4 June 2019. A dividend of €4.55 will be proposed, of which an interim payment of €1.50 was paid on 22 February 2019.

(2) Including an extraordinary dividend of €5.00.

(3) Since 2017, the expenses included in this figure relating to free share allocation plans are limited to Company employees (see Note 3 to this chapter).

3 CORPORATE GOVERNANCE

HERMES INTERNATIONAL'S ORGANISATIONAL STRUCTURE



GROUP MANAGEMENT (ROLE AND COMPOSITION)

THE ACTIVE PARTNER AND ITS EXECUTIVE MANAGEMENT BOARD

Role	Composition at 31/12/2018	
<p>The Active Partner is jointly and severally liable for all the Company's debts, for an indefinite period of time. The Active Partner has the authority to appoint or revoke the powers of the Executive Chairman, after receiving the reasoned opinion of the Supervisory Board. The Active Partner makes all decisions pertaining to the Group's strategic options, consolidated operating and investment budgets, and recommendations to the General Meeting with respect to the distribution of share premiums, reserves and retained earnings, on the recommendation of the Supervisory Board. It may submit recommendations to the Executive Management on any matter of general interest to the Group. It authorises all company loans, sureties, endorsements and guarantees, any pledges of collateral and encumbrances on the Company's property, as well as the creation of any company or acquisition of an interest whenever the investment amounts to more than 10% of the Group's consolidated net worth.</p>	◆ Émile Hermès SARL	Active Partner represented by its Executive Management Board:
	◆ Mr Henri-Louis Bauer	Executive Chairman, Chairman and Member of the Executive Management Board
	◆ Mr Frédéric Dumas	Vice-Chairman and member of the Executive Management Board
	◆ Ms Pascale Mussard	Vice-Chairwoman and member of the Executive Management Board
	◆ Ms Sandrine Brekke ◆ Ms Capucine Bruet ◆ Ms Alice Charbin ◆ Mr Édouard Guerrand ◆ Mr Laurent E. Momméja ◆ Mr Jean-Baptiste Puech ◆ Mr Guillaume de Seynes	Other members of the Executive Management Board

EXECUTIVE MANAGEMENT

Role	Composition at 31/12/2018								
<p>The Executive Management ensures the management of Hermès International.</p> <p>The role of the Executive Chairman is to manage the Group and act in its general interest, within the scope of the corporate purpose and subject to those powers expressly granted by law or by the Articles of Association to the Supervisory Board, to the Active Partner and to Shareholders' General Meetings. The Executive Chairmen distributed their roles as follows: Mr Axel Dumas is in charge of strategy and operational management, and Émile Hermès SARL, through its Executive Management Board, is responsible for the vision and strategic areas.</p>	<p>The Executive Chairmen are appointed by the Active Partner, after consultation with the Supervisory Board. In accordance with the Articles of Association, the Executive Management comprises one or two Executive Chairmen, who are natural persons, Active Partners or from outside the Company, each having the same powers and duties. The term of office of the Executive Chairmen is open-ended.</p> <table> <tr> <td>♦ Mr Axel Dumas</td><td>Executive Chairman</td></tr> <tr> <td colspan="2">appointed by the Active Partner on 4 June 2013 (effective 5 June 2013).</td></tr> <tr> <td>♦ The company Émile Hermès SARL</td><td>Executive Chairman</td></tr> <tr> <td colspan="2">(represented by Henri-Louis Bauer) appointed by the Active Partner on 14 February 2006 (effective 1 April 2006).</td></tr> </table>	♦ Mr Axel Dumas	Executive Chairman	appointed by the Active Partner on 4 June 2013 (effective 5 June 2013).		♦ The company Émile Hermès SARL	Executive Chairman	(represented by Henri-Louis Bauer) appointed by the Active Partner on 14 February 2006 (effective 1 April 2006).	
♦ Mr Axel Dumas	Executive Chairman								
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♦ The company Émile Hermès SARL	Executive Chairman								
(represented by Henri-Louis Bauer) appointed by the Active Partner on 14 February 2006 (effective 1 April 2006).									

EXECUTIVE COMMITTEE

Role	Composition at 31/12/2018																
<p>The Group management is comprised of the Executive Chairman and the Executive Committee, which consists of managing directors, each of whom has well-defined areas of responsibility.</p> <p>It comprises eight members.</p> <p>Its role is to oversee the Group's strategic and operational management.</p> <p>The Executive Committee meets every two weeks.</p> <p>Its composition reflects the Group's main areas of expertise.</p>	<table> <tr> <td>♦ Mr Axel Dumas</td><td>Executive Chairman</td></tr> <tr> <td>♦ Mr Florian Craen</td><td>Executive Vice-President Sales & Distribution</td></tr> <tr> <td>♦ Ms Charlotte David</td><td>Executive Vice-President Communication</td></tr> <tr> <td>♦ Mr Pierre-Alexis Dumas</td><td>Artistic Executive Vice-President</td></tr> <tr> <td>♦ Mr Olivier Fournier</td><td>Executive Vice-President of Governance and Organisational Development</td></tr> <tr> <td>♦ Mr Wilfried Guerrand</td><td>Executive Vice-President of Digital Projects and E-commerce</td></tr> <tr> <td>♦ Mr Éric du Halgouët</td><td>Executive Vice-President Finance</td></tr> <tr> <td>♦ Mr Guillaume de Seynes</td><td>Executive Vice-President Manufacturing division & Equity Investments</td></tr> </table>	♦ Mr Axel Dumas	Executive Chairman	♦ Mr Florian Craen	Executive Vice-President Sales & Distribution	♦ Ms Charlotte David	Executive Vice-President Communication	♦ Mr Pierre-Alexis Dumas	Artistic Executive Vice-President	♦ Mr Olivier Fournier	Executive Vice-President of Governance and Organisational Development	♦ Mr Wilfried Guerrand	Executive Vice-President of Digital Projects and E-commerce	♦ Mr Éric du Halgouët	Executive Vice-President Finance	♦ Mr Guillaume de Seynes	Executive Vice-President Manufacturing division & Equity Investments
♦ Mr Axel Dumas	Executive Chairman																
♦ Mr Florian Craen	Executive Vice-President Sales & Distribution																
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♦ Mr Guillaume de Seynes	Executive Vice-President Manufacturing division & Equity Investments																

As at 31 December 2018	
Average seniority on the Executive Committee	6 years
Average seniority in their positions:	5 years
Average age:	51 years
Percentage of women ¹	14.29%

(1) Excluding Executive Chairman.

Changes to the Executive Committee after 31 December 2018

A reorganisation took place on 1 April 2019:

1) Ms Catherine Fulconis, Executive Vice-President in charge of the Leather Goods - Saddlery (which also includes the Hermès Horizons and Equestrian *métiers*) and Petit h *métiers* joined the Executive Committee.

2) Mr Wilfried Guerrand was appointed Executive Vice-President of the *Métiers* (Hermès Woman, Hermès Man, Hermès Jewellery, Hermès Silk and Textiles, and Hermès Home), Information Systems and Data.

3) Digital communication is now headed up by Ms Charlotte David, Executive Vice-President Communication, and e-commerce by Mr Florian Craen, Executive Vice-President, Sales.

OPERATIONS COMMITTEE

Role	Composition at 31/12/2018	
<p>The Operations Committee, which reports to the Executive Management, is made up of the Executive Committee and the Senior Executives of the main <i>métiers</i> and geographical areas of the Group.</p> <p>It comprises 22 members (25 members from 1 April 2019).</p> <p>Its duties are:</p> <ul style="list-style-type: none"> ♦ to involve Senior Executives in the Group's major issues and strategic orientations; ♦ to promote communication, sharing and reasonable exchanges amongst its members in their area of responsibility, ♦ to enable the Executive Committee to take certain decisions. <p>The Operations Committee meets for a full day three times a year.</p>	♦ Mr Axel Dumas	Executive Chairman and Chairman of the Committee
	<p>Members of the Executive Committee (see previous page)</p> <p>Senior Executives of the <i>métiers</i></p> <ul style="list-style-type: none"> ♦ Ms Agnès de Villers Perfumes ♦ Mr Laurent Dordet Watches ♦ Ms Catherine Fulconis Leather Goods & Saddlery ♦ Mr Wilfried Guerrand Women's Ready-to-Wear ♦ Ms Antoinette Louis Silk and Textiles ♦ Ms Véronique Nihanian Men's Ready-To-Wear ♦ Ms Anne-Sarah Panhard Home ♦ Ms Laurence Reulet Jewellery <p>Senior Executives of the Geographical areas</p> <ul style="list-style-type: none"> ♦ Mr Masao Ariga Japan ♦ Mr Robert Chavez United States and Latin America ♦ Ms Hélène Dubrule France ♦ Mr Eric Festy South Asia ♦ Mr Luc Hennard China ♦ Ms Juliette Streichenberger Europe ♦ Ms Ségolène Verdillon Travel Retail 	
Percentage of women ¹ :	47.61%	
Percentage of foreigners ¹ :	9.52%	

(1) Excluding Executive Chairman.

Changes to the Operations Committee after 31 December 2018

On 1 April 2019, three new members – Managers of the *métiers* – were appointed to the Operations Committee:

- ♦ Ms Hinde Pagani: Deputy Managing Director – Digital Sales and Service;
- ♦ Ms Ambre Pulcini: Executive Vice-President - Women's Ready-to-Wear and Shoes *Métiers*;
- ♦ Ms Elodie Potdevin: Executive Vice-President - Fashion Accessories *Métier* and IoT ("Internet of Things").

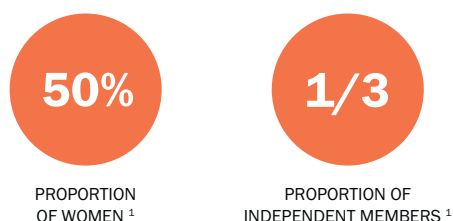
SUPERVISORY BOARD

SITTING MEMBERS AS AT 31/12/2018

Name	Personal details			Experience		Position on the board				Membership of committees of the Board
	Age in 2019 Date of birth	Gender	Nationality	Number of shares (direct holding)	Number of offices in listed companies other than the Company	Independence	Date of first appointment	Mandate expiry date	Length of service	
Éric de Seynes (Chairman)	59 years 09/06/1960	M	French	203			07/06/2010 03/03/2011 (Chairman)	2020 GM	8 years	
Monique Cohen (Vice-Chairwoman)	63 years 28/01/1956	F	French	250	2 BNP Paribas Safran	√	03/06/2014	2020 GM	5 years	Audit and Risk Committee (Chairwoman)
Dominique Senequier (Vice-Chairwoman)	66 years 21/08/1953	F	French	200		√	04/06/2013	2019 GM	6 years	CAG-CSR Committee (Chairwoman)
Frédéric Afriat (Employee representative)	49 years 10/09/1970	M	French	90			08/11/2016	08/11/2019	2 years	
Dorothee Altmayer	58 years 01/03/1961	F	French	200			06/06/2017	2020 GM	2 years	
Charles-Éric Bauer	55 years 09/01/1964	M	French	73,648			03/06/2008	2019 GM	11 years	Audit and Risk Committee
Matthieu Dumas	47 years 06/12/1972	M	French	213			03/06/2008	2021 GM	11 years	CAG-CSR Committee
Blaise Guerrand	36 years 04/06/1983	M	French	200			29/05/2012	2021 GM	7 years	
Julie Guerrand	44 years 26/02/1975	F	French	5,825			02/06/2005	2019 GM	14 years	
Olympia Guerrand	42 years 07/10/1977	F	French/ Portuguese	306,312			06/06/2017	2021 GM	2 years	
Sharon MacBeath	50 years 30/03/1969	F	British	200	1 Coface	√	31/05/2016	2019 GM	3 years	Audit and Risk Committee CAG-CSR Committee
Renaud Momméja	57 years 20/03/1962	M	French	175,132			02/06/2005	2020 GM	14 years	Audit and Risk Committee
Robert Peugeot	69 years 25/04/1950	M	French	200	6 ¹ DKSH (Switzerland) Faurecia FFP PSA Peugeot Citroën Safran Sofina	√	24/01/2007	2019 GM	12 years	Audit and Risk Committee CAG-CSR Committee

(1) Robert Peugeot holds six other offices in listed companies but five of them are held pursuant to his position as Chairman and CEO of FFP whose chief business is the acquisition and management of such equity investments.

SUMMARY PRESENTATION OF THE MEMBERS OF THE SUPERVISORY BOARD



MAIN AREAS OF EXPERTISE AND EXPERIENCE OF BOARD MEMBERS ^{1 2}



ATTENDANCE

In 2018, the Supervisory Board met nine times (including a visit which was not taken into account for calculating attendance) with an almost 100% rate of attendance as shown in the table below:

	Attendance at Supervisory Board meetings	Attendance at CAG-CSR Committee meetings	Attendance at Audit and Risk Committee meetings
2018			
Average attendance	94.23%	90.00%	86.67%
Éric de Seynes (Chairman)	100.00%	n/a	n/a
Monique Cohen (Vice-Chairwoman)	87.50%	n/a	100.00%
Dominique Senequier (Vice-Chairwoman)	75.00%	100.00%	n/a
Frédéric Afriat (Employee representative)	100.00%	n/a	n/a
Dorothee Altmayer	100.00%	n/a	n/a
Charles-Éric Bauer	75.00%	n/a	83.33%
Matthieu Dumas	100.00%	100.00%	n/a
Blaise Guerrand	100.00%	n/a	n/a
Julie Guerrand	100.00%	n/a	n/a
Olympia Guerrand	100.00%	n/a	n/a
Sharon MacBeath	100.00%	100.00%	100.00%
Renaud Momméja	100.00%	n/a	83.33%
Robert Peugeot	87.50%	60.00%	66.67%

n/a: not applicable.

(1) Excluding the employee representative on the Supervisory Board.

(2) Based on annual declarations by members of the Board.

ROLE AND COMPOSITION

Role	Composition at 31/12/2018																																												
<p>The Supervisory Board exercises ongoing control over the Company's management. For this purpose, it has the same powers as the Statutory Auditors and receives the same documents that they do, at the same time. In addition, the Executive Management must submit a detailed report to the Supervisory Board on the Company's operations at least once a year.</p> <p>The Supervisory Board submits to the Active Partner its reasoned opinion:</p> <ul style="list-style-type: none"> on the nomination and dismissal of any Executive Chairman of the Company; and in case of the Executive Chairman's resignation, on reducing the notice period. <p>The Supervisory Board:</p> <ul style="list-style-type: none"> determines the allocation of earnings to be put to the General Meeting each year; approves or rejects any proposed new wording of certain clauses of the Articles of Association of Émile Hermès SARL. <p>The Active Partner must consult the Supervisory Board prior to making any decisions on the following:</p> <ul style="list-style-type: none"> strategic options; consolidated operating and investment budgets; and proposals to the General Meeting pertaining to the appropriation of share premiums, reserves or retained earnings. <p>Every year the Supervisory Board presents to the Annual Ordinary General Meeting of shareholders a report (see page 46 and 47) in which it comments on the Company's management and draws attention to any inconsistencies or inaccuracies identified in the financial statements for the year.</p> <p>The functions exercised by the Supervisory Board do not entail any interference with the Executive Management, or any liability arising from the management's actions or from the results of such actions.</p>	<p>Supervisory Board</p> <p>The Company is governed by a Supervisory Board which comprised thirteen members selected from among shareholders who are neither an Active Partner nor the legal representative of an Active Partner nor an Executive Chairman. In accordance with Article L. 225-79-2 of the French Commercial Code, the Group works council has, since 19 November 2014, appointed an employee representative to the Supervisory Board.</p> <table> <tr> <td>♦ Éric de Seynes</td><td>Chairman and member of the Supervisory Board</td></tr> <tr> <td>♦ Monique Cohen</td><td>Vice-Chairwoman and member of the Supervisory Board</td></tr> <tr> <td>♦ Dominique Senequier</td><td>Vice-Chairwoman and member of the Supervisory Board</td></tr> <tr> <td>♦ Frédéric Afriat (Employee representative)</td><td>Other members of the Supervisory Board</td></tr> <tr> <td>♦ Dorothee Altmayer</td><td></td></tr> <tr> <td>♦ Charles-Éric Bauer</td><td></td></tr> <tr> <td>♦ Matthieu Dumas</td><td></td></tr> <tr> <td>♦ Blaise Guerrand</td><td></td></tr> <tr> <td>♦ Julie Guerrand</td><td></td></tr> <tr> <td>♦ Olympia Guerrand</td><td></td></tr> <tr> <td>♦ Sharon MacBeath</td><td></td></tr> <tr> <td>♦ Renaud Momméja</td><td></td></tr> <tr> <td>♦ Robert Peugeot</td><td></td></tr> </table> <p>Audit and Risk Committee</p> <table> <tr> <td>♦ Monique Cohen</td><td>Chairwoman of the Audit and Risk Committee</td></tr> <tr> <td>♦ Charles-Éric Bauer</td><td></td></tr> <tr> <td>♦ Sharon MacBeath</td><td>Audit and Risk Committee members</td></tr> <tr> <td>♦ Renaud Momméja</td><td></td></tr> <tr> <td>♦ Robert Peugeot</td><td></td></tr> </table> <p>CAG-CSR Committee</p> <table> <tr> <td>♦ Dominique Senequier</td><td>Chairwoman of the CAG-CSR Committee</td></tr> <tr> <td>♦ Matthieu Dumas</td><td></td></tr> <tr> <td>♦ Sharon MacBeath</td><td>Members of the CAG-CSR Committee</td></tr> <tr> <td>♦ Robert Peugeot</td><td></td></tr> </table>	♦ Éric de Seynes	Chairman and member of the Supervisory Board	♦ Monique Cohen	Vice-Chairwoman and member of the Supervisory Board	♦ Dominique Senequier	Vice-Chairwoman and member of the Supervisory Board	♦ Frédéric Afriat (Employee representative)	Other members of the Supervisory Board	♦ Dorothee Altmayer		♦ Charles-Éric Bauer		♦ Matthieu Dumas		♦ Blaise Guerrand		♦ Julie Guerrand		♦ Olympia Guerrand		♦ Sharon MacBeath		♦ Renaud Momméja		♦ Robert Peugeot		♦ Monique Cohen	Chairwoman of the Audit and Risk Committee	♦ Charles-Éric Bauer		♦ Sharon MacBeath	Audit and Risk Committee members	♦ Renaud Momméja		♦ Robert Peugeot		♦ Dominique Senequier	Chairwoman of the CAG-CSR Committee	♦ Matthieu Dumas		♦ Sharon MacBeath	Members of the CAG-CSR Committee	♦ Robert Peugeot	
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♦ Robert Peugeot																																													

COMPOSITION OF THE SUPERVISORY BOARD'S COMMITTEES

Summary presentation of the members of the CAG-CSR Committee at 31 December 2018

Name	Independent	Date of appointment	Mandate expiry date on the Board	Length of service on the Committee
Dominique Senequier (Chairwoman)	✓	04/06/2013	2019 GM	6 years
Matthieu Dumas		03/06/2008	2021 GM	11 years
Sharon MacBeath	✓	06/06/2017	2019 GM	2 years
Robert Peugeot	✓	03/06/2008	2019 GM	11 years

Summary presentation of the members of the Audit and Risk Committee at 31 December 2018

Name	Independent	Specific expertise in finance or accounting	Date of appointment	Mandate expiry date on the Board	Length of service on the Committee
Monique Cohen (Chairwoman)	✓	✓	3/06/2014	2020 GM	5 years
Charles-Éric Bauer		✓	26/01/2005	2019 GM	14 years ¹
Sharon MacBeath	✓	✓	31/05/2016	2019 GM	3 years
Renaud Momméja		✓	3/06/2008	2020 GM	11 years
Robert Peugeot	✓	✓	3/06/2008	2019 GM	11 years

(1) Mr Charles-Éric Bauer was appointed to the Audit and Risk Committee before joining the Supervisory Board (before Order 2008-1278 of 8 December 2008 there was no law requiring Board membership).

CHANGES TO THE SUPERVISORY BOARD AND ITS COMMITTEES AFTER 31 DECEMBER 2018

Mr Robert Peugeot reached 12 years of office on 24 January 2019 and accordingly lost his capacity as an independent member of the Board under the criteria of the AFEP-MEDEF Corporate Governance Code. His appointment was renewed by the General Meeting of 5 June 2018 for a period of one year so as to replace him in the best possible conditions with a new member of the Supervisory Board having independent status at the 2019 General Meeting. The Supervisory Board deemed it better to have a slightly lower proportion of independent members on the Board than that required by the AFEP-MEDEF Code for a few months rather than to waive one of the independence criteria with regard to Mr Robert Peugeot.

Ms Sharon MacBeath resigned from her office as a member of the Supervisory Board as of 20 March 2019 for personal reasons, meaning that she also resigned from her offices as a member of the CAG-CSR Committee and the Audit and Risk Committee on the same date.

On the publication date of the 2018 Registration Document, the Board, in conjunction with the CAG-CSR Committee, continued its selection process in order to propose the appointment, at the General Meeting to be held on 4 June 2019, of two new independent members to replace Mr Robert Peugeot and Ms Sharon MacBeath.

These new members are intended to be appointed members of the CAG-CSR Committee and Audit and Risk Committee.

INFORMATION ON THE PEOPLE WHOSE RE-ELECTION AND NOMINATION IS SUBMITTED TO THE COMBINED GENERAL MEETING FOR APPROVAL

SUBMITTED RE-ELECTIONS

CHARLES-ERIC BAUER

Direct descendant of Mr Émile-Maurice Hermès

Position held	Member of the Hermès International Supervisory Board		
Membership of committees of the Board	Member of the Audit and Risk Committee of Hermès International		
Date of first appointment	Mr Charles-Éric Bauer has been a member of the Supervisory Board since 3 June 2008. He has also been a member of the Audit and Risk Committee since its inception on 26 January 2005.		
Date term ends	2019 GM		
Age in 2019 (date of birth)	55 years (9 January 1964)		
Nationality	French		
Address	c/o Hermès International, 24, rue du Faubourg-Saint-Honoré 75008 Paris		
Shares held on 31 December 2018	73,648 wholly-owned and registered		
Summary of main areas of expertise and experience	Mr Charles-Éric Bauer holds a degree in technical analysis from Institut des Techniques de Marchés. He is also a graduate of <i>École d'Administration et Direction des Affaires</i> (EAD) business school, with an option in finance. He served as Co-Managing Director and Head of Mutual Fund Management at CaixaGestion from 2000 to 2005, and as Director, Corporate and Institutional Clients, CaixaBank France from 2005 to 2007. Since March 2007 he has been the Managing Partner of Hem-Fi Conseil, a private equity firm.		
Main activities outside the Company	Managing Partner of Hem-Fi Conseil, a private equity firm		
Offices and positions held during 2018	in Hermès Group companies	French companies ▲	Foreign companies ▲
		<ul style="list-style-type: none"> ♦ Hermès International ● Member of the Supervisory Board and Audit and Risk Committee 	none
	outside Hermès Group companies	French companies <ul style="list-style-type: none"> ♦ Almareen 2 Executive Chairman ♦ H51 Director ♦ Hem-Fi Conseil Associate director ♦ Sabarots Executive Chairman ♦ Samain B2 Executive Chairman ♦ Yundal Executive Chairman ♦ Zumsee Executive Chairman 	Foreign companies none
Other offices and positions held during the previous four financial years and ending before 1 January 2018		French companies <ul style="list-style-type: none"> ♦ Almareen Manager (term ended on 27/12/2015) 	Foreign companies none

▲ Hermès Group entity ● Listed company * Office taken into account when calculating multiple offices

JULIE GUERRAND

Direct descendant of Mr Émile-Maurice Hermès

Position held	Member of the Hermès International Supervisory Board		
Membership of committees of the Board	n/a		
Date of first appointment	Ms Julie Guerrand has been a member of the Supervisory Board since 2 June 2005. She was also a member of the Audit Committee (now the Audit and Risk Committee) from its inception on 26 January 2005 until 2 March 2011.		
Date term ends	2019 GM		
Age in 2019 (date of birth)	44 years (26 February 1975)		
Nationality	French		
Address	c/o Hermès International, 24, rue du Faubourg-Saint-Honoré 75008 Paris		
Shares held on 31 December 2018	5,825 wholly-owned and registered		
Summary of main areas of expertise and experience	<p>Ms Julie Guerrand holds a DEUG advanced degree in applied mathematics and social sciences and a Masters in Economics and Industrial Strategy from the Université Paris IX-Dauphine. Between 1998 and 2006 she worked in the financial affairs department (mergers & acquisitions) of investment bank Rothschild & Cie. From 2007 to 2011 she was Director of Equity Investments in the investment team at Paris Orléans, a holding company listed on Euronext and controlled by the Rothschild family. She held positions in the Hermès Group from 2011 to 2017 as Corporate Development Director of Hermès International before becoming Deputy Managing Director – Finance and Organisation of the Hermès Cuir Précieux division.</p> <p>Ms Julie Guerrand has been certified as a Company Director (ASC France) by the IFA and Sciences Po since 2014.</p>		
Main activities outside the Company	Company Director		
Offices and positions held during 2018	in Hermès Group companies	French companies ▲ ◆ Hermès International ● Member of the Supervisory Board	Foreign companies ▲ none
	outside Hermès Group companies	French companies ◆ Antonino Executive Chairwoman ◆ H51 Chairwoman ◆ Idi Member of the Supervisory Board ◆ Jerocar Executive Chairwoman ◆ La mazarine-SCIFAH Executive Chairwoman ◆ Les domaines Barons de Rothschild (Lafite) Member of the Supervisory Board ◆ SCI Apremont Executive Chairwoman ◆ SCI Briand Villiers I Executive Chairwoman (term ended on 19/04/2018) ◆ SCI Briand Villiers II Executive Chairwoman ◆ SCI 8 Drouot Executive Chairwoman ◆ SIFAH Director ◆ Société Immobilière du Dragon Executive Chairwoman ◆ Val d'Isère Carojero Executive Chairwoman ◆ Vie et Veranda Groupe * Director	Foreign companies ◆ Jakyval (Luxembourg) Director

n/a: not applicable.

▲ Hermès Group entity ● Listed company * Office taken into account when calculating multiple offices

Other offices and positions held during the previous four financial years and ending before 1 January 2018	French companies	Foreign companies
	<ul style="list-style-type: none"> ◆ Compagnie des Cuirs Précieux ▲ Deputy Managing Director – Finance and Organisation (term ended on 15/04/2017) ◆ Hermès Cuirs Précieux ▲ Member of the Management Board (term ended on 15/04/2017) ◆ 28-30-32 Faubourg-Saint-Honoré Director (term ended on 15/07/2015) 	none

DOMINIQUE SENEQUIER

Position held	Vice-Chairwoman and member of the Supervisory Board of Hermès International. Independent Board member
Membership of committees of the Board	Chairwoman of the CAG-CSR Committee of Hermès International
Date of first appointment	Ms Dominique Senequier is an independent member of the Supervisory Board and the Chairwoman of the CAG-CSR Committee since 4 June 2013
Date term ends	2019 GM
Age in 2019 (date of birth)	66 years (21 August 1953)
Nationality	French
Address	c/o Hermès International, 24, rue du Faubourg-Saint-Honoré 75008 Paris
Shares held on 31 December 2018	200 wholly-owned and registered
Summary of main areas of expertise and experience	Ms Dominique Senequier is a graduate of the École Polytechnique (X72) and holds a postgraduate diploma (DEA) in Currency Banking Finance from the Sorbonne University. She began her career at Gan (1980) where she started up and developed the subsidiary Gan Participations, after being Acquisitions Manager for the group and spending five years in the insurance inspectorate. In 1996, she joined the Axa group and founded Axa Private Equity. At the end of 2013, Axa Private Equity became the Ardian Group, of which she is currently Chairwoman.
Main activities outside the Company	Chairwoman of the Ardian Group

Offices and positions held during 2018	in Hermès Group companies	French companies ▲	Foreign companies ▲
	outside Hermès Group companies	French companies	Foreign companies
		<ul style="list-style-type: none"> ◆ Hermès International ● Vice-Chairwoman and member of the Supervisory Board, Chairwoman of the CAG-CSR Committee 	none
		<ul style="list-style-type: none"> ◆ Ardian Holding Permanent Representative of Senus SAS, Chairwoman ◆ SCI 30 rue Jacob SCI Executive Chairwoman ◆ Senus SAS Chairwoman ◆ Théâtre des Champs-Élysées SA * Director ◆ Ydra SAS Chairwoman 	<ul style="list-style-type: none"> ◆ Ardian Investment Singapore Pte Ltd (Singapore) Member of the Board of Directors ◆ Ardian Investment Switzerland AG (Switzerland) Chairwoman of the Board of Directors ◆ Ardian Investment Switzerland Holding AG (Switzerland) Chairwoman of the Board of Directors ◆ Ardian Investment UK Ltd (United Kingdom) Member of the Board of Directors, member of the ASF V, AESF V and ASF VI Committees ◆ Ardian US LLC (USA) Chairwoman of the Supervisory Board, member of the Investment Committees ASF III-2, AESF III-2, AESF IV and ANAF II ◆ Ardian Beijing Consulting Limited Company LLC (China) Member of the Board of Directors ◆ Escouf Properties Corp. (USA) Chairwoman ◆ Seneq SA (Belgium) Director

▲ Hermès Group entity ● Listed company * Office taken into account when calculating multiple offices

Other offices and positions held during the previous four financial years and ending before 1 January 2018

French companies

- ◆ **Ardian SA**
Chairwoman of the Management Board
(term ended on 24/06/2014)
- ◆ **Ardian France SA**
Chairwoman of the Supervisory Board
(term ended on 07/07/2015)
Chairwoman of the Management Board
(term ended on 08/04/2014)
- ◆ **AXA Infrastructure Investissement SAS**
Chairwoman, member of the Management Board
and of the Coordination Committee
(term ended on 27/05/2014)

Foreign companies

- ◆ **Ardian Germany GmbH (Germany)**
Chairwoman of the Supervisory Board
(term ended on 07/07/2015)
- ◆ **Ardian Italy Srl (Italy)**
Chairwoman of the Board of Directors
(term ended on 02/06/2014)
- ◆ **Compagnie Industriale Reunite SpA (Italy)**
Member of the Board of Directors
(term ended on 30/06/2014)

PROPOSED NOMINATIONS

Details of those persons whose appointment will be submitted for your approval will be communicated on the Company's financial website <https://finance.hermes.com> prior to the General Meeting.

REMUNERATION OF THE MANAGERS

GENERAL PRINCIPLES OF THE COMPENSATION POLICY FOR THE EXECUTIVE CHAIRMEN (EXECUTIVE CORPORATE OFFICERS)

The principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of overall compensation and benefits of any kind payable to Executive Chairmen – Executive Corporate Officers, for performing their duties, in accordance with the AFEP-MEDEF Code, are presented below.

When the office is taken up

No such commitment exists.

During their term of office

Annual fixed and variable compensation

In accordance with Article 17 of the Articles of Association, Executive Chairmen are entitled to fixed compensation (referred to as “additional” in the Articles of Association) whose maximum amount is determined by the Ordinary General Meeting with the unanimous approval of the Active Partners and, potentially, variable compensation (referred to as “statutory” in the Articles of Association):

1. fixed compensation (referred to as “additional compensation” in the Articles of Association) was introduced by the Ordinary General Meeting of 31 May 2001, which set a ceiling of €457,347.05, and provided for it to be indexed upwards only in accordance with any increase in consolidated revenue for the previous financial year over the year prior to that, at constant scope and exchange rates. Fixed compensation is, therefore, set on an annual basis. In accordance with this principle and to facilitate understanding of how the additional compensation of Executive Chairmen is calculated before indexing, it is referred to as “fixed compensation” by analogy with market practices;
2. the calculation of the variable compensation (referred to as “statutory compensation”) set by Article 17 of the Articles of Association has remained constant since the IPO on 3 June 1993. It is capped at 0.20% of the consolidated net income before tax generated in the pre-

vious financial year. This mode of determination naturally leads to a strict variability in the statutory compensation of Executive Chairmen, transparently and without any guarantee of a minimum amount. With the aim of clarity, the statutory compensation of the Executive Chairmen is referred to as “variable compensation”, by analogy with market practices.

Changes to the two components of the compensation of Executive Chairmen depend upon objective and comprehensible quantifiable criteria unaltered for many years, that are public and predefined by nature, as described in paragraphs 1 and 2 above.

Within the maximum amounts set forth herein, the Executive Management Board of the Active Partner, Émile Hermès SARL, shall determine the effective amount of the annual statutory compensation of each Executive Chairman. Thus, no minimum statutory compensation is guaranteed for the Executive Chairmen. It uses the recommendations of the CAG-CSR Committee and takes into account in its decision the performance achieved by the Group in respect of the previous financial year, the strategic challenges in respect of the Group's medium- and long-term development and the competitive environment in which it operates.

Mr Henri-Louis Bauer, the Legal Representative of Émile Hermès SARL (Executive Chairman), does not personally receive any compensation from Hermès International. He receives compensation from Émile Hermès SARL for his functions as Executive Chairman of this company, which is unrelated to the appointment as Executive Chairman of Émile Hermès SARL in Hermès International.

The Executive Chairmen do not receive any compensation or benefits of any kind from the subsidiaries of Hermès International.

A breakdown of effective compensation paid to the Executive Chairmen set by the Executive Management Board of Émile Hermès SARL for the last two financial years is provided in table 2 on page 196 of 2018 Registration Document. Each year, the CAG-CSR Committee of the Supervisory Board of Hermès International is responsible for ensuring that compensation paid to the Executive Chairmen complies with the provisions of the Articles of Association and the decisions made by the Active Partner.

Deferred or multi-year variable compensation

The principle of the allocation to Executive Chairmen of deferred or multi-year variable compensation is not provided for.

Exceptional compensation

The principle of the allocation to Executive Chairmen of exceptional compensation is not provided for.

Stock options, performance-based shares or any other element of long-term compensation

Mr Axel Dumas, the only eligible Executive Chairman, has not received any stock options or performance-based shares since he was appointed Executive Chairman.

Émile Hermès SARL, a legal entity, is not eligible for the stock option or performance-based share plans.

Employment contract

In order to comply with the AFEP-MEDEF Code, Mr Axel Dumas decided on 5 June 2013 to end his employment contract when he was appointed Executive Chairman of Hermès International.

Service agreements

No Executive Chairman directly or indirectly invoices services to the Company.

Under a services contract dated 1 September 2005, amended several times since, Émile Hermès SARL makes use of the services of Hermès International to fulfil routine or exceptional legal, financial or secretariat duties. Any modification of the tasks assigned or re-invoicing specified (other than annual indexing) must be the subject of an amendment. This contract and its existing or future amendments are subject to the procedure on related-party agreements, as indicated in the special report from the Statutory Auditors on pages 52 to 54.

Directors' fees in the Company and in the subsidiaries of the Group

The Executive Chairmen do not receive any directors' fees paid by the Company or by the subsidiaries of the Group.

Note that the rules for the distribution of directors' fees within the Group specify that the members of the Executive Committee of Hermès International who are Directors in subsidiaries do not receive directors' fees in this regard.

Death and disability plan

Mr Axel Dumas is eligible for the mandatory collective death and disability plan established by the Group for the benefit of all staff (AGIRC affiliated) of French entities that have joined this plan (decision taken by the Supervisory Board on 19 March 2014).

It provides, as is the case for all employees, the following gross lifetime benefits:

- (i) a disability pension at 51% of reference compensation in case of Category 1 disability and 85% of reference compensation in case of Category 2 or 3 disability. The reference compensation (gross annual compensation) is capped at 8x the annual social security ceiling (PASS). The payment of the disability pension is discontinued when the recipient in question is no longer categorised as having the disability or permanent impairment and, at the latest, on the day of the normal or early liquidation of an old age insurance pension from the mandatory retirement plan, for any reason whatsoever;

- (ii) a death benefit equal to a maximum of 380% of the reference compensation, capped at 8x PASS, depending on the family situation;
- (iii) contributions paid to the insurer are split between the Company (1.54% for tranche A, and 1.64% for tranches B and C) and the beneficiary (1.06% for tranche A and 1.16% for tranches B and C);
- (iv) these contributions are deductible from the corporation tax base, subject to corporate social contributions at the rate of 8%, and excluded from the base for social security contributions, within the limit of an amount equal to the sum of 6% of PASS and 1.5% of compensation retained within the limit of 12x PASS.

Benefits of any kind

Mr Axel Dumas is eligible for a representation policy constituting his only benefit in kind.

Mr Axel Dumas benefits from the mandatory collective healthcare plan implemented by the Group for the benefit of all staff of French entities that have joined this plan (decision made by the Supervisory Board on 19 March 2014).

Émile Hermès SARL does not receive benefits of any kind.

At the end of the term of office

Severance payment

The Company has pledged to pay Mr Axel Dumas compensation in an amount equal to 24 months of total compensation (statutory compensation and additional compensation) in case of termination of his appointment as Executive Chairman (decision taken by the Supervisory Board on 4 June 2013 and approved by the General Meeting of 3 June 2014 – tenth resolution “Approval of the commitments due to Mr Axel Dumas on termination of his appointment as Executive Chairman” – pursuant to Article L. 225-42-1 of the French Commercial Code (*Code de commerce*)).

The payment of a severance payment is subject to the termination of duties as Executive Chairman resulting:

- ♦ either from a decision taken by Mr Axel Dumas by reason of a change of control over the Company, a change in the Executive Chairman of Émile Hermès SARL, which is an Executive Chairman of the Company, or a change in the Company's strategy; or
- ♦ from a decision taken by the Company.

Moreover, the payment of such compensation is also subject to the following performance conditions, such that the conditions of his departure are in harmony with the situation of the Company: achieving budget targets in at least four out of the five previous years (with revenue and operating income growth measured at constant rates), without deterioration in the Hermès brand image.

Given the importance of the Active Partner's role in an SCA – including the power to appoint and dismiss any Executive Chairman – and, in the case of a legal entity, its legal representative, it was decided that any termination of Mr Axel Dumas' duties as Executive Chairman resulting from the replacement of the Executive Chairman of Émile Hermès SARL should be deemed a forced departure.

The Supervisory Board accordingly considered that the deferred compensation undertaking made for the benefit of Mr Axel Dumas complied with the requirements of the AFEP-MEDEF Corporate Governance Code

No such agreement has been entered into with Émile Hermès SARL.

Non-competition payment

Mr Axel Dumas is not subject to any non-competition agreement, therefore no compensation is made in this category.

No such agreement has been entered into with Émile Hermès SARL.

Supplementary pension plan

Defined-contribution pension plan (Article 83 of the French General Tax Code)

Mr Axel Dumas is eligible for the supplementary defined-contribution pension plan established for all employees of the Group's French companies that have joined it (4 June 2013 decision by the Supervisory Board approved by the General Meeting of 3 June 2014 – fifth resolution “Approval of related-party agreements and commitments” – in accordance with Article L. 225-40 of the French Commercial Code (*Code de commerce*)).

As with all employees of the Group:

- ◆ the defined-contribution pension plan is financed as follows: 1.1% for the reference compensation for an amount of 1x the annual social security ceiling, 3.3% for the reference compensation between 1x and 2x PASS, and 5.5% on the reference compensation between 2x and 6x PASS. Reference compensation means the gross annual compensation in accordance with Article L. 242-1 of the French Social Security Code;
- ◆ these premiums are shared between the company (90.91%) and the beneficiary (9.09%);
- ◆ the employer contributions are deductible from the corporation tax base, subject to corporate social contributions at the rate of 20% and excluded from the base for social security contributions within the limit of the higher of the following two values: 5% of the PASS or 5% of the compensation retained within the limit of 5x PASS.

For information, if Mr Axel Dumas had been able to liquidate his retirement entitlements on 31 December 2018, the estimated maximum gross amount of annual pension under the defined-contribution pension plan would be €5,159.

Defined-benefit pension plan (Article 39 of the French General Tax Code – Article L. 137-11 of the French Social Security Code)

Mr Axel Dumas is also eligible for the supplementary pension plan established in 1991 for Company Senior Executives (4 June 2013 decision by the Supervisory Board, approved by the General Meeting of 3 June 2014 – fifth resolution “Approval of related-party agreements and commitments” – in accordance with Article L. 225-40 of the French Commercial Code (*Code de commerce*)).

This pension plan is not closed and is not limited only to the Executive Chairmen. It is financed by the Company through a contract with an outside insurance company, and premiums paid to this company are deductible from the corporation tax base. They are also subject to the employer's contribution on premiums at the rate of 24%. In addition, if applicable, provisions are recognised in the financial statements.

As a fundamental condition of the pension regulations, in order to be eligible for the scheme, beneficiaries must have reached the end of their professional career with the Company, have at least ten years of seniority, and be eligible to draw pension benefits under the basic French social security regime.

If all eligibility requirements are met, the annual pension under this plan shall in no case exceed the amount of 8x the annual social security ceiling (€317,856 in 2018). In accordance with the rules of the plan, the rights under this plan shall be a function of:

- ◆ the average yearly compensation for the last three years.
- ◆ a percentage of the reference compensation, from 0.9% to 1.5% per year of seniority, i.e., in any event, below the legal limit of 3%. For information, the maximum amount of the future pension, limited by the plan's regulations to eight times the annual Social Security limit, compared with the compensation for FY 2018 of the natural person Executive Chairmen would represent a replacement rate (excluding mandatory plans) of 10.27%; if Mr Axel Dumas had been able to liquidate his entitlements at 31 December 2018, the estimated maximum gross amount of the annual pension under the defined-benefit pension plan would be €54,857.

Émile Hermès SARL, a legal entity, is not eligible for a supplementary pension plan.

Gross annual compensation of the managers	Amount paid in 2018 ¹	Amount paid in 2017	Amount paid in 2016
Mr Axel Dumas			
Fixed compensation (or “additional compensation” under the Articles of Association) ²	€1,470,773	€1,354,303	€1,260,991
Variable compensation (or “statutory compensation” under the Articles of Association) ²	€1,622,043 €	€1,420,353 €	€1,294,762
Exceptional compensation	-	-	-
Total compensation	€3,092,816 €	€2,774,656	€2,555,753
Attendance fee	n/a	n/a	n/a
Benefits in kind	Representation	Representation	Representation
Émile Hermès SARL			
Fixed compensation (or “additional compensation” under the Articles of Association) ²	€500,000	€500,000	€500,000
Variable compensation (or “statutory compensation” under the Articles of Association) ²	€756,409	€756,409	€756,409
Exceptional compensation	-	-	-
Total compensation	€1,256,409	€1,256,409	€1,256,409
Attendance fee	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a

n/a: not applicable.

1. A detailed presentation of the principles and the amount (or the valuation) of the elements of the compensation of each Executive Chairman is shown in the description of the resolutions on page 29 to 33.
2. These amounts take into account the limits granted individually and collectively by the Articles of Association and the General Meeting.

Introduction of a qualitative CSR criterion in the variable part of 2020 compensation for the 2019 financial year

The Executive Management Board meeting of 18 March 2019 decided to apply a new CSR criterion, representing the Group's firm and ongoing commitments to sustainable development, to a portion of the variable compensation of the two Executive Chairman.

This criterion will be applied to 10% of the target variable compensation.

The indicators relating to the CSR criterion relate to the following:

- ♦ decoupling between business growth at constant exchange rates and scope and the evolution of industrial energy consumption (quantifiable environmental criterion);
- ♦ actions taken to promote the Group's territorial anchoring in France and throughout the world, excluding major cities (qualitative societal criterion);
- ♦ The Group's initiatives in favor of gender balance (qualitative social criterion).

The assessment of the amount of compensation subject to the “CSR” criterion would be limited to a target of 100%, with no possibility of exceeding that limit.

Each of the three indices mentioned above:

- ♦ shall count as one-third of the CSR criterion;
- ♦ shall have an annual reference period;
- ♦ will be assessed on an annual basis, in terms of achievement, by the CAG-CSR Committee and a report will be sent to the Executive Management Board which has the power to decide on the actual compensation of the Executive Chairmen.

This new way of structuring the variable component of compensation will be applied for the first time when assessing variable compensation owing for 2019, which is measured and paid in 2020.

4

PURPOSE AND DRAFT RESOLUTIONS

ORDINARY BUSINESS

FIRST, SECOND AND THIRD RESOLUTIONS: APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS (PARENT COMPANY AND CONSOLIDATED) – EXECUTIVE MANAGEMENT DISCHARGE

Purpose

In the first, second and third resolutions, we ask you to approve:

- ♦ the parent company financial statements for financial year 2018, which show a net profit of €1,238,469,131.89, and the expenses and charges mentioned in Article 39-4 of the French General Tax Code;
- ♦ the consolidated financial statements for financial year 2018; and
- ♦ to grant discharge to the Executive Management for its management in respect of said financial year.

You will find:

- ♦ the consolidated financial statements on pages 237 *et seq.* of the 2018 Registration Document;
- ♦ the parent company financial statements on pages 295 *et seq.* of the 2018 Registration Document;
- ♦ the Statutory Auditors' reports on the parent company and consolidated financial statements on pages 321 and 289 of the 2018 Registration Document.

First resolution:

Approval of the parent company financial statements

The General Meeting, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Executive Management report on the activity and situation of the Company, the report by the Supervisory Board and the Statutory Auditors' report for the financial year ended 31 December 2018, approves as they were presented the parent company financial statements for said financial year, including the statement of financial position, statement of profit or loss, and notes, which show a net profit of €1,238,469,131.89, as well as the transactions reflected in these accounts or described in these reports.

Pursuant to Article 223 *quater* of the French General Tax Code (*Code général des impôts*), the General Meeting approves the expenses and charges mentioned in Article 39-4 of the French General Tax Code (*Code général des impôts*), which amounted in the financial year 2018 to €256,603, which generated an estimated tax expense of €85,449.

Second resolution:

Approval of the consolidated financial statements

The General Meeting, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Executive Management report on the activity and situation of the Group, the Supervisory Board's report and the Statutory Auditors' report for the financial year ended 31 December 2018, approves as they were presented the consolidated financial statements for said financial year, including the statement of financial position, statement of profit or loss, and notes, which show a consolidated net profit of €1,409.6 million, as well as the transactions reflected in these financial statements or described in these reports.

Third resolution:

Executive Management discharge

The General Meeting, acting under the quorum and majority requirements for Ordinary General Meetings, grants discharge to the Executive Management for its management in respect of the financial year beginning 1 January 2018 and ended 31 December 2018.

FOURTH RESOLUTION: ALLOCATION OF NET INCOME – DISTRIBUTION OF AN ORDINARY DIVIDEND

Purpose

In the fourth resolution, we submit for your approval the allocation of net income for the period, in the amount of €1,238,469,131.89. On this amount, the sum of €222,627.00 is to be allocated to the reserve for purchasing original works of art and, pursuant to the Articles of Association, €8,297,743.18 is to be distributed to the Active Partner.

We invite you to allocate €500,000,000.00 to other reserves. The Supervisory Board proposes that you set the ordinary dividend at €4.55 per share. This represents an increase of 11% in the ordinary dividend compared with the previous year.

For the shareholder beneficiaries who are natural persons fiscally domiciled in France, this entire dividend will be subject to a single flat-rate withholding tax at the overall rate of 30%.

The latter will consist in the application of tax on the income paid as an interim payment (so-called flat-rate withholding tax) withheld at source at a single flat rate of 12.8% of gross revenue, to which will be added social security withholdings of 17.2%.

This flat-rate taxation at the single rate of 12.8% will be automatically applicable unless the progressive tax scale is opted for overall, allowing the taxpayer to benefit from the 40% tax allowance.

Pursuant to Article 119 bis of the French General Tax Code (*Code général des impôts*), the dividend distributed to a shareholder who is not fiscally domiciled in France is subject to withholding tax at source at one of the rates specified in Article 187 of the General Tax Code (*Code général des impôts*), which may be reduced in application of any tax agreement concluded between France and the State in which the beneficiary is fiscally resident.

As an interim dividend of €1.50 per share was paid on 22 February 2019, the balance of the ordinary dividend, i.e. €3.05 per share, will be detached from the share on 7 June 2019 and payable in cash on 11 June 2019 on the positions approved in the evening of 10 June 2019. As Hermès International is not entitled to receive dividends for shares held in treasury, the corresponding sums will be transferred to “Retained earnings” on the date the dividend becomes payable.

The gross dividend per share paid in respect of each of the three previous financial years is as follows:

In euros	Financial year		
	2017	2016	2015
“Ordinary” dividend	4.10	3.75	3.35
“Exceptional” dividend	5.00	-	-
Amount eligible for the allowance provided by Article 158-3 of the French General Tax Code (<i>Code général des impôts</i>)	3.64	1.50	1.34

We note that the five-year summary of the Company’s financial data required under Article R. 225-102 of the French Commercial Code (*Code de commerce*) is presented on page 9.

Fourth resolution:

Allocation of net income – Distribution of an ordinary dividend.

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, noting that the profit for the year amounts to €1,238,469,131.89 and that the previous retained earnings amount to €1,170,792,580.32, and after noting that the legal reserve is fully funded, approves the allocation of these amounts, representing a distributable profit in the amount of €2,409,261,712.21, as proposed by the Supervisory Board, namely:

- ♦ allocation to the reserve for purchasing original works of art, in the amount of €222,627.00;
- ♦ allocation to the Active Partner, pursuant to Article 26 of the Articles of Association, in the amount of €8,297,743.18;
- ♦ allocation of an “ordinary” dividend to the shareholders of €4.55 per share, i.e.: €480,340,824.60¹;

- ♦ allocation to other reserves in the amount of €500,000,000.00;
- ♦ allocation of the balance to the “Retained earnings” item, i.e. €1,420,400,517.43;
- ♦ **in total: €2,409,261,712.21.**

The Ordinary General Meeting resolves that the balance of the ordinary dividend for the period (an interim dividend of €1.50 per share was paid on 22 February 2019), i.e. €3.05 per share, will be detached from the share on 7 June 2019 and payable in cash on 11 June 2019 on the positions approved in the evening of 10 June 2019.

As Hermès International is not entitled to receive dividends for shares held in treasury, the corresponding sums will be transferred to “Retained earnings” on the date the dividend becomes payable.

For the shareholder beneficiaries who are natural persons fiscally domiciled in France, this entire dividend will be subject to a single flat-rate withholding tax at the overall rate of 30%.

1. The total amount of the distribution referred to above is calculated on the basis of the number of shares comprising the capital as of 31 December 2018, i.e. 105,569,412 shares, and may vary if the number of shares granting rights to a dividend changes between 1 January 2019 and the ex-dividend date, depending in particular on the changes in the number of treasury shares, which are not entitled to the dividend in accordance with the provisions of Article L. 225-210 paragraph 4 of the French Commercial Code (*Code de commerce*).

The latter will consist in the application of tax on the income paid as an interim payment (so-called flat-rate withholding tax) withheld at source at a single flat rate of 12.8% of gross revenue, to which will be added social security withholdings of 17.2%.

This flat-rate taxation at the single rate of 12.8% will be automatically applicable unless the progressive tax scale is opted for overall, allowing the taxpayer to benefit from the 40% tax allowance.

Pursuant to Article 119 *bis* of the French General Tax Code (*Code général des impôts*), the dividend distributed to a shareholder who is not fiscally domiciled in France is subject to withholding tax at source at one of the rates specified in Article 187 of the General Tax Code (*Code général des impôts*), which may be reduced in application of any tax agreement concluded between France and the State in which the beneficiary is fiscally resident.

In accordance with the provisions of Article 47 of law No. 65.566 of 12 July 1965, the General Meeting duly notes that dividends distributed to shareholders in respect of the three previous financial years were as follows:

In euros	Financial year		
	2017	2016	2015
"Ordinary" dividend	4.10	3.75	3.35
"Exceptional" dividend	5.00	-	-
Amount eligible for the allowance provided by Article 158-3 of the French General Tax Code	3.64	1.50	1.34

FIFTH RESOLUTION: APPROVAL OF RELATED-PARTY AGREEMENTS AND COMMITMENTS

Purpose

In the fifth resolution, we ask you to approve the new agreements and commitments referred to in Articles L. 226-10 and L. 225-38 to L. 225-43 of the French Commercial (*Code de commerce*), that alone are submitted to the vote of the meeting:

Agreements and commitments authorised and signed during the year ended – purpose

Agreement between HERMÈS INTERNATIONAL and STUDIO DES FLEURS for photography and retouching services for the e-commerce product packshots:

Studio des Fleurs accepted the points that were fundamental for Hermès:

- ♦ obligations of Studio des Fleurs: compliance with very precise specifications, obligation to advise, monitor services, control quality, criteria for monitoring performance indicators;
- ♦ no minimum guaranteed order ;
- ♦ limited three-year duration, then unlimited duration;
- ♦ long advance notice (18 months);
- ♦ no exclusivity;
- ♦ commitment of Studio des Fleurs to take all necessary measures to keep its economic independence (in particular by enlarging and diversifying its customer base) with respect to the Hermès Group;
- ♦ confidentiality and prohibition on the use of Hermès as a reference;
- ♦ no revision of rates before the expiry of three years, and then revision possible but capped.

Agreements and commitments authorised in prior years

The agreements and commitments authorized and signed during previous financial years whose performance continued during the last financial year are described in the Statutory Auditors' special report on the agreements and commitments referred to in Articles L. 226-10 and L. 225-38 to L. 225-43 of the French Commercial Code (*Code de commerce*). Since they have already been approved by the General Meeting, they are not resubmitted to you for a vote.

This report is shown on pages 52 to 54.

Fifth resolution:

Approval of related-party agreements and commitments

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Statutory Auditors' special report on the agreements and commitments

pertaining to the combined provisions of Articles L. 226-10 and L. 225-38 to L. 225-43 of the French Commercial Code (*Code de commerce*), approves said report in all its provisions, as well as the agreements, commitments and transactions set out, entered into and performed during financial year 2018.

SIXTH RESOLUTION: AUTHORISATION OF COMPANY BUYBACK OF TREASURY SHARES

Purpose

In the sixth resolution, we ask you to renew the authorisation granted to the Executive Management to trade in the Company's shares.

Objectives

The shares may be repurchased in order to be allocated to the objectives permitted by regulation (EU) 596/2014 of 16 April 2014 on market abuse (MAR):

- ♦ objectives provided for in Article 5 of the MAR: capital decrease, hedging of debt securities exchangeable for shares and coverage of employee shareholding plans;
- ♦ objectives provided for in Article 13 of the MAR and under the sole market practice now accepted by the Financial Markets Authority (AMF): the implementation of a liquidity contract by an investment service provider acting independently;
- ♦ other objectives: acquisitions, hedging of equity securities exchangeable for shares and, more generally, to allocate them for the completion of any transactions in accordance with the regulations in force.

Limits of the authorisation:

- ♦ purchases and sales of securities representing holdings of up to 10% of the share capital would be authorised, i.e. for indicative purposes as of 31 December 2018: 10,556,941;
- ♦ the maximum purchase price (excluding costs) would be set at €700 per share;
- ♦ the maximum amount of funds to be committed would be set at €1,800 million. It is specified that treasury shares held on the day of the General Meeting are not taken into account in this maximum amount;
- ♦ pursuant to the law, the total number of shares held at any given date may not exceed 10% of the share capital as of that date.

Duration of the authorisation:

This authorisation would be valid for a period of 18 months from the date of the General Meeting.

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Sixth resolution:

Authorisation granted to the Executive Management to trade in the Company's shares

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Executive Management's report:

- 1) authorises the Executive Management, with the option to sub-delegate under the terms and conditions set by law, in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code (*Code de commerce*) and regulation (EU) 596/2014 of 16 April 2014 on market abuse (MAR), to buy Company shares or have Company shares bought, within the limits stipulated by legal and regulatory provisions, provided that:
 - ♦ the number of shares purchased by the Company during the term of the buyback programme shall not exceed 10% of the total number of shares comprising the Company's share capital, at any time; this percentage shall apply to share capital adjusted in accordance with transactions that may affect it subsequent to this General Meeting; in accordance with the provisions of Article L. 225-209 of the French Commercial Code (*Code de commerce*), the number of shares used as a basis for calculating the 10% limit is the number of shares bought, less the number of shares sold during the term of the authorisation if these shares were purchased to ensure liquidity under the conditions defined by the AMF General Regulation, and
 - ♦ the Company will not at any time own more than 10% of its capital on the date in question;

- 2) resolves that the shares may be acquired with a view to:

- ♦ objectives provided for in Article 5 of MAR:
 - cancelling all or part of the shares bought back in this way in order notably to increase the return on equity and earnings per share, and/or to neutralise the dilutive impact for shareholders of capital increases, wherein such purpose is contingent upon adoption of a special resolution by the Extraordinary General Meeting,
 - reallocating them upon the exercise of rights attached to debt securities giving entitlement by conversion, exercise, redemption, exchange, presentation of a warrant or in any other way, to the allocation of Company shares,
 - allotting or selling the shares to employees and Corporate Officers of the Company or a Group company, under the terms and conditions stipulated by law, as part of stock option plans (in accordance with Articles L. 225-179 *et seq.* of the French Commercial Code (*Code de commerce*)), or free share distributions (in accordance with Articles L. 225-197-1 *et seq.* of the French Commercial Code (*Code de commerce*)), or with respect to their participation in the Company's profit-sharing or through a share ownership plan or a company or group savings plan (or similar plan) under conditions provided by law, in particular Articles L. 3332-1 *et seq.* of the French Labour Code (*Code du travail*);

- ♦ objectives provided for in Article 13 of the MAR and under the sole market practice now accepted by the Financial Markets Authority (AMF):
 - ensuring the promotion of a secondary market or the liquidity of the share through an investment service provider acting independently under a liquidity contract in accordance with an ethical charter recognised by the Financial Markets Authority (AMF), and in compliance with the provisions of the AMF Decision No. 2018-01 of 2 July 2018;
- ♦ other objectives:
 - retaining the shares, in order subsequently to transfer the shares in payment, exchange or as other consideration for acquisitions initiated by the Company, it being specified that the number of shares purchased by the Company in view of retaining them and subsequently delivering them in payment or exchange under the terms of a merger, demerger or contribution shall not exceed 5% of the share capital,
 - reallocating them upon the exercise of rights attached to equity securities giving entitlement by conversion, exercise, redemption, exchange, presentation of a warrant or in any other way, to the allocation of Company shares; and more generally,
 - allocating them to the completion of any transactions in accordance with the applicable regulations.

This programme is also intended to enable the Company to operate for any other purpose that may be authorised, or come to be authorized, by law or regulations in force, including in particular any other market practice that may come to be approved by the Financial Markets Authority (AMF), subsequent to this General Meeting.

In such case, the Company would inform its shareholders by publishing a special notice:

- 3) resolves that, except for shares acquired for allocation under share purchase plans for the Company's employees or Corporate Officers, the maximum purchase price per share shall be no higher than seven hundred euros (€700), excluding fees;
- 4) resolves, that the Executive Management may nevertheless adjust the aforementioned purchase price in the event of a change in the par value of the share, a capital increase by capitalisation of reserves, a free share distribution, a stock split or reverse split, a write-off or reduction in the share capital, a distribution of reserves or other assets, or any other equity transactions, to take into account the effect of such transactions on the value of the share;

- 5) resolves that the maximum amount of funds that may be committed to this share purchase programme cannot exceed one billion eight hundred million euros (€1,800 million);
- 6) resolves that the shares may be purchased by any means, including in full or in part by transactions on regulated markets, multilateral trading systems, using systematic internalisers or OTC, including block purchases of securities (without limiting the portion of the buyback programme carried out by this means), by public offering or the use of options or derivatives (in accordance with legal and regulatory requirements applicable at the time), excluding the sale of put options, and at the times that the Executive Management deems appropriate, including during a public offering on the Company's securities, in accordance with stock market regulations, either directly or indirectly via an investment service provider. The shares acquired pursuant to this authorisation may be retained, sold, or transferred by any means, including by block sales, and at any time, including during public offerings;
- 7) grants all powers to the Executive Management to implement this delegation, and in particular:
 - ♦ to decide and carry out the transactions provided for by this authorisation; to determine the terms, conditions and procedures applicable thereto;
 - ♦ to place all orders, either on or off market;
 - ♦ to adjust the purchase price of the shares to take into account the effect of the aforementioned transactions on the value of the share;
 - ♦ to allocate or re-allocate the acquired shares to the various objectives pursued under the applicable legal and regulatory conditions;
 - ♦ to enter into all agreements, in particular for purposes of maintaining the stock transfer ledgers;
 - ♦ to file all necessary reports with the Financial Markets Authority (AMF) and any other relevant body;
 - ♦ to undertake all formalities; and
 - ♦ to generally carry out all necessary measures;
- 8) resolves that this authorisation is granted for a period of eighteen months from this meeting.

This authorisation cancels and replaces, for the remaining term and the unused portion, the authorisation granted by the Combined General Meeting of 5 June 2018 in its sixth resolution (authorisation of Company buyback of treasury shares).

SEVENTH AND EIGHTH RESOLUTIONS: OPINION ON COMPENSATION ELEMENTS DUE OR AWARDED TO THE EXECUTIVE CHAIRMEN FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Purpose

The provisions of law No. 2016-1691 of 9 December 2016 on transparency, anti-corruption and the modernisation of the economy (known as the "Sapin II law"), in particular Articles L. 225-37-2 and L. 225-82-2 of the French Commercial Code (*Code de commerce*), concerning the approval at the Shareholders' General Meeting of the principles and criteria for determination, distribution and allocation of fixed, variable and exceptional portions of compensation for Executive Corporate Officers (*ex-ante* vote), and subsequent approval of the components of compensation paid or allocated under these principles (*ex-post* vote) to Executive and non-Executive Corporate Officers, do not apply to *sociétés en commandite par actions* (partnerships limited by shares) under Article L. 226-1 of the same Code, which explicitly waives them.

We will, however, continue to comply with the recommendations of the AFEP-MEDEF Corporate Governance Code (revised in June 2018) by submitting the compensation of the Executive Chairmen to an *ex-post* vote.

The principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of overall compensation and benefits of any kind payable to each Executive Chairman for performing their duties and constituting the compensation policy concerning them are presented in the corporate governance report, in chapter 3.1.5 of the Registration Document.

In the seventh and eighth resolutions, we propose that you issue a favourable opinion on the elements of compensation due or awarded to the Executive Chairmen for the 2018 financial year as presented in the two tables below. These resolutions, which constitute an *ex-post* vote, are proposed in application of Article 26.2 of the AFEP-MEDEF Corporate Governance Code (revised in June 2018).

It did not seem relevant to us to propose that you vote on the compensation of the Chairman of the Supervisory Board insofar as he:

- ◆ receives a fixed compensation of €140,000 as set out in the Supervisory Board's rules of procedure, deducted from the total amount of directors' fees approved by the General Meeting;
- ◆ receives no other compensation of any kind whatsoever.

You have previously been made aware of this information.

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Elements of compensation	Amount or accounting valuation In euros	Presentation
Seventh resolution: Mr Axel Dumas		
		In accordance with Article 17 of the Articles of Association, each Executive Chairman is entitled to statutory compensation and, potentially, additional compensation, of which the maximum amount is set by the Ordinary General Meeting, with the unanimous approval of the Active Partners. Changes to the two components of the compensation of Executive Chairmen depend upon objective and comprehensible quantitative criteria that remained unchanged for several years and that are public and predefined by nature.
Gross annual fixed compensation (or "additional" compensation in accordance with the Articles of Association)	From 1 January to 31 December 2018: €1,470,773	The General Meeting of 31 May 2001 decided to allocate to each Executive Chairman gross annual compensation, in addition to their statutory compensation, subject to a limit at the time of €457,347.05. This ceiling is indexed each year, in an upward direction only. Since 1 January 2002, this indexation is calculated according to the increase in the Company's consolidated revenue for the previous financial year, at constant exchange rates and scope of consolidation, by comparison with revenue for the next to last financial year (€2,365,549 for 2018). Within the limits defined above, the Executive Management Board of Émile Hermès SARL, Active Partner, sets the effective amount of the annual additional compensation payable to each Executive Chairman. The additional compensation of Mr Axel Dumas paid in 2018 was set by the Executive Management Board on 19 March 2018.
Annual gross variable compensation (or "statutory" compensation in accordance with the Articles of Association)	From 1 January to 31 December 2018: €1,622,043	The gross annual statutory compensation of each Executive Chairman for a given year, shall not be more than 0.20% of the Company's consolidated income before tax (€3,790,135 for 2018) for the previous financial year. Within the maximum amounts set forth herein, the Executive Management Board of the Active Partner, Émile Hermès SARL, shall determine the effective amount of the annual statutory compensation of each Executive Chairman. Thus, no minimum statutory compensation is guaranteed for the Executive Chairmen. The statutory compensation of Mr Axel Dumas paid in 2018 was set by the Executive Management Board on 19 March 2018.
Deferred variable compensation	n/a	The principle of the allocation of deferred variable compensation is not provided for.

Elements of compensation	Amount or accounting valuation <i>In euros</i>	Presentation
Multi-year variable compensation	n/a	No multi-year compensation arrangement was implemented in 2018.
Exceptional compensation	n/a	The principle of such compensation is not provided for.
Stock options, options on performance shares or any other type of long-term compensation (IFRS valuation at the allocation date)	Stock options: n/a Performance shares: n/a Other elements: n/a	No stock option or performance-based share plans benefiting the Executive Chairmen were implemented during the 2018 financial year.
Compensation for assumption of duties	n/a	No such commitment exists.
Severance payment	€0	<p>The Company has pledged to pay Mr Axel Dumas compensation in an amount equal to 24 months of total compensation (statutory compensation and additional compensation) in case of termination of his appointment as Executive Chairman (decision taken by the Supervisory Board on 4 June 2013 and approved by the General Meeting of 3 June 2014 – tenth resolution “Approval of the commitments due to Mr Axel Dumas on termination of his appointment as Executive Chairman” – pursuant to Article L. 225-42-1 of the French Commercial Code (<i>Code de commerce</i>)).</p> <p>The payment of a severance payment is subject to the termination of duties as Executive Chairman resulting:</p> <ul style="list-style-type: none"> ♦ either from a decision taken by Mr Axel Dumas by reason of a change of control over the Company, a change in the Executive Chairman of Émile Hermès SARL, which is an Executive Chairman of the Company, or a change in the Company's strategy; or ♦ from a decision taken by the Company. <p>Moreover, the payment of such compensation is also subject to the following performance conditions, such that the conditions of his departure are in equilibrium with the situation of the Company: achieving budget targets in at least four out of the five previous years (with revenue and operating income growth measured at constant rates), without deterioration in the Hermès brand image.</p> <p>Given the importance of the Active Partner's role in an SCA – including the power to appoint and dismiss any Executive Chairman – and, in the case of a legal entity, its legal representative, it was decided that any termination of Mr Axel Dumas' duties as Executive Chairman resulting from the replacement of the Executive Chairman of Émile Hermès SARL should be deemed a forced departure.</p> <p>The Supervisory Board accordingly considered that the deferred compensation undertaking made for the benefit of Mr Axel Dumas complied with the requirements of the AFEP-MEDEF Corporate Governance Code.</p>
Non-competition payment	Not applicable	Mr Axel Dumas is not subject to any non-competition agreement, therefore no compensation is made in this category.
Supplementary pension plan	With respect to Article 83: No payment With respect to Article 39: No payment	<p><i>Defined-contribution pension plan (Article 83 of the French General Tax Code)</i></p> <p>Mr Axel Dumas is eligible for the supplementary defined-contribution pension plan established for all employees of the Group's French companies that have joined it (4 June 2013 decision by the Supervisory Board approved by the General Meeting of 3 June 2014 – fifth resolution “Approval of related-party agreements and commitments” – in accordance with Article L. 225-40 of the French Commercial Code (<i>Code de commerce</i>)).</p> <p>As with all employees of the Group:</p> <ul style="list-style-type: none"> ♦ the defined-contribution pension plan is financed as follows: 1.1% for the reference compensation for an amount of 1x the annual social security ceiling (PASS), 3.3% for the reference compensation between 1x and 2x PASS, and 5.5% on the reference compensation between 2x and 6x PASS. Reference compensation means the gross annual compensation in accordance with Article L. 242-1 of the French Social Security Code; ♦ these premiums are shared between the company (90.91%) and the beneficiary (9.09%); ♦ the employer premiums are deductible from the corporation tax base, subject to societal respcial contributions at the rate of 20% and excluded from the base for social security contributions within the limit of the higher of the following two values: 5% of the PASS or 5% of the compensation retained within the limit of 5x PASS. <p>For information, if Mr Axel Dumas had been able to liquidate his retirement entitlements on 31 December 2018, the estimated maximum gross amount of annual pension under the defined-contribution pension plan would be €5,159.</p>

Elements of compensation	Amount or accounting valuation <i>In euros</i>	Presentation
Supplementary pension plan	With respect to Article 83: No payment With respect to Article 39: No payment	<p><i>Defined-benefit pension plan (Article 39 of the French General Tax Code – Article L. 137-11 of the French Social Security Code)</i></p> <p>Mr Axel Dumas is also eligible for the supplementary pension plan established in 1991 for Company Senior Executives (4 June 2013 decision by the Supervisory Board, approved by the General Meeting of 3 June 2014 – fifth resolution “Approval of related-party agreements and commitments” – in accordance with Article L. 225-40 of the French Commercial Code (<i>Code de commerce</i>)).</p> <p>This pension plan is not closed and is not limited only to the Executive Chairmen. It is financed by the Company through a contract with an outside insurance company, and premiums paid to this company are deductible from the corporation tax base. They are also subject to the employer’s contribution on premiums at the rate of 24%. In addition, if applicable, provisions are recognised in the financial statements.</p> <p>As a fundamental condition of the pension regulations, in order to be eligible for the scheme, beneficiaries must have reached the end of their professional career with the Company, have at least ten years of seniority, and be eligible to draw pension benefits under the basic French social security regime.</p> <p>If all eligibility requirements are met, the annual pension under this plan shall in no case exceed the amount of 8x the annual social security ceiling (€317,856 in 2018). In accordance with the rules of the plan, the rights under this plan shall be a function of:</p> <ul style="list-style-type: none"> ♦ the average yearly compensation for the last three years. ♦ Lastly, a percentage of the reference compensation, from 0.9% to 1.5% per year of seniority, i.e., in any event, below the legal limit of 3%. <p>For information, the maximum amount of the future pension, limited by the plan’s regulations to eight times the annual Social Security limit, compared with the compensation for FY 2018 of the natural person Executive Chairmen would represent a replacement rate (excluding mandatory plans) of 10.27%; if Mr Axel Dumas had been able to liquidate his entitlements at 31 December 2018, the estimated maximum gross amount of the annual pension under the defined-benefit pension plan would be €54,857.</p>
Directors’ fees	n/a	Executive Chairmen do not receive directors’ fees, either from the Company or from its subsidiaries.
Valuation of benefits of any kind	€443	Mr Axel Dumas is eligible for a representation policy constituting his only benefit in kind. Mr Axel Dumas benefits from the mandatory collective healthcare plan implemented by the Group for the benefit of all staff of French entities that have joined this plan (decision made by the Supervisory Board on 19 March 2014).
Death and disability plan		<p>Mr Axel Dumas is eligible for the mandatory collective death and disability plan established by the Group for the benefit of all staff (AGIRC affiliated) of French entities that have joined this plan (decision taken by the Supervisory Board on 19 March 2014).</p> <p>It provides, as is the case for all employees, the following gross lifetime benefits:</p> <ul style="list-style-type: none"> (i) a disability pension at 51% of reference compensation in case of Category 1 disability and 85% of reference compensation in case of Category 2 or 3 disability. The reference compensation (gross annual compensation) is limited to 8x the annual social security ceiling. The payment of the disability pension is discontinued when the recipient in question is no longer categorised as having the disability or permanent impairment and, at the latest, on the day of the normal or early liquidation of an old age insurance pension from a mandatory retirement plan, for any reason whatsoever; (ii) a death benefit equal to a maximum of 380% of the reference compensation, capped at 8x PASS, depending on the family situation; (iii) contributions paid to the insurer are split between the Company (1.54% for tranche A, and 1.64% for tranches B and C) and the beneficiary (1.06% for tranche A and 1.16% for tranches B and C); (iv) these contributions are deductible from the corporation tax base, subject to corporate social contributions at the rate of 8%, and excluded from the base for social security contributions, within the limit of an amount equal to the sum of 6% of PASS and 1.5% of compensation retained within the limit of 12x PASS.

n/a: not applicable.

Elements of compensation	Amount or accounting valuation <i>In euros</i>	Presentation
Eighth resolution: Émile Hermès SARL		
Gross annual fixed compensation (or “additional” compensation in accordance with the Articles of Association)	From 1 January to 31 December 2018: €500,000	In accordance with Article 17 of the Articles of Association, each Executive Chairman is entitled to statutory compensation and, potentially, additional compensation, of which the maximum amount is set by the Ordinary General Meeting, with the unanimous approval of the Active Partners. Changes to the two components of the compensation of Executive Chairmen depend upon objective and comprehensible quantitative criteria that have remained unchanged for several years and that are public and predefined by nature. The General Meeting of 31 May 2001 decided to allocate to each Executive Chairman gross annual compensation, in addition to their statutory compensation, subject to a limit at the time of €457,347.05. This ceiling is indexed each year, in an upward direction only. Since 1 January 2002, this indexation is calculated according to the increase in the Company’s consolidated revenue for the previous financial year, at constant exchange rates and scope of consolidation, by comparison with revenue for the next to last financial year (€2,365,549 for 2018). Within the limits defined above, the Executive Management Board of Émile Hermès SARL, Active Partner, sets the effective amount of the annual additional compensation payable to each Executive Chairman. The additional compensation paid in 2018 to the company Émile Hermès SARL was set by the Executive Management Board on 19 March 2018.
Annual gross variable compensation («statutory» compensation in accordance with the Articles of Association)	From 1 January to 31 December 2018: €756,409	The gross annual statutory compensation of each Executive Chairman for a given year, shall not be more than 0.20% of the Company’s consolidated income before tax (€3,790,135 for 2018) for the previous financial year. Within the maximum amounts set forth herein, the Executive Management Board of the Active Partner, Émile Hermès SARL, shall determine the effective amount of the annual statutory compensation of each Executive Chairman. Thus, no minimum statutory compensation is guaranteed for the Executive Chairmen. Statutory compensation paid to the company Émile Hermès SARL was set by the Executive Management Board on 19 March 2018.
Deferred variable compensation	n/a	The principle of the allocation of deferred variable compensation is not provided for.
Multi-year variable compensation	n/a	No multi-year compensation arrangement was implemented in 2018.
Exceptional compensation	n/a	The principle of such compensation is not provided for.
Share options, performance-based shares or any other element of long-term compensation (IFRS valuation at the allocation date)	Stock options: n/a Performance-based shares: n/a Other elements: n/a	No stock option or performance-based share plans benefiting the Executive Chairmen were implemented during the 2018 financial year. Émile Hermès SARL, a legal entity, is not eligible for the stock option or performance-based share plans.
Compensation for assumption of duties	n/a	No such commitment exists.
Severance payment	n/a	No such commitment exists.
Non-competition payment	n/a	No such commitment exists.
Supplementary pension plan	n/a	Émile Hermès SARL, a legal entity, is not eligible for a supplementary pension plan.
Directors’ fees	n/a	Executive Chairmen do not receive directors’ fees, either from the Company or from its subsidiaries.
Valuation of benefits of any kind	n/a	Émile Hermès SARL does not receive benefits of any kind.

n/a: not applicable.

Seventh resolution:

Opinion on the components of compensation due or awarded to Mr Axel Dumas, Executive Chairman, for the financial year ended 31 December 2018

The General Meeting, consulted in application of recommendation § 26.2 of the AFEP-MEDEF Corporate Governance Code of June 2018, which constitutes the reference code used by the Company pursuant to Article L. 225-37 of the French Commercial Code (*Code de commerce*), acting under the quorum and majority requirements for Ordinary General Meetings, gives a favourable opinion on the components of compensation due or awarded to Mr Axel Dumas in respect of his office as Executive Chairman for the financial year ended 31 December 2018, as presented in the statement of proposed resolutions.

Eighth resolution:

Opinion on the components of compensation due or awarded to the company Émile Hermès SARL, Executive Chairman, for the financial year ended 31 December 2018

The General Meeting, consulted in application of recommendation § 26.2 of the AFEP-MEDEF Corporate Governance Code of June 2018, which constitutes the reference code used by the Company pursuant to Article L. 225-37 of the French Commercial Code (*Code de commerce*), acting under the quorum and majority requirements for Ordinary General Meetings, gives a favourable opinion on the components of compensation due or awarded to the company Émile Hermès SARL in respect of its office as Executive Chairman for the financial year ended 31 December 2018, as presented in the statement of proposed resolutions.

NINTH, TENTH AND ELEVENTH RESOLUTIONS: RE-ELECTION OF SUPERVISORY BOARD MEMBERS

Purpose

The mandates of four members of the Supervisory Board (Mr Charles-Éric Bauer, Ms Julie Guerrand, Ms Dominique Senequier and Mr Robert Peugeot) expire at the end of this meeting.

In the ninth, tenth and eleventh resolutions, the Active Partner proposes that you renew, for the statutory period of three years, the expiring mandates of the following members of the Supervisory Board:

- ♦ Mr Charles-Éric Bauer;
- ♦ Ms Julie Guerrand;
- ♦ Ms Dominique Senequier.

These three mandates will thus expire at the end of the General Meeting called in 2022 to approve the financial statements for the financial year ending 31 December 2021.

Mr Charles-Éric Bauer has been a member of the Supervisory Board since 3 June 2008 and a member of the Audit and Risk Committee since its creation on 26 January 2005.

He brings to the Board his in-depth knowledge of the history and culture of Hermès. He actively contributes to the quality of the discussions of the Board in all his areas of intervention. His expertise in banking and finance enables him to make an effective contribution to the work of the Audit and Risk Committee.

Ms Julie Guerrand has been a member of the Supervisory Board since 2 June 2005.

She brings to the Board her in-depth knowledge of the history and culture of Hermès. She actively contributes to the quality of the discussions of the Board in all her areas of intervention. Her expertise in finance and mergers and acquisitions enables her to make an effective contribution to the work of the Audit and Risk Committee.

Ms Dominique Senequier has been a member of the Supervisory Board and Chairwoman of the CAG-CSR Committee since 6 June 2013. She brings to the Board and the Committees her expertise in finance, investments and its international dimension. She actively contributes to the quality of the discussions of the Board in all her areas of intervention.

CUMULATIVE ATTENDANCE OVER THE THREE YEARS OF THEIR LAST TERM OF OFFICE

	Board	Audit and Risk Committee	CAG-CSR Committee
Mr Charles-Éric Bauer	90.48%	94.44%	n/a
Ms Julie Guerrand	95.24%	n/a	n/a
Ms Dominique Senequier	90.48%	n/a	100%

n/a: not applicable.

Information on the persons whose renewal is submitted for your approval is provided on pages 17 to 20.

Ninth resolution:**Re-election of Mr Charles-Éric Bauer as Supervisory Board member for a term of three years**

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, renews, as a member of the Supervisory Board the mandate of:

Mr Charles-Éric Bauer

Pursuant to Article 18.2 of the Articles of Association, his mandate for a period of three years will expire at the end of the Annual Ordinary General Meeting called in 2022 to approve the financial statements for the financial year ending 31 December 2021.

Mr Charles-Éric Bauer has indicated that he is prepared to accept the renewal of his mandate, and that he does not hold any positions and is not subject to any restrictions that could prevent him from carrying out his duties.

Tenth resolution:**Re-election of Ms Julie Guerrand as Supervisory Board member for a term of three years**

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, renews, as a member of the Supervisory Board the mandate of:

Ms Julie Guerrand

Pursuant to Article 18.2 of the Articles of Association, her mandate for a period of three years will expire at the end of the Annual Ordinary General Meeting called in 2022 to approve the financial statements for the financial year ending 31 December 2021.

Ms Julie Guerrand has indicated that she is prepared to accept the renewal of her mandate, and that she does not hold any positions and is not subject to any restrictions that could prevent her from carrying out her duties.

Eleventh resolution:**Re-election of Ms Dominique Senequier as Supervisory Board member for a term of three years**

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, renews, as a member of the Supervisory Board the mandate of:

Ms Dominique Senequier

Pursuant to Article 18.2 of the Articles of Association, her mandate for a period of three years will expire at the end of the Annual Ordinary General Meeting called in 2022 to approve the financial statements for the financial year ending 31 December 2021.

Ms Dominique Senequier has indicated that she is prepared to accept the renewal of her mandate, and that she does not hold any positions and is not subject to any restrictions that could prevent her from carrying out her duties.

TWELFTH AND THIRTEENTH RESOLUTIONS: APPOINTMENT OF TWO NEW MEMBERS TO THE SUPERVISORY BOARD

Purpose

The mandate of Mr Robert Peugeot, an independent member of the Supervisory Board of Hermès International since 2007 and member of the Audit and Risk Committee and the CAG-CSR Committee, expires at the end of the General Meeting of 4 June 2019.

Mr Robert Peugeot reached 12 years of office on 24 January 2019. He has therefore lost his status as independent Board member of the Supervisory Board according to the criteria set out in the AFEP-MEDEF Corporate Governance Code.

The mandate of Mr Robert Peugeot had been renewed for one year by the General Meeting of 5 June 2018: in order to replace him under the best possible conditions by a new member of the Supervisory Board with independent status at the General Meeting of 2019, the Supervisory Board had deemed that it was preferable that the proportions of independent members on the Board (25%) and the Audit and Risk Committee (40%) should be slightly below the requirements of the AFEP-MEDEF Code for a short period of several months rather than waive one of the independence criteria concerning Mr Robert Peugeot.

Ms Sharon MacBeath resigned from her office as a member of the Supervisory Board as of 20 March 2019 for personal reasons.

On the publication date of the 2018 Registration Document, the Board, in conjunction with the CAG-CSR Committee, continued its selection process so as to propose, at the General Meeting to be held on 4 June 2019, the appointment of two new independent members.

The first new member, appointed in replacement of Mr Robert Peugeot, will have a 2-year term, in accordance with the principle of replacing one-third of the Supervisory Board, as set out in Article 18.2 of the Articles of Association.

The second new member, appointed in replacement of Ms Sharon MacBeath, will have a 3-year term pursuant to Article 18.2 of the Articles of Association.

Details of those persons whose appointment will be submitted for your approval will be communicated on the Company's financial website <https://finance.hermes.com> prior to the General Meeting.

Twelfth resolution:

Appointment of [Mr/Ms @] as new member of the Supervisory Board for a term of two years to replace Mr Robert Peugeot

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, appoints the following to be member of the Supervisory Board to replace Mr Robert Peugeot whose mandate expires:

[Mr/Ms @]

In application of Article 18.2 of the Articles of Association, in order to guarantee the replacement of one-third of the Supervisory Board members each year, his/her mandate, lasting two years, will expire at the end of the Annual General Meeting called in 2021 to approve the financial statements for the financial year ended on 31 December 2020.

[Mr/Ms @] announced that he/she would accept the appointment and that he/she does not hold any position and is not subject to any restriction that could prevent him/her from exercising any such duty.

Thirteenth resolution:

Appointment of [Mr/Ms @] as new member of the Supervisory Board for a term of three years to replace Ms Sharon MacBeath

On proposal of the Active Partner, the General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, appoints the following as a member of the Supervisory Board, to replace Ms Sharon MacBeath

[Mr/Ms @]

Pursuant to Article 18.2 of the Articles of Association, his/her mandate for a period of three years will expire at the end of the Annual Ordinary General Meeting called in 2022 to approve the financial statements for the financial year ending 31 December 2021.

[Mr/Ms @] announced that he/she would accept the appointment and that he/she does not hold any position and is not subject to any restriction that could prevent him/her from exercising any such duty.

EXTRAORDINARY BUSINESS

4

FOURTEENTH RESOLUTION: **AUTHORISATION TO REDUCE THE SHARE CAPITAL BY CANCELLATION OF SHARES**

Purpose

In the fourteenth resolution, we ask you to renew the authorisation granted to the Executive Management to cancel, on one or more occasions, in the amounts and at the times it so decides, all or part of the shares acquired by the Company under the programme to purchase its own shares. This authorisation would in particular enable the Company to cancel shares issued to cover stock options that are no longer exercisable or that have expired.

Limit

Up to a maximum of 10% of the share capital per 24-month period.

Duration of the authorisation

This authorisation would be valid for 24 months from the date of the General Meeting.

The Statutory Auditors' report on the fourteenth resolution is presented on page 399 of the 2018 Registration Document.

Fourteenth resolution:

Authorisation to be granted to the Executive Management to reduce the share capital by cancellation of all or part of the treasury shares held by the Company (Article L. 225-209 of the French Commercial Code (*Code de commerce*) – General cancellation programme

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management's report, the Supervisory Board's report and the Statutory Auditors' special report, authorises the Executive Management, in accordance with Article L. 225-209 of the French Commercial Code (*Code de commerce*), to reduce the share capital by cancelling, on one or more occasions, in the amounts and at the times it so decides, some or all of the shares held by the Company or acquired by the Company under the share buyback programme referred to in the sixth resolution (authorisation of Company buyback of treasury shares) submitted to this General Meeting and/or pursuant to any authorisation

granted by a past or future General Meeting, up to a maximum of 10% of the share capital per 24-month period. The General Meeting delegates the broadest of powers to the Executive Management for the purpose of implementing this delegation, and in particular:

- ♦ to allocate the difference between the purchase price and the par value of the cancelled shares to whichever reserve account it sees fit, and to record the reductions in share capital resulting from the cancellations authorised by this resolution;
- ♦ to amend the Company's Articles of Association accordingly, and to undertake all necessary formalities.

This delegation is granted to the Executive Management for a period of twenty-four months.

It cancels and replaces, for the remaining term and the unused portion, the authorisation granted by the Combined General Meeting of 5 June 2018 in its thirteenth resolution (authorisation to reduce share capital by cancellation of shares).

FIFTEENTH TO TWENTIETH RESOLUTIONS: DELEGATIONS OF AUTHORITY TO THE EXECUTIVE MANAGEMENT

Purpose

Limits

The individual and common limits of the financial authorisations and delegations that you are asked to grant to Executive Management are as follows:

Resolutions	Individual limit of each authorisation	Limit common to several authorisations	
		Maximum nominal amount to be issued immediately and/or in future	
		% of the share capital at the date of the Meeting	
Equity securities			
15 th resolution (capital increase by incorporation of reserves)	40%		
16 th resolution (issuance with maintenance of preferential subscription rights)	40%		
17 th resolution (issuance with cancellation of preferential subscription rights)	40%		40%
18 th resolution (capital increase reserved for members of a company or group savings plan)	1%		
19 st resolution (issuance by private placement)	20% per year		
20 nd resolution (issuance to compensate contributions in kind)	10%		
Debt securities		Maximum nominal amount	
16 th resolution (issuance with maintenance of preferential subscription rights)	€1,000 million		
17 th resolution (issuance with cancellation of preferential subscription rights)	€1,000 million		€1,000 million
19 th resolution (issuance by private placement)	€1,000 million		
20 st resolution (issuance to compensate contributions in kind)	€1,000 million		

Issues of securities (general case)

In the fifteenth, sixteenth and seventeenth resolutions, we ask you to renew a certain number of resolutions designed to delegate authority to the Executive Management to decide on various issuances of securities of the Company with or without preferential subscription rights.

These resolutions are designed, as allowed by law, to give the Executive Management the flexibility necessary to act in the best interest of the Company, under the control of the Supervisory Board of the Company as well as the Executive Management Board of Émile Hermès SARL, Active Partner. The diversity of financial products and rapid changes in the markets make it necessary to have the greatest flexibility in order to choose the most favourable issue procedures for the Company and its shareholders and to rapidly conduct transactions in accordance with the opportunities that arise.

The Executive Management will therefore be able, at all times, in France and abroad, to proceed with the issue of ordinary shares of the Company as well as:

- ♦ securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*) that are equity securities of the Company giving access, immediately or in the future, to other equity securities of the Company and/or giving the right to the allocation of debt securities of the Company; and/or
- ♦ securities representing an entitlement, governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access or liable to give access to equity securities to be issued by the Company, with such securities also being liable, where applicable, to give access to existing equity securities and/or debt securities of the Company, subject to the limits defined hereinafter. The issuance of securities that are debt securities giving the right to the allocation of other existing debt securities or existing equity securities may be decided by the Executive Management under the conditions stipulated in Article L. 228-40 of the French Commercial Code (*Code de commerce*) in the case of the issue of bonds or investment securities that do not require authorisation by the General Meeting. These issues could include the maintenance of preferential subscription rights of shareholders (sixteenth resolution), or the cancellation of preferential subscription rights of shareholders (seventeenth resolution). The cancellation of preferential subscription rights is asked of you in order to allow, by accelerating the process of placing the issues, to increase their chances of success. We specify however that in all cases of issues with cancellation of preferential rights:
 - Executive Management may grant shareholders a priority option to subscribe for the shares,

- the sum receivable or that should be receivable by the Company for each of the shares to be issued after taking into account, in the case of the issue of detachable share subscription warrants, the issue price of such warrants, must be at least equal to the weighted average of the prices over the three trading days on the Euronext Paris regulated market preceding the setting of the subscription price of the capital increase, possibly decreased by a maximum discount of 5% in compliance with applicable regulations.
- You are also asked to renew the usual delegation allowing the Company to increase the capital by incorporation of reserves (fifteenth resolution) subject to the limits defined above.

In accordance with Article L. 233-32 of the French Commercial Code (*Code de commerce*), these delegations of authority may be implemented during a public offering on the shares of the Company.

The Statutory Auditors' report on the sixteenth and seventeenth resolutions is presented on page 400 of the 2018 Registration Document.

Capital increase with cancellation of preferential subscription rights for members of a company savings plan

In the eighteenth resolution, we ask you to delegate to the Executive Management full powers to carry out, under the control of the Supervisory Board of the Company and of the Executive Management Board of Émile Hermès SARL, Active Partner, a capital increase reserved for the employees and corporate officers under the conditions stipulated in Article L. 225-129-6 of the French Commercial Code (*Code de commerce*), where such employees are members of a company or group savings plan, subject to the limits defined above.

The discount is set at 20% of the average of the prices quoted for the Company's shares during the 20 trading days preceding the date of the decision setting the opening date for subscriptions. In accordance with Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation of authority may be implemented during a public offering on the shares of the Company.

The Statutory Auditors' report on the eighteenth resolution is presented on page 402 of the 2018 Registration Document.

Issuances of securities (by private placement or to compensate contributions in kind)

In the nineteenth resolution, we ask you to delegate to the Executive Management, in the conditions specified in the provisions of Article L. 225-136-3 of the French Commercial Code (*Code de commerce*), and of Article 411-2 II of the French Monetary and Financial Code (*Code monétaire et financier*) and under the control of the Supervisory Board of the Company and of the Executive Management Board of Émile Hermès SARL, Active Partner, the authority to issue shares and or other securities giving access to capital, with cancellation of preferential subscription rights, by means of private placement reserved for qualified investors or a limited circle of investors, as defined in Article D. 411-1 of the French Monetary and Financial Code (*Code monétaire et financier*), subject to the limits defined above.

This resolution would allow the Company to benefit from any and all opportunities to allow an investor, an economic, commercial or financial partner, who is considered a qualified investor, to have access to the capital of the Company. The issuance price would be at least equal to the weighted average of the listed prices on the last three trading days preceding the issue, less a maximum discount of 5%, where decided.

The Statutory Auditors' report on the nineteenth resolution is presented on page 403 of the 2018 Registration Document.

In the twentieth resolution, we ask you to delegate to the Executive Management, under the conditions specified in the provisions of Article L. 225-129 *et seq.*, in particular Article L. 225-147 of the French Commercial Code (*Code de commerce*), and under the control of the Supervisory Board of the Company and of the Executive Management Board of Émile Hermès SARL, Active Partner, the authority to issue shares and or securities giving access to the capital, with cancellation of preferential subscription rights, in order to compensate contributions in kind granted to the Company, subject to the limits defined above.

This resolution would allow the Company to benefit from any and all opportunities to conduct external growth transactions in France or in other countries or to acquire minority investments within the Group without impacting on the cash of the Company and limited to 10% of the share capital.

The Statutory Auditors' report on the twentieth resolution is presented on page 404 of the 2018 Registration Document.

Given that the volumes of shares allocated are significantly below the overall ceiling authorised by the shareholders during the Extraordinary General Meeting of 31 May 2016, you are not asked to renew the financial delegations of authority covering the allocation of share purchase options and free shares, which are valid until 31 July 2019 (subject to the overall limit granted).

Term of delegations

These delegations would be valid for 26 months from the date of the General Meeting.

Fifteenth resolution:**Delegation of authority to be granted to the Executive Management to increase the capital by incorporation of reserves, profits and/or premiums and free allocations of shares and/or increase the par value of existing shares**

The General Meeting, acting under the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Executive Management's report and the Supervisory Board's report, in accordance with Articles L. 225-129-2 and L. 225-130 of the French Commercial Code (*Code de commerce*):

- 1) delegates to the Executive Management, under the control of the Company's Supervisory Board and of the Executive Management Board of Émile Hermès SARL, Active Partner, the authority to increase the share capital, on one or more occasions, according to the procedures and at the times it decides, by successive or simultaneous incorporation into the share capital of all or part of the reserves, profits or share, merger or contribution premiums, to be carried out through the creation and allocation of free shares or through an increase in the par value of the existing shares, or through the combined use of these two procedures;
- 2) resolves that in case of a capital increase that gives rise to the allocation of new free shares, the free shares that are awarded in proportion to existing shares eligible for double voting rights will be eligible for this right upon their issue;
- 3) delegates to the Executive Management the authority to resolve, in case of a capital increase that gives rise to the allocation of new free shares, that fractional amounts will not be tradable and that the corresponding shares will be sold; the sums generated by the sale are allocated to the holders of the rights under the terms and conditions stipulated by legal and regulatory provisions;
- 4) in case of use by the Executive Management of this delegation of authority, delegates to the Executive Management the authority to carry out all adjustments aiming to take into account the impact of transactions on the Company's share capital, particularly in the event of a change in the par value per share, a capital increase by capitalisation of reserves, an allocation of free shares, a stock split or reverse split, distribution of reserves or other assets, amortisation of share capital, or any other transaction applying to equity, and to set the procedures according to which, if necessary, the rights of the holders of securities carrying rights to the share capital will be preserved;
- 5) resolves that the nominal amount of the capital increases likely to be performed immediately and/or in the future under this delegation of authority may not exceed 40% of the share capital on the date of this meeting, as the capital increases performed in accordance with this delegation are not offset against the limit addressed in paragraph 4 of the sixteenth resolution (issue of securities with maintenance of preferential subscription rights) submitted to this meeting;
- 6) grants the Executive Management the broadest of powers to implement this delegation, and particularly to set the terms and conditions of the transactions and determine the dates and methods of the capital increases that will be carried out under this delegation; to determine the terms and conditions of the issues and/or the amount by which the par value of the existing shares will be increased; to set the opening and closing dates of the subscriptions, the dates from which dividends will be applicable, the procedures for share payment; to record the completion of the capital increases in the amount of the shares that are actually subscribed; and more broadly, to take

all measures to ensure a successful outcome, perform all actions and formalities for the purpose of making the corresponding capital increase or increases final and make any consequent amendments to the Articles of Association; perform, either directly or through an agent, all transactions and formalities related to the share capital increases at its sole discretion and, if it deems appropriate, allocate the capital increase expenses to the amount of the share premiums pertaining to these increases and withdraw from this amount the sums required to increase the legal reserve to one-tenth of the new amount of the share capital after each increase;

- 7) grants all powers to the Executive Management for the purpose of applying for the shares created as part of this resolution to be traded on a regulated market, wherever it decides;
- 8) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during public offerings on the shares of the Company;
- 9) resolves that this delegation granted to the Executive Management is valid for twenty-six months as of the date of this meeting.

This authorisation cancels and replaces, for the remaining term and the unused portion, the delegation granted by the Combined General Meeting of 6 June 2017 in its eighteenth resolution (capital increase by incorporation of reserves).

Sixteenth resolution:**Delegation of authority to be granted to the Executive Management to decide on the issuance of shares and/or any securities giving access to the capital with maintenance of preferential subscription rights.**

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management's report, the Supervisory Board's report and the Statutory Auditors' report, prepared in accordance with the law and the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-132 to L. 225-134 and L. 228-91 to L. 228-93 of the French Commercial Code (*Code de commerce*):

- 1) delegates to the Executive Management, under the control of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SARL, Active Partner, the authority to decide on a capital increase, on one or more occasions, in the amounts and at the times it decides, both in France and abroad and/or on the international market, either in euros or in any other currency or currency unit set with reference to several currencies, with maintenance of preferential subscription rights, through the issuance, either free of payment or against payment:
 - a) of new ordinary shares of the Company,
 - b) of securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*) that are equity securities of the Company giving access, immediately or in the future, to other equity securities of the Company and/or giving the right to the allocation of debt securities of the Company, and/or
 - c) securities representing an entitlement, governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access or liable to give access to equity securities to be issued by the Company, with such securities also being liable, where applicable, to give access to existing equity securities and/or debt securities of the Company;

- 2) resolves that the subscription of the shares and other securities referred to in paragraph 1 of this resolution may be carried out in cash, by offsetting against liquid and payable claims on the Company, or in part by capitalisation of reserves, profits or share premiums;
- 3) resolves that the par value of the capital increases likely to be performed immediately and/or in the future under this delegation may not exceed 40% of the share capital on the date of this meeting (individual limit);
- 4) resolves that the amount of the share capital increases likely to be performed immediately and/or in the future under the sixteenth resolution (issuance of securities with maintenance of preferential subscription rights), seventeenth resolution (issuance of securities with cancellation of preferential subscription rights), eighteenth resolution (capital increase reserved for members of a company or group savings plan), nineteenth resolution (issuance of securities by private placement) and twentieth resolution (issuance of securities in order to compensate contributions in kind) submitted to this meeting may not exceed 40% of the share capital on the date of the meeting (common limit) or the equivalent value of this amount in case of an issue in foreign currency or in units of account set with reference to several currencies, to which is added, where appropriate, the nominal value of the additional shares to be issued in order to preserve the rights of holders of securities giving entitlement to shares, in accordance with legal and regulatory provisions or, where appropriate, with contractual stipulations providing for other cases of adjustment;
- 5) resolves that the maximum nominal amount of debt securities liable to be issued immediately and/or in the future under this delegation may not be higher than one billion euros (€1,000 million) (individual limit) or higher than the equivalent value of this amount in case of an issue in foreign currency or in units of account set with reference to several currencies, this amount being increased, where required, by any redemption premium above par;
- 6) resolves that the maximum par value of the debt securities that are liable to be issued under the sixteenth resolution (issuance of securities with maintenance of preferential subscription rights), seventeenth resolution (issuance of securities with cancellation of preferential subscription rights), eighteenth resolution (capital increase reserved for members of a company or group savings plan), nineteenth resolution (issuance of securities by private placement) and twentieth resolution (issuance of securities in order to compensate contributions in kind) submitted to this meeting may not exceed one billion euros (€1,000 million) (common limit), with the debt securities being issued in euros, a foreign currency or units of account set with reference to several currencies;
- 7) resolves that in case of a subscription offer, shareholders may exercise, under the terms and conditions stipulated by law, their preferential subscription rights on an irreducible basis, knowing that the Executive Management will have the ability to grant shareholders the right to subscribe on a reducible basis a number of securities higher than that for which they may apply on an irreducible basis, proportionally to the subscription rights they hold and, in any case, within the limit of their application;
- 8) resolves that if the irreducible subscriptions and, where applicable, the reducible subscriptions have not absorbed the totality of an issuance of securities, the Executive Management may use, in the order that it deems fit, one and/or another of the options provided for in the regulatory and legal provisions in force at the time, including offering to the public all or a portion of the unsubscribed shares;
- 9) resolves that issues of Company equity warrants in accordance with Article L. 228-91 of the French Commercial Code (*Code de commerce*) may be carried out either by an offer of subscription under the terms and conditions stipulated above or by a free allocation to owners of existing shares. In case of a free allocation of warrants, the Executive Management will be able to decide that the allocation rights forming fractional amounts will not be tradable and that the corresponding warrants will be sold; the sums generated by the sale being allocated to the holders of the rights under the terms and conditions stipulated by the legal and regulatory provisions in force at the time;
- 10) notes and resolves, as necessary, that, where appropriate, the aforementioned delegation automatically constitutes, in favour of the holders of securities carrying rights in the future to Company shares that are liable to be issued, the waiver by the shareholders of their preferential subscription rights to shares that will be issued upon presentation of these securities;
- 11) resolves that the sum receivable or that should be receivable by the Company for each of the shares to be issued under this delegation, after taking into account, in the case of the issue of detachable share subscription warrants, the issuance price of such warrants, will in all cases be at least equal to the par value of the share or the proportion of the share capital that it represents;
- 12) resolves, with respect to securities carrying rights to the share capital, having reviewed the Executive Management's report, that the subscription price of such securities will be determined by the Executive Management on the basis of the value of the Company's share as defined in paragraph 11 above;
- 13) grants the Executive Management the broadest of powers to implement this delegation, specifically, with the purpose of:
 - deciding and determining the dates and procedures of the issues and the form and characteristics of the securities to be created, determining the terms and conditions and prices of the issues, setting the amounts to be issued,
 - determining the date of first entitlement to dividends, with or without retroactive effect, of the securities to be issued and, where applicable, the terms and conditions of their buyback; suspending, where applicable, the exercise of the share allocation rights attached to the securities to be issued for a period not to exceed three months,
 - setting the terms under which, where applicable, the rights of the holders of securities carrying rights in the future to the share capital will be preserved, in accordance with the legal and regulatory provisions,
 - more generally, taking all necessary steps, carrying out all required formalities and concluding all agreements in order to successfully accomplish the planned issues and record the capital increase or increases resulting from any issue performed under this delegation, and consequently amending the Articles of Association;

- 14)** resolves that, in case of an issuance of debt securities, the Executive Management will have all powers to determine their characteristics and in particular to decide whether or not they are subordinated, to set their interest rate, their term, the fixed or variable redemption price with or without premium, the amortisation procedures based on market conditions, the conditions under which these securities will give entitlement to Company shares and to amend, during the lifetime of the relevant securities, the procedures referred to above, in compliance with applicable formalities;
- 15)** resolves that the Executive Management may also allocate the issuance costs of the shares and securities to the amount of the premiums pertaining to the capital increases, and withdraw from these premiums the sums required to increase the legal reserve to one-tenth of the amount of the share capital resulting from these increases;
- 16)** grants all powers to the Executive Management for the purpose of applying for the shares created as part of this resolution to be traded on a regulated market, wherever it decides;
- 17)** confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during public offerings on the shares of the Company;
- 18)** resolves that this delegation granted to the Executive Management is valid for twenty-six months as of the date of this meeting. This authorisation cancels and replaces, for the remaining term and the unused portion, the authorisation granted by the Combined General Meeting of 6 June 2017 in its nineteenth resolution (issuance of securities with maintenance of preferential subscription rights).

Seventeenth resolution:

Delegation of authority to be granted to the Executive Management to decide on the issuance of shares and/or any securities giving access to the capital with cancellation of preferential subscription rights but with the option of setting a priority period, through a public offering

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management's report, the Supervisory Board's report and the Statutory Auditors' report, prepared in accordance with the law and the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-135, L. 225-136, L. 225-148 and L. 228-91 to L. 228-93 of the French Commercial Code (*Code de commerce*):

- 1)** delegates to the Executive Management, under the control of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SARL, Active Partner, the authority to decide on a capital increase with cancellation of preferential subscription rights and by public offering, on one or more occasions, in the amounts and at the times it decides, both in France and abroad and/or on the international market, either in euros or in any other currency or currency unit set with reference to several currencies, through the issuance, either free of payment or against payment:
- a) of new ordinary shares of the Company,
 - b) of securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*) that are equity securities of the Company giving access, immediately or in the future, to other equity securities of the Company and/or giving the right to the allocation of debt securities of the Company, and/or

c) of securities representing an entitlement, governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access or liable to give access to equity securities to be issued by the Company, with such securities also being liable, where applicable, to give access to existing equity securities and/or debt securities of the Company, issued in accordance with Article L. 228-92 (1) of the French Commercial Code (*Code de commerce*) free of consideration or against payment and to be paid for in cash, by offsetting against liquid and payable claims on the Company:

- made up of equity securities carrying rights, either immediately and/or in the future, to other equity securities, or giving entitlement to the allocation of debt securities,
- or if they carry rights to equity securities to be issued;

2) resolves that the subscription of the shares and other securities mentioned in paragraph 1 of this resolution may be carried out in cash, or by offsetting against liquid and payable claims on the Company;

3) resolves that these issuances may also be performed:

- for the purpose of compensating shares that are contributed to the Company as part of a public offering including an exchange component in accordance with the provisions of Article L. 225-148 of the French Commercial Code (*Code de commerce*),
- following the issuance, by a company in which the Company holds directly or indirectly at the time of the issue, more than half the share capital or securities carrying rights to Company shares or the securities mentioned in sub-paragraphs b and c of paragraph 1 above, under the terms and conditions stipulated in Article L. 228-93 of the French Commercial Code (*Code de commerce*). The issuance by said companies of the aforementioned securities will automatically constitute, in favour of the holders of these securities, the waiver by the Companies' shareholders of their preferential subscription rights to the ordinary shares or securities mentioned in sub-paragraphs b and c of paragraph 1 above to which the securities thus issued by these companies give entitlement, as well as to Company shares to be issued to which the securities mentioned in sub-paragraphs b and c of paragraph 1 above would give entitlement;

4) as part of this delegation, resolves to cancel the preferential subscription rights of shareholders to securities to be issued, it being understood that the Executive Management may grant shareholders an option of priority subscription on all or part of the issuance, within the time frame and under the terms and conditions it sets in accordance with the legal and regulatory provisions. This priority subscription will not give rise to the creation of tradable options, but may, if the Executive Management deems it appropriate, be exercised on an irreducible or reducible basis. Unsubscribed shares under this right will be subject to public placement;

5) resolves that the nominal amount of capital increases liable to be performed immediately and/or in the future under this delegation may not exceed 40% of the share capital at the date of this meeting, with capital increases performed in accordance with this delegation being offset against the limit mentioned in paragraph 4 of the sixteenth resolution (issuance of securities with maintenance of preferential subscription rights) submitted to this meeting, or the equivalent value of this amount in case of an issue in foreign currency or in units of account set with reference to several currencies, an amount to which

is added, where necessary, the nominal amount of additional shares to be issued in order to preserve the rights of the holders of securities giving entitlement to shares in accordance with the legal and regulatory provisions or, where necessary, with contractual stipulations providing for other cases of adjustment;

- 6) resolves in addition that the maximum nominal amount of the debt securities liable to be issued under this delegation may not be higher than one billion euros (€1,000 million) (individual limit), or higher than the equivalent value of this amount in case of an issue in foreign currency or in units of account set with reference to several currencies; this amount is increased, where necessary, by any redemption premium above par, and the amount of the issues carried out in accordance with this delegation is offset against the common limit mentioned in paragraph 6 of the sixteenth resolution (issuance of securities with maintenance of preferential subscription rights) submitted to this meeting; the debt securities may be issued in euros, foreign currency or units of account set with reference to several currencies;
- 7) notes and resolves, as necessary, that, where appropriate, the aforementioned delegation automatically constitutes, in favour of the holders of securities carrying rights in the future to Company shares that are liable to be issued, the waiver by the shareholders of their preferential subscription rights to shares that will be issued upon presentation of these securities;
- 8) resolves that, in case of an immediate or future issuance of shares, (i) the issuance price for each share issued under this delegation will be at least equal to the minimum amount stipulated by the laws and regulations in force at the time of the use of the delegation (currently, the weighted average of the share prices of the last three trading days on the Euronext Paris regulated market preceding the setting of the subscription price of the capital increase, potentially reduced by a maximum discount of 5%), and that (ii) the issuance price of securities carrying rights to the share capital will be such that the sums collected immediately by the Company, plus, where appropriate, the sums liable to be collected by it at a future date, will, for each share issued as a result of the issuance of these other securities, be at least equal to the minimum issuance price defined in paragraph (i) above;
- 9) resolves that, if the shareholders' and public's subscriptions have not absorbed the entirety of an issue of securities, the Executive Management may use one or more of the options below, in the order that it chooses:
 - limit the issuance to the amount of subscriptions under the terms and conditions stipulated by the laws in force at the time of use of this delegation,
 - freely distribute all or part of the unsubscribed shares among the persons of its choice;
- 10) grants the Executive Management the broadest of powers to implement this delegation, specifically, with the purpose of:
 - deciding and determining the dates and procedures of the issuances and the form and characteristics of the securities to be created, determining the terms and conditions and prices of the issuances, setting the amounts to be issued,

- determining the date of first entitlement to dividends, with or without retroactive effect, of the securities to be issued and, where applicable, the terms and conditions of their buyback; suspending, where applicable, the exercise of the share allocation rights attached to the securities to be issued for a period not to exceed three months,
 - in case of an issuance of securities for the purpose of compensating shares contributed as part of a public offering including an exchange component (public exchange offering), drawing up the list of securities liable to be contributed to the exchange; set the terms and conditions of the issue, the exchange parity and, where applicable, the amount of the cash balance to be paid without enforcing the procedures for determining the price detailed in paragraph 8 of this resolution; and determining the issuance procedures as part of either a public exchange offering, an alternative purchase bid or exchange offering, or a single offering proposing the purchase or exchange of securities referred to against a payment in securities and in cash, or a public takeover bid or public exchange offering as the main procedure, combined with a public exchange offering or public takeover bid as a secondary procedure, or any other form of public offering in accordance with the laws and regulations applicable to the aforementioned public offering,
 - setting the terms under which, where applicable, the rights of the holders of securities carrying rights in the future to the share capital will be preserved, in accordance with the legal and regulatory provisions,
 - more broadly, taking all the necessary steps, carrying out all the required formalities and concluding all agreements in order to successfully accomplish the planned issuances and record the capital increase or increases resulting from any issuance performed under this delegation, and consequently amending the Articles of Association;
- 11) resolves that in case of an issuance of debt securities, the Executive Management will have all powers to determine their characteristics and in particular to decide whether or not they are subordinated, to set their interest rate, their term, the fixed or variable redemption price with or without premium, the amortisation procedures based on market conditions, the conditions under which these securities will give entitlement to Company shares and to amend, during the lifetime of the relevant securities, the procedures referred to above, in compliance with applicable formalities;
 - 12) resolves that the Executive Management may also allocate the issuance costs of the shares and securities to the amount of the premiums pertaining to the capital increases, and withdraw from these premiums the sums required to increase the legal reserve to one-tenth of the amount of the share capital resulting from these increases;
 - 13) grants all powers to the Executive Management for the purpose of applying for the shares created as part of this resolution to be traded on a regulated market, wherever it decides;
 - 14) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during public offerings on the shares of the Company;
 - 15) resolves that this delegation granted to the Executive Management is valid for twenty-six months as of the date of this meeting.

This delegation cancels and replaces, for the remaining term and the unused portion, the delegation granted by the Combined General Meeting of 6 June 2017 in its twentieth resolution (issuance of securities with cancellation of preferential subscription rights).

Eighteenth resolution:

Delegation of authority to be granted to the Executive Management to decide on a share capital increase by issuing shares and/or securities giving access to the capital, reserved for members of a company or group savings plan, with cancellation of preferential subscription rights

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management's report and the Statutory Auditors' special report, in accordance with the legal provisions, and in particular Articles L. 225-129 to L. 225-129-6 and L. 225-138-1 of the French Commercial Code (*Code de commerce*) and L. 3332-1 *et seq.* of the French Labour Code (*Code du travail*):

- 1) delegates to the Executive Management the authority to decide to increase the share capital, on one or more occasions and at its sole discretion, where appropriate by separate tranches, within the limit of one percent (1%) of the share capital on the date of this meeting (not taking into account the consequences on the amount of share capital of the adjustments made to protect the holders of the rights attached to the securities carrying rights to the share capital), by the issuance of shares and/or securities carrying rights to the Company's share capital, reserved for members of one or more company or group savings plans that may be implemented within the Group comprised of the Company and French or foreign companies that are affiliated with it under the terms and conditions of Article L. 225-180 of the French Commercial Code (*Code de commerce*) and Article L. 3344-1 of the French Labour Code (*Code du travail*);
- 2) resolves that the amount of capital increases resulting from this delegation will be offset against the common limit mentioned in paragraph 4 of the sixteenth resolution (issuance of securities with maintenance of preferential subscription rights) submitted to this meeting;
- 3) resolves that this delegation cancels shareholders' preferential subscription rights, in favour of the aforementioned members of a company or group savings plan, to the equity securities and marketable securities to be issued under this resolution, and involves the waiver of their preferential subscription rights to the shares to which the securities issued on the basis of this delegation may give entitlement;
- 4) resolves, in accordance with Article L. 3332-19 of the French Labour Code (*Code du travail*), to set the discount at 20% of the average prices quoted for the Company's shares on the Euronext Paris regulated market during the 20 trading days preceding the date of the decision setting the opening date of subscriptions. Nonetheless, the Meeting authorises the Executive Management to substitute all or part of the discount by granting free shares or securities giving access to the Company's share capital, to reduce or to not grant a discount, within the legal and regulatory limits;
- 5) resolves that the Executive Management may, in line with the authorisation granted by the Combined General Meeting of 31 May 2016 in its fifteenth resolution (free share allocation) and/or any authorisation granted by a subsequent General Meeting, within the limits set

by Article L. 3332-21 of the French Labour Code (*Code du travail*), grant free shares or securities giving access to the Company's share capital as part of the employer's matching contribution;

- 6) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during public offerings on the shares of the Company;
- 7) grants the Executive Management the broadest of powers, with the ability to subdelegate, to implement this delegation and in particular to:
 - determine all the terms and conditions of the transaction or transactions to occur,
 - set the terms and conditions of the issuances that will be performed under this authorisation, particularly to decide on the amounts proposed for subscription; determine pursuant to legal requirements the list of companies for which members of a company savings plan may subscribe shares or securities carrying rights to the share capital thus issued and, where necessary, may be eligible for free shares or securities carrying rights to the share capital; resolve that the subscriptions may be carried out directly or through company mutual funds or other structures or entities permitted by the applicable legal or regulatory provisions; determine the conditions, in particular, length of service, that beneficiaries of capital increases must fulfil; set the issue prices, dates, time frames, terms and conditions of subscription, payment, release and date from which dividends may be payable for the shares or securities carrying rights to the Company's share capital,
 - in case of a free share allocation or free allocation of securities carrying rights to the share capital, set the number of shares or securities carrying rights to the capital to be issued and the number to be allocated to each beneficiary, and determine the dates, time frames, terms and conditions of the allocation of these shares or securities carrying rights to the share capital within the legal and regulatory limits in force, and in particular, opt to substitute either fully or partially the allocation of these shares or securities carrying rights to the share capital for the discounts stipulated herein above, or to offset the equivalent value of these shares against the total amount of the employer's matching contribution, or to combine these two options,
 - at its sole discretion, after each capital increase, allocate the costs of the capital increases to the amount of premiums that pertain to them and withdraw from this amount the sums required to increase the statutory reserve to one-tenth of the new amount of share capital,
 - perform all actions and formalities for the purpose of accomplishing and recording the capital increase or increases performed under this authorisation, in particular amending the Articles of Association in consequence, and, more broadly, doing all that is required;
- 8) resolves that this delegation granted to the Executive Management is valid for twenty-six months as of the date of this meeting.

This delegation cancels and replaces, for the remaining term and the unused portion, the delegation granted by the Combined General Meeting of 6 June 2017 in its twenty-first resolution (capital increase reserved for members of a company or group savings plan, with cancellation of preferential subscription rights).

Nineteenth resolution:

Delegation of authority to be granted to the Executive Management to decide on the issuance of shares and/or any securities giving access to the capital, with cancellation of preferential subscription rights, by private placement pursuant to Article L. 411-2, II of the French Monetary and Financial Code (*Code monétaire et financier*).

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management's report, the Supervisory Board's report and the Statutory Auditors' report, prepared in accordance with the law and the provisions of Articles L. 228-129 to L. 225-129-6, L. 225-135, L. 225-136 and L. 228-91 to L. 228-93 of the French Commercial Code (*Code de commerce*):

- 1) delegates to the Executive Management, under the control of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SARL, Active Partner, the authority to decide on a capital increase with cancellation of preferential subscription rights and an offering referred to in Article L. 411-2, II of the French Monetary and Financial Code, on one or more occasions, in the amounts and at the times it decides, both in France and abroad and/or on the international market, either in euros or in any other currency or currency unit set with reference to several currencies, through the issuance, either free of payment or against payment:
 - a) of new ordinary shares of the Company,
 - b) of securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*) that are equity securities of the Company giving access, immediately or in the future, to other equity securities of the Company and/or giving the right to the allocation of debt securities of the Company, and/or
 - c) securities representing an entitlement, governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access or liable to give access to equity securities to be issued by the Company, with such securities also being liable, where applicable, to give access to existing equity securities and/or debt securities of the Company;
- 2) resolves that the subscription of the shares and other securities referred to in paragraph 1 of this resolution may be carried out in cash, by offsetting against liquid and payable claims on the Company, or in part by capitalisation of reserves, profits or share premiums;
- 3) resolves that these issues may also be carried out: following the issuance, by a company in which the Company holds directly or indirectly at the time of the issue, more than half the share capital or securities carrying rights to Company shares or the securities mentioned in sub-paragraphs b and c of paragraph 1 above, under the terms and conditions stipulated in Article L. 228-93 of the French Commercial Code (*Code de commerce*). The issuance by said companies of the aforementioned securities will automatically constitute, in favour of the holders of these securities, the waiver by the Companies' shareholders of their preferential subscription rights to the ordinary shares or securities mentioned in sub-paragraphs b and c of paragraph 1 above to which the securities thus issued by these companies give entitlement, as well as to Company shares to be issued to which the securities mentioned in sub-paragraphs b and c of paragraph 1 above would give entitlement;
- 4) decides to cancel, under this delegation of authority, the preferential subscription rights of shareholders to the securities to be issued;
- 5) resolves that the nominal amount of capital increases liable to be performed immediately and/or in the future under this delegation may not exceed the limit stipulated by the regulations applicable on the date of issuance (currently, 20% of the share capital per year) (individual limit), with the capital increases performed in accordance with this delegation being offset against the common limit mentioned in paragraph 4 of the sixteenth resolution (issuance of securities with maintenance of preferential subscription rights) submitted to this meeting, or exceed the equivalent value of this amount in case of an issuance in foreign currency or in units of account set with reference to several currencies; the nominal amount of additional shares to be issued to preserve the rights of the holders of securities giving entitlement to shares will be added to this amount, in accordance with the legal and regulatory provisions, or, where necessary, with contractual stipulations providing for other cases of adjustment;
- 6) resolves that the nominal amount of the debt securities liable to be issued under this delegation may not be higher than one billion euros (€1,000 million) (individual limit), or higher than the equivalent value of this amount in case of an issue in foreign currency or in units of account set with reference to several currencies; this amount is increased, where necessary, by any redemption premium above par, and the amount of the issuances carried out in accordance with this delegation is offset against the common limit mentioned in paragraph 6 of the sixteenth resolution (issuance of securities with maintenance of preferential subscription rights) submitted to this meeting; the debt securities may be issued in euros, foreign currency or units of account set with reference to several currencies;
- 7) as appropriate, notes and resolves that, where needed the aforementioned delegation automatically constitutes in favour of the holders of securities carrying rights in the future to Company shares that are likely to be issued, the shareholders' waiver of their preferential subscription rights to shares that will be issued upon presentation of these securities;
- 8) resolves that, in case of an immediate or future issuance of shares:
 - i. the issuance price for each share issued under this delegation will be at least equal to the minimum amount stipulated by the laws and regulations in force at the time of the use of the delegation (currently, the weighted average of the prices of the last three trading days on the Euronext Paris regulated market preceding the setting of the subscription price of the capital increase, potentially reduced by a maximum discount of 5%), and that
 - ii. the issuance price of the securities carrying rights to the share capital will be such that the sums collected immediately by the Company, plus, where appropriate, the sums liable to be collected by it at a future date, will, for each share issued as a result of the issuance of these other securities, be at least equal to the minimum issuance price defined in paragraph (i) above;

- 9) resolves that if the subscriptions have not absorbed the entirety of an issuance of securities, the Executive Management may use any of the options below, in the order it chooses:
- limit the issuance to the amount of subscriptions under the terms and conditions stipulated by the laws in force at the time of use of this delegation,
 - freely distribute all or part of the unsubscribed shares among the persons of its choice;
- 10) grants the Executive Management the broadest of powers to implement this delegation, specifically, with the purpose of:
- deciding and determining the dates and procedures of the issuances and the form and characteristics of the securities to be created, determining the terms and conditions and prices of the issuances, setting the amounts to be issued,
 - determining the date of first entitlement to dividends, with or without retroactive effect, of the securities to be issued and, where applicable, the terms and conditions of their buyback; suspending, where applicable, the exercise of the share allocation rights attached to the securities to be issued for a period not to exceed three months,
 - setting the terms under which, where applicable, the rights of the holders of securities carrying rights in the future to the share capital will be preserved, in accordance with the legal and regulatory provisions,
 - more broadly, taking all the necessary steps, carrying out all the required formalities and concluding all agreements in order to successfully accomplish the planned issuances and record the capital increase or increases resulting from any issue performed under this delegation, and consequently amending the Articles of Association;
- 11) resolves that in case of an issuance of debt securities, the Executive Management will have all powers to determine their characteristics and in particular to decide whether or not they are subordinated, to set their interest rate, their term, the fixed or variable redemption price with or without premium, the amortisation procedures based on market conditions, the conditions under which these securities will give entitlement to Company shares and to amend, during the lifetime of the relevant securities, the procedures referred to above, in compliance with applicable formalities;
- 12) resolves that the Executive Management may also allocate the issuance costs of the shares and securities to the amount of the premiums pertaining to the capital increases, and withdraw from these premiums the sums required to increase the legal reserve to one-tenth of the amount of the share capital resulting from these increases;
- 13) grants all powers to the Executive Management for the purpose of applying for the shares created as part of this resolution to be traded on a regulated market, wherever it decides;
- 14) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during public offerings on the shares of the Company;
- 15) resolves that this delegation granted to the Executive Management is valid for twenty-six months as of the date of this meeting.

This delegation cancels and replaces, for the remaining term and the unused portion, the delegation granted by the Combined General Meeting of 6 June 2017 in its twenty-second resolution (issuance of securities by private placement with cancellation of preferential subscription rights).

Twentieth resolution:

Delegation of authority to be granted to the Executive Management to decide on the issuance of shares and/or any securities giving access to the capital, with cancellation of preferential subscription rights, to compensate the contributions in kind granted to the Company in relation to equity securities or marketable securities giving access to the capital.

The General Meeting, acting under the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Executive Management's report, the Supervisory Board's report and the Statutory Auditors' report, prepared in accordance with the law and the provisions of Articles L. 225-129 *et seq.*, in particular L. 225-147 of the French Commercial Code (*Code de commerce*):

- 1) delegates to the Executive Management, under the control of the Company's Supervisory Board and the Executive Management Board of Émile Hermès SARL, Active Partner, the authority to carry out, on the report of an independent appraiser, on one or more occasions, in the amounts at the times it decides, both in France and abroad and/or on the international market, either in euros or in any other currency or unit of account set with reference to several currencies, in order to compensate contributions in kind granted to the Company and comprising equity securities or marketable securities carrying rights to the share capital, when the provisions of Article L. 225-148 of the French Commercial Code (*Code de commerce*) do not apply, the issuance of:
 - a) new ordinary shares of the Company,
 - b) securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*) that are equity securities of the Company giving access, immediately or in the future, to other equity securities of the Company and/or giving the right to the allocation of debt securities of the Company, and/or
 - c) securities representing an entitlement, governed or not by Articles L. 228-91 *et seq.* of the French Commercial Code (*Code de commerce*), giving access or liable to give access to equity securities to be issued by the Company, with such securities also being liable, where applicable, to give access to existing equity securities and/or debt securities of the Company;
- 2) decides to cancel, under this delegation of authority, the preferential subscription rights of shareholders to the securities to be issued;
- 3) resolves that the nominal amount of the capital increases that are liable to be performed immediately and/or in the future under this delegation may not exceed 10% of the share capital on the date of this meeting (individual limit), with capital increases performed in accordance with this delegation being offset against the common limit mentioned in paragraph 4 of the sixteenth resolution (issuance of securities with maintenance of preferential subscription rights) submitted to this meeting, or the equivalent value of this amount in case of an issuance in foreign currency or in units of account set with reference to several currencies;
- 4) resolves in addition that the maximum nominal amount of the debt securities liable to be issued under this delegation may not be higher than one billion euros (€1,000 million) (individual limit), or higher than the equivalent value of this amount in case of an issue in foreign currency or in units of account set with reference to several currencies; this amount is increased, where necessary, by any redemption premium above par, and the amount of the issuances carried out in accordance with this delegation is offset against the common limit

mentioned in paragraph 6 of the sixteenth resolution (issuance of securities with maintenance of preferential subscription right) submitted to this meeting; the debt securities may be issued in euros, foreign currency or units of account set with reference to several currencies;

- 5) as appropriate, notes and resolves that, where needed the aforementioned delegation automatically constitutes in favour of the holders of securities carrying rights in the future to Company shares that are likely to be issued, the shareholders' waiver of their preferential subscription rights to shares that will be issued upon presentation of these securities;
- 6) grants the Executive Management the broadest of powers to implement this delegation, specifically, with the purpose of:
 - deciding on and determining the dates and procedures of the issuances as well as the form and characteristics of the securities to be created in compensation of the contributions, approving the report of the Statutory Auditor(s), approving the assessment of the contributions and, regarding said contributions, recording the completion, determining the terms and conditions and prices of the issuances, setting the amounts to be issued,
 - determining the date of first entitlement to dividends, with or without retroactive effect, of the securities to be issued and, where applicable, the terms and conditions of their buyback; suspending, where applicable, the exercise of the share allocation rights attached to the securities to be issued for a period not to exceed three months,

- setting the terms under which, where applicable, the rights of the holders of securities carrying rights in the future to the share capital will be preserved, in accordance with the legal and regulatory provisions,
- more broadly, taking all the necessary steps, carrying out all the required formalities and concluding all agreements in order to successfully accomplish the planned issues and record the capital increase or increases resulting from any issuance performed under this delegation, and consequently amending the Articles of Association;

- 7) resolves that the Executive Management may also allocate the issuance costs of the shares and securities to the amount of the premiums pertaining to the capital increases, and withdraw from these premiums the sums required to increase the legal reserve to one-tenth of the amount of the share capital resulting from these increases;
- 8) grants all powers to the Executive Management for the purpose of applying for the shares created as part of this resolution to be traded on a regulated market, wherever it decides;
- 9) confirms that, pursuant to Article L. 233-32 of the French Commercial Code (*Code de commerce*), this delegation may be implemented during public offerings on the shares of the Company;
- 10) resolves that this delegation granted to the Executive Management is valid for twenty-six months as of the date of this meeting.

This delegation cancels and replaces, for the remaining term and the unused portion, the delegation granted by the Combined General Meeting of 6 June 2017 in its twenty-third resolution (issuance of securities in order to compensate contributions in kind, with cancellation of preferential subscription rights).

4

TWENTY-FIRST RESOLUTION: POWERS

Purpose

The twenty-first resolution is a standard resolution making it possible to undertake all legal filing and disclosure formalities required by law, following the General Meeting.

Twenty-first resolution:

Delegation of authority to carry out the formalities related to the General Meeting

Acting under the quorum and majority requirements applicable to Extraordinary General Meetings, the General Meeting confers full

powers on any bearer of an extract or copy of these minutes recording its resolutions, in order to carry out all legal publication or other formalities.

5 SUPERVISORY BOARD'S REPORT

In accordance with legal and regulatory requirements, we hereby present our report on the accomplishment of our duties for the financial year ended 31 December 2018.

We first wish to inform you that:

- ♦ the Executive Management has kept us regularly informed of the Company's business operations and results;
- ♦ the statement of financial position and its notes, as well as the statement of profit or loss, have been provided to us as required by law;
- ♦ transactions subject to prior authorisation by the Supervisory Board under the terms of specific provisions contained in the Company's Articles of Association have been duly approved by us, as is duly demonstrated hereafter;
- ♦ lastly, the Supervisory Board ruled on various matters within its exclusive competence with respect to the Articles of Association.

1. OBSERVATIONS ON THE PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

In the light of the comprehensive review already provided, we have no specific comments on the business performance or on the financial statements for the financial year ended 31 December 2018. We issue a favourable opinion on the approval of the financial statements.

2. ALLOCATION OF NET INCOME

On 7 February 2019, the Executive Management decided to pay an interim dividend of €1.50 per share. This interim dividend was paid on 22 February 2019.

We recommend that you approve the proposed allocation of net income as set out in the draft resolutions submitted to you for approval, calling for a net ordinary dividend of €4.55 per share.

After deduction of the interim dividend, the balance of €3.05 per share will be detached on 7 June 2019 and paid on 11 June 2019, based on the positions approved on 10 June 2019.

3. RELATED-PARTY AGREEMENTS AND COMMITMENTS

The Executive Management has informed us of draft agreements in the financial year ended 31 December 2018 and falling under the combined provisions of Articles L. 226-10 and L. 225-38 to L. 225-43 of the French Commercial Code (*Code de commerce*), and submitted them to us for prior approval. You will find, in the explanatory statement on page 26, a summary of the agreements and commitments authorised in the 2018 financial year. The agreements and commitments approved previously by the General Meeting are presented in the Statutory Auditors' special report on the agreements and commitments men-

tioned in Articles L. 226-10 and L. 225-38 to L. 225-43 of the French Commercial Code (*Code de commerce*), which appears on pages 52 to 54. None of these agreements changed significantly with respect to amounts or financial terms in 2018.

In 2018, no agreements were declassified for no longer meeting the criteria to be considered related-party agreements due to a change in circumstances.

Pursuant to Article L. 225-38 of the French Commercial Code (*Code de commerce*) amended by order 2014-863 of 31 July 2014, the authorisation decisions of the Supervisory Board since 1 August 2014 are all supported by justification. A review of related-party agreements and commitments has been carried out by the Supervisory Board every year since 2013, in accordance with proposal No. 27 of AMF recommendation No. 2012-05 regarding Shareholders' General Meetings of listed companies, which was incorporated in the French Commercial Code (*Code de commerce*) (Article L. 225-40-1) by the abovementioned order.

Following the review of 2018, the Board had no comments to make.

4. ACTIVITY OF THE SUPERVISORY BOARD

The Supervisory Board's 2018 activity is presented on pages 179 and 181 of the 2018 Registration Document and is part of the Supervisory Board's corporate governance report.

5. COMPOSITION OF THE SUPERVISORY BOARD

We fully support the proposal that is made to you in the explanation on page 33 to renew for the statutory three-year term, the expiring mandates of:

- ♦ Mr Charles-Eric Bauer;
- ♦ Ms Julie Guerrand; and
- ♦ Ms Dominique Senequier.

On the publication date of the 2018 Registration Document, we are continuing, in conjunction with the CAG-CSR Committee, the selection process in order to propose to you the appointment of two new independent members.

The first new member, appointed in replacement of Mr Robert Peugeot, will have a 2-year term, in accordance with the principle of replacing one-third of the Supervisory Board, as set out in Article 18.2 of the Articles of Association.

The second new member, appointed in replacement of Ms Sharon MacBeath, will have a three-year term pursuant to Article 18.2 of the Articles of Association.

A progress report on the mission to change the composition of the Supervisory Board, entrusted since 2011 to the CAG-CSR Committee, can be found on page 170 et seq. of the 2018 Registration Document.

6. RECOMMENDATIONS ON DRAFT RESOLUTIONS SUBMITTED TO THE COMBINED GENERAL MEETING OF 4 JUNE 2019

We are in favour of all the draft resolutions submitted.

This concludes our report on the information and opinions we considered necessary to bring to your attention in connection with this meeting, and we recommend that you vote to adopt all the resolutions submitted to you.

The Supervisory Board

6 SUMMARY TABLE OF THE USE OF FINANCIAL DELEGATIONS OF AUTHORITY

FINANCIAL AUTHORISATIONS

SUMMARY TABLE OF THE USE OF FINANCIAL DELEGATIONS OF AUTHORITY

In accordance with Article L. 225-100 paragraph 7 of the French Commercial Code, the table below shows all the delegations of competence and powers granted by the General Meeting to Executive Management in financial matters, distinguishing between delegations that were valid, and delegations used, in the 2018 financial year, as applicable.

	Resolution number	Duration of the authorisation (Expiry)	Characteristics	Use in 2018
GENERAL MEETING OF 31 MAY 2016				
Granting stock options	14 th	38 months (31 July 2019)	The number of purchase options granted under the 14 th resolution and the number of free shares awarded under the 15 th resolution may not represent a number of shares greater than 2% of the total number of existing shares at the time of the grants without taking into account those already granted under previous authorisations.	<p>The purchase price of the shares shall be set by Executive Management within the limits and according to the procedures specified in Article L. 225-177 paragraph 4 of the French Commercial Code and shall be at least equal to the average of the prices quoted on the regulated Euronext Paris market during the 20 trading days preceding the granting of the options, without being less than 80% of the average purchase price of the shares held. In the event one or more Executive Chairmen are granted stock options:</p> <ul style="list-style-type: none"> ♦ the Company must meet one or more of the conditions specified in Article L. 225-186-1 of the French Commercial Code; and ♦ the stock options may not be exercised before the Executive Chairman or Chairmen cease their duties unless a number of shares resulting from the exercise of options has been set which must be kept registered until the cessation of their duties; ♦ the exercise price of the options includes no discount; ♦ the options granted are subject to strict and demanding performance conditions to be met over several years and defined at the time of issuance; ♦ the maximum percentage of shares to which Executive Chairmen may subscribe by virtue of their options under this resolution is 0.05% of the share capital at the date on which Executive Management decides to grant them, this sublimit being offset against the 2% ceiling common to the delegations under the 14th and 15th resolutions.

	Resolution number	Duration of the authorisation (Expiry)	Characteristics	Use in 2018
Free allocations of the Company's existing ordinary shares	15 th	38 months (31 July 2019)	The number of purchase options granted under the 14 th resolution and the number of free shares awarded under the 15 th resolution may not represent a number of shares greater than 2% of the total number of existing shares at the time of the grants without taking into account those already granted under previous authorisations.	In the event one or more Executive Chairmen are granted stock options: <ul style="list-style-type: none"> ♦ the Company must fulfil one or more of the conditions specified in Article L. 225-197-6 of the French Commercial Code; ♦ the shares granted may not be sold before the Executive Chairmen cease their duties unless a number of these shares has been set which must be kept registered until the cessation of their duties; ♦ the free shares granted are subject to strict and demanding performance conditions to be met over several years and defined at the time of issuance; ♦ the maximum percentage of free shares that may be granted is 0.05%, this sublimit being offset against the 2% ceiling common to the delegations under the 14th and 15th resolutions.

GENERAL MEETING OF 6 JUNE 2017

In accordance with Article L. 233-32 of the French Commercial Code, the following delegations of authority granted under the 18th (incorporation of reserves), 19th (issuance with maintenance of preferential subscription rights), 20th (issuance with elimination of preferential subscription rights), 21st (capital increase reserved for members of a company or group savings plan), 22nd (issuance by private placement) and 23rd (issuance in consideration for contributions in kind) resolutions may be implemented during a public offering.

Purchase of shares	6 th	18 months (6 December 2018) ¹	Limit of 10% of the capital Maximum purchase price €600. Maximum funds committed €1,500 million	See pages 344 to 346 of the 2018 Registration Document
Cancellation of treasury shares (general cancellation programme)	17 th	24 months (6 June 2019) ¹	Limit of 10% of the capital	None
Capital increase by capitalisation of reserves, earnings and/or premiums and free allocation of shares and/or increase in the par value of existing shares	18 th	26 months (6 August 2019) ²	The nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 40% of the share capital on the date of the General Meeting, with any capital increases carried out in accordance with this delegation not offset against the ceiling common to the delegations granted under the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions.	None
Issuances of shares and/or any securities giving access to capital with maintenance of preferential subscription rights	19 th	26 months (6 August 2019) ²	The nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 40% of the share capital on the date of the General Meeting (individual ceiling), with any capital increases carried out in accordance with this delegation offset against the 40% ceiling common to the delegations granted under the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions.	The nominal amount of debt securities that may be issued immediately and/or in future under this delegation may not be greater than €1 billion, this limit being common to the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions.

(1) This authorisation was cancelled, for the remaining duration and for the unused fraction, by delegations of the same nature authorised by the General Meeting of 5 June 2018.

(2) These delegations are intended to be cancelled, for the remaining duration and for the unused fraction, in case of the adoption of new resolutions concerning new delegations of the same nature by the General Meeting of 4 June 2019.

	Resolution number	Duration of the authorisation (Expiry)	Characteristics		Use in 2018
Issuance of shares and/or any other securities giving access to capital with cancellation of preferential subscription rights but with the right of setting a priority period, through a public offer	20 th	26 months (6 August 2019) ²	The nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 40% of the share capital on the date of the General Meeting (individual ceiling), with any capital increases carried out in accordance with this delegation offset against the 40% ceiling common to the delegations granted under the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions.	The nominal amount of debt securities that may be issued immediately and/or in future under this delegation may not be greater than €1 billion, this limit being common to the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions.	None
Capital increase by issuing shares and/or securities giving access to capital reserved for members of a company or group savings plan, with cancellation of preferential subscription rights.	21 st	26 months (6 August 2019) ²	The nominal amount of capital increases that may be carried out under this resolution may not exceed 1% of the share capital on the date of the General Meeting, this ceiling being offset against the 40% ceiling common to the delegations granted under the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions. Discount fixed at 20% of the average of the prices quoted for the Company's share on the regulated Euronext Paris market during the 20 trading days preceding the day of the decision setting the date of opening of subscriptions. Possibility of substituting all or part of the discount by granting free shares or securities giving access to the Company's share capital, of reducing or not granting a discount, within the legal or regulatory limits.		None
Issuance of shares and/or any other securities giving access to capital, with cancellation of preferential subscription rights, by private placement covered by Article L. 411-2, II of the French Monetary and Financial Code.	22 nd	26 months (6 August 2019) ²	The nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed the limit provided for by the regulations applicable on the day of the issuance (20% of the capital per year at the date of the General Meeting) with the capital increases carried out in accordance with this delegation offset against the 40% ceiling common to the delegations granted under the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions.	The nominal amount of debt securities that may be issued immediately and/or in future under this delegation may not be greater than €1 billion, this limit being common to the 17 th , 18 th , 20 th and 21 st resolutions.	None
Issuance of shares and/or securities giving access to capital with cancellation of preferential subscription rights in order to compensate contributions in kind granted to the Company relating to equity securities or securities giving access to the capital.	23 rd	26 months (6 August 2019) ²	The nominal amount of capital increases that may be carried out immediately and/or in future under this delegation may not exceed 10% of the share capital on the date of the General Meeting, with any capital increases carried out in accordance with this delegation offset against the 40% ceiling common to the delegations granted under the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions.	The nominal amount of debt securities that may be issued immediately and/or in future under this delegation may not be greater than €1 billion, this limit being common to the 19 th , 20 th , 21 st , 22 nd and 23 rd resolutions.	None

(2) These delegations are intended to be cancelled, for the remaining duration and for the unused fraction, in case of the adoption of new resolutions concerning new delegations of the same nature by the General Meeting of 4 June 2019.

	Resolution number	Duration of the authorisation (Expiry)	Characteristics	Use in 2018
GENERAL MEETING OF 5 JUNE 2018				
Purchase of shares	6 th	18 months (5 December 2019) ²	Limit of 10% of the capital Maximum purchase price €650 Maximum funds committed €1,500 million	See pages 344 to 346 of the 2018 Registration Document
Cancellation of treasury shares (general cancellation programme)	13 th	24 months (5 June 2020) ²	Limit of 10% of the capital	None

(2) *These delegations are intended to be cancelled, for the remaining duration and for the unused fraction, in case of the adoption of new resolutions concerning new delegations of the same nature by the General Meeting of 4 June 2019.*

7 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS AND COMMITMENTS

STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS AND COMMITMENTS

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

General Meeting for the approval of the financial statements for the year ended 31 December 2018

To the General Meeting of Hermès International,

In our capacity as Statutory Auditors of your company, we hereby report to you on related-party agreements and commitments.

It is our duty to inform you, based on the information made available to us, of the features and the essential terms of the agreements and commitments of which we have been advised or that we have discovered during our assignment and the reasons justifying their interest to the company, though we are not obliged to comment on their usefulness or their value or to seek out other agreements or commitments. It is your responsibility, under the terms of Article R. 226-2 of the French Commercial Code (*Code de commerce*), to consider the value of the conclusion of these agreements and commitments with a view to their approval.

It is also our duty, where appropriate, to inform you of the information provided for by Article R. 226-2 of the French Commercial Code (*Code de commerce*) regarding the performance, over the financial year ended, of the agreements and commitments previously approved by the General Meeting.

We have carried out the procedures we considered necessary for this task in accordance with the professional standards of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) regarding this assignment. These procedures consisted in verifying that the information provided to us was consistent with the data in the documents from which it was drawn.

Agreements and commitments submitted for the approval of the General Meeting

Agreements and commitments authorised during the financial year ended

In accordance with Article L. 226-10 of the French Commercial Code (*Code de commerce*), we were informed of the following agreements and commitments previously authorised by the Supervisory Board.

a) Agreement for provision of services with Studio des Fleurs

Person concerned

Mr Frédéric Dumas, member of the Executive Management Board of Emile Hermès Sarl, Executive Chairman of Hermès International.

Nature, purpose and conditions

On 20 March 2018 your Supervisory Board authorised a contract between Hermès International and Studio des Fleurs relating to the provision of services for shots and retouches for e-commerce product pack shots.

Reason justifying the benefits for the Company

Studio des Fleurs has accepted the following points, which were fundamental for Hermès International:

- ♦ obligations of Studio des Fleurs: compliance with very precise specifications, duty of advice, monitoring of performance, quality control, criteria for monitoring performance indicators;
- ♦ no guaranteed minimum order;
- ♦ fixed three-year term followed by indefinite duration;
- ♦ long (18-month) prior notice for termination;
- ♦ no exclusivity;
- ♦ undertaking of Studio des Fleurs to take the necessary steps to preserve its economic independence (notably by broadening and diversifying its customer base) vis-à-vis the Hermès Group;
- ♦ confidentiality and prohibition on using Hermès as a reference;
- ♦ no revision of rates before the expiry of three years, and then revision possible but capped.

For 2018, invoicing for these services amounted to €2,519,880.

Agreements and commitments already approved by the General Meeting

Agreements and commitments approved in previous years,

a) performance of which continued during the financial year ended

In accordance with Article R. 226-2 of the French Commercial Code (*Code de commerce*), we have been informed that performance of the following agreements and commitments, approved by the General Meeting in previous years, continued during the financial year ended.

1. Service provision agreement with Emile Hermès SARL

Person concerned

Emile Hermès SARL, Executive Chairman of Hermès International.

Nature, purpose and conditions

By resolutions of your Supervisory Board on 23 March 2005 and 14 September 2005, a service provision agreement was entered into between your company and Emile Hermès SARL covering day-to-day matters of a legal and financial nature. On 1 September 2007, your Supervisory Board authorised the signing of a rider to this agreement, adding the duties of secretariat. In its meetings of 25 January 2012 and

30 August 2012, your Supervisory Board authorised the signing of two riders to this agreement, changing the price of the secretarial services and adding an exceptional assignment of monitoring shareholding.

For 2018, invoicing for these services amounted to €227,778.

2. **Contract for the provision of catering services with MOCE**

Person concerned

Mr Charles-Eric Bauer, majority shareholder of MOCE and member of the Supervisory Board of Hermès International.

Nature, purpose and conditions

On 6 June 2017, your Supervisory Board authorised the signing of a contract between Hermès International and MOCE ("EatMe" brand) for fast food services at Hermès International's site at 12, Rue d'Anjou (75008).

Reason justifying the benefits for the Company

Hermès International invited bids from a number of providers of fast food catering services in the context of a consultation. MOCE was selected on account of its commercial offering. This company did not propose any fixed charges and planned to develop the space in harmony with the building.

For 2018, invoicing for these services amounted to €114,829.

3. **Brand licensing contracts**

Persons concerned

- ♦ Hermès International, direct or indirect holder of more than 10% of the shares of the licensed companies referred to hereunder;
- ♦ for Comptoir Nouveau de la Parfumerie: Matthieu Dumas and Dorothee Altmayer, members of the Supervisory Board of Hermès International and directors of Comptoir Nouveau de la Parfumerie;
- ♦ for Hermès Sellier: Olympia Guerrand, Eric de Seynes and Blaise Guerrand, members of the Supervisory Board of Hermès International and of the Management Board of Hermès Sellier;
- ♦ for La Montre Hermès: Axel Dumas, Executive Chairman of Hermès International and director of La Montre Hermès.

Nature, purpose and conditions

On 27 January 2017, your Supervisory Board authorised the renewal, by rider, of the brand licensing agreements and their riders which had expired on 31 December 2016.

The change in these contracted licences to indefinite duration had no financial impact.

Reason justifying the benefits for the Company

The purpose of the renewal of these contracts was:

- ♦ to transform these agreements into agreements with unlimited duration, with the possibility for each party to terminate them at any time subject to written advance notice of at least one year; and
- ♦ to update the list of brands covered by the licence, in particular so as to include the new brands registered since the last rider.

The brand licensing agreements and their riders gave rise to the following licence fees in 2018:

Company	Amount of licence fees in respect of 2018
Hermès Sellier	€122,623,854
Comptoir Nouveau de la Parfumerie	€14,647,891
La Montre Hermès	€3,950,761

Your company also invoiced Faubourg Italia for licence fees amounting to €180,649 in 2018.

4. **Deferred compensation commitments in favour of a Corporate Officer**

Person concerned

Mr Axel Dumas, Executive Chairman of Hermès International.

Nature, purpose and conditions

In its meeting of 4 June 2013 your Supervisory Board made the following commitments with regard to Mr Axel Dumas' compensation:

- ♦ the benefit of the defined contribution supplementary pension plan put in place for all the personnel of the group's French companies;
- ♦ the benefit of the supplementary pension plan put in place in 1991 for the company's Senior Executives. The pension plan notably provides as a necessary condition for benefiting from the scheme, the definitive ending of the professional career in the enterprise after at least ten years of service, and the drawing of the basic Social Security pension. The annuity resulting from this scheme, if all the eligibility conditions are met, would be calculated on the basis of the average of the last three years' compensation and may not exceed an amount equal to eight times the annual Social Security ceiling;
- ♦ in the event of the cessation of the Executive Chairman's functions, your company has undertaken to pay Mr Axel Dumas an indemnity equal to twenty-four months of compensation (statutory plus additional). The payment of such compensation is also subject to the following performance conditions, such that the conditions of his departure are in equilibrium with the situation of the Company: achieving budget targets in at least four out of the five previous years (with growth in both revenue and operating income measured at constant rates), without deterioration in the Hermès brand image.

Payment of this indemnity will also be subject to the termination of duties resulting:

- ♦ either from a decision of the Executive Chairman made by reason of a change of control of the company, the replacement of the Executive Chairman of Emile Hermès SARL, Executive Chairman of the company, or a change in the company's strategy;
- ♦ from a decision taken by the Company.

5. **Maintaining in favour of a Corporate Officer of the group collective cover for healthcare and death and disability insurance expenses in force in the company for employees and Corporate Officers**

Person concerned

Mr Axel Dumas, Executive Chairman of Hermès International.

Nature, purpose and conditions

On 19 March 2014 your Supervisory Board authorised the maintaining, in favour of Mr Axel Dumas, of collective cover for healthcare and death and disability insurance expenses in force in Hermès Group companies.

6. Compensation of members of specialised committees

Persons concerned

- ◆ Ms Monique Cohen;
- ◆ Mr Charles-Éric Bauer;

- ◆ Mr Matthieu Dumas;
- ◆ Ms Sharon MacBeath;
- ◆ Mr Renaud Mommeja;
- ◆ Mr Robert Peugeot;
- ◆ Ms Dominique Senequier.

Nature, purpose and conditions

The compensation of the members of the Audit and Risk Committee and the CAG-CSR Committee was fixed as follows from 2017:

	Annual fixed amount	Maximum annual variable amount ¹	Maximum total
Chairman of the Audit and Risk Committee	€28,000		€28,000
Members of the Audit and Risk Committee	€5,200	€7,800	€13,000
Chairman of CAG-CSR Committee	€28,000		€28,000
Members of CAG-CSR Committee	€5,200	€7,800	€13,000

1. Variable amount calculated in accordance with members' attendance.

In respect of financial year 2018, the total amount due from Hermès International to all the members of these Committees amounts to €138,680.

b) not executed during the past financial year

We have also been informed of the continuation of the following agreements and commitments, already approved by the General Meeting in previous financial years, which were not executed during the past financial year.

1. Framework agreement with RDAI architecture studio

Person concerned

Ms Sandrine Brekke, holder of more than 10% of the equity of RDAI and member of the Executive Management Board of Emile Hermès SARL, Executive Chairman of Hermès International.

Nature, purpose and conditions

In its meetings of 17 July and 13 September 2017, your Supervisory Board authorised the signing of a new framework agreement between your company and all the companies that it controls either directly or indirectly, and RDAI, defining the contours of RDAI's assignment for the exclusive application of the architectural Concept in Hermès projects.

The objective of the Concept created by RDAI is to allow easy and high-quality identification of the stores and sales points distributing Hermès products throughout the world.

This agreement was not in effect in 2018 at Hermès International; since the services provided by RDAI in 2018 were for the sole benefit of store operating companies, which bore the related expenses.

2. Design mission agreement with the RDAI architecture consultancy

Person concerned

Ms Sandrine Brekke, partner with a more than 10% holding in RDAI and a member of the Board of Management of Emile Hermès SARL, Executive Chairman of Hermès International.

Nature, purpose and conditions

On 3 July 2015 and 20 November 2015, your Supervisory Boards approved:

- ◆ an agreement between your company and the RDAI Consultancy for a design mission for the interior appointments of the offices at 10-12 rue d'Anjou in Paris, which involves several floors and includes the supply of furniture;
- ◆ a rider to this agreement in order to award RDAI two additional design packages with: (i) the fitting out of one additional floor and (ii) a change to the programming and layout of certain spaces on the other floors.

The fees have been set at a firm and fixed price and account for 8% of the total value of the works, which is in line with market prices.

No use was made of this agreement in 2018.

Neuilly-sur-Seine, 9 April 2019

The Statutory Auditors

PricewaterhouseCoopers Audit

Olivier Auberty

Didier Kling & Associés
A member of Grant Thornton

Vincent Frambourt

Guillaume Giné



HOW TO ATTEND THE GENERAL MEETING?

PREREQUISITES

Every shareholder or shareholder's representative has the right to attend the meeting and to take part in the discussions, irrespective of the number of this person's shares. However, to be allowed to attend this meeting, to be represented or to vote by post, shareholders must first have proven their capacity by the registration of their shares in their names (or that of the intermediary listed on their behalf if their residence is not within France) by midnight, Paris time, on the second business day

(= trading day) prior to the General Meeting, i.e. **Friday 31 May 2019 at the latest, at 00:00 a.m. Paris time** [record date]:

- ♦ in the registered share accounts held for the Company by its agent BNP Paribas Securities Services; or
- ♦ in the bearer share accounts held by the financial intermediary with which their securities are registered.

1. IF YOU WISH TO PERSONALLY ATTEND THE HERMÈS INTERNATIONAL GENERAL MEETING

IF YOU ARE A REGISTERED SHAREHOLDER

To facilitate access to the General Meeting, you can request an admission card, by returning at the earliest possible (so you can receive the admission card in time) to the BNP Paribas Securities Services, the envelope appended to the notice and the participation form also appended, and:

- ♦ check the box on the top left corner "A" **"I WISH TO ATTEND THE SHAREHOLDERS' MEETING AND REQUEST AN ADMISSION CARD"**;
- ♦ date and sign the box **"DATE AND SIGNATURE"** provided for this purpose;
- ♦ do not fill any other box in the document.

IF YOU ARE A BEARER SHAREHOLDER

- ♦ You must request an admission card from your account-keeping institution to be able to attend the meeting and vote. The account-keeping institution will send the participation certificate to BNP Paribas Securities Services.
- ♦ If you do not receive your admission card, the account-keeping institution will also be able to provide you with a participation certificate on the second business day prior to the General Meeting at 00:00 a.m. (Paris time), which will enable you to attend the meeting.

On the day of the meeting, shareholders must prove their capacity and identity as part of the registration formalities.

It is not possible to represent another person with his admission card except in the case of a proxy complying within the conditions set hereafter.

2. HOW TO BE REPRESENTED AT THE MEETING IF YOU DO NOT WANT OR CANNOT ATTEND?

PROXY BY POST (WITH THE PAPER FORM)

You will just have to fill the form as follows:

If you wish to be represented by the Chairman:

- ◆ check the middle frame **"I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING"**;
- ◆ date and sign the box **"DATE AND SIGNATURE"** provided for this purpose;
- ◆ do not fill any other box in the document.

If you wish to be represented by any other person:

- ◆ check the right box **"I HEREBY APPOINT: TO REPRESENT ME AT THE MEETING"**;
- ◆ fill all the identity and address information about the person;
- ◆ date and sign the box **"DATE AND SIGNATURE"** provided for this purpose.

Then return as soon as possible the form:

Direct registered or administered shareholders:

- ◆ to BNP Paribas Securities Services, with the envelop appended to the notice.

For bearer shareholders:

- ◆ to the account-keeping institution which will have previously sent you a voting form at your request, and will then look after submitting the participation form together with a participation certificate, to BNP Paribas Securities Services.

To be taken into account, this duly completed form will then have to reach BNP Paribas Securities Services at least three days before the meeting, **at the latest on Friday 31 May 2019 at midnight (Paris time).**

PROXY BY INTERNET

Direct registered or administered shareholders:

- ◆ you must send an e-mail to the address:

paris.bp2s.france.cts.mandats@bnpparibas.com.

This e-mail must necessarily contain the following information: Company Name and meeting date, surname, first name, address, bank references of the principal as well as the surname, first name and if possible address of the agent.

Bearer shareholders:

- ◆ you must send an e-mail to the address:

paris.bp2s.france.cts.mandats@bnpparibas.com.

This e-mail must necessarily contain the following information: Company Name and meeting date, surname, first name, address, bank references of the principal as well as the surname, first name and if possible address of the agent;

- ◆ must necessarily ask the financial intermediary looking after the management of his/her securities account to send a written confirmation to the General Meetings department of BNP Paribas Securities Services- CTO Assemblées Générales- Les Grands Moulins de Pantin 9, rue du Débarcadère, 93761 Pantin Cedex.

Only notifications of the appointment or dismissal of proxies must be sent to the above-mentioned e-mail address, as any other request or notification relating to any other subject will not be taken into account and/or processed.

In order for the proxy appointments or dismissals conveyed by e-mail to be validly taken into account, the confirmations will have to be received at the latest by 3 PM (Paris time).

3. HOW TO VOTE AT THE MEETING IF YOU DO NOT WISH OR CANNOT ATTEND?

VOTE BY POST (WITH THE PAPER FORM)

You will have to fill the form as follows:

- ♦ check the box “**I VOTE BY POST**”;
- ♦ to vote “**YES**” to the resolutions, do not blacken the corresponding boxes;
- ♦ to vote “**NO**” or “**ABSENTION**” to some resolutions, blacken each of the corresponding boxes.

Then return as soon as possible the form:

For registered shareholders:

- ♦ to BNP Paribas Securities Services, with the envelop enclosed.

For bearer shareholders:

- ♦ to the account-keeping institution that looks after submitting the participation form together with a participation certificate, to BNP Paribas Securities Services.

To be taken into account, this duly completed form will then have to reach BNP Paribas Securities Services at least three days before the meeting, **at the latest on Friday 31 May 2019 at midnight (Paris time)**.

4. PARTICIPATE BY INTERNET BEFORE THE MEETING

Shareholders now have the option of voting give a proxy to the Chairman or have an admission card by Internet prior to the General Meeting, via a dedicated secure site **Votaccess** if the financial intermediary managing your shares offers this service, under the following conditions.

REGISTERED SHAREHOLDERS

Direct registered shareholders will have to connect to the website Planetshares (<https://planetshares.bnpparibas.com>), using the identifier number and password that have been provided to them. On the home page, they will have to click on “Take part in the vote”, then follow the indications shown on the screen.

Administered registered shareholders can request a password on the website Planetshares (<https://planetshares.bnpparibas.com>), using the identifier located in the upper right of the participation form sent with the meeting notice. In case they do not have their password, administered registered shareholders will have to ask for it by clicking on the following button: “Forgotten or not received password?”, then follow the indications shown on the screen to get the login password.

BEARER SHAREHOLDERS

Only bearer shareholders whose financial intermediary is affiliated with the “Votaccess” system and who offers this service for the Shareholders’ Meeting will have access. If you want to vote by Internet, you will have to log in to your financial intermediary’s “Stock market” (“Bourse”) portal and access your securities account or share savings account in order to access the “Votaccess” portal. Access to the “Votaccess” platform via the Internet portal of the shareholder’s financial intermediary may be subject to specific conditions of use defined by this institution. Consequently, bearer shareholders interested in this service are invited to contact their financial intermediary in order to familiarize themselves with these conditions.

In both cases, shareholders must follow the instructions shown on the screen.

The dedicated secure site for voting prior to the meeting will be accessible as of **Tuesday 14 May 2019**.

The possibilities for voting by Internet before the meeting will be interrupted at 3 PM (Paris time) on the day before the meeting, i.e. **Monday 3 June 2019**.

To avoid any possible congestion on the dedicated secure Internet site, it is recommended that shareholders should avoid waiting until the day before the meeting in order to vote.

EVERY SHAREHOLDER WHOM HAS VOTED BY POST OR BY INTERNET, REQUESTED AN ADMISSION CARD OR A PARTICIPATION CERTIFICATE (ARTICLE R. 225-85 OF THE FRENCH COMMERCIAL CODE [*CODE DE COMMERCE*]) CANNOT CHOOSE ANOTHER MEAN OF PARTICIPATION.

Votaccess

You can use the “Votaccess” service to vote via Internet (if the financial intermediary managing your shares offers this service).

To access the “Votaccess” service, which will be available from 14 May 2019 until the day before the Annual General Meeting, namely until 3 June 2019 at 3 p.m., connect to your financial intermediary’s “stock market” (“Bourse”). Then follow the instructions appearing on the screen.

5. REQUEST FOR INCLUSION OF AGENDA POINTS AND WRITTEN QUESTION

REQUEST FOR INCLUSION OF AGENDA POINTS OR DRAFT RESOLUTIONS

One or more shareholders representing at least the fraction of the share capital required by the applicable legal and regulatory provisions can request the inclusion of agenda points or draft resolutions under the conditions listed in Articles L. 225-105 and R. 225-71 to R. 225-73 of the French Commercial Code (*Code de commerce*).

Justified requests for the inclusion of agenda points or draft resolutions must be sent to the head office by registered letter with acknowledgment of receipt (Mailing address: Hermès International, legal department, Corporate and Market Law Service, 24, rue du Faubourg Saint-Honoré, 75008 Paris) or by electronic mail (sent to the following address: contact.finance@hermes.com), and be received by the Company no later than the 25th day before the meeting date (i.e. at the latest on Friday 10 May 2019) and cannot be submitted more than 20 days after the publication of the prior notification in the *Bulletin des Annonces Légales Obligatoires*. The request must be accompanied by:

- ◆ the point(s) to be added to the agenda along with a brief presentation of the reasons; or
- ◆ the text of the draft resolution(s), that can be accompanied by a brief presentation of the reasons and, where relevant, the information indicated in paragraph 9 of Article R. 225-71 of the French Commercial Code (*Code de commerce*); and
- ◆ an account registration certificate as proof of possession or representation, by the authors of the request, of the capital fraction required by Article R. 225-71 of the French Commercial Code (*Code de commerce*).

Moreover, examination by the General Meeting of the agenda points or draft resolution submitted by shareholders is contingent upon the transmission, by the authors, of a new certificate providing proof of account registration of the securities in the same accounts at 00:00 a.m. Paris time on the second business day of the central custodian prior to the General Meeting (i.e. 00:00 a.m. Paris time, on Friday 31 May 2019).

The list of points added to the agenda and the text of the draft resolutions presented by the shareholders under the conditions described above will be published on the Company’s Internet site, <https://finance.hermes.com>, in compliance with Article R. 225-73-1 of the French Commercial Code (*Code de commerce*).

SUBMITTING OF WRITTEN QUESTIONS

In accordance with Article R. 225-84 of the French Commercial Code (*Code de commerce*), a shareholder wishing to ask written questions can submit the said questions to the management by recorded delivery letter sent to the Company’s head office, at the latest on the fourth business day prior to the meeting, i.e. at the latest on Tuesday 28 May 2019 (mailing address: Hermès International, legal department, 24, rue du Faubourg-Saint-Honoré, 75008 Paris) or by electronic mail (sent to the following address: contact.finance@hermes.com).

For bearer shareholders, these questions must be accompanied by a certificate of shareholder account registration.

ELECTRONIC CONSULTATION RIGHT

The documents that must be made available to the shareholders as part of this General Meeting will be available at the Company’s administrative head office (Physical address: Hermès International, legal department, Corporate and Market Law Service, 13/15, rue de la Ville l’Evêque, 75008 Paris), and will be available for consultation on the site <https://finance.hermes.com> from Tuesday 14 May 2019, under the conditions established by the applicable legal and regulatory provisions.

6. HOW TO FILL YOUR SINGLE FORM?

You wish to attend the meeting:

Tick **box A**,
date and sign in the box
located at the bottom of the form.

You will not attend the meeting:

Tick **box B**,
and choose one of the 3 possibilities
available hereunder.

A **IMPORTANT : Avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso - Important : Before selecting please refer to instructions on reverse side**
B **Quelle que soit l'option choisie, noircir comme ceci la ou les cases correspondantes, dater et signer au bas du formulaire - Whichever option is used, shade box(es) like this, date and sign at the bottom of the form.**
A. **Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire / I wish to attend the shareholders' meeting and request an admission card : date and sign at the bottom of the form.**
B. **J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / I prefer to use the postal voting form or the proxy form as specified below.**

HERMÈS INTERNATIONAL
SOCIÉTÉ EN COMMANDITE PAR ACTIONS
AU CAPITAL DE 53 840 400,12 €
572 076 396 RCS PARIS
SIÈGE SOCIAL : 24, FAUBOURG SAINT-HONORÉ, 75008 PARIS

ASSEMBLÉE GÉNÉRALE MIXTE
convoquée pour le mardi 4 juin 2019 à 9h30,
au Palais des Congrès - 2, Place de la Porte Maillot, 75017 PARIS
ANNUAL GENERAL MEETING
convened on Tuesday, June 4th, 2019 at 9:30 am,
at Palais des Congrès - 2, Place de la Porte Maillot, 75017 PARIS

CADRE RÉSERVÉ À LA SOCIÉTÉ - FOR COMPANY'S USE ONLY

Identifiant - Account
Nominatif Registered
Porteur Bearer
Vote simple Single vote
Vote double Double vote
Nombre d'actions Number of shares
Nombre de voix - Number of voting rights

JE VOTE PAR CORRESPONDANCE / I VOTE BY POST
Cf. au verso (2) - See reverse (2)
Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noircissant comme ceci la case correspondante et pour lesquels je vote NON ou je m'abstiens.
I vote YES all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this, for which I vote NO or I abstain.
Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noircissant comme ceci la case correspondant à mon choix.
On the draft resolutions not approved by the Board of Directors, I cast my vote by shading the box of my choice - like this

JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE
Cf. au verso (3)
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
See reverse (3)

JE DONNE POUVOIR A : POUR ME REPRÉSENTER À L'ASSEMBLÉE. Cf. au verso (4)
I HEREBY APPOINT : TO REPRESENT ME AT THE MEETING. See reverse (4)
M., Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name
Adresse / Address

ATTENTION : Il s'agit de ces informations que vous avez données ne seront valides que si une attestation de participation est jointe à votre dossier. Les modifications de ces informations doivent être adressées à l'établissement concerné et ne peuvent être effectuées à l'aide de ce formulaire. Cf. au verso (1)
WARNING : Concerning bearer shares, your vote or proxy will not be counted unless a participation certificate issued by the financial intermediary confirming of your shares in its account by and before 31 May 2019, is appended to the form.
Nom, prénom, adresse de l'actionnaire (les modifications de ces informations doivent être adressées à l'établissement concerné et ne peuvent être effectuées à l'aide de ce formulaire). Cf. au verso (1)
Surname, first name, address of the shareholder (Change regarding this information have to be notified to relevant institution, no change can be made using this proxy form). See reverse (1)

REGARDLESS OF YOUR CHOICE, DO NOT FORGET TO DATE AND SIGN HERE.

PLEASE FILL IN your surname, first name and address or VERIFY THEM if they are already filled.

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / In case amendments or new resolutions are proposed during the meeting
- Je donne pouvoir au Président de l'Assemblée Générale de voter en mon nom. / I appoint the Chairman of the general meeting to vote on my behalf
- Je m'abstiens (l'abstention équivaut à un vote contre). / I abstain from voting (is equivalent to vote NO)
- Je donne procuration (cf. au verso renvoi (4)) à M., Mme ou Mlle, Raison Sociale pour voter en mon nom
/ I appoint (see reverse (4)) Mr, Mrs or Miss, Corporate Name to vote on my behalf
Pour être prise en considération, toute formule doit parvenir au plus tard le 3 juin 2019 à 15 heures, heure de Paris.
In order to be considered, this completed form must be returned at the latest on June 3rd 2019 at 3.00pm (CET)
Dans le cas où le vote est effectué via VOTACCESS, les votes peuvent être reçus au plus tard le 3 juin 2019 à 15 heures, heure de Paris.
Votes made via VOTACCESS, must be received at the latest on June, 3rd 2019 at 3.00pm (CET)
à / to BNP PARIBAS SECURITIES SERVICES, CTO Assemblées, Grands Moulins de Pantin - 93761 PANTIN Cedex

FORMULAIRE DÉDIÉ AUX SOCIÉTÉS FRANÇAISES / FORM RELATED TO FRENCH COMPANIES

To vote by post:

Tick the **box**,
date and sign in the box located at
the bottom of the form.

To give a proxy to the Chairman of the general meeting:

Tick the **box**, date and sign in the box
located at the bottom of the form.

To give a proxy to your spouse or another shareholder:

Tick the **box**, fill in his/her surname, firstname
and complete address, date and sign in the box located
at the bottom of the form.

Every shareholder can, from the notice of the meeting and up to five days before the meeting, **until Thursday 30 May 2019**, request that legal documents and information be sent to the shareholder.

If you wish to receive these documents, please return the present form to the following address:

BNP PARIBAS Securities Services, CTO – Services des Assemblées, Grands Moulins de Pantin, 93761 Pantin Cedex

The documents will be sent to you, with the exception of the documents appended to the notice of meeting.

We inform you that you can, as long as you are a registered shareholder, receive the documents for each following meeting without having to renew your request.



REQUEST FOR THE MAILING OF DOCUMENTS AND LEGAL INFORMATION

Combined General Meeting of 5 June 2018

I ☐ Mr ☐ Mrs

Surname:

First Name:

Address:

Owner of: registered share(s)

..... bearer share(s) held by:

.....¹

requests that the following documents be sent to the address above:

☐ **the legal documents and information listed in Articles R. 225-81 and R. 225-83 of the French Commercial Code (*Code de commerce*);**

☐ **the 2018 Registration document**

☐ **in French,**

☐ **in English.**

Under section 3 of Article R. 225-88 of the French Commercial Code (*Code de commerce*), registered shareholders can, with a single request, receive these documents and information at each of the subsequent shareholder meetings.

To benefit from this opportunity, please check this box: ☐

In:, on:2019

(signature)

1. *Necessarily join a certificate of registration of the shares.*

The Registration document includes the Executive Management's report, the consolidated accounts, the annual accounts, the table of the allocation of results which details the origin of the sums to be allocated, the report from the Supervisory Board to the general meeting, the Supervisory Board's report on corporate governance, the report from the Statutory Auditors, the 2018 Annual Financial Report and the Statement of Non-Financial Performance. These documents, in addition to the information contained in the present notice of meeting and the postal ballot and proxy form, constitute the information under Articles R. 225-81 and R. 225-83 of the French Commercial Code (*Code de commerce*).

These documents are available on the Company's website: <https://finance.hermes.com>

